

CITY OF METTER, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2023

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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, 2023, 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, 2023, 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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

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. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, the schedule of projects paid with special sales tax proceeds, CDBG source and application of funds schedule, CDBG project cost schedule, and schedule of expenditures of federal awards 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 May 9, 2024 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.

Lamier, Deal, Proctor + Blaser

Statesboro, Georgia
May 9, 2024

CITY OF METTER, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 5,810,064	\$ 1,774,651	\$ 7,584,715	-
Certificates of deposit	204,896	67,354	272,250	-
Receivables:				
Taxes	101,591	-	101,591	-
Accounts	72,029	219,333	291,362	-
Intergovernmental	389,954	-	389,954	-
Internal balances	(130,690)	130,690	-	-
Prepaid items	84,989	30,378	115,367	-
Total Current Assets	<u>6,532,833</u>	<u>2,222,406</u>	<u>8,755,239</u>	<u>-</u>
Capital Assets:				
Nondepreciable capital assets	1,648,762	597,951	2,246,713	-
Depreciable capital assets, net	15,977,250	7,208,109	23,185,359	-
Total Capital Assets	<u>17,626,012</u>	<u>7,806,060</u>	<u>25,432,072</u>	<u>-</u>
Total Assets	<u>24,158,845</u>	<u>10,028,466</u>	<u>34,187,311</u>	<u>-</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	467,889	181,997	649,886	-
Unearned revenue	771,737	-	771,737	-
Customer deposits	-	113,288	113,288	-
Compensated absences	17,780	5,848	23,628	-
Notes payable	208,093	149,166	357,259	-
Claims payable	33,193	-	33,193	-
Other	66,367	-	66,367	-
Total Current Liabilities	<u>1,565,059</u>	<u>450,299</u>	<u>2,015,358</u>	<u>-</u>
Long-Term Liabilities:				
Compensated absences (net of current portion)	71,122	23,394	94,516	-
Notes payable (net of current portion)	455,909	931,504	1,387,413	-
Total Long-Term Liabilities	<u>527,031</u>	<u>954,898</u>	<u>1,481,929</u>	<u>-</u>
Total Liabilities	<u>2,092,090</u>	<u>1,405,197</u>	<u>3,497,287</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	16,962,010	6,725,390	23,687,400	-
Restricted for:				
Capital projects	2,067,275	-	2,067,275	-
Program purposes	1,120,043	-	1,120,043	-
Unrestricted	1,917,427	1,897,879	3,815,306	-
Total Net Position	<u>\$ 22,066,755</u>	<u>\$ 8,623,269</u>	<u>\$ 30,690,024</u>	<u>-</u>

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

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	\$ 1,314,852	\$ 121,431	\$ 20,798	-	\$ (1,172,623)		\$ (1,172,623)	
Judicial	26,815	-	-	-	(26,815)		(26,815)	
Public safety	2,708,891	255,832	858,887	-	(1,594,172)		(1,594,172)	
Public works	938,065	108,287	84,482	\$ 794,347	49,051		49,051	
Health and welfare	35,468	-	-	-	(35,468)		(35,468)	
Culture and recreation	69,303	50	192,909	-	123,656		123,656	
Housing and development	561,338	77,113	161,789	-	(322,436)		(322,436)	
Interest	25,743	-	-	-	(25,743)		(25,743)	
Total Governmental Activities	5,680,475	562,713	1,318,865	794,347	(3,004,550)		(3,004,550)	
Business-Type Activities:								
Water and sewer	1,233,647	1,573,098	-	681,551	-	\$ 1,021,002	1,021,002	
Sanitation	486,480	615,965	-	-	-	129,485	129,485	
Total Business-Type Activities	1,720,127	2,189,063	-	681,551	-	1,150,487	1,150,487	
Total Primary Government	\$ 7,400,602	2,751,776	\$ 1,318,865	\$ 1,475,898	(3,004,550)	1,150,487	(1,854,063)	
Component Unit								
Downtown Development Authority of Metter	-	-	-	-				-
General Revenues								
Property taxes levied for:								
General purposes					1,198,297	-	1,198,297	-
Sales taxes					914,195	-	914,195	-
Insurance premium tax					327,279	-	327,279	-
Franchise taxes					302,015	-	302,015	-
Hotel/motel taxes					78,857	-	78,857	-
Other taxes					147,958	-	147,958	-
Gain on sale of capital assets					46,855	16,376	63,231	-
Interest earned					31,411	13,296	44,707	-
Miscellaneous					72,065	-	72,065	-
Total General Revenues					3,118,932	29,672	3,148,604	-
Transfers					104,985	(104,985)	-	-
Total General Revenues and Transfers					3,223,917	(75,313)	3,148,604	-
Change in Net Position					219,367	1,075,174	1,294,541	-
Net Position, July 1, 2022					21,847,388	7,548,095	29,395,483	-
Net Position, June 30, 2023					\$ 22,066,755	\$ 8,623,269	\$ 30,690,024	-

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General	Regional Drug Task Force	American Rescue Plan Act	T-SPLOST	2018 SPLOST	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 1,946,365	\$ 972,943	\$ 832,159	\$ 252,285	\$ 1,550,569	\$ 162,247	\$ 5,716,568
Certificates of deposit	204,896	-	-	-	-	-	204,896
Receivables:							
Taxes	95,256	-	-	-	-	6,335	101,591
Accounts	72,029	-	-	-	-	-	72,029
Intergovernmental	101,086	112,622	-	43,584	132,662	-	389,954
Interfund	86,778	-	-	-	-	-	86,778
Prepaid items	80,860	4,129	-	-	-	-	84,989
TOTAL ASSETS	\$ 2,587,270	\$ 1,089,694	\$ 832,159	\$ 295,869	\$ 1,683,231	\$ 168,582	\$ 6,656,805
LIABILITIES							
Accounts payable	\$ 242,960	\$ 87,710	\$ 54,710	\$ 44,566	\$ -	\$ 37,943	\$ 467,889
Unearned revenue	3,750	-	767,987	-	-	-	771,737
Due to other funds	126,060	28,092	-	-	-	3,013	157,165
Other	27,486	38,881	-	-	-	-	66,367
Total liabilities	400,256	154,683	822,697	44,566	-	40,956	1,463,158
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	53,080	-	-	-	-	-	53,080
FUND BALANCE							
Nonspendable	80,860	4,129	-	-	-	-	84,989
Restricted	175,570	930,882	9,462	251,303	1,683,231	132,741	3,183,189
Assigned	151,640	-	-	-	-	-	151,640
Unassigned	1,725,864	-	-	-	-	(5,115)	1,720,749
Total fund balance	2,133,934	935,011	9,462	251,303	1,683,231	127,626	5,140,567
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 2,587,270	\$ 1,089,694	\$ 832,159	\$ 295,869	\$ 1,683,231	\$ 168,582	\$ 6,656,805

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, 2023

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

Total Governmental Fund Balances		\$ 5,140,567
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Cost	\$ 33,541,445	
Less accumulated depreciation	<u>(15,915,433)</u>	17,626,012
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable in the funds:		
Property taxes		53,080
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	(664,002)	
Compensated absences	<u>(88,902)</u>	<u>(752,904)</u>
Net Position Of Governmental Activities		<u>\$ 22,066,755</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, 2023

	General	Regional Drug Task Force	American Rescue Plan Act	T-SPLOST	2018 SPLOST	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 2,915,342	-	-	-	-	\$ 78,857	\$ 2,994,199
Licenses and permits	106,881	-	-	-	-	-	106,881
Charges for services	228,018	-	-	-	-	-	228,018
Intergovernmental	768,367	\$ 342,102	\$ 271,840	\$ 210,524	\$ 493,507	-	2,086,340
Fines and forfeitures	197,442	30,372	-	-	-	-	227,814
Interest	22,002	-	9,181	1,353	16,266	1,345	50,147
Miscellaneous	42,807	-	-	-	-	37,289	80,096
Total revenues	<u>4,280,859</u>	<u>372,474</u>	<u>281,021</u>	<u>211,877</u>	<u>509,773</u>	<u>117,491</u>	<u>5,773,495</u>
EXPENDITURES							
Current:							
General government	968,675	-	-	-	-	-	968,675
Judicial	26,815	-	-	-	-	-	26,815
Public safety	2,264,625	414,636	-	-	-	-	2,679,261
Public works	701,644	-	-	-	-	-	701,644
Health and welfare	33,373	-	-	-	-	-	33,373
Culture and recreation	49,917	-	-	-	-	-	49,917
Housing and development	546,110	-	-	-	-	122,240	668,350
Capital outlay:							
Public safety	-	-	149	-	-	191,495	191,644
Public works	-	-	16,595	48,663	4,065	-	69,323
Culture and recreation	-	-	187,410	-	-	-	187,410
Housing and development	-	-	-	-	7,204	-	7,204
Debt service							
Principal	119,899	-	-	-	117,664	-	237,563
Interest	10,782	-	-	-	14,961	-	25,743
Total expenditures	<u>4,721,840</u>	<u>414,636</u>	<u>204,154</u>	<u>48,663</u>	<u>143,894</u>	<u>313,735</u>	<u>5,846,922</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(440,981)</u>	<u>(42,162)</u>	<u>76,867</u>	<u>163,214</u>	<u>365,879</u>	<u>(196,244)</u>	<u>(73,427)</u>
OTHER FINANCING SOURCES (USES)							
Issuance of debt	135,405	-	-	-	-	-	135,405
Sale of capital assets	46,855	-	-	-	-	-	46,855
Transfers in	276,571	-	-	-	-	-	276,571
Transfers out	(38,660)	(42,836)	(67,687)	-	(61,063)	-	(210,246)
Total other financing sources (uses)	<u>420,171</u>	<u>(42,836)</u>	<u>(67,687)</u>	<u>-</u>	<u>(61,063)</u>	<u>-</u>	<u>248,585</u>
NET CHANGE IN FUND BALANCE	<u>(20,810)</u>	<u>(84,998)</u>	<u>9,180</u>	<u>163,214</u>	<u>304,816</u>	<u>(196,244)</u>	<u>175,158</u>
FUND BALANCE, JULY 1, 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>
FUND BALANCE, JUNE 30, 2023	<u>\$ 2,133,934</u>	<u>\$ 935,011</u>	<u>\$ 9,462</u>	<u>\$ 251,303</u>	<u>\$ 1,683,231</u>	<u>\$ 127,626</u>	<u>\$ 5,140,567</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, 2023

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

Net Change In Fund Balance - Governmental Funds		\$ 175,158
<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	\$ (1,045,339)
	Capital outlays	<u>1,019,802</u>
		(25,537)
<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 6/30/23	53,080
	Unavailable revenue at 6/30/22	<u>(78,678)</u>
		(25,598)
<p>The issuance of debt is reported as an other financing source on the fund level financial statement and as a liability on the statement of net position.</p>		
		(135,405)
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
		237,563
<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 6/30/23	(88,902)
	Liability at 6/30/22	<u>82,088</u>
		<u>(6,814)</u>
Change In Net Position of Governmental Activities		<u>\$ 219,367</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, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes	\$ 2,628,132	\$ 2,915,342	\$ 287,210
Licenses and permits	92,150	106,881	14,731
Charges for services	156,615	228,018	71,403
Intergovernmental	675,968	768,367	92,399
Fines and forfeitures	275,000	197,442	(77,558)
Interest	1,400	22,002	20,602
Miscellaneous	31,590	42,807	11,217
Total revenues	<u>3,860,855</u>	<u>4,280,859</u>	<u>420,004</u>
EXPENDITURES			
Current:			
General government:			
Governing body	85,525	86,291	(766)
Financial administration	916,548	812,781	103,767
General government buildings	71,225	69,603	1,622
Total general government	<u>1,073,298</u>	<u>968,675</u>	<u>104,623</u>
Judicial - Municipal court	<u>29,850</u>	<u>26,815</u>	<u>3,035</u>
Public safety:			
Police	1,358,947	1,401,877	(42,930)
Fire	661,724	710,098	(48,374)
Animal control	151,978	152,650	(672)
Total public safety	<u>2,172,649</u>	<u>2,264,625</u>	<u>(91,976)</u>
Public works:			
Roadways and walkways	719,989	619,355	100,634
Maintenance and shop	78,253	82,289	(4,036)
Total public works	<u>798,242</u>	<u>701,644</u>	<u>96,598</u>
Health and welfare:			
Community center	30,532	26,773	3,759
Public education	6,600	6,600	-
Total health and welfare	<u>37,132</u>	<u>33,373</u>	<u>3,759</u>
Culture and recreation - Libraries	<u>49,999</u>	<u>49,917</u>	<u>82</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, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
Housing and development:			
Building inspections	53,099	3,241	49,858
Economic development	297,266	459,224	(161,958)
Tourism	44,260	65,530	(21,270)
Airport	18,115	18,115	-
Total housing and development	<u>412,740</u>	<u>546,110</u>	<u>(133,370)</u>
Debt service:			
Principal	98,937	119,899	(20,962)
Interest	13,214	10,782	2,432
Total debt service	<u>112,151</u>	<u>130,681</u>	<u>(18,530)</u>
Total expenditures	<u>4,686,061</u>	<u>4,721,840</u>	<u>(35,779)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(825,206)</u>	<u>(440,981)</u>	<u>384,225</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	2,500	46,855	44,355
Issuance of debt	110,000	135,405	25,405
Transfers in	233,908	276,571	42,663
Transfers out	-	(38,660)	(38,660)
Total other financing sources (uses)	<u>346,408</u>	<u>420,171</u>	<u>73,763</u>
NET CHANGE IN FUND BALANCE	<u>\$ (478,798)</u>	<u>(20,810)</u>	<u>\$ 457,988</u>
FUND BALANCE, JULY 1, 2022		<u>2,154,744</u>	
FUND BALANCE, JUNE 30, 2023		<u>\$ 2,133,934</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, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 357,610	\$ 342,102	\$ (15,508)
Fines and forfeitures	-	30,372	30,372
Total revenues	<u>357,610</u>	<u>372,474</u>	<u>14,864</u>
EXPENDITURES			
Public Safety	<u>357,610</u>	<u>414,636</u>	<u>(57,026)</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	(42,162)	(42,162)
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>-</u>	<u>(42,836)</u>	<u>(42,836)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(84,998)</u>	<u>\$ (84,998)</u>
FUND BALANCE, JULY 1, 2022		<u>1,020,009</u>	
FUND BALANCE, JUNE 30, 2023		<u>\$ 935,011</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, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 271,840	\$ 271,840
Interest	-	9,181	9,181
Total revenues	<u>-</u>	<u>281,021</u>	<u>281,021</u>
EXPENDITURES			
Capital Outlay:			
Public safety	-	149	(149)
Public works	-	16,595	(16,595)
Culture and recreation	-	187,410	(187,410)
Total expenditures	<u>-</u>	<u>204,154</u>	<u>(204,154)</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	76,867	76,867
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(67,687)	(67,687)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>9,180</u>	<u>\$ 9,180</u>
FUND BALANCE, JULY 1, 2022		<u>282</u>	
FUND BALANCE, JUNE 30, 2023		<u>\$ 9,462</u>	

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	Business-type Activities - Enterprise Funds			Governmental Activities- Internal Service Fund
	Water and Sewer	Sanitation	Total	Employee Insurance Fund
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 1,398,516	\$ 376,135	\$ 1,774,651	\$ 93,496
Certificates of deposit	67,354	-	67,354	-
Accounts receivable	151,526	67,807	219,333	-
Interfund receivable	106,645	104,693	211,338	-
Prepaid insurance	18,566	11,812	30,378	-
Total Current Assets	<u>1,742,607</u>	<u>560,447</u>	<u>2,303,054</u>	<u>93,496</u>
Capital Assets				
Land	492,280	-	492,280	-
Construction in progress	105,671	-	105,671	-
Water and sewer system	12,817,815	-	12,817,815	-
Buildings	305,069	75,593	380,662	-
Machinery and equipment	1,336,328	409,084	1,745,412	-
Less accumulated depreciation	(7,380,300)	(355,480)	(7,735,780)	-
Total Capital Assets	<u>7,676,863</u>	<u>129,197</u>	<u>7,806,060</u>	<u>-</u>
Total Assets	<u>9,419,470</u>	<u>689,644</u>	<u>10,109,114</u>	<u>93,496</u>
LIABILITIES				
Current Liabilities				
Accounts payable	136,472	45,525	181,997	-
Claims payable	-	-	-	33,193
Customer deposits	113,288	-	113,288	-
Compensated absences	3,240	2,608	5,848	-
Notes payable	118,795	30,371	149,166	-
Interfund payable	80,648	-	80,648	60,303
Total Current Liabilities	<u>452,443</u>	<u>78,504</u>	<u>530,947</u>	<u>93,496</u>
Long-Term Liabilities				
Compensated absences (net of current portion)	12,960	10,434	23,394	-
Notes payable (net of current portion)	900,107	31,397	931,504	-
Total Long-Term Liabilities	<u>913,067</u>	<u>41,831</u>	<u>954,898</u>	<u>-</u>
Total Liabilities	<u>1,365,510</u>	<u>120,335</u>	<u>1,485,845</u>	<u>93,496</u>
NET POSITION				
Net investment in capital assets	6,657,961	67,429	6,725,390	-
Unrestricted	1,395,999	501,880	1,897,879	-
Total Net Position	<u>\$ 8,053,960</u>	<u>\$ 569,309</u>	<u>\$ 8,623,269</u>	<u>\$ -</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, 2023

	Business-type Activities-			Governmental Activities- Internal Service Fund Employee Insurance Fund
	Water and Sewer	Enterprise Funds Sanitation	Total	
OPERATING REVENUES				
Charges for services	\$ 1,474,302	\$ 602,056	\$ 2,076,358	-
Premiums	-	-	-	\$ 280,199
Penalties	30,592	13,909	44,501	-
Other	68,204	-	68,204	-
Total operating revenues	<u>1,573,098</u>	<u>615,965</u>	<u>2,189,063</u>	<u>280,199</u>
OPERATING EXPENSES				
Salaries	269,734	222,760	492,494	-
Employee benefits	101,022	98,267	199,289	-
Professional and technical services	58,157	-	58,157	-
Purchased services	371,531	105,262	476,793	122,714
Materials and supplies	87,346	18,972	106,318	-
Claims	-	-	-	196,251
Depreciation	316,561	37,296	353,857	-
Other	5,487	421	5,908	-
Total operating expenses	<u>1,209,838</u>	<u>482,978</u>	<u>1,692,816</u>	<u>318,965</u>
OPERATING INCOME (LOSS)	<u>363,260</u>	<u>132,987</u>	<u>496,247</u>	<u>(38,766)</u>
NON-OPERATING REVENUE (EXPENSE)				
Interest income	9,313	3,983	13,296	106
Gain on sale of capital assets	16,376	-	16,376	-
Interest expense	(23,809)	(3,502)	(27,311)	-
Total non-operating revenue (expense)	<u>1,880</u>	<u>481</u>	<u>2,361</u>	<u>106</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	365,140	133,468	498,608	(38,660)
Capital grants	681,551	-	681,551	-
Transfers in	128,750	-	128,750	38,660
Transfers out	(178,735)	(55,000)	(233,735)	-
CHANGE IN NET POSITION	996,706	78,468	1,075,174	-
NET POSITION, JULY 1, 2022	<u>7,057,254</u>	<u>490,841</u>	<u>7,548,095</u>	<u>-</u>
NET POSITION, JUNE 30, 2023	<u>\$ 8,053,960</u>	<u>\$ 569,309</u>	<u>\$ 8,623,269</u>	<u>\$ -</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, 2023

	Business-type Activities-			Governmental - Internal Service Fund Employee Insurance Fund
	Water and Sewer	Sanitation	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 1,552,091	\$ 614,280	\$ 2,166,371	-
Cash received for internal charges	-	-	-	\$ 280,199
Cash payments to employees for services	(370,341)	(321,563)	(691,904)	-
Cash payments for goods and services	(401,966)	(113,718)	(515,684)	-
Cash payments for claims and administrative fees	-	-	-	(225,469)
Net cash provided by operating activities	<u>779,784</u>	<u>178,999</u>	<u>958,783</u>	<u>54,730</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from (to) general fund	(178,735)	(55,000)	(233,735)	38,660
Net cash provided (used) by noncapital financing activities	<u>(178,735)</u>	<u>(55,000)</u>	<u>(233,735)</u>	<u>38,660</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(1,222,793)	(43,390)	(1,266,183)	-
Transfers from SPLOST funds	61,063	-	61,063	-
Transfers from American Rescue Plan Act fund	67,687	-	67,687	-
Capital grant	681,551	-	681,551	-
Proceeds from issuance of notes payable	112,694	-	112,694	-
Proceeds from sale of capital assets	16,376	-	16,376	-
Interest paid	(23,809)	(3,502)	(27,311)	-
Principal paid on long-term debt	(124,816)	(38,931)	(163,747)	-
Net cash provided (used) by capital and related financing activities	<u>(432,047)</u>	<u>(85,823)</u>	<u>(517,870)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in certificates of deposit	(255)	-	(255)	-
Interest received	9,313	3,983	13,296	106
Net cash provided by investing activities	<u>9,058</u>	<u>3,983</u>	<u>13,041</u>	<u>106</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	178,060	42,159	220,219	93,496
CASH AND CASH EQUIVALENTS, JULY 1, 2022	1,220,456	333,976	1,554,432	-
CASH AND CASH EQUIVALENTS, JUNE 30, 2023	<u>\$ 1,398,516</u>	<u>\$ 376,135</u>	<u>\$ 1,774,651</u>	<u>\$ 93,496</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 363,260	\$ 132,987	\$ 496,247	\$ (38,766)
Adjustments:				
Depreciation	316,561	37,296	353,857	-
(Increase) decrease in operating assets:				
Accounts receivable	(24,740)	(1,685)	(26,425)	-
Interfund receivable	33,920	(12,579)	21,341	-
Prepaid items	(684)	(1,228)	(1,912)	-
Increase (decrease) in operating liabilities:				
Accounts payable	80,907	36,047	116,954	-
Claims payable	-	-	-	33,193
Compensated absences payable	415	(536)	(121)	-
Interfund payable	6,412	(11,303)	(4,891)	60,303
Customer deposits	3,733	-	3,733	-
Net cash provided by operating activities	<u>\$ 779,784</u>	<u>\$ 178,999</u>	<u>\$ 958,783</u>	<u>\$ 54,730</u>

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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, 2023.

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 City 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. The City’s internal service fund accounts for the City’s employee health insurance.

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, 2023, 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*”.

CITY OF METTER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

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. Notes payable 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, 2023.

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 96

The City has implemented GASB Statement 96, “Subscription-Based Information Technology Arrangements.” The primary objective of this statement is to enhance the relevance and consistency of information about governments’ subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset.

The City had no subscription-based information technology arrangements to report at June 30, 2023.

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

For the year ended June 30, 2023, expenditures exceeded appropriations for the following departments within the general fund:

Governing body	\$	766
Police		42,930
Fire		48,374
Animal control		672
Maintenance and shop		4,036
Economic development		161,958
Tourism		21,270
Debt service		18,530

These over expenditures were funded primarily by under expenditures in other departments and additional revenues over amounts budgeted.

Expenditures exceeded appropriations in the Regional drug task force special revenue fund by \$57,026 and these over expenditures were funded by additional revenues over amounts budgeted and available fund balance.

Expenditures exceeded appropriations in the American Rescue Plan Act special revenue fund by \$204,154 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 \$25,540 and these over expenditures were funded by additional revenues over amounts budgeted.

Deficit Fund Balance

The Hotel/Motel tax special revenue fund had a deficit fund balance of \$5,115 at June 30, 2023, which will be reduced by future revenues.

CITY OF METTER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

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, 2023, the carrying amount of the City’s deposits (checking and certificates of deposit) was \$7,856,965 and the bank balance was \$8,057,000. Of the bank balance, \$1,249,283 was covered by federal depository insurance, and \$6,807,717 was collateralized with securities held by the pledging financial institution’s trust department or agent in the City’s name.

NOTE 4 – RECEIVABLES

Receivables at June 30, 2023, 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, 2023 consisted of \$13,839 for the general fund, \$16,952 for the sanitation fund and \$36,840 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, 2023, property taxes were levied on September 19, 2022, and were due on December 20, 2022.

NOTE 6 - INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances as of June 30, 2023 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Hotel Motel Tax Fund	\$ 3,013
	Employee Insurance Fund	55,673
	Regional Drug Task Force Fund	28,092
Sanitation Fund	Water and Sewer System Fund	80,648
	General Fund	19,415
Water and Sewer System Fund	Employee Insurance Fund	4,630
	General Fund	106,645
		<u>\$ 298,116</u>

Interfund balances at June 30, 2023 represent charges for services or reimbursable expenses. The City expects to repay all interfund balances within one year.

CITY OF METTER, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 6 - INTERFUND BALANCES AND TRANSFERS (Continued)

Interfund transfers for the year ended June 30, 2023 consisted of \$61,063 in transfers to the water and sewer system fund from the 2018 SPLOST fund for capital projects, \$55,000 in transfers to the general fund from the sanitation fund for indirect cost allocation and \$178,735 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 \$42,836 to the general fund for personnel expenditures. The American Rescue Plan Act special revenue fund transferred \$67,687 to the water and sewer system fund for capital projects. The general fund transferred \$38,660 to the employee health insurance fund to help cover expenses.

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance 7/1/2022	Additions	Deductions	Balance 6/30/2023
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 525,603	-	-	\$ 525,603
Construction in progress	559,351	\$ 612,956	\$ 49,148	1,123,159
Total capital assets not being depreciated	<u>1,084,954</u>	<u>612,956</u>	<u>49,148</u>	<u>1,648,762</u>
Other capital assets being depreciated:				
Buildings and improvements	13,802,456	47,204	-	13,849,660
Land improvements	265,450	-	-	265,450
Machinery and equipment	4,041,501	326,147	89,889	4,277,759
Infrastructure	13,417,171	82,643	-	13,499,814
Total capital assets being depreciated	<u>31,526,578</u>	<u>455,994</u>	<u>89,889</u>	<u>31,892,683</u>
Total capital assets	<u>32,611,532</u>	<u>1,068,950</u>	<u>139,037</u>	<u>33,541,445</u>
Accumulated depreciation:				
Buildings and improvements	3,199,813	350,921	-	3,550,734
Land improvements	201,904	13,190	-	215,094
Machinery and equipment	2,976,419	361,091	89,889	3,247,621
Infrastructure	8,581,847	320,137	-	8,901,984
Total accumulated depreciation	<u>14,959,983</u>	<u>1,045,339</u>	<u>89,889</u>	<u>15,915,433</u>
Governmental activities capital assets, net	<u>\$ 17,651,549</u>	<u>\$ 23,611</u>	<u>\$ 49,148</u>	<u>\$ 17,626,012</u>

Governmental activities depreciation expense:

General government	\$ 306,115
Public safety	311,869
Public works	385,708
Health and welfare	2,095
Culture and recreation	19,385
Housing and development	<u>20,167</u>
Total governmental activities depreciation expense	<u>\$ 1,045,339</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 7/1/2022	Additions	Deductions	Balance 6/30/2023
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 492,280	-	-	\$ 492,280
Construction in progress	134,332	\$ 850,619	\$ 879,280	105,671
Total capital assets not being depreciated	<u>626,612</u>	<u>850,619</u>	<u>879,280</u>	<u>597,951</u>
Other capital assets being depreciated:				
Water and sewer system	11,696,268	1,121,547	-	12,817,815
Buildings	320,374	60,288	-	380,662
Machinery and equipment	1,647,703	113,009	15,300	1,745,412
Total capital assets being depreciated	<u>13,664,345</u>	<u>1,294,844</u>	<u>15,300</u>	<u>14,943,889</u>
Total capital assets	<u>14,290,957</u>	<u>2,145,463</u>	<u>894,580</u>	<u>15,541,840</u>
Accumulated depreciation:				
Water and sewer system	5,981,509	244,464	-	6,225,973
Buildings	111,759	16,908	-	128,667
Machinery and equipment	1,303,955	92,485	15,300	1,381,140
Total accumulated depreciation	<u>7,397,223</u>	<u>353,857</u>	<u>15,300</u>	<u>7,735,780</u>
Business-type activities capital assets, net	<u>\$ 6,893,734</u>	<u>\$ 1,791,606</u>	<u>\$ 879,280</u>	<u>\$ 7,806,060</u>

NOTE 8 – FUND BALANCES – GOVERNMENTAL FUNDS

As of June 30, 2023, fund balances are composed of the following:

	General Fund	Regional Drug Task Force	T-SPLOST Fund	American Rescue Plan Act Fund	2018 SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepaid items	\$ 80,860	\$ 4,129	-	-	-	-	\$ 84,989
Restricted:							
Capital projects	-	-	-	-	\$ 1,683,231	\$ 132,741	1,815,972
Drug task force	-	930,882	-	-	-	-	930,882
Road projects	120,959	-	\$ 251,303	-	-	-	372,262
Pandemic relief	-	-	-	\$ 9,462	-	-	9,462
Tourism	54,611	-	-	-	-	-	54,611
Total restricted	<u>175,570</u>	<u>930,882</u>	<u>251,303</u>	<u>9,462</u>	<u>1,683,231</u>	<u>132,741</u>	<u>3,183,189</u>
Assigned:							
Fire department	12,102	-	-	-	-	-	12,102
Subsequent year's budget	139,538	-	-	-	-	-	139,538
Total assigned	<u>151,640</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,640</u>
Unassigned	1,725,864	-	-	-	-	(5,115)	1,720,749
Total fund balances	<u>\$ 2,133,934</u>	<u>\$ 935,011</u>	<u>\$ 251,303</u>	<u>\$ 9,462</u>	<u>\$ 1,683,231</u>	<u>\$ 127,626</u>	<u>\$ 5,140,567</u>

CITY OF METTER, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 9 – NOTES PAYABLE

Notes payable for governmental activities at June 30, 2023 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.	\$ 191,010
\$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.	83,349
\$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	44,684
\$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	9,515
\$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	34,431
\$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	58,211
\$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	48,292
\$39,003 Note payable to Lease One Magnolia for the financing of a public safety vehicle, payable in annual installments of \$8,537 including interest at 3.08% through May 20, 2027	31,667
\$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	81,600
\$135,405 Note payable to KS StateBank for the financing of public safety equipment and software, payable in annual installments of \$27,081 at 0% interest through August 1, 2026	81,243
	<u>\$ 664,002</u>

CITY OF METTER, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 9 - NOTES PAYABLE (Continued)

Notes payable for business-type activities at June 30, 2023 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	\$ 652,790
GEFA (2020020), payable in monthly installments of \$2,527 including interest at 0.21% through May 1, 2026	88,160
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.	56,184
\$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	25,277
\$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	54,194
\$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	32,678
\$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	61,768
\$109,619 Note payable to Lease One Magnolia for the financing of water and sewer system equipment, payable in annual installments of \$18,267 including interest at 3.99% through December 20, 2029	109,619
	<u>\$ 1,080,670</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, 2023 are as follows:

Year	Governmental Activities			Business - Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 208,093	\$ 18,463	\$ 226,556	\$ 149,166	\$ 25,983	\$ 175,149
2025	204,753	12,607	217,361	152,922	22,227	175,149
2026	142,843	6,969	149,812	165,380	18,367	183,747
2027	108,314	3,362	111,676	83,301	15,526	98,827
2028	-	-	-	76,946	13,098	90,044
2029-2033	-	-	-	298,590	37,028	335,619
2034-2036	-	-	-	154,364	5,147	159,511
Total	<u>664,002</u>	<u>\$ 41,402</u>	<u>\$ 705,404</u>	<u>\$ 1,080,670</u>	<u>\$ 137,375</u>	<u>\$ 1,218,045</u>

NOTE 10 – CHANGES IN LONG-TERM DEBT

	Outstanding 7/1/2022	Additions	Reductions	Outstanding 6/30/2023	Amounts Due in One Year
Governmental Activities					
Notes Payable	\$ 766,160	\$ 135,405	\$ 237,563	\$ 664,002	\$ 208,093
Compensated absences	82,088	6,814	-	88,902	17,780
Total Governmental Activities	<u>\$ 848,248</u>	<u>\$ 142,219</u>	<u>\$ 237,563</u>	<u>\$ 752,904</u>	<u>\$ 225,873</u>
Business-Type Activities					
Notes Payable	\$ 1,131,723	\$ 112,694	\$ 163,747	\$ 1,080,670	\$ 149,166
Compensated absences	29,363	415	536	29,242	5,848
Total Business-Type Activities	<u>\$ 1,161,086</u>	<u>\$ 113,109</u>	<u>\$ 164,283</u>	<u>\$ 1,109,912</u>	<u>\$ 155,014</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 2022 calendar year covered payroll was \$1,773,985 and the total 2022 calendar year payroll was \$2,191,261. 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, 2023 to the City funded plan was \$104,172 which is 5.87% of the 2022 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, 2023, there was no pending litigation that would have a material effect on the financial statements.

NOTE 13 – EMPLOYEE INSURANCE FUND

As of January 1, 2023, the City established an employee insurance fund (an internal service fund) to cover all employee health claims. The City makes payments to this fund monthly based on estimated premiums provided by the third-party administrator to fund this program. Amounts are also withheld from employees by payroll deduction for dependent coverage and paid to the employee insurance fund. A third-party administrator pays all claims from funds held in the employee insurance fund’s bank account. The City has a co-insurer for claims from one individual within one year exceeding \$30,000 and has a maximum annual liability policy of \$414,633.

The claims liability of \$33,193 reported at June 30, 2023 represents known claims incurred on or prior to June 30, 2023 and an estimate for claims that have been incurred but not reported. Changes in the fund’s claims liability are as follows:

Year Ended June 30	Claims Liability, Beginning of Year	Current Year Claims and Changes in Estimates	Claims Payments	Claims Liability, End of Year
2023	\$ -	\$ 196,251	\$ 163,058	\$ 33,193

NOTE 14 – 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, 2023. No provisions have been made in the financial statements for the year ended June 30, 2023 for any estimate of potential unpaid claims.

CITY OF METTER, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 14 – RISK MANAGEMENT (Continued)

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.

NOTE 15 – 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, 2023, the City paid \$4,004 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 16 – HOTEL/MOTEL LODGING TAX

The City levies a 7% lodging tax. A summary of the transactions for the year ended June 30, 2023 follows:

Lodging tax receipts	\$ 78,857
Expenditures	<u>(78,857)</u>
	<u>\$ -</u>

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

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 9, 2024, 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, 2023	JUNE 30, 2022
ASSETS		
Cash and cash equivalents	\$ 1,946,365	\$ 1,945,887
Certificates of deposit	204,896	205,656
Receivables:		
Taxes	95,256	101,685
Accounts	72,029	18,401
Intergovernmental	101,086	107,984
Interfund	86,778	80,918
Prepaid items	80,860	71,014
TOTAL ASSETS	\$ 2,587,270	\$ 2,531,545
LIABILITIES		
Accounts payable	\$ 242,960	\$ 87,553
Unearned revenue	3,750	3,700
Due to other funds	126,060	170,397
Other	27,486	36,473
Total liabilities	400,256	298,123
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	53,080	78,678
FUND BALANCE		
Nonspendable	80,860	71,014
Restricted	175,570	124,415
Assigned	151,640	455,314
Unassigned	1,725,864	1,504,001
Total fund balance	2,133,934	2,154,744
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 2,587,270	\$ 2,531,545

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

	YEAR ENDED	
	JUNE 30, 2023	JUNE 30, 2022
REVENUES		
Taxes:		
Property	\$ 1,088,115	\$ 997,643
Motor vehicle	135,780	144,038
Sales	914,195	879,443
Franchise	302,015	292,929
Insurance premium	327,279	337,902
Alcoholic beverage	112,492	105,416
Other	35,466	36,569
Licenses and permits	106,881	90,609
Charges for services	228,018	175,104
Intergovernmental	768,367	549,707
Fines and forfeitures	197,442	284,138
Interest	22,002	2,883
Miscellaneous	42,807	44,711
Total revenues	4,280,859	3,941,092
EXPENDITURES		
Current:		
General government	968,675	752,241
Judicial	26,815	21,314
Public safety	2,264,625	1,854,381
Public works	701,644	780,855
Health and welfare	33,373	22,825
Culture and recreation	49,917	48,176
Housing and development	546,110	345,899
Debt service		
Principal	119,899	10,436
Interest	10,782	1,786
Total expenditures	4,721,840	3,837,913
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(440,981)	103,179
OTHER FINANCING SOURCES (USES)		
Sale of capital assets	46,855	-
Issuance of debt	135,405	198,877
Transfers in	276,571	265,151
Transfers out	(38,660)	(12,211)
Total other financing sources (uses)	420,171	451,817
NET CHANGE IN FUND BALANCE	(20,810)	554,996
FUND BALANCE, BEGINNING OF YEAR	2,154,744	1,599,748
FUND BALANCE, END OF YEAR	\$ 2,133,934	\$ 2,154,744

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

A S S E T S

	<u>JUNE 30,</u> 2023	<u>JUNE 30,</u> 2022
ASSETS		
Cash and cash equivalents	\$ 972,943	\$ 1,018,364
Intergovernmental receivable	112,622	116,443
Prepaid insurance	<u>4,129</u>	<u>4,178</u>
 TOTAL ASSETS	 <u>\$ 1,089,694</u>	 <u>\$ 1,138,985</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	\$ 87,710	\$ 67,780
Due to general fund	28,092	15,928
Other	<u>38,881</u>	<u>35,268</u>
 TOTAL LIABILITIES	 <u>154,683</u>	 <u>118,976</u>
 FUND BALANCE		
Nonspendable	4,129	4,178
Restricted	<u>930,882</u>	<u>1,015,831</u>
Total fund balance	<u>935,011</u>	<u>1,020,009</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 1,089,694</u>	 <u>\$ 1,138,985</u>

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, 2023	JUNE 30, 2022
REVENUES		
Intergovernmental	\$ 342,102	\$ 411,391
Fines and forfeitures	30,372	88,756
Total revenues	<u>372,474</u>	<u>500,147</u>
EXPENDITURES		
Public safety	<u>414,636</u>	<u>378,852</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(42,162)	121,295
OTHER FINANCING SOURCES (USES)		
Transfers out	<u>(42,836)</u>	<u>(43,735)</u>
NET CHANGE IN FUND BALANCE	(84,998)	77,560
FUND BALANCE, BEGINNING OF YEAR	<u>1,020,009</u>	<u>942,449</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 935,011</u></u>	<u><u>\$ 1,020,009</u></u>

CITY OF METTER, GEORGIA
AMERICAN RESCUE PLAN ACT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS

A S S E T S

	<u>JUNE 30, 2023</u>	<u>JUNE 30, 2022</u>
ASSETS		
Cash and cash equivalents	\$ 832,159	\$ 304,066
Interfund receivable	<u>-</u>	<u>23,145</u>
TOTAL ASSETS	<u>\$ 832,159</u>	<u>\$ 327,211</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	\$ 54,710	\$ -
Unearned revenue	767,987	303,784
Due to general fund	<u>-</u>	<u>23,145</u>
TOTAL LIABILITIES	822,697	326,929
FUND BALANCE		
Restricted	<u>9,462</u>	<u>282</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 832,159</u>	<u>\$ 327,211</u>

CITY OF METTER, GEORGIA
AMERICAN RESCUE PLAN ACT SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE

	YEAR ENDED	
	JUNE 30, 2023	JUNE 30, 2022
REVENUES		
Intergovernmental	\$ 271,840	\$ 432,259
Interest	9,181	282
Total revenues	<u>281,021</u>	<u>432,541</u>
EXPENDITURES		
Current		
General government	-	25,018
Public safety	-	49,519
Public works	-	11,304
Housing and development	-	2,153
Capital Outlay:		
Public safety	149	18,936
Public works	16,595	147,579
Culture and recreation	187,410	-
Total expenditures	<u>204,154</u>	<u>254,509</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	76,867	178,032
OTHER FINANCING SOURCES (USES)		
Transfers out	<u>(67,687)</u>	<u>(177,750)</u>
NET CHANGE IN FUND BALANCE	9,180	282
FUND BALANCE, BEGINNING OF YEAR	<u>282</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 9,462</u>	<u>\$ 282</u>

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

A S S E T S

	JUNE 30, 2023	JUNE 30, 2022
ASSETS		
Cash and cash equivalents	\$ 252,285	\$ 107,212
Intergovernmental receivable	43,584	10,566
Due from general fund	-	112
	\$ 295,869	\$ 117,890
TOTAL ASSETS	\$ 295,869	\$ 117,890

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	\$ 44,566	\$ 29,801
FUND BALANCE - Restricted	251,303	88,089
TOTAL LIABILITIES AND FUND BALANCE	\$ 295,869	\$ 117,890

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

	YEAR ENDED	
	JUNE 30, 2023	JUNE 30, 2022
REVENUES		
Intergovernmental	\$ 210,524	\$ 460,464
Interest	1,353	26
Total revenues	211,877	460,490
EXPENDITURES		
Capital outlay:		
Public works	48,663	406,837
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	163,214	53,653
FUND BALANCE, BEGINNING OF YEAR	88,089	34,436
FUND BALANCE, END OF YEAR	\$ 251,303	\$ 88,089

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

A S S E T S

	JUNE 30, 2023	JUNE 30, 2022
ASSETS		
Cash and cash equivalents	\$ 1,550,569	\$ 1,334,870
Intergovernmental receivable	132,662	104,330
TOTAL ASSETS	\$ 1,683,231	\$ 1,439,200

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	-	36,926
TOTAL LIABILITIES	-	60,785
FUND BALANCE - Restricted	1,683,231	1,378,415
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,683,231	\$ 1,439,200

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

	YEAR ENDED	
	JUNE 30, 2023	JUNE 30, 2022
REVENUES		
Intergovernmental	\$ 493,507	\$ 574,011
Interest	16,266	1,110
Total revenues	<u>509,773</u>	<u>575,121</u>
EXPENDITURES		
Capital outlay:		
Public works	4,065	45,345
Housing and development	7,204	3,855
Debt service:		
Principal	117,664	109,915
Interest	14,961	17,936
Total expenditures	<u>143,894</u>	<u>177,051</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>365,879</u>	<u>398,070</u>
OTHER FINANCING SOURCES (USES)		
Transfers out	(61,063)	(25,534)
Total other financing sources (uses)	<u>(61,063)</u>	<u>(25,534)</u>
NET CHANGE IN FUND BALANCE	304,816	372,536
FUND BALANCE, BEGINNING OF YEAR	<u>1,378,415</u>	<u>1,005,879</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 1,683,231</u></u>	<u><u>\$ 1,378,415</u></u>

CITY OF METTER, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	2005 SPLOST Capital Projects Fund	Hotel/Motel Tax Special Revenue Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 132,741	\$ 29,506	\$ 162,247
Taxes receivable	-	6,335	6,335
TOTAL ASSETS	\$ 132,741	\$ 35,841	\$ 168,582
LIABILITIES			
Accounts payable	\$ -	\$ 37,943	\$ 37,943
Due to other funds	-	3,013	3,013
Total liabilities	-	40,956	40,956
FUND BALANCE			
Restricted	132,741	-	132,741
Unassigned	-	(5,115)	(5,115)
Total fund balance	132,741	(5,115)	127,626
TOTAL LIABILITIES AND FUND BALANCE	\$ 132,741	\$ 35,841	\$ 168,582

CITY OF METTER, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	2005 SPLOST Capital Projects Fund	Hotel/Motel Tax Special Revenue Fund	Total Nonmajor Governmental Funds
REVENUES			
Taxes	-	\$ 78,857	\$ 78,857
Interest	\$ 1,223	122	1,345
Miscellaneous	-	37,289	37,289
Total revenues	<u>1,223</u>	<u>116,268</u>	<u>117,491</u>
EXPENDITURES			
Current:			
Housing and development	-	122,240	122,240
Capital outlay:			
Public safety	191,495	-	191,495
Total expenditures	<u>191,495</u>	<u>122,240</u>	<u>313,735</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(190,272)	(5,972)	(196,244)
FUND BALANCE, JULY 1, 2022	<u>323,013</u>	<u>857</u>	<u>323,870</u>
FUND BALANCE, JUNE 30, 2023	<u>\$ 132,741</u>	<u>\$ (5,115)</u>	<u>\$ 127,626</u>

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

A S S E T S

	JUNE 30, 2023	JUNE 30, 2022
ASSETS		
Cash and cash equivalents	\$ 132,741	\$ 343,919
TOTAL ASSETS	\$ 132,741	\$ 343,919

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
FUND BALANCE - Restricted	132,741	323,013
TOTAL LIABILITIES AND FUND BALANCE	\$ 132,741	\$ 343,919

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

	YEAR ENDED	
	JUNE 30, 2023	JUNE 30, 2022
REVENUES		
Interest	\$ 1,223	\$ 205
EXPENDITURES		
Capital outlay:		
Public safety	191,495	112,553
NET CHANGE IN FUND BALANCE	(190,272)	(112,348)
FUND BALANCE, BEGINNING OF YEAR	323,013	435,361
FUND BALANCE, END OF YEAR	\$ 132,741	\$ 323,013

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

A S S E T S

	JUNE 30, 2023	JUNE 30, 2022
ASSETS		
Cash and cash equivalents	\$ 29,506	\$ 18,300
Taxes receivable	6,335	6,177
Prepaid items	-	257
TOTAL ASSETS	\$ 35,841	\$ 24,734

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	\$ 37,943	\$ 18,958
Due to other funds	3,013	4,919
TOTAL LIABILITIES	40,956	23,877
FUND BALANCE		
Nonspendable	-	257
Restricted	-	600
Unassigned	(5,115)	-
Total fund balance	(5,115)	857
TOTAL LIABILITIES AND FUND BALANCE	\$ 35,841	\$ 24,734

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, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)	2022 Actual
REVENUES				
Hotel/Motel tax	\$ 70,000	\$ 78,857	\$ 8,857	\$ 71,742
Interest	-	122	122	8
Miscellaneous	7,500	37,289	29,789	21,892
Total revenues	<u>77,500</u>	<u>116,268</u>	<u>38,768</u>	<u>93,642</u>
EXPENDITURES				
Current:				
Housing and development				
Tourism	96,700	122,240	(25,540)	107,676
Total expenditures	<u>96,700</u>	<u>122,240</u>	<u>(25,540)</u>	<u>107,676</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(19,200)	(5,972)	13,228	(14,034)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	12,211
NET CHANGE IN FUND BALANCE	<u>\$ (19,200)</u>	(5,972)	<u>\$ 13,228</u>	<u>\$ (1,823)</u>
FUND BALANCE, JULY 1, 2022		<u>857</u>		
FUND BALANCE, JUNE 30, 2023		<u>\$ (5,115)</u>		

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

	June 30, 2023	June 30, 2022
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 1,398,516	\$ 1,220,456
Certificates of deposit	67,354	67,099
Accounts receivable	151,526	126,786
Interfund receivable	106,645	140,565
Prepaid insurance	18,566	17,882
Total Current Assets	<u>1,742,607</u>	<u>1,572,788</u>
Capital Assets		
Land	492,280	492,280
Construction in progress	105,671	134,332
Water and sewer system	12,817,815	11,696,268
Buildings	305,069	284,781
Machinery and equipment	1,336,328	1,242,009
Less accumulated depreciation	<u>(7,380,300)</u>	<u>(7,079,039)</u>
Total Capital Assets	<u>7,676,863</u>	<u>6,770,631</u>
Total Assets	<u>9,419,470</u>	<u>8,343,419</u>
LIABILITIES		
Current Liabilities		
Accounts payable	136,472	55,565
Customer deposits	113,288	109,555
Compensated absences	3,240	3,157
Notes payable	118,795	113,435
Interfund payable	80,648	74,236
Total Current Liabilities	<u>452,443</u>	<u>355,948</u>
Long-Term Liabilities		
Compensated absences (net of current portion)	12,960	12,628
Notes payable (net of current portion)	900,107	917,589
Total Long-Term Liabilities	<u>913,067</u>	<u>930,217</u>
Total Liabilities	<u>1,365,510</u>	<u>1,286,165</u>
NET POSITION		
Net investment in capital assets	6,657,961	5,739,607
Unrestricted	1,395,999	1,317,647
Total Net Position	<u>\$ 8,053,960</u>	<u>\$ 7,057,254</u>

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

	YEAR ENDED	
	JUNE 30, 2023	JUNE 30, 2022
OPERATING REVENUES		
Charges for services	\$ 1,474,302	\$ 1,341,770
Penalties	30,592	28,142
Other	68,204	75,363
Total operating revenues	<u>1,573,098</u>	<u>1,445,275</u>
OPERATING EXPENSES		
Salaries	269,734	271,110
Employee benefits	101,022	92,749
Professional and technical services	58,157	36,895
Purchased services	371,531	337,450
Materials and supplies	87,346	96,856
Depreciation	316,561	308,078
Other	5,487	129,436
Total operating expenses	<u>1,209,838</u>	<u>1,272,574</u>
OPERATING INCOME	<u>363,260</u>	<u>172,701</u>
NON-OPERATING REVENUE (EXPENSE)		
Interest income	9,313	1,223
Gain on sale of capital assets	16,376	-
Interest expense	(23,809)	(21,117)
Total non-operating revenue (expense)	<u>1,880</u>	<u>(19,894)</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>365,140</u>	<u>152,807</u>
Capital grants	681,551	39,969
Transfers in	128,750	155,406
Transfers out	<u>(178,735)</u>	<u>(166,416)</u>
CHANGE IN NET POSITION	996,706	181,766
NET POSITION, BEGINNING OF YEAR	<u>7,057,254</u>	<u>6,875,488</u>
NET POSITION, END OF YEAR	<u>\$ 8,053,960</u>	<u>\$ 7,057,254</u>

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

	June 30, 2023	June 30, 2022
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 376,135	\$ 333,976
Accounts receivable	67,807	66,122
Interfund receivable	104,693	92,114
Prepaid insurance	11,812	10,584
Total Current Assets	<u>560,447</u>	<u>502,796</u>
Capital Assets		
Buildings	75,593	35,593
Machinery and equipment	409,084	405,694
Less accumulated depreciation	<u>(355,480)</u>	<u>(318,184)</u>
Total Capital Assets	<u>129,197</u>	<u>123,103</u>
Total Assets	<u>689,644</u>	<u>625,899</u>
LIABILITIES		
Current Liabilities		
Accounts payable	45,525	9,478
Compensated absences	2,608	2,716
Notes payable	30,371	38,931
Interfund payable	-	11,303
Total Current Liabilities	<u>78,504</u>	<u>62,428</u>
Long-Term Liabilities		
Compensated absences (net of current portion)	10,434	10,862
Notes payable (net of current portion)	<u>31,397</u>	<u>61,768</u>
Total Long-Term Liabilities	<u>41,831</u>	<u>72,630</u>
Total Liabilities	<u>120,335</u>	<u>135,058</u>
NET POSITION		
Net investment in capital assets	67,429	22,404
Unrestricted	<u>501,880</u>	<u>468,437</u>
Total Net Position	<u>\$ 569,309</u>	<u>\$ 490,841</u>

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

	YEAR ENDED	
	JUNE 30, 2023	JUNE 30, 2022
OPERATING REVENUES		
Charges for services	\$ 602,056	\$ 636,261
Penalties	13,909	13,039
Total operating revenues	<u>615,965</u>	<u>649,300</u>
OPERATING EXPENSES		
Salaries	222,760	202,743
Employee benefits	98,267	89,053
Purchased services	105,262	91,873
Materials and supplies	18,972	19,827
Depreciation	37,296	36,379
Other costs	421	37,239
Total operating expenses	<u>482,978</u>	<u>477,114</u>
OPERATING INCOME	<u>132,987</u>	<u>172,186</u>
NON-OPERATING REVENUE (EXPENSE)		
Interest income	3,983	305
Interest expense	(3,502)	(4,833)
Total non-operating revenue (expense)	<u>481</u>	<u>(4,528)</u>
INCOME BEFORE TRANSFERS	133,468	167,658
Transfers in	-	47,878
Transfers out	(55,000)	(55,000)
CHANGE IN NET POSITION	78,468	160,536
NET POSITION, BEGINNING OF YEAR	<u>490,841</u>	<u>330,305</u>
NET POSITION, END OF YEAR	<u>\$ 569,309</u>	<u>\$ 490,841</u>

CITY OF METTER, GEORGIA
SCHEDULE OF PROJECTS PAID WITH SPECIAL
PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2023

2005 SPLOST

	Original Estimated Cost	Current Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
Water system improvements	\$ 950,000	\$ 221,527	\$ 221,527	-	\$ 221,527	100%
Sewer system improvements	875,000	815,766	815,766	-	815,766	100%
Street and drainage improvements	630,000	619,337	619,337	-	619,337	100%
Public building projects	800,000	1,031,000	705,656	\$ 191,495	897,151	87%
Acquisition of new equipment	375,000	394,908	394,908	-	394,908	100%
Totals	<u>\$ 3,630,000</u>	<u>\$ 3,082,538</u>	<u>\$ 2,757,194</u>	<u>\$ 191,495</u>	<u>\$ 2,948,689</u>	<u>96%</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	\$ 90,433	\$ 7,204	\$ 97,637	33%
Public utilities rehabilitation and expansion	490,000	490,000	106,034	61,063	167,097	34%
Drainage improvements	100,000	163,199	159,134	4,065	163,199	100%
Acquisition of vehicles and equipment	470,000	859,842	727,217	132,625	859,842	100%
Totals	<u>\$ 2,360,000</u>	<u>\$ 2,813,041</u>	<u>\$ 1,082,818</u>	<u>\$ 204,957</u>	<u>\$ 1,287,775</u>	<u>46%</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, 2023

TOTAL PROGRAM YEAR 2021 FUNDS ALLOCATED TO RECIPIENT	\$ 750,000
LESS: TOTAL PROGRAM YEAR 2021 FUNDS DRAWN BY RECIPIENT	<u>721,520</u>
FUNDS STILL AVAILABLE FROM PROGRAM YEAR 2021 RESOURCES	<u>\$ 28,480</u>
TOTAL PROGRAM YEAR 2021 FUNDS DRAWN AND RECEIVED BY RECIPIENT	\$ 721,520
LESS: FUNDS APPLIED AND EXPENDED ON PROGRAM YEAR 2021 COSTS	<u>721,520</u>
TOTAL PROGRAM YEAR 2021 FUNDS HELD BY RECIPIENT	<u>\$ -</u>

CITY OF METTER, GEORGIA
COMMUNITY DEVELOPMENT BLOCK GRANT
21p-x-021-2-6191
PROJECT COST SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2023

PROGRAM ACTIVITY	ACTIVITY NUMBER	APPROVED BUDGET CDBG FUNDS	CUMULATIVE EXPENDITURES CDBG FUNDS
Engineering - Water/Sewer Improvements	T-03J-00	\$ 57,945	\$ 57,945
Sewer Facilities	P-03J-02	561,481	533,001
Engineering - Street Improvements	T-03K-00	3,514	3,514
Flood/Drainage Facilities	P-03K-02	82,060	82,060
Administration	A-21A-00	45,000	45,000
Total		<u>\$ 750,000</u>	<u>\$ 721,520</u>

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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, 2023 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 May 9, 2024.

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.

Lamier, Deal, Proctor + Blaser

Statesboro, Georgia
May 9, 2024

CITY OF METTER, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity's Identifying Number</u>	<u>Federal Expenditures</u>
U.S. Department of Justice:			
Pass-through program from Georgia Criminal Justice Coordinating Council:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	B21-8-001	\$ 151,200
Edward Byrne Memorial Justice Assistance Grant Program	16.738	B22-8-002	186,384
			<u>337,584</u>
U.S. Department of the Treasury:			
Direct Program:			
Coronavirus State and Local Fiscal Recovery Funds	21.027		271,840
U.S. Department of Housing and Urban Development:			
Pass through program from Georgia Department of Community Affairs:			
Community Development Block Grant	14.228	21p-x-021-2-6191	681,551
			<u>\$ 1,290,975</u>

See accompanying notes to schedule of expenditures of federal awards.

CITY OF METTER, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Metter, Georgia under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Metter, Georgia, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Metter, Georgia.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
2. City of Metter, Georgia has not elected to use the ten percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

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

Honorable Mayor and City Council
City of Metter, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Metter, Georgia's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Metter, Georgia's major federal programs for the year ended June 30, 2023. The City of Metter, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Metter, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will

not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Lamin, Deal, Proctor + Blaser

Statesboro, Georgia

May 9, 2024

CITY OF METTER, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the City of Metter, Georgia were prepared in accordance with GAAP.
2. No significant deficiencies were disclosed during the audit of the financial statements in the 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*.
3. No instances of noncompliance material to the financial statements of the City of Metter, Georgia were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs were reported in the Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs for the City of Metter, Georgia expresses an unmodified opinion on all major federal programs.
6. No audit findings relative to the major federal award programs for the City of Metter, Georgia are reported in this schedule.
7. The program tested as a major program was the Community Development Block Grant, CFDA number 14.228.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. The City of Metter, Georgia was determined to not be a low-risk auditee.

CITY OF METTER, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FINDINGS – FINANCIAL STATEMENTS AUDIT

None reported.

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

None reported.