

**CITY OF STONE MOUNTAIN, GEORGIA**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2020**

**TOGETHER WITH**

**INDEPENDENT AUDITOR'S REPORT**

**JAMES L. WHITAKER, P.C.**

CERTIFIED PUBLIC ACCOUNTANT

SNELLVILLE, GEORGIA 30078



**CITY OF STONE MOUNTAIN, GEORGIA  
ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Honorable Mayor and Members of City Council  
City of Stone Mountain, Georgia

### **Report on Financial Statements**

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 City of Stone Mountain, Georgia (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Stone Mountain, Georgia, as of December 31, 2020 and the respective changes in financial position and, where applicable, cash flows, thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.



## Other Matters

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 12 and the Schedule of Changes in the Pension Liability and Related Ratios on pages 50 - 52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Other Information

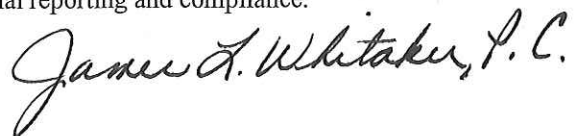
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Stone Mountain, Georgia's basic financial statements. The combining nonmajor and individual fund financial statements and budget schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining nonmajor fund financial statements and the individual fund financial statements and budgetary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statement 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 nonmajor fund financial statements and the individual fund financial statements and budgetary schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City of Stone Mountain, Georgia's basic financial statements for the year ended December 31, 2019, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, discretely presented component unit, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Stone Mountain, Georgia's basic financial statements as a whole. The individual fund financial statements related to the 2019 financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2019 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2019 individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued a report dated August 12, 2021 on our consideration of City of Stone Mountain, Georgia's internal control over financial reporting and 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 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 Stone Mountain, Georgia's internal control over financial reporting and compliance.

Snellville, Georgia  
August 12, 2021





## CITY OF STONE MOUNTAIN MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Stone Mountain, we offer readers of the City of Stone Mountain's financial statements this narrative overview and analysis of the financial activities of the City of Stone Mountain for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented in this analysis with their review of the financial statements.

### Financial Highlights

- The assets of the City of Stone Mountain exceeded its liabilities at December 31, 2020 by \$12,499,639. Of this amount unrestricted net position of \$4,392,608 may be used to meet the government's ongoing obligations to citizens and creditors.
- The total net position increased by \$1,201,752. Of this amount, an increase of \$1,051,456 was associated with governmental activities and an increase of \$150,296 was associated with business-type activities.
- As of the close of the current fiscal year, the City of Stone Mountain's governmental funds reported combined ending fund balance of \$5,278,418 an increase of \$936,087 in comparison with the prior year. Of this amount \$2,669,806 is unassigned; \$1,740,254 is restricted for various specified activities; \$858,057 is assigned for the 2021 budget and \$10,301 is non-spendable and in the form of prepaid items.
- At the end of the current year, unassigned fund balance for the general fund was \$2,669,806 or 77.85% of the General Fund expenditures.
- The City of Stone Mountain's total debt obligations (including accrued compensated absences) increased by the net of \$3,711. Principal payments were made on outstanding capital leases of \$139,044. The City did implement GASB 68 during fiscal year 2015 which requires recognition of the City's "net pension liability/asset, which was a net pension liability of \$(368,522) at December 31, 2020.

### Overview of the Financial Statements

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

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

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Stone Mountain include governing body, general government, financial administration, government buildings, municipal court and police, highways and streets, culture and recreation, economic development, tourism and promotion, and cemetery. The business-type activities of the City are solid waste and stormwater activities.

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

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

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

The City maintains three major governmental funds. The City's major governmental funds are the General Fund, the CARES Fund and a SPLOST Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the major funds and a combined total column for the nonmajor governmental funds. The governmental funds financial statements begin on page 16.

The City of Stone Mountain adopts an annual budget for its General fund. Budgetary comparison statements have been provided for this fund to demonstrate compliance with the FY 2020 budget. The budgetary comparison statements begin on page 21.

**Proprietary funds.** The City of Stone Mountain maintains two enterprise funds (a component of proprietary funds) to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Solid Waste and its Stormwater activities.

Proprietary funds provide the same type of information as government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Solid Waste Management and Stormwater Management Funds, which are both considered to be major funds of the City of Stone Mountain.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 28.

**Other information.** In addition to the basic financial statement and accompanying notes, this report also presents certain other supplementary information which consists of a schedule of changes in pension liability and related ratios and combining and individual fund financial statements and schedules beginning on page 50.

## **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At December 31, 2020, the City's assets exceeded liabilities by \$12,499,639. The City's net position reflects its investment in capital assets of \$6,366,777 (50.9 percent) less related debt, if any. Capital assets are used to provide services to citizens and they are not available for future spending. Of the total net position of \$12,499,639, \$1,740,254 (13.9 percent) is restricted for various specified activities and \$4,392,608 (35.2 percent) is unrestricted.



City of Stone Mountain's Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 6,051,143	\$ 4,948,660	\$ 370,679	\$ 207,227	\$ 6,421,822	\$ 5,155,887
Capital assets	6,219,613	6,258,177	1,343,931	1,352,177	7,563,544	7,610,354
Deferred outflows	592,025	94,532	-	-	592,025	94,532
Total assets	12,862,781	11,301,369	1,714,610	1,559,404	14,577,391	12,860,773
Current liabilities	350,057	266,225	18,696	13,786	368,753	280,011
Long-term liabilities	1,608,481	1,236,247	-	-	1,608,481	1,236,247
Deferred inflows	100,518	46,628	-	-	100,518	46,628
Total liabilities	2,059,056	1,549,100	18,696	13,786	2,077,752	1,562,886
Net position:						
Net investment in capital assets	5,022,846	5,045,708	1,343,931	1,352,177	6,366,777	6,397,885
Restricted	1,740,254	1,152,555	-	-	1,740,254	1,152,555
Unrestricted	4,040,625	3,554,006	351,983	193,441	4,392,608	3,747,447
Total net position	\$ 10,803,725	\$ 9,752,269	\$ 1,695,914	\$ 1,545,618	\$ 12,499,639	\$ 11,297,887

A portion of the net position (13.9 percent) represents resources that are subject to external restrictions on how they may be used. The unrestricted net position (\$4,392,608) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Stone Mountain is able to report positive balances in all three categories of net position. The same held true for the prior fiscal year.

**Governmental activities.** Governmental activities increased the City's net position by \$1,051,456. Key elements of this increase are as follows:

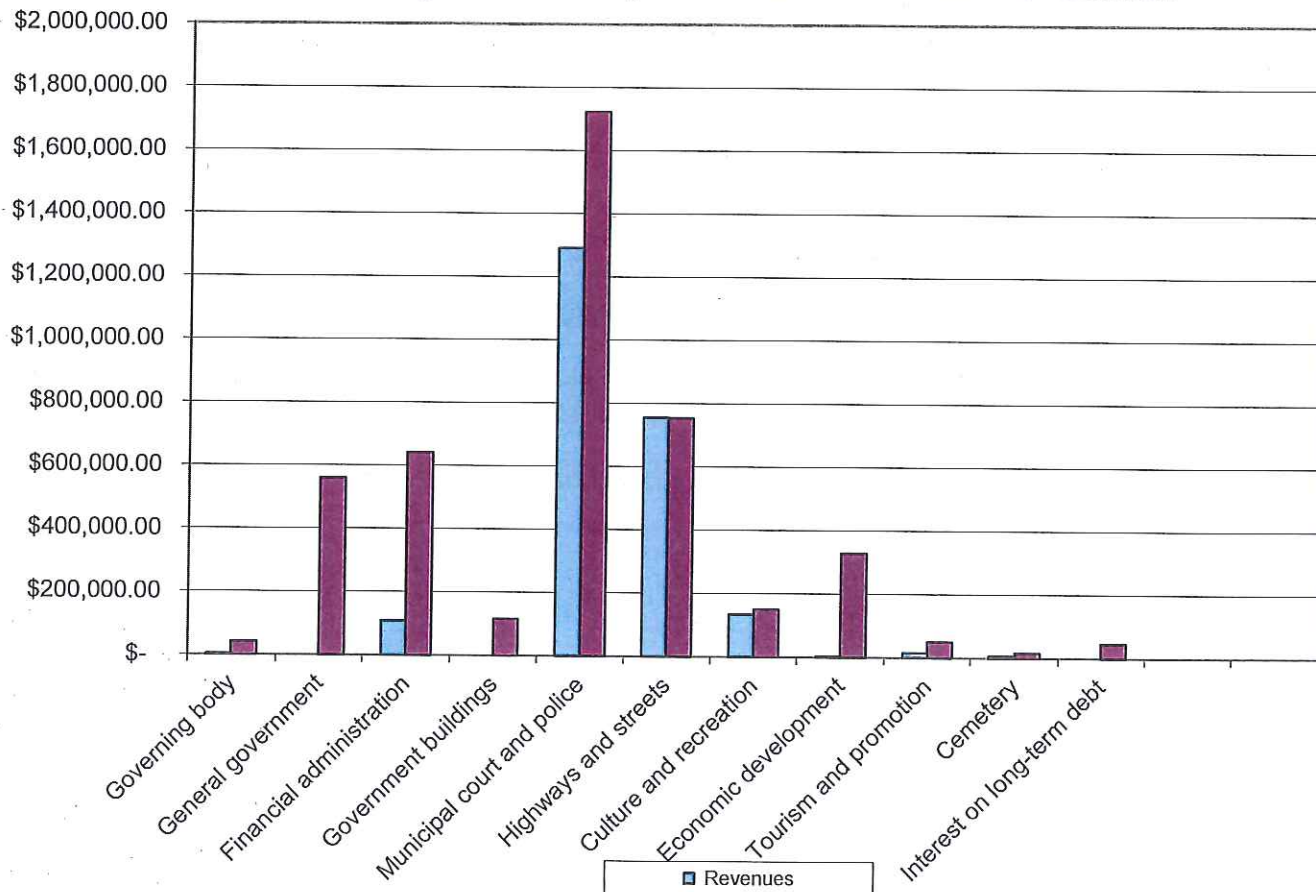
**City of Stone Mountain's Change in Net Position  
For The Years Ended December 31, 2020 and 2019**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenues -						
Charges for services	\$ 625,626	\$ 1,071,144	\$ 148,358	\$ 148,542	\$ 773,984	\$ 1,219,686
Operating grants and contributions	728,121	38,304	-	-	728,121	38,304
Capital grants and contributions	953,999	985,620	-	-	953,999	985,620
General Revenues-						
Property taxes	2,291,868	2,265,515	-	-	2,291,868	2,265,515
Other taxes	1,011,891	969,174	-	-	1,011,891	969,174
Interest	2	4	-	-	2	4
Other	14,161	61,387	-	-	14,161	61,387
	<u>5,625,668</u>	<u>5,391,148</u>	<u>148,358</u>	<u>148,542</u>	<u>5,774,026</u>	<u>5,539,690</u>
Expenses:						
Governing body	40,972	52,882	-	-	40,972	52,882
General government	559,566	208,766	-	-	559,566	208,766
Financial administration	640,759	593,259	-	-	640,759	593,259
Government buildings	114,976	102,757	-	-	114,976	102,757
Municipal court and public safety	1,721,055	1,726,767	-	-	1,721,055	1,726,767
Highways and streets	753,560	823,531	-	-	753,560	823,531
Culture and recreation	149,708	155,072	-	-	149,708	155,072
Economic development	328,092	117,775	-	-	328,092	117,775
Tourism and promotion	49,002	78,576	-	-	49,002	78,576
Cemetery	14,730	13,291	-	-	14,730	13,291
Interest on long-term debt	44,797	47,529	-	-	44,797	47,529
Solid waste	-	-	9,571	15,909	9,571	15,909
Stormwater	-	-	145,486	118,320	145,486	118,320
	<u>4,417,217</u>	<u>3,920,205</u>	<u>155,057</u>	<u>134,229</u>	<u>4,572,274</u>	<u>4,054,434</u>
Increase (decrease) in net position before transfers	1,208,451	1,470,943	(6,699)	14,313	1,201,752	1,485,256
Transfers	(156,995)	10,082	156,995	(10,082)	-	-
Increase (decrease) in net position	1,051,456	1,481,025	150,296	4,231	1,201,752	1,485,256
Net position - beginning of year	<u>9,752,269</u>	<u>8,271,244</u>	<u>1,545,618</u>	<u>1,541,387</u>	<u>11,297,887</u>	<u>9,812,631</u>
Net position - end of year	<u>\$ 10,803,725</u>	<u>\$ 9,752,269</u>	<u>\$ 1,695,914</u>	<u>\$ 1,545,618</u>	<u>\$ 12,499,639</u>	<u>\$ 11,297,887</u>

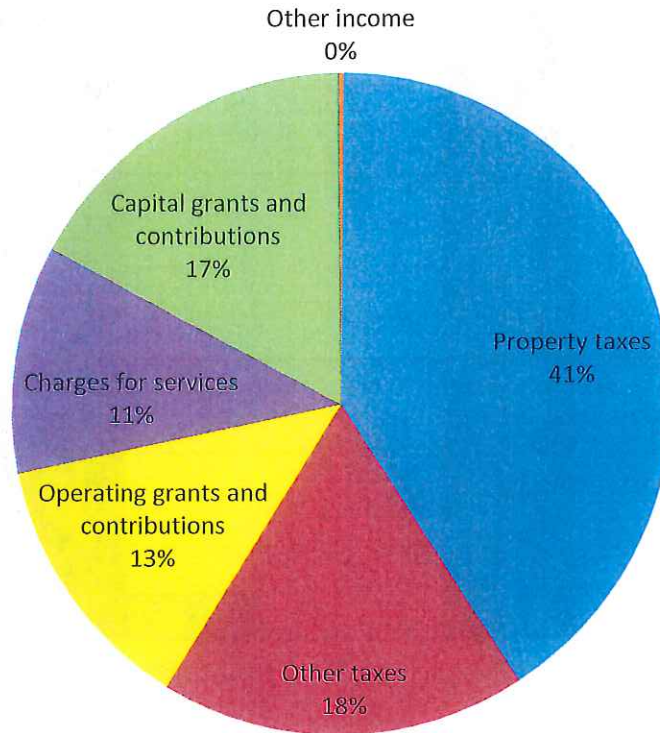


- Total Governmental Activity revenue increased by \$234,520 (4.35%). Total property tax revenue increased by \$26,353 (1.17%) due to an increase in the real property tax valuations for the 2020 tax year. The millage rate assessed was decreased by 1.000 mils from 21.000 mils in 2019 to 20.000 mils in 2020. Other Tax Revenue increased by \$42,717 (4.41%). Total program revenue increased by \$212,678 (10.16%). Charges for services decreased by \$445,518 (41.60%). Operating grants increased by \$689,817 (1800.9%) due to the distribution of CARES Act funding to the City. Capital grants and contributions decreased from \$985,620 to \$953,999 (3.31%). In November 2017, DeKalb County voters approved a referendum to implement a one-cent Special Purpose Local Option Sales Tax (SPLOST), effective April 1, 2018. The purpose of SPLOST is to fund specified capital projects within the County and its participating municipalities. The City of Stone Mountain is estimated to receive approximately \$5,690,000 in sales tax revenue over six (6) years, with \$885,008 in revenue and interest received in 2020. SPLOST proceeds have been received at approximately 4.26% less than estimated for the 2019 and 2020 fiscal years.
- Total Governmental Activity expenses increased from \$3,920,205 to \$4,417,217. However there were significant increases and decreases among the various governmental activities from the prior year:
  - Expenditures for general government increased by \$350,800 (168.03%) due, primarily, to an increase in Purchased/contracted services expense related to COVID-19.
  - Expenditures for financial administration increased by \$47,500 (8.00%) primarily due to the mid-year employment of an Asst. City Manager/Public Safety Director position.
  - Expenditures for government buildings increased \$12,219 (11.89%) primarily due to COVID related expenditures incurred for mitigation of the coronavirus.
  - Expenditures for municipal court and public safety decreased by \$5,712 (0.3%).
  - Expenditures for highways and streets decreased by \$69,971 (12.55%) primarily due to a decrease in capital outlay expense. No capital outlay expense was incurred in 2020. Necessary vehicle and equipment purchases were made during the previous year and were not necessary in 2020.
  - Expenditures for economic development increased by \$210,317 (178.58 %) primarily due an increase in General Fund contribution to the Downtown Development Authority to fund completion of the Downtown Development Master Plan for the City.

### Expenses and Program Revenues-Governmental Activities

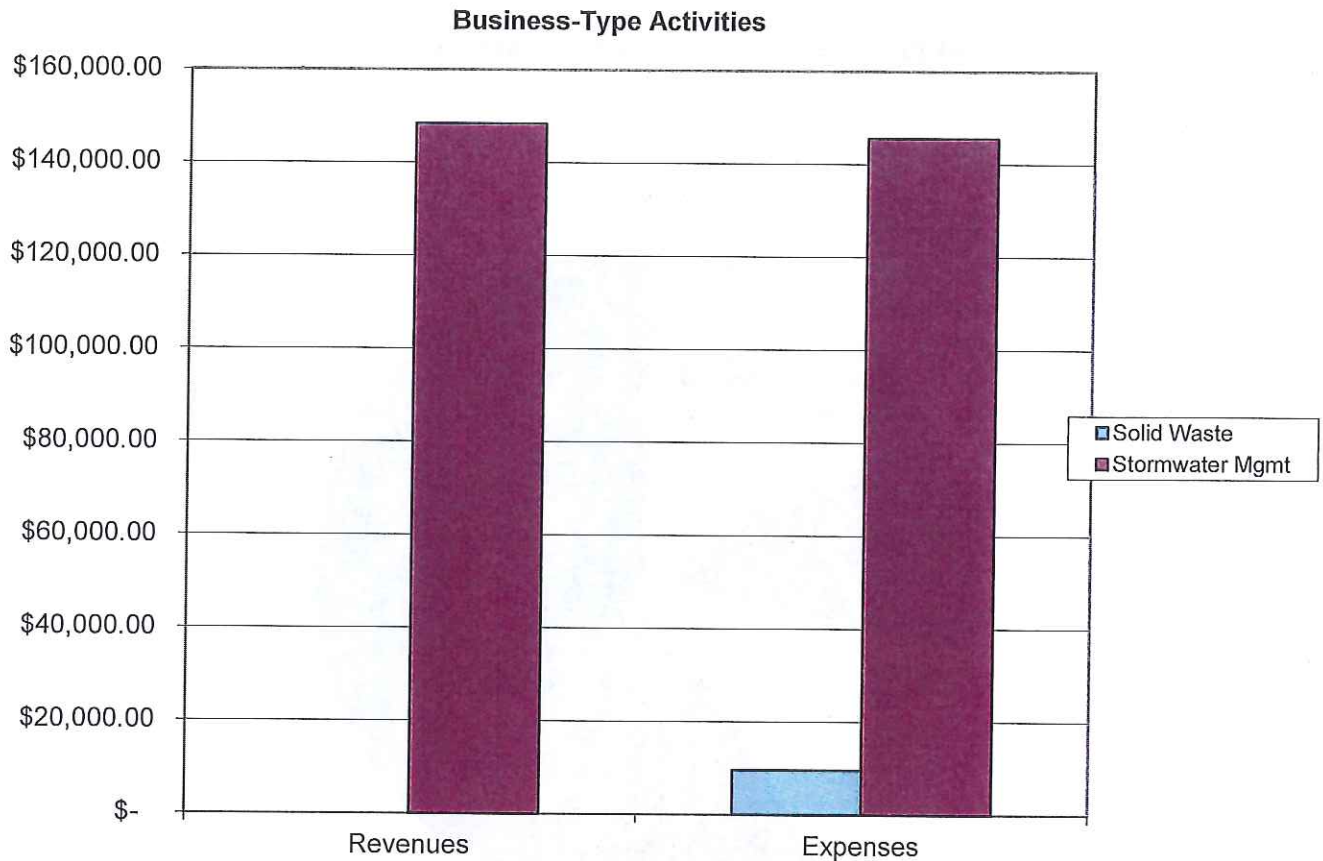


### REVENUE BY SOURCE – GOVERNMENTAL ACTIVITIES



**Business-type activities.** Business type activities increased the City's net position by \$150,296. The net position of the Solid Waste Management Fund decreased by \$1,862 to \$484 after a transfer from the General Fund of \$7,709. The City elected to contract with DeKalb County for the Dekalb County Sanitation Division to provide solid waste collection and recycling services within the City's municipal jurisdiction effective January 1, 2019. Under this contract, the City does not collect refuse and solid waste collection fees. The net position of the Storm Water Management Fund increased by \$152,158 to \$1,695,430 after a transfer of \$149,286 from the City's General Fund. The Storm Water fund reported revenues of \$148,358 and operating expenditures of \$145,486 and the fund reported no bad debt.





#### Financial Analysis of the Government's Funds

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

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

At December 31, 2020 the city's governmental funds reported a combined ending fund balance of \$5,278,418. Of this amount \$2,669,806 is unassigned fund balance. The remainder of fund balance is restricted to indicate that it is not available for new spending because \$1,740,254 is restricted for specified activities, \$858,057 is assigned for the 2021 budget and \$10,301 is non-spendable and in the form of prepaid items.

**The General Fund** is the City's chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was a balance of \$2,669,806 while the total fund balance was \$3,538,164. Unassigned fund balance represents 77.85% of General Fund expenditures while total fund balance of \$3,538,164 represents 103.16.0% of General Fund expenditures.

During the current fiscal year, the fund balance of the City's general fund increased by \$348,388. Other notable changes for 2020 compared to 2019 were as follows:

- General Fund revenues of \$3,826,593 for FY 2020 decreased under revenues of \$4,406,482 in FY 2019. The percentage decrease was 13.16%. However, there were significant increases and decreases among categories of General Fund revenue:
  - Property tax revenue decreased by \$157,242 (6.92%). The assessed millage rate was reduced 1.000 mils from 21.000 mils in 2019 to 20.000 mils in 2020. Property tax revenue increased due to an increase in real property tax valuations for the 2020 tax year. Although property tax valuations for the 2020 tax year

increased, the decrease in revenue collections is attributed to the 01/15/2021 billing of 2020 public utility taxes by DeKalb County. The due date for public utility taxes was 03/31/2021.

- Municipal Court fines and forfeitures decreased \$411,825 (44.04%) from \$935,248 in 2019 to \$523,423 in 2020. Fines and forfeitures no longer surpass the historical average of \$851,121 experienced from 2006 through 2012. The reduction in revenue is attributed to the closedown period and other mitigative measures made necessary to implement with the court services function during the COVID-19 pandemic.
- Business licenses and permits decreased \$23,157 (17.85%) due to the impact of COVID-19 on commercial industry within the City and due to the implementation of the suspension of non-essential permitting services and issuances for some period during the 2020 year.
- General Fund expenditures for FY 2020 were \$3,429,755. This was a decrease of \$193,840 which is five and three-tenths percent (5.3%) under FY 2019.
  - Capital outlay for FY 2020 decreased from \$240,194 to 138,067, primarily due a decrease in the acquisition of vehicles and equipment in Highways and Streets. No capital outlay was acquired in Highways and Streets (public works) in 2020.
  - Financial administration expenditures increased by \$41,303 (7.76%). The increase was primarily due an increase in personal services and benefits associated with the mid-year hire of a contracted administrative position.
  - Municipal Court expenditures decreased from \$304,098 to 246,465 (18.96%) primarily due to decrease in all departmental expenditures (excluding supplies) because of vacancy of deputy court clerk position and decreased purchased/contracted services expenditures due to a closedown period and necessary COVID-19 mitigation procedures implemented for court sessions in 2021.
  - Public Safety expenditures decreased by \$705,774 (49.82%) primarily due to \$712,391 of the personal services and benefits expense being assigned to the CARES fund as an eligible expense under the CARES Act.
  - Highways and Streets expenditures increased by \$59,945 (12.55%). A rollover of 2019 Local Maintenance Improvement Grant (LMIG) project expense of was necessary in the 2020 fiscal year and attributed to a purchased/contracted services increase of \$183,442. Decreases were experienced in personal services and benefits, supplies, and capital outlay expenditures.
  - Economic Development expenditures increased by 210,317 (178.58%) due, primarily, to an increase in General Fund allocation to Economic Development to fund increased expenses for the development of the Downtown Development Master Plan.
- The City's General Fund made principal payments on its capital leases long-term debt of \$139,044. Of this amount \$69,594 was for City Hall. Total debt service increased from \$168,884 to \$191,587 (13.45%) with the lease purchase of vehicles and equipment in both Public Safety.
- Transfers to the general fund from other funds in 2020 amounted to a net of (\$182,040) compared to net transfers to the general fund in 2019 of (\$33,920).
- The amount of \$21,538 due to the Storm Water Fund from the General Fund in 2019 was reduced to \$0 in 2020. In an effort to continue to provide General Fund subsidy towards the completion of outstanding storm water projects, a General Fund contribution of \$51,157 was allocated to the Storm Water Fund at FY2021 budget adoption. It remains necessary to seek other funding sources to accomplish completion of outstanding storm water projects.
- Personnel expenses over the General Fund were decreased from FY 2019. Expenditures were \$1,387,463 in FY 2020 compared to \$2,043,440 in FY 2019. Personnel expenses decreased primarily due to the assignment of \$712,391 in eligible personal service and benefits expenses within Public Safety to the CARES Fund established in FY2020. An increase was experienced in Financial Administration due, primarily to, the mid-year employment of a contracted Asst. City Manager/Public Safety Director position. Although, overall performance-based increases were experienced in most City Departments, each department (excluding Financial Administration) still experienced a decrease in personnel expense in 2020, primarily due to vacancies of positions.

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

### **General Fund Budgetary Highlights**

The budget was amended several times during the year with the most significant amendments being:

- A \$40,000 first-quarter increase in the General Fund Reserve allocations to offset expenditures recognized in the 2020 year for the collaboration between the City and the Stone Mountain Memorial Association for extension of the East Mountain Street sidewalk.



- A \$32,948 first-quarter increase in General Fund Revenue from capital proceeds which were offset by Police Safety expense for the acquisition of police vehicle and relative equipment.
- A \$712,391 third-quarter increase in the General Fund Revenue to account for the receipt of CARES Act funding allocated to the City through intergovernmental agreement with DeKalb County.
- A \$687,649 third-quarter decrease in General Fund Reserve unrestricted allocation to provide for a \$687,649 increase in General Fund set aside for COVID Relief.
- A \$90,757 fourth-quarter increase in the General Fund Reserve allocation to fund the offset of the difference between a decrease in municipal fines and forfeitures revenue (\$187,727) due to the decrease in actual revenue collected under revenue estimates and an increase in General Fund related taxes, franchise fees, and insurance premiums collected over revenue estimates.
- A \$256,374 fourth-quarter decrease in the General Fund Revenue allocations created as an offset to General Fund related revenue received over revenue estimates for intangibles, franchise fees, sales tax, insurance disposition, and miscellaneous revenue and the decrease in General Fund related expenditures for building inspections, purchased/contracted services, liability and casualty insurance, and contingencies.
- A \$546,406 fourth-quarter decrease in the General Fund Reserve allocations for COVID-related expenses (506,406) and Payments to Others – Stone Mountain Memorial Association (\$40,000) not incurred in 2020.

No department had expenditures that materially exceeded the corresponding department's appropriations.

Final results in actual revenue and expenditures varied from the 2020 budget in several areas most notably:

- Total actual revenue of \$3,826,593 was 92.16% of the final amended budget estimate for revenue.
- Intergovernmental revenue was \$68,991 (100.00%) of the final budget.
- Fines, Forfeitures and Court Cost revenue was \$523,423 (94.88%) of the amended budget.
- Total actual expenditures of \$3,429,755 were 90.06% of the final amended budget estimate for expenditures.
- Revenues exceeded expenditures by \$396,838.

### Capital Asset and Debt Administration

**Capital assets.** The City's investment in capital assets at December 31, 2020 amounts to \$7,563,544 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, automobiles, equipment, and parks. Purchases of capital assets during the year include \$123,706 for two vehicles and related equipment, \$123,097 for preliminary engineering and planning for street improvements and \$18,258 for picnic tables and trash cans a neighborhood parks.

Of the \$5,690,000 estimated to be received in Special Purpose Local Option Sales Tax (SPLOST) Revenue Funds over a six (6) year term, the City's SPLOST Capital Projects Fund reported revenue received in the amount of \$884,830 for 2020. The fund reported the following expenditures: \$29,412 for fire facilities and equipment improvements; \$18,258 for park improvements and \$231,088 for street improvements. Projects for the six-year term are scheduled as follows: \$4,410,238 (Street Improvements); \$252,048 (Police Equipment), \$176,472 (Fire Facilities and Equipment), and \$853,898 (Park Improvements).

**Long-term debt.** At the end of the current fiscal year, the City had \$1,239,959 in outstanding debt consisting of the following:

#### CITY OF STONE MOUNTAIN'S OUTSTANDING DEBT

	Balance
<b>Governmental Activities:</b>	
Capital leases - equipment	\$ 204,928
Capital leases - facilities	991,839
Compensated absences	43,192
Total Governmental Activities	1,239,959
<b>Business-Type Activities:</b>	
Capital leases	-
Total Outstanding Debt	<u>\$ 1,239,959</u>

The City's total debt increased \$3,711 which was due to the City entering into a capital lease agreement amounting to \$123,000 for the purchase of vehicles and equipment. Additional information on the City's long-term debt can be found in note 9 on page 39 of this report.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the City of Stone Mountain is approximately \$12,679,551 which is significantly in excess of the City of Stone Mountain's outstanding general obligation debt.

#### **Status of the City of Stone Mountain's Economy**

- No reliable estimate of unemployment is available for the City. It is assumed that the unemployment rate is within the range of rates for surrounding areas as reported by the Georgia Department of Labor for December 2020:
  - The unemployment rate for the United States was 6.7%.
  - The unemployment rate for the State of Georgia was 5.3%.
  - The unemployment rate for the twenty-eight county Metropolitan Statistical Area was 5.4%.
  - The unemployment rate for the ten county Atlanta Region was 7.5%.
  - The unemployment rate for DeKalb County as of December 2020 was 6.4% with the average Personal Income ranging at \$36,077 per year.
- According to the Bureau of Labor Statistics the consumer price index for all items increased 1.4% in the United States from December of 2019 to December of 2020 and annual average in Atlanta was up 3.3% from December of 2019 to December 2020.
- There were thirteen (13) new single-family dwellings constructed in the City in 2020 with a valuation of \$2,068,476. No new commercial construction was performed in 2020.
- Sixteen months into the COVID-19 pandemic, the State of Georgia is presently seeing a decrease in its unemployment rate, going from 5.3% in December 2020 to 4.0% in June 2021. It is anticipated that as an increase in household disposable income is experienced, sales tax collections, and subsequently the City's Special Purpose Local Option Sales Tax collections will increase. To-date the City has experienced an estimated \$42,025 decrease in SPLOST revenue collected under estimated budget, which is improved in comparison to \$55,000 decrease in year-to-date collections reported at the same time last year. An increase in capital outlay funds nearing projected collections may offer needed relief to the general fund in the current and future budget cycles. With a new variant of the COVID-19 virus becoming more prevalent, it is prudent to continue to closely watch COVID related economic trends that may have impact on the financial condition of the City. Increase in unemployment rate or any occurrence that will negatively impact the City's ability to collect revenue within its current revenue portfolio will result in the City having to explore options such as the suspension or termination of services or the furlough or layoff of members of the City's employee population.

These factors were considered in preparing the City of Stone Mountain's budget for FY 2021 and will be key in managing this fiscal year's budget and planning for future fiscal year's budget.

#### **Requests for Information**

This financial report is designed to provide a general overview of the City of Stone Mountain's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. Questions concerning this report or requests for additional information can be obtained by contacting the City at (770) 498-8984 or at the following address:

City of Stone Mountain  
875 Main Street  
Stone Mountain, GA 30083



**CITY OF STONE MOUNTAIN, GEORGIA**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2020**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Dev. Auth.
<b>Assets</b>				
Cash and cash equivalents	\$ 3,505,495	\$ 358,823	\$ 3,864,318	\$ 166,086
Receivables (net of allowance for uncollectibles)				
Taxes	544,245	-	544,245	-
Fines	186,962	-	186,962	-
Intergovernmental	92,672	-	92,672	-
Accounts	13,035	24,222	37,257	-
Due from other funds	12,366	(12,366)	-	-
Due from primary government	-	-	-	65,076
Prepaid items	10,301	-	10,301	-
Deposits	-	-	-	-
Restricted assets -				
Cash	1,686,067	-	1,686,067	-
Net pension asset	-	-	-	-
Non-depreciable capital assets	734,897	-	734,897	144,621
Depreciable capital assets	5,484,716	1,343,931	6,828,647	412,404
<b>Total Assets</b>	<u>12,270,756</u>	<u>1,714,610</u>	<u>13,985,366</u>	<u>788,187</u>
<b>Deferred Outflows</b>				
Deferred pension outflows	592,025	-	592,025	-
<b>Total Assets and Deferred Outflows</b>	<u>12,862,781</u>	<u>1,714,610</u>	<u>14,577,391</u>	<u>788,187</u>

See accompanying notes to the basic financial statements.



**CITY OF STONE MOUNTAIN, GEORGIA**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2020**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Dev. Auth.
<b>Liabilities</b>				
Accounts Payable				
Operating	\$ 133,922	\$ 17,752	\$ 151,674	\$ 4,600
Accrued Liabilities -				
Compensated absences	51,402	-	51,402	1,963
Wages	41,646	944	42,590	3,585
Interest	30,170	-	30,170	28,240
Other	5,348	-	5,348	7
Due to component unit	65,076	-	65,076	-
Unearned Revenue	22,493	-	22,493	-
Long-Term Liabilities -				
Debt Due Within One Year	149,047	-	149,047	20,280
Debt Due In More Than One Year	1,090,912	-	1,090,912	583,809
Net Pension Liability	368,522	-	368,522	-
<b>Total Liabilities</b>	<u>1,958,538</u>	<u>18,696</u>	<u>1,977,234</u>	<u>642,484</u>
<b>Deferred Inflows</b>				
Deferred pension inflows	<u>100,518</u>	<u>-</u>	<u>100,518</u>	<u>-</u>
<b>Total Liabilities and Deferred Inflows</b>	<u>2,059,056</u>	<u>18,696</u>	<u>2,077,752</u>	<u>642,484</u>
<b>Net Position</b>				
Net investment in capital assets	5,022,846	1,343,931	6,366,777	(47,064)
Restricted for -				
Police activities	9,999	-	9,999	-
Cemetery up-keep	4,616	-	4,616	-
Tourism & promotion	853	-	853	-
Capital outlay	1,724,786	-	1,724,786	-
Unrestricted	4,040,625	351,983	4,392,608	192,767
<b>Total Net Position</b>	<u>\$ 10,803,725</u>	<u>\$ 1,695,914</u>	<u>\$ 12,499,639</u>	<u>\$ 145,703</u>

See accompanying notes to the basic financial statements.

**CITY OF STONE MOUNTAIN, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Governmental Activities:</b>				
Governing Body	\$ 40,972	\$ -	\$ 1,730	\$ -
General Government	559,566	-	-	-
Financial Administration	640,759	107,763	-	-
Government Buildings	114,976	-	-	-
Municipal Court and Police	1,721,055	510,963	712,391	66,620
Highways and Streets	753,560	-	-	754,628
Culture and Recreation	149,708	-	-	132,751
Economic Development	328,092	1,500	-	-
Tourism and Promotion	49,002	-	14,000	-
Cemetery	14,730	5,400	-	-
Interest on Long-Term Debt	44,797	-	-	-
Total Governmental Activities	<u>4,417,217</u>	<u>625,626</u>	<u>728,121</u>	<u>953,999</u>
<b>Business-Type Activities</b>				
Solid Waste Management	9,571	-	-	-
Stormwater Management	145,486	148,358	-	-
Total Business-Type Activities	<u>155,057</u>	<u>148,358</u>	<u>-</u>	<u>-</u>
<b>Total Primary Government</b>	<u>\$ 4,572,274</u>	<u>\$ 773,984</u>	<u>\$ 728,121</u>	<u>\$ 953,999</u>
<b>Component Unit:</b>				
Downtown Development Authority	<u>\$ 300,187</u>	<u>\$ 9,472</u>	<u>\$ 327,008</u>	<u>\$ -</u>

**General Revenues:**

Taxes:  
Property  
Franchise  
Occupational  
Motor vehicle  
Host tax  
Insurance premium  
Alcohol beverage  
Hotel / Motel  
Other  
Interest Earnings  
Gain on disposition of capital asset  
Other

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning of Year, Restated

Net Position - End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and  
Changes in Net Position

Primary Government			Component
Governmental	Business-	Total	Unit
Activities	Type		Downtown
	Activities		Dev. Auth.
\$ (39,242)	\$ -	\$ (39,242)	\$ -
(559,566)	-	(559,566)	-
(532,996)	-	(532,996)	-
(114,976)	-	(114,976)	-
(431,081)	-	(431,081)	-
1,068	-	1,068	-
(16,957)	-	(16,957)	-
(326,592)	-	(326,592)	-
(35,002)	-	(35,002)	-
(9,330)	-	(9,330)	-
(44,797)	-	(44,797)	-
(2,109,471)	-	(2,109,471)	-
-	(9,571)	(9,571)	-
-	2,872	2,872	-
-	(6,699)	(6,699)	-
(2,109,471)	\$ (6,699)	(2,116,170)	-
-	\$ -	-	36,293
2,291,868	-	2,291,868	-
269,802	-	269,802	-
41,051	-	41,051	-
132,067	-	132,067	-
1,237	-	1,237	-
468,698	-	468,698	-
14,005	-	14,005	-
7,912	-	7,912	-
77,119	-	77,119	-
2	-	2	-
6,432	-	6,432	-
7,729	-	7,729	-
3,317,922	-	3,317,922	-
(156,995)	156,995	-	-
3,160,927	156,995	3,317,922	-
1,051,456	150,296	1,201,752	36,293
9,752,269	1,545,618	11,297,887	109,410
\$ 10,803,725	\$ 1,695,914	\$ 12,499,639	\$ 145,703

**CITY OF STONE MOUNTAIN, GEORGIA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2020**

	General	Cares	SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash	\$ 3,505,495	\$ -	\$ 1,660,101	\$ 25,966	\$ 5,191,562
Receivables - net of allowance for bad debt of \$346,000					
Taxes	543,545	-	-	700	544,245
Fines	186,962	-	-	-	186,962
Intergovernmental	-	-	92,672	-	92,672
Miscellaneous	13,035	-	-	-	13,035
Due from other funds	12,366	-	-	5,357	17,723
Prepaid items	10,301	-	-	-	10,301
Deposits	-	-	-	-	-
Total assets	<u>\$ 4,271,704</u>	<u>\$ -</u>	<u>\$ 1,752,773</u>	<u>\$ 32,023</u>	<u>\$ 6,056,500</u>
<b>Liabilities</b>					
Accounts payable	\$ 97,425	\$ -	\$ 27,987	\$ 8,510	\$ 133,922
Accrued liabilities	97,105	-	-	1,292	98,397
Due to component unit	65,076	-	-	-	65,076
Due to other funds	5,357	-	-	-	5,357
Unearned revenue	15,740	-	-	6,753	22,493
Total liabilities	<u>280,703</u>	<u>-</u>	<u>27,987</u>	<u>16,555</u>	<u>325,245</u>
<b>Deferred Inflows of Resources</b>					
Unavailable revenues	<u>452,837</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>452,837</u>
<b>Fund Balance</b>					
Nonspendable -					
Prepaid items	10,301	-	-	-	10,301
Restricted -					
Police services	-	-	-	9,999	9,999
Tourism and promotion	-	-	-	853	853
Cemetery up-keep	-	-	-	4,616	4,616
Capital outlay	-	-	1,724,786	-	1,724,786
Assigned - 2021 budget appropriations	858,057	-	-	-	858,057
Unassigned	2,669,806	-	-	-	2,669,806
Total fund balance (deficit)	<u>3,538,164</u>	<u>-</u>	<u>1,724,786</u>	<u>15,468</u>	<u>5,278,418</u>
Total liabilities, deferred inflows of resources and fund balance (deficit)	<u>\$ 4,271,704</u>	<u>\$ -</u>	<u>\$ 1,752,773</u>	<u>\$ 32,023</u>	<u>\$ 6,056,500</u>

See accompanying notes to the basic financial statements.

**CITY OF STONE MOUNTAIN, GEORGIA**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2020**

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

Total fund balances -- total governmental funds	\$ 5,278,418
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	6,219,613
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds: Unavailable revenues	452,837
Deferred inflows and outflows related to the net pension liability is not a current asset or liability:	
Deferred outflows	592,025
Deferred inflows	(100,518)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Capital leases	(1,196,766)
Long-term portion of compensated absences	(43,192)
Accrued interest payable	(30,170)
Net pension asset (liability)	<u>(368,522)</u>
Net position of governmental activities	<u>\$ 10,803,725</u>

See accompanying notes to the basic financial statements.



**CITY OF STONE MOUNTAIN, GEORGIA**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	General	Cares	SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 3,109,986	\$ -	\$ -	\$ 7,913	\$ 3,117,899
Business licenses and permits	106,593	-	-	-	106,593
Intergovernmental	68,991	712,391	884,830	5,000	1,671,212
Service fees	8,139	-	-	5,400	13,539
Fines and forfeitures	523,423	-	-	-	523,423
Interest	2	-	178	-	180
Rents	-	-	-	-	-
Miscellaneous	9,459	-	-	10,500	19,959
<b>Total revenues</b>	<u>3,826,593</u>	<u>712,391</u>	<u>885,008</u>	<u>28,813</u>	<u>5,452,805</u>
<b>Expenditures:</b>					
Current:					
Governing Body	40,972	-	-	-	40,972
General Government	536,302	-	-	-	536,302
Financial Administration	573,215	-	-	-	573,215
Government Buildings	116,547	-	-	-	116,547
Municipal Court	246,465	-	-	-	246,465
Public Safety	572,817	712,391	-	-	1,285,208
Highways and Streets	537,587	-	-	-	537,587
Culture and Recreation	148,104	-	-	-	148,104
Economic Development	328,092	-	-	-	328,092
Tourism and Promotion	-	-	-	49,002	49,002
Cemetery	-	-	-	12,270	12,270
Capital outlay	138,067	-	278,758	11,137	427,962
Debt service					
Principal	139,044	-	-	-	139,044
Interest	52,543	-	-	-	52,543
Debt issue costs	-	-	-	-	-
<b>Total expenditures</b>	<u>3,429,755</u>	<u>712,391</u>	<u>278,758</u>	<u>72,409</u>	<u>4,493,313</u>
Excess (deficiency) of Revenues over Expenditures	<u>396,838</u>	<u>-</u>	<u>606,250</u>	<u>(43,596)</u>	<u>959,492</u>

See accompanying notes to the basic financial statements.

**CITY OF STONE MOUNTAIN, GEORGIA  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	General	Cares	SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
Other financing sources (uses)					
Capital lease proceeds	\$ 123,343	\$ -	\$ -	\$ -	\$ 123,343
Proceeds from disposition of assets	10,247	-	-	-	10,247
Transfers (net)	(182,040)	-	-	25,045	(156,995)
Total other financing sources (uses)	(48,450)	-	-	25,045	(23,405)
Net change in fund balance	348,388	-	606,250	(18,551)	936,087
Fund Balance-Beginning of Year	3,189,776	-	1,118,536	34,019	4,342,331
Fund Balance-End of Year	<u>\$ 3,538,164</u>	<u>\$ -</u>	<u>\$ 1,724,786</u>	<u>\$ 15,468</u>	<u>\$ 5,278,418</u>

See accompanying notes to the basic financial statements.



**CITY OF STONE MOUNTAIN, GEORGIA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL ACTIVITIES**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

Net change in fund balances -- total governmental funds	\$ 936,087
<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 and reported as depreciation expense.</p>	
Capital outlays	297,736
Depreciation expense	(332,485)
Donated capital assets	-
Write-off of capital assets	-
<p>The net effect of other miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. This is the amount of net book value of assets sold during the current period.</p>	
	(3,815)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the difference between the beginning and ending deferred revenue balances in the current period.</p>	
	166,431
<p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>	
Long-term debt proceeds	(123,343)
Repayment of long term debt	139,044
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>	
Change in accrued interest payable	7,746
Change in accrued compensated absences	(19,413)
Change in net pension obligation and related deferred items	(16,532)
Change in net position of governmental activities.	<u>\$ 1,051,456</u>

See accompanying notes to the basic financial statements.

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**CITY OF STONE MOUNTAIN, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE -- BUDGET (GAAP BASIS) AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	BUDGET AMOUNTS			
	ORIGINAL	FINAL	ACTUAL	VARIANCE
<b>Revenues:</b>				
Taxes	\$ 3,225,162	\$ 3,404,133	\$ 3,109,986	\$ (294,147)
Business licenses and permits	98,560	105,580	106,593	1,013
Intergovernmental	68,994	68,994	68,991	(3)
Service fees	6,840	6,840	8,139	1,299
Fines and forfeitures	739,418	551,691	523,423	(28,268)
Interest	-	-	2	2
Rents	-	-	-	-
Miscellaneous	1,859	15,126	9,459	(5,667)
<b>Total revenues</b>	<u>4,140,833</u>	<u>4,152,364</u>	<u>3,826,593</u>	<u>(325,771)</u>
<b>Expenditures:</b>				
Current:				
Governing Body	59,861	53,421	40,972	12,449
General Government	346,215	549,486	536,302	13,184
Financial Administration	682,108	629,372	573,215	56,157
Government Buildings	113,890	146,279	116,547	29,732
Municipal Court	296,376	286,376	246,465	39,911
Public Safety	1,375,865	638,031	572,817	65,214
Highways and Streets	610,309	620,023	537,587	82,436
Culture and Recreation	172,342	172,342	148,104	24,238
Economic Development	327,008	327,008	328,092	(1,084)
Capital outlay	107,745	191,033	138,067	52,966
Debt service				
Principal	153,185	142,516	139,044	3,472
Interest	54,448	52,677	52,543	134
<b>Total expenditures</b>	<u>4,299,352</u>	<u>3,808,564</u>	<u>3,429,755</u>	<u>378,809</u>

(See accompanying notes to the financial statements.)

**CITY OF STONE MOUNTAIN, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE -- BUDGET (GAAP BASIS) AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	BUDGET AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
Excess (deficiency) of Revenues over Expenditures	\$ (158,519)	\$ 343,800	\$ 396,838	\$ 53,038
Other financing sources (uses)				
Capital Lease Proceeds	91,095	124,043	123,343	(700)
Proceeds from sale of capital assets	-	10,497	10,247	(250)
Transfers (net)	(397,018)	(345,821)	(182,040)	163,781
Total other financing sources (uses)	(305,923)	(211,281)	(48,450)	162,831
Net change in fund balance	(464,442)	132,519	348,388	215,869
Fund Balance-Beginning of Year	3,189,776	3,189,776	3,189,776	-
Fund Balance-End of Year	\$ 2,725,334	\$ 3,322,295	\$ 3,538,164	\$ 215,869

(See accompanying notes to the financial statements.)

**CITY OF STONE MOUNTAIN, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE -- BUDGET (GAAP BASIS) AND ACTUAL**  
**CARES ACT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>BUDGET AMOUNTS</u>			
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 712,391	\$ 712,391	\$ -
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>712,391</u>	<u>712,391</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Public Safety				
Salaries and Benefits	-	712,391	712,391	-
Other	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>712,391</u>	<u>712,391</u>	<u>-</u>
Excess (deficiency) of				
Revenues over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Transfers (net)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund Balance-Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance-End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(See accompanying notes to the financial statements.)

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**CITY OF STONE MOUNTAIN, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2020**

	<u>Solid Waste Management</u>	<u>Stormwater Management</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash	\$ -	\$ 358,823	\$ 358,823
Receivables-			
Accounts	688	23,534	24,222
Due from other funds	-	-	-
Prepaid items	-	-	-
Total current assets	<u>688</u>	<u>382,357</u>	<u>383,045</u>
<b>Noncurrent assets</b>			
Capital assets			
Construction in progress	-	-	-
Autos and trucks	68,481	-	68,481
Machinery and equipment	23,130	-	23,130
Infrastructure	-	1,622,960	1,622,960
Accumulated depreciation	<u>(91,611)</u>	<u>(279,029)</u>	<u>(370,640)</u>
Capital assets (net of depreciation)	<u>-</u>	<u>1,343,931</u>	<u>1,343,931</u>
Total noncurrent assets	<u>-</u>	<u>1,343,931</u>	<u>1,343,931</u>
<b>Total assets</b>	<u>688</u>	<u>1,726,288</u>	<u>1,726,976</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable -			
Trade	-	17,752	17,752
Customer deposits	-	-	-
Unearned revenue	-	-	-
Accrued liabilities	204	740	944
Due to other funds	<u>-</u>	<u>12,366</u>	<u>12,366</u>
Total current liabilities	<u>204</u>	<u>30,858</u>	<u>31,062</u>
<b>Noncurrent liabilities</b>			
Capital leases	<u>-</u>	<u>-</u>	<u>-</u>
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>	<u>204</u>	<u>30,858</u>	<u>31,062</u>
<b>Net Position</b>			
Investments in capital assets	-	1,343,931	1,343,931
Unrestricted	<u>484</u>	<u>351,499</u>	<u>351,983</u>
Total Net Position	<u>\$ 484</u>	<u>\$ 1,695,430</u>	<u>\$ 1,695,914</u>

See accompanying notes to the basic financial statements.



**CITY OF STONE MOUNTAIN, GEORGIA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Solid Waste Management	Stormwater Management	Total
<b>OPERATING REVENUES</b>			
Refuse collection	\$ -	\$ -	\$ -
Dumpster collection	-	-	-
Stormwater fees	-	148,358	148,358
Miscellaneous	-	-	-
Total operating revenues	<u>-</u>	<u>148,358</u>	<u>148,358</u>
<b>OPERATING EXPENSES</b>			
Purchased products / services	-	-	-
Personal services and benefits	9,571	33,731	43,302
Purchased / contracted services	-	66,494	66,494
Supplies	-	-	-
Depreciation and amortization	-	40,241	40,241
Other	-	5,020	5,020
Total operating expenses	<u>9,571</u>	<u>145,486</u>	<u>155,057</u>
Operating income (loss)	<u>(9,571)</u>	<u>2,872</u>	<u>(6,699)</u>
<b>Non-operating revenues and (expenses)</b>			
Loss on sale of capital asset	-	-	-
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Income before transfers and capital contributions	(9,571)	2,872	(6,699)
Capital contributions	-	-	-
Transfers	<u>7,709</u>	<u>149,286</u>	<u>156,995</u>
CHANGE IN NET POSITION	(1,862)	152,158	150,296
NET POSITION - BEGINNING	<u>2,346</u>	<u>1,543,272</u>	<u>1,545,618</u>
NET POSITION - ENDING	<u>\$ 484</u>	<u>\$ 1,695,430</u>	<u>\$ 1,695,914</u>

See accompanying notes to the basic financial statements.

**CITY OF STONE MOUNTAIN, GEORGIA  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Solid Waste Management</u>	<u>Stormwater Management</u>	<u>Total</u>
<b>Cash flows from operating activities:</b>			
Cash received from customers and users	\$ 1,860	\$ 150,863	\$ 152,723
Cash paid to suppliers for goods	(2,411)	(74,354)	(76,765)
Cash paid to employees	(7,158)	(25,983)	(33,141)
Net cash provided from operating activities	<u>(7,709)</u>	<u>50,526</u>	<u>42,817</u>
<b>Cash flows from investing activities:</b>			
Interest received	-	-	-
(Purchase) / redemption of investments	-	-	-
Net cash from investing activities	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from non-capital financing activities:</b>			
Transfers	7,709	149,286	156,995
Change in due to/from other funds	-	33,904	33,904
Net cash flows from non-capital financing activities	<u>7,709</u>	<u>183,190</u>	<u>190,899</u>
<b>Cash flows from capital financing activities:</b>			
Purchases / construction of capital assets	-	(31,995)	(31,995)
Capital contributions	-	-	-
Principal payments on long-term debt	-	-	-
Proceeds from sale of capital assets	-	-	-
Interest paid	-	-	-
Net cash flows from capital financing activities	<u>-</u>	<u>(31,995)</u>	<u>(31,995)</u>
Net cash flows	-	201,721	201,721
Cash and cash equivalents - beginning	<u>-</u>	<u>157,102</u>	<u>157,102</u>
Cash and cash equivalents - ending	<u>\$ -</u>	<u>\$ 358,823</u>	<u>\$ 358,823</u>

See accompanying notes to the basic financial statements.

**CITY OF STONE MOUNTAIN, GEORGIA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED  
BY OPERATING ACTIVITIES**

	<u>Solid Waste Management</u>	<u>Stormwater Management</u>	<u>Total</u>
<b>Operating income (loss)</b>	\$ (9,571)	\$ 2,872	\$ (6,699)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	-	40,241	40,241
(Increase) decrease in -			
Accounts receivable	1,860	2,505	4,365
Prepays	-	-	-
Increase (Decrease) in -			
Accounts payable	-	4,903	4,903
Unearned revenues	-	-	-
Customer deposits	-	-	-
Accrued liabilities	2	5	7
Total adjustments	<u>1,862</u>	<u>47,654</u>	<u>49,516</u>
<b>Net cash from operating activities</b>	<u>\$ (7,709)</u>	<u>\$ 50,526</u>	<u>\$ 42,817</u>
<b>Non-cash transactions -</b>			
Increase (decrease) in fair value of investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.



**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**A. Basis of Presentation**

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

**B. The Reporting Entity**

The City of Stone Mountain, Georgia (the "City") is a municipal corporation governed by an elected mayor and a six-member council. The City provides the following services: police, highways and streets, sanitation, stormwater, parks and recreation, promotion and development and general and administrative services. The accompanying financial statements present the government and its component unit, an entity for which the government is considered to be financially accountable.

Governmental Accounting Standards Board Statement (GASB) No. 14, as amended by GASB No. 61 defines the reporting entity for determining which potential component units should be included in primary government's financial statements. Inclusion is based on organizations for which the primary government is financially accountable. In addition, the primary government may determine, through exercise of management's professional judgment, that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the reporting entity's financial statements from being misleading. In such instances, the organization should be included as a component unit. The criteria for determining financial accountability includes appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits or to impose specific financial burdens on the City regardless of whether the organization has a separate elected or appointed governing board. Blended component units, although legally separate entities, are, in substance part of the government's operations and are reported with similar funds of the primary government. Using the above criteria, the City of Stone Mountain Downtown Development Authority is a component unit of the City because of the significance of its operational and financial relationship with the City and is therefore included in the City's reporting entity. The City Council appoints all members of the Development Authority's Board of Directors.

**Discretely Presented Component Unit –**

The component unit column in the Government – Wide Financial Statement includes the financial data of the City of Stone Mountain, Georgia Downtown Development Authority. This component unit is reported in a separate column to emphasize that it is legally separate from the City. The City of Stone Mountain, Georgia Downtown Development Authority was organized to develop and promote commerce, industry and general welfare within the City. The City appoints the Authority's board members and provides significant funding for the Authority's operational expenditures within the City budget. The Authority does not issue separate financial statements.

(See Independent Auditor's Report)

**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):**

**C. Basic Financial Statements—Government-Wide Statements**

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type.

The government-wide Statement of Net Position, presents the financial condition of the governmental and business-type activities of the City at year end. The statement is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts—net investment in capital assets; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. The City does not allocate indirect cost. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

The net costs (by function) are normally covered by general revenues (property, sales or use taxes, intergovernmental revenues, interest income, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

**D. Basic Financial Statements—Fund Financial Statements**

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The various funds are grouped, in the financial statements in this report, into the following fund types:

(See Independent Auditor's Report)



**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):**

**D. Basic Financial Statements-Fund Financial Statements – (Continued)**

**Governmental Fund Types** – Governmental fund are those through which most governmental functions of the City 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. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

**General Fund** – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**CARES Fund** – The CARES Fund (a special revenue fund) is used to account for the proceeds and eligible expenditures from a grant received by the City under the CARES ACT Coronavirus Relief Fund.

**SPLOST Fund** – The SPLOST Fund is used by the City to account for acquisition and construction of major capital facilities and equipment that were approved by the voters of DeKalb County, Georgia through the special purpose local option sales tax referendum.

**Proprietary Fund Type** – Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The City's proprietary fund is classified as an enterprise fund. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The City's major enterprise funds are as follows:

**Solid Waste Management Enterprise Fund** - The Solid Waste Management Enterprise Fund is used to account for the revenues generated from the charges for sanitation and recycling services provided to the residential and commercial users of the City. In December 2019, the City Council voted to allow DeKalb County to start providing sanitation services. The County will also bill and collect fees for such services. Therefore, the City will not recognize revenues from sanitation nor provide sanitation services beginning January 1, 2019.

**Stormwater Management Fund** – This fund was created during the fiscal year ended December 31, 2005, to account for revenues generated from the charges for stormwater services provided to the citizens of Stone Mountain.

**E. 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.

**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 on 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 government-wide financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide and the statements for governmental funds.

(See Independent Auditor's Report)



**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):**

**E. Measurement Focus – Continued**

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

On the proprietary funds financial statements, operating revenues are those that flow directly from the operations of the activity, i.e. charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide the goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

**F. Basis of Accounting**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

**1. Accrual**

Government-wide financial statements are presented on the accrual basis of accounting; proprietary funds also use the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**2. Modified Accrual:**

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Those revenues susceptible to accrual are taxes, state and federal grants, fines, interest revenue and charges for services. Major revenues that are determined not to be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable include licenses, penalties and miscellaneous revenues which are recorded as revenues when received in cash. Those revenues that are measurable but are not collected within 60 days after year end are recorded as unavailable revenues.

**G. Cash and Cash Equivalents**

The City has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents. Investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents.

(See Independent Auditor's Report)

**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):**

**H. Inventory**

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory, if any, in the General Fund consists of expendable supplies held for consumption. The cost is recorded as expenditure at the time individual inventory items are used, rather than in the period purchased. Reported inventories are equally offset by a fund balance reserve, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets.

**I. Prepaid Expenses**

Payments made to vendors for service that will benefit periods beyond December 31, 2020 are recorded as prepaid items and are expensed during the period benefited.

**J. Capital Assets**

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during fiscal year ended December 31, 2020. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	30-40 years
Furniture and equipment	7-10 years
Vehicles	5-10 years
Infrastructure	40-50 years

The City only reports infrastructure assets purchased subsequent to December 31, 2003.

**K. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund 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 the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as liability in the fund financial statements only to the extent that they are due for payment during the current year. Long-term loans are recognized as a liability on the governmental fund financial statements when due.

(See Independent Auditor’s Report)



**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):**

**L. Revenues**

Substantially all governmental fund revenues are accrued. Property taxes are billed and collected within the same period in which the taxes are levied. In applying GASBS No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

**M. Expenditures**

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

**N. Compensated Absences**

The City accrues accumulated unpaid vacation leave and associated employee-related costs when earned (or estimated to be earned) by the employee. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations. In accordance with the provisions of Statement No. 16 of the Governmental Accounting Standards Board, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

**O. Interfund Activity**

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

**P. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City.

**Q. Contributions of Capital**

Contributions of capital in the proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

**R. Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles 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.

(See Independent Auditor's Report)



**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):**

**S. Deferred Outflows / Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow 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 / expenditures) until then. The City has one item that qualifies for reporting in this category as of December 31, 2020 which is deferred pension outflows recognized in the Statement of Net Position.

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 government 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 three sources: property taxes, probation fines, and intergovernmental revenues. In addition, the City recognizes deferred pension inflows in its Statement of Net Position under governmental activities.

**T. 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 are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The City's government-wide statement of net position reports \$1,740,254 in restricted net position, of which \$1,735,638 is restricted by enabling legislation.

**U. Fund Balance – Governmental Funds**

As of December 31, 2020 fund balances of the governmental funds are classified as follows:

**Nonspendable** – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

**Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

**Committed** – amounts that can be used only for specific purposes determined by a formal action of City of Stone Mountain's Council. Stone Mountain's Council is the highest level of decision making authority for the City. Commitments may be established, modified, or rescinded only through ordinances approved by City Council prior to end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation.

**Assigned** – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Only the City Council may assign amounts for specific purposes through passage of a resolution. Unlike commitments, assignments generally only exist temporarily and do not normally have to have an additional action taken for their removal.

**Unassigned** – all other spendable amounts.

(See Independent Auditor's Report)

**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):**

**U. Fund Balance – Governmental Funds, (Continued)**

As of December 31, 2020, fund balances are composed of the following:

	<u>General</u>	<u>SPLOST</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Nonspendable -				
Prepaid items	\$ 10,301	\$ -	\$ -	\$ 10,301
Restricted -				
Police activities	-	-	9,999	9,999
Tourism & promotion	-	-	853	853
Cemetery up-keep	-	-	4,616	4,616
Capital projects	-	1,724,786	-	1,724,786
Assigned - for 2021 budget appropriations	858,057	-	-	858,057
Unassigned	<u>2,669,806</u>	<u>-</u>	<u>-</u>	<u>2,669,806</u>
 Total	 <u>\$ 3,538,164</u>	 <u>\$ 1,724,786</u>	 <u>\$ 15,468</u>	 <u>\$ 5,278,418</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions.

**V. Budgets and Budgetary Accounting**

The City Council adopts an annual budget for all governmental fund types. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted by the passage of an ordinance. Formal budgetary integration is employed as a management control device during the year.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control which is the department level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year end.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of money are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City.

**W. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Stone Mountain Retirement Plan (SMRP) and additions to/deductions from SMRP's fiduciary net position have been determined on the same basis as they are reported in the SMRP. For this purpose, benefit payments (including refunds of employee contributions, if applicable) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(See Independent Auditor's Report)



**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**2. CASH AND INVESTMENTS**

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 City's financial policies require all deposits in excess of Federal Deposit Insurance be collateralized by securities equal to at least 110% of the excess deposits. As of December 31, 2020, \$5,486,227 of the government's bank balance of 5,736,227 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ -
Uninsured and collateral held by pledging bank's agent in the City's name	5,486,227
Total	<u>\$ 5,486,227</u>

In accordance with state law, the City of Stone mountain can invest in: 1. Obligations issued by the U.S. Government, any state, any political subdivision of the State of Georgia, or Local Government Investment Pool established by state law; 2. Prime bankers' acceptances; and 3. Repurchase agreements.

**3. PROPERTY TAX**

Property tax rates are set by the City Council each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1<sup>st</sup> each year. Property taxes for fiscal year 2020, based upon the assessed value as of January 1, 2020, were levied on June 30, 2020. Taxes are due in equal installments on July 1 and October 1 of each year. Tax liens may be issued on March 1 or after the due date, whichever occurs later. The City of Stone Mountain uses the services of the DeKalb County Tax Commissioner to bill and collect its property taxes.

**4. RECEIVABLES**

Receivables as of year end, including the applicable allowances for uncollectible accounts, are as follows:

**Governmental Funds**

	<u>General</u>	<u>SPLOST</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Taxes	\$ 607,545	\$ -	\$ 700	\$ 608,245
Fines	468,962	-	-	468,962
Intergovernmental Accounts	- 13,035	92,672 -	- -	92,672 13,035
Gross Receivables	1,089,542	92,672	700	1,182,914
Less: Allowance for Uncollectible	(346,000)	-	-	(346,000)
Net Total Receivables	<u>\$ 743,542</u>	<u>\$ 92,672</u>	<u>\$ 700</u>	<u>\$ 836,914</u>

**Proprietary Funds**

	<u>Solid Waste</u>	<u>Stormwater</u>	<u>Total</u>
Accounts	\$ 20,688	\$ 38,534	\$ 59,222
Intergovernmental Grants	-	-	-
Gross Receivable	20,688	38,534	59,222
Less: Allowance for Uncollectible	(20,000)	(15,000)	\$ (35,000)
Net Total Receivables	<u>\$ 688</u>	<u>\$ 23,534</u>	<u>\$ 24,222</u>

(See Independent Auditor's Report)



**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**5. INTERGOVERNMENTAL REVENUES AND RECEIVABLES**

**Governmental Funds –**

Intergovernmental revenues for the year ended December 31, 2020 consist of the following:

State of Georgia, Dept of Transportation - Local Maintenance Improvement Grant (LMIG)	\$ 68,991
DeKalb Co - CARES Act	712,391
DeKalb Co. - SPLOST	884,830
DeKalb Co Convention & Visitors Bureau	<u>5,000</u>
Total Intergovernmental Revenue	<u>\$ 1,671,212</u>

Intergovernmental receivables as of December 31, 2020 consist of the following:

DeKalb Co. - SPLOST	<u>\$ 92,672</u>
---------------------	------------------

**6. INTER-FUND TRANSACTIONS**

Individual fund interfund receivable and payable balances at December 31, 2020 were as follows:

Payable From	Payable To			
	General Fund	Non Major	Stormwater Management	Total
General	\$ -	\$ 5,357	\$ -	\$ 5,357
Stormwater Management	<u>12,366</u>	<u>-</u>	<u>-</u>	<u>12,366</u>
Total	<u>\$ 12,366</u>	<u>\$ 5,357</u>	<u>\$ -</u>	<u>\$ 17,723</u>

Individual interfund transfers for the year ended December 31, 2020 were as follows:

Transfer From	Transfers To			
	Solid Waste	Stormwater Management	Nonmajor	Total
General	\$ 7,709	\$ 149,286	\$ 25,045	\$ 182,040
Solid Waste	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 7,709</u>	<u>\$ 149,286</u>	<u>\$ 25,045</u>	<u>\$ 182,040</u>

The City uses only one operating bank account for all the City's deposits and disbursements purposes. All monies collected for other funds and all expenditures for other funds are made through the General Fund operating bank account. The net amount for each fund is recorded as either a transfer in or out or a due to or from the General Fund. The transfers from the General Fund to the other funds are made to supplement the operations of the other funds. The amount payable from the Stormwater Fund to the General Fund is due to the net cash flows of the Stormwater Fund and is expected to be repaid to the General Fund in future years.

(See Independent Auditor's Report)

**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**7. COMMITMENTS AND CONTINGENCIES**

The City has one lawsuit and one ante litem notice filed against it as of December 31, 2020. Although the outcome of these matters is not presently determinable, in the opinion of the City attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

**8. PROPERTY, PLANT AND EQUIPMENT**

Capital asset activity for the year ended December 31, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 611,800	\$ -	\$ -	\$ 611,800
Construction in progress	-	123,097	-	123,097
Total	<u>611,800</u>	<u>123,097</u>	<u>-</u>	<u>734,897</u>
Capital assets being depreciated:				
Buildings & improvements	2,696,550	34,357	-	2,730,907
Infrastructure	3,401,199	-	-	3,401,199
Vehicles, including related equipment	1,045,027	123,707	(22,893)	1,145,841
Furniture and other equipment	<u>515,516</u>	<u>16,576</u>	<u>-</u>	<u>532,092</u>
Total capital assets being depreciated	<u>7,658,292</u>	<u>174,640</u>	<u>(22,893)</u>	<u>7,810,039</u>
Less accumulated depreciation for:				
Buildings & improvements	523,098	68,445	-	591,543
Infrastructure	541,192	85,030	-	626,222
Vehicles, including related equipment	571,087	147,322	(19,077)	699,332
Furniture and other equipment	<u>376,538</u>	<u>31,688</u>	<u>-</u>	<u>408,226</u>
Total accumulated depreciation	<u>2,011,915</u>	<u>332,485</u>	<u>(19,077)</u>	<u>2,325,323</u>
Total capital assets being depreciated, net	<u>5,646,377</u>	<u>(157,845)</u>	<u>(3,816)</u>	<u>5,484,716</u>
Governmental capital assets, net	<u>\$ 6,258,177</u>	<u>\$ (34,748)</u>	<u>\$ (3,816)</u>	<u>\$ 6,219,613</u>

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

Administrative	\$ 76,025
Police	144,413
Highways and Streets	107,983
Parks	1,604
Cemetery	<u>2,460</u>
Total depreciation expense	<u>\$ 332,485</u>

(See Independent Auditor's Report

**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**8. PROPERTY, PLANT AND EQUIPMENT, (Continued)**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-Type Activities</b>				
Capital assets, not being depreciated:				
Construction in progress	\$ -	\$ -	\$ -	\$ -
Vehicles, including related equipment	68,481	-	-	68,481
Machinery and equipment	23,130	-	-	23,130
Infrastructure	1,590,965	31,995	-	1,622,960
Total capital assets being depreciated	1,682,576	31,995	-	1,714,571
Less accumulated depreciation for:				
Vehicles, including related equipment	68,481	-	-	68,481
Machinery and equipment	23,130	-	-	23,130
Infrastructure	238,788	40,241	-	279,029
Total accumulated depreciation	330,399	40,241	-	370,640
Business-Type Activities capital assets, net	<u>\$ 1,352,177</u>	<u>\$ (8,246)</u>	<u>\$ -</u>	<u>\$ 1,343,931</u>

Depreciation expense was charged to functions/programs of the proprietary funds as follows:

Solid Waste Management	\$ -
Stormwater Management	<u>40,241</u>
Total depreciation expense	<u>\$ 40,241</u>

(See Independent Auditor's Report)



**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**9. LONG-TERM DEBT**

**Changes in General Long-Term Debt**

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended December 31, 2020:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
<b>Governmental Activities</b>					
Capital leases - equipment	\$ 151,035	\$ 123,343	\$ (69,450)	\$ 204,928	\$ 78,663
Capital leases - facilities	1,061,433	-	(69,594)	991,839	70,384
Accrued compensated absences	23,780	101,573	(82,161)	43,192	-
 Total Governmental Activities	<u>\$ 1,236,248</u>	<u>\$ 224,916</u>	<u>\$ (221,205)</u>	<u>\$ 1,239,959</u>	<u>\$ 149,047</u>

The General Fund is used to liquidate all governmental activity long-term debt.

The Solid Waste Management Fund is used to liquidate all business-type activity long-term debt.

The City had entered into various lease-purchase and security agreements with a private corporation for vehicles and related equipment and machinery and equipment with an original cost of \$276,534. Since the City intends to continue to abide by the terms of the lease agreements and eventually own the equipment, the equipment and the related liability were recorded at the present value of the future payments due under the lease. The interest rates under the terms of the lease agreements range between 2.73% and 4.68%.

In February 2011 the City entered into a lease purchase agreement with the Georgia Municipal Association to construct a building to be used as the new City administration facilities. The total obligation under the capital lease agreement amounted to \$1,525,000 with interest at 4.26%. The land and building are securing the debt. The agreement was refinanced during fiscal year 2020 with interest at 2.56%.

(See Independent Auditor's Report)

**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**9. LONG-TERM DEBT, (Continued)**

Annual repayment requirements under the capital lease agreements are as follows:

F/Y/E December 31	Capital Leases - Equipment		Capital Leases - Facilities		Total
	Principal	Interest	Principal	Interest	
2021	\$ 78,663	\$ 5,643	\$ 70,384	\$ 35,227	\$ 189,917
2022	81,302	3,005	82,022	23,589	189,918
2023	44,963	597	84,121	21,490	151,171
2024	-	-	86,275	19,336	105,611
2025	-	-	88,484	17,127	105,611
2026	-	-	90,749	14,862	105,611
2027	-	-	93,072	12,539	105,611
2028	-	-	95,455	10,156	105,611
2029	-	-	97,898	7,713	105,611
2030	-	-	100,405	5,206	105,611
2031	-	-	102,974	2,637	105,611
2032	-	-	-	-	-
	<u>\$ 204,928</u>	<u>\$ 9,245</u>	<u>\$ 991,839</u>	<u>\$ 169,882</u>	<u>\$ 1,375,894</u>

Assets purchased under capital lease obligations are capitalized and depreciated in accordance with the City's capitalization policy. Depreciation expense for the year for equipment and vehicles under capital lease obligations amounted to \$38,102 and accumulated depreciation as of December 31, 2020 was \$42,177. Depreciation expense for the year for facilities under capital lease obligations amounted to \$45,489 and accumulated depreciation at December 31, 2020 was \$390,448.

**10. UNAVAILABLE AND UNEARNED REVENUES**

Unavailable revenues as of December 31, 2020, reported in the Governmental Fund's balance sheet, consisted of the following revenue items which had been earned and were measurable but were not received within 60 days after year end and therefore were not considered available:

Property Taxes	\$ 290,438
Franchise Taxes	8,319
Fines and Forfeitures	154,080
Total Unavailable Revenues	<u>\$ 452,837</u>

Amounts received but not yet earned as of

December 31, 2018:

Reported in Governmental Fund's balance  
sheet and Statement of Net Position:

Occupational Taxes and Licenses	\$ 15,740
Police forfeitures	6,753
Grants	-
Total Unearned Revenues	<u>\$ 22,493</u>

(See Independent Auditor's Report)

**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**11. RISK MANAGEMENT**

The City of Stone Mountain is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries commercial insurance. The City did not experience any significant reductions in insurance coverage from the prior year. The City did not experience any settlements which exceeded insurance coverage for its past three fiscal years.

Coverages are as follow:

Coverage Description - Property:	
Buildings and contents - (Blanket)	\$ 5,904,498
Automobile physical damage	Per application
Coverage Description - Casualty:	
Comprehensive general liability	\$ 2,000,000
Automobile liability	\$ 1,000,000
Errors and omissions (Public Officials)	\$ 2,000,000
Employee benefits liability	\$ 1,000,000
Law enforcement liability	\$ 2,000,000
Coverage Description - Crime:	
Blanket bond - employees required to be bonded	\$ 500,000
Blanket bond - all other employees	\$ 500,000
Depositors forgery	\$ 500,000
Money and securities - loss inside and outside premises	\$ 250,000
Deductible:	
All coverages are subject to a per occurrence deductible of	\$1,000 to \$5,000

**12. HOTEL / MOTEL TAX**

The City levies a 5% hotel/motel tax in accordance with the provisions of OCGA 48-13-51. In order to comply with the expenditures provisions of this code section, the City expends 40% of monies collected under this provision for tourism and promotional purposes by contracting with the Stone Mountain Visitor's Center. During the year ended December 31, 2020, the City collected hotel/motel taxes in the amount of \$7,913 and expended 100% for tourism under the Visitor's Center contract.

**13. JOINT VENTURE**

Under Georgia law, the city, in conjunction with other cities and counties in the Metro Atlanta area, is a member of the Atlanta Regional Commission (ARC). Membership in a regional commission (RC) is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the Commission in Georgia. The ARC Board membership includes the chief elected official of each county, one representative for all the cities in a member county and 15 citizen representatives. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the RC. Separate financial statements may be obtained from:

Atlanta Regional Commission  
3715 Northside Parkway  
Building 200, Suite 300  
Atlanta, Georgia 30327

(See Independent Auditor's Report)



**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**14. DEFERRED COMPENSATION PLAN**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all employees, permits deferral of a portion of their salary until future years. Participation is optional. These plans are not reported in the City's Agency Fund.

**15. DOWNTOWN DEVELOPMENT AUTHORITY – DISCLOSURES**

**Capital Assets –**

Capital asset activity for the year ended December 31, 2020 for the Authority was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 144,621	\$ -	\$ -	\$ 144,621
Capital assets being depreciated:				
Buildings & improvements	412,404	-	-	412,404
Total capital assets being depreciated	412,404	-	-	412,404
Less accumulated depreciation for:				
Buildings & improvements	-	-	-	-
Total accumulated depreciation	-	-	-	-
Total capital assets being depreciated, net	412,404	-	-	412,404
Governmental capital assets, net	\$ 557,025	\$ -	\$ -	\$ 557,025

**Long-Term Debt –**

In July 2020 the Downtown Development Authority borrowed \$650,000 from a bank to purchase and improve the Old Post Office property located at 5379 East Mountain Street, Stone Mountain, GA. The note bears interest at 4.89% and is due in equal installments in January and July of each year. A summary of changes in long-term debt for the Authority for the year ended December 31, 2020 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Note payable	\$ 619,763	\$ -	\$ (15,674)	\$ 604,089	\$ 20,280

The City and the DDA have entered into an Intergovernmental Contract whereby the City has agreed to make payments to the Authority in amounts sufficient to enable the Authority to pay the principal and interest on the Note when due, and to levy an annual ad valorem tax on all taxable property located within the territorial limits of the City, if and as may be necessary to produce in each year revenues that are sufficient to fulfill the City's obligation under the Intergovernmental Contract. However, management of the City and the Authority do not anticipate the future need for the City's financial assistance in this matter.

(See Independent Auditor's Report)

**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**15. DOWNTOWN DEVELOPMENT AUTHORITY – DISCLOSURES, (Continued)**

Annual repayment requirements under the note payable agreement are as follows:

<u>F/Y/E</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>Decembere 31,</u>			
2021	\$ 20,280	\$ 44,609	\$ 64,889
2022	36,785	28,104	64,889
2023	38,606	26,283	64,889
2024	40,516	24,373	64,889
2025	42,522	22,367	64,889
2026 - 2030	246,344	78,101	324,445
2031 - 2033	<u>179,036</u>	<u>15,631</u>	<u>194,667</u>
	<u>\$ 604,089</u>	<u>\$ 239,468</u>	<u>\$ 843,557</u>

**16. EMPLOYEE BENEFIT PLANS**

**Plan Description**

The City, as authorized by the City Council, has established a defined benefit pension plan (The City of Stone Mountain Retirement Plan) covering all full-time employees. The City's pension plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

As provided by State law, benefit provisions for Participants in GMEBS are established and amended by the respective employers. As authorized by the City Council, the Plan provides pension benefits and death and disability benefits for Plan members and beneficiaries. All employees, excluding elected officials, who work thirty hours or more per week, are eligible to participate immediately upon hiring. Benefits vest after five years of service. A City employee who retires at age 65 with five years of service is entitled to benefits of 1.50% of final average earnings in excess of covered compensation. An employee may elect early retirement at age 55 provided he or she has a minimum of 25 years total credited service to receive full benefits, otherwise early retirement may be elected after only 10 years of service for reduced benefits. Ten years of service is required for nonservice related disability benefits. Disability benefits are paid out at 20% of an employee's current salary. Death benefits are calculated using an actuarial reserve.

At July 1, 2020, the date of the most recent actuarial valuation, there were 85 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	16
Terminated vested participants not yet receiving benefits	38
Active employees - vested	22
Active employees - nonvested	<u>9</u>
Total	<u>85</u>

(See Independent Auditor's Report)



**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**16. EMPLOYEE BENEFIT PLANS, (Continued)**

**Contributions**

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standard law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets State minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan is to contribute an amount equal to or greater than the recommended contribution described below. For fiscal year 2020, the actuarially determined contribution rate was 8.84% of covered payroll.

For fiscal year ended December 31, 2020, the City's recommended and actual contribution was \$129,429 which was actuarially determined and is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The amount of employer contributions recognized in the actuarial report date July 1, 2020 and recognized as an expense in the Government-Wide Statement of Activity was \$155,572.

**Pension Liabilities, Pension Expense, and Deferred Outflows and  
Deferred Outflows of Resources Related to Pensions**

At December 31, 2020, the City reported a liability of \$368,522 for its net pension liability. The net pension liability was measured as of March 31, 2020 and was determined by an actuarial valuation as of July 1, 2020. The changes in the Net Pension (Asset) Liability for the year ended March 31, 2020 (the measurement date) were as follow:

	Total Pension Liability	Fiduciary Net Position	Net Pension (Asset) Liability
Balances at March 31, 2019	\$ 4,181,897	\$ 4,273,510	\$ (91,613)
Changes for the year-			
Service cost	87,673	-	87,673
Interest	315,815	-	315,815
Differences between expected and actual experience	(134,789)	-	(134,789)
Contributions - Employer	-	128,461	(128,461)
Net investment income	-	(301,875)	301,875
Benefit payments, including refunds of employee contributions	(117,414)	(117,414)	-
Administrative expense	-	(14,207)	14,207
Other	3,815	-	3,815
Net Changes	155,100	(305,035)	460,135
Balance at March 31, 2020	<u>\$ 4,336,997</u>	<u>\$ 3,968,475</u>	<u>\$ 368,522</u>

Effective July 1, 2015, the Plan was amended to provide for immediate participation for Employees. This change has no impact on service credited under the Plan and has no impact on benefits. As a result of this change, all Employees are now included in the valuation. This change has minimal impact on the Plan's liability / asset.

(See Independent Auditor's Report)



**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**16. EMPLOYEE BENEFIT PLANS, (Continued)**

For the year ended December 31, 2020, the City recognized pension expense and deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Service cost	\$ 87,673
Interest on The Pension Liability (TPL)	315,815
Administrative expenses	14,207
Expected return on assets	(320,395)
Deferred Outflows -	
Contributions subsequent to the measurement date	-
Deferred Inflows -	
Expensed portion of current year period differences between expected and actual experience in TPL	(44,929)
Expensed portion of current year period assumption changes	1,271
Current year recognition of deferred inflows and outflows established in prior years	(22,524)
Expensed portion of current year period differences between projected and actual investment earnings	124,454
Total expense	<u>\$ 155,572</u>

\$97,072 reported as deferred outflows of resources related to pensions resulting from the City's contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

F/Y/E December 31,	Deferred Outflows	Deferred Inflows
2021	\$ 91,196	\$ (55,588)
2022	122,995	(44,930)
2023	156,308	-
2024	124,454	-
	<u>\$ 494,953</u>	<u>\$ (100,518)</u>

Outstanding balances of deferred outflows/inflows of resources related to pensions as of December 31, 2020 are as follow:

	Outflows	Inflows
Contributions subsequent to the measurement date	\$ 97,072	\$ -
Demographic	-	(100,518)
Investment	492,409	-
Assumption change	2,544	-
Total	<u>\$ 592,025</u>	<u>\$ (100,518)</u>

(See Independent Auditor's Report)

**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**16. EMPLOYEE BENEFITS PLAN, (Continued)**

**Actuarial Assumptions**

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

**Actuarial Assumptions:**

Net Investment Rate of Return	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost of Living Adjustments	2.25%
Mortality Rates -	
Healthy	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with multiplier of 1.25
Disabled	Sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with multiplier of 1.25
Plan Termination Basis	1994 Group Annuity Reserving Unisex Table

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2014.

The long-term rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	45.0%	6.40%
International equity	20.0%	7.40%
Global fixed income	5.0%	3.03%
Domestic fixed income	20.0%	1.75%
Real estate	10.0%	5.10%
Cash	0.0%	
Total	100.0%	

(See Independent Auditor's Report)

**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**16. EMPLOYEE BENEFITS PLAN, (Continued)**

**Discount Rate**

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

*Sensitivity of the Net Pension Liability  
To Changes in the Discount Rate*

The following presents the City's net pension liability calculated using the discount rate of 7.375 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
	<b><u>6.375%</u></b>	<b><u>7.375%</u></b>	<b><u>8.375%</u></b>
Net Pension Liability	\$ 960,217	\$ 368,522	\$ (123,728)

**Pension Plan Net Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued City of Stone Mountain Retirement Plan financial report.

**17. SHORT TERM BORROWINGS**

During the year ended December 31, 2020 the City had no short-term borrowings.

(See Independent Auditor's Report)



**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS – (Continued)**

**18. CONDUIT DEBT OBLIGATIONS**

In February 2018 the Downtown Development Authority of the City of Stone Mountain, Georgia issued \$100,000 principal amount of a loan from the Georgia Department of Community Affairs. Proceeds from the loan were loaned to Economy Properties, LLC in accordance with the terms of the loan agreement dated March 13, 2018. The proceeds will be used for the purpose of helping to finance renovations of a building at 1054 Main Street in downtown Stone Mountain. The loan does not constitute a debt, moral obligation, liability, or a loan, or credit or pledge of full faith and credit of the taxpayers of the City of Stone Mountain. Accordingly, the loan has not been reported as a liability in the accompanying financial statements. As of December 31, 2020, \$74,639 was outstanding under the loan agreement.

In November 2019 the Authority contracted to issued \$126,124 principal amount of a loan with the Georgia Department of Community Affairs under the same type of terms as above. The proceeds will be used for the purpose of helping to finance renovations of a building at 5368 East Mountain Street also located in downtown Stone Mountain. The proceeds were loaned to East Mountain Development Group, LLC during 2020. The loan does not constitute a debt or other liability to the City of Stone Mountain and has not been reported as a liability in the accompanying financial statements. As of December 31, 2020, the loan balance was \$ 121,907 as of December 31, 2020.

**19. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES**

Generally accepted accounting principles require disclosures, as a part of the combined statements - overview, of certain information concerning individual funds including-

- A. Deficit fund balances or net position balances of individual funds – As of December 31, 2020 no fund of the City had a deficit fund balance
- B. Excess of expenditures over appropriations in individual funds – None of the City's funds had departments that incurred material excesses (if over 5 percent and greater than \$5,000) of expenditures over appropriations at the department level (the legal level of control).
- C. The City has created a Tax Allocation District #1 (TAD) which centers on the City's Main Street commercial core, select commercial and residential areas and a 50-acre tract of newly incorporated, underdeveloped land. As taxable property is redeveloped and therefore improved, any property tax revenue increase above the base year value within the TAD is deposited into a special fund to pay for redevelopment costs within the TAD. The 2008 base year taxable value within the TAD was \$9,681,680. Subsequent years' taxable values inside the TAD have decreased. Therefore, no taxes were realized that were required to be deposited into a special fund as of December 31, 2020.
- D. The City Council voted to allow DeKalb County to start providing sanitation services to the residence and commercial entities of the City beginning January 1, 2019. The County will also bill and collect fees for such services. Therefore, the City will not recognize revenues from sanitation nor provide sanitation services beginning January 1, 2019.
- E. In October 2018 the Downtown Development Authority placed a bid for a tract of land owned by the Metropolitan Atlanta Regional Transit Authority (MARTA). The DDA placed a security deposit of \$31,400 on the land purchase. During 2019, the DDA decided not to pursue the tract of land and the security deposit was refunded to the Authority in 2020..

(See Independent Auditor's Report)

CITY OF STONE MOUNTAIN, GEORGIA  
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS  
LAST 10 FISCAL YEARS

	Fiscal Year End									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Total Pension Liability</b>										
Service cost	\$ 87,673	\$ 69,797	\$ 86,795	\$ 90,761	\$ 91,995	\$ 76,184				
Interest	315,815	298,038	288,743	274,600	256,210	229,805				
Differences between expected and actual experience	(134,789)	(31,973)	(2,609)	(70,721)	(22,681)	153,267	(Historical information prior to implementation of GASB 67/68 is not required )			
Changes of assumptions	3,815	-	-	-	-	(44,184)				
Other	-	-	(73,327)	-	-	-				
Benefit payments	(117,414)	(116,023)	(126,522)	(97,779)	(78,686)	(70,025)				
Net changes in total pension liability	155,100	219,839	173,080	196,861	246,838	345,047				
Total pension liability - beginning	4,181,897	3,962,058	3,788,978	3,592,117	3,345,279	3,000,232				
Total pension liability - ending	\$ 4,336,997	\$ 4,181,897	\$ 3,962,058	\$ 3,788,978	\$ 3,592,117	\$ 3,345,279				
<b>Plan Fiduciary Net Position</b>										
Contributions - employer	\$ 128,461	\$ 113,103	\$ 127,087	\$ 129,669	\$ 121,965	\$ 131,821				
Net investment income	(301,875)	150,561	458,654	412,524	10,778	281,624				
Benefit payments	(117,414)	(116,023)	(126,522)	(97,779)	(78,686)	(70,025)	(Historical information prior to implementation of GASB 67/68 is not required )			
Administrative expense	(14,207)	(13,346)	(13,123)	(13,373)	(9,268)	(8,478)				
Other	-	-	-	-	-	-				
Net change in fiduciary net position	(305,035)	134,295	446,096	431,041	44,789	334,942				
Plan fiduciary net position - beginning	4,273,510	4,139,215	3,693,119	3,262,078	3,217,289	2,882,347				
Plan fiduciary net position - ending	\$ 3,968,475	\$ 4,273,510	\$ 4,139,215	\$ 3,693,119	\$ 3,262,078	\$ 3,217,289				
<b>Net Pension Liability</b>										
Net pension (asset) liability	\$ 368,522	\$ (91,613)	\$ (177,157)	\$ 95,859	\$ 330,039	\$ 127,990				
Plan's fiduciary net position as a percentage of the total pension liability	91.50%	102.19%	104.47%	97.47%	90.81%	96.17%	(Historical information prior to implementation of GASB 67/68 is not required )			
Covered-employee payroll	\$ 1,436,180	\$ 1,444,349	\$ 1,194,474	\$ 1,277,871	\$ 1,402,082	\$ 1,454,796				
Net pension liability as a percentage of covered payroll	25.66%	-6.34%	-14.83%	7.50%	23.54%	8.80%				

CITY OF STONE MOUNTAIN, GEORGIA  
SCHEDULE OF CONTRIBUTIONS  
LAST 10 FISCAL YEARS

	Fiscal Year End									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contributions	129,429	115,324	125,176	127,724	130,318	119,180				
Contributions in relation to the actuarially determined contribution	(129,429)	(115,324)	(125,176)	(127,724)	(130,318)	(129,383)				
Contribution deficiency (excess)	-	-	-	-	-	(10,203)				(Historical information prior to implementation of GASB 67/68 is not required )
Covered-employee payroll	1,436,180	1,444,349	1,277,871	1,277,871	1,402,082	1,454,796				
Contributions as a percentage of covered-employee payroll	9.01%	7.98%	9.80%	10.00%	9.29%					



**CITY OF STONE MOUNTAIN, GEORGIA**  
**NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**Note 1**

Significant methods and assumptions used in calculating the actuarially determined calculations are as follow:

**Methods and assumptions used to determine contribution rates:**

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	N/A
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

**Actuarial Assumptions:**

Net Investment Rate of Return	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost of Living Adjustments	2.25%
Mortality Rates -	
Healthy	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with multiplier of 1.25
Disabled	Sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with multiplier of 1.25
Plan Termination Basis	1994 Group Annuity Reserving Unisex Table

During 2020 the following factors changed that significantly affected trends in the amounts reported as follows:

- The investment return assumption was decreased from 7.50% to 7.375%.
- The inflation assumption was decreased from 2.75% to 2.25%.
- The cost-of-living assumption was decreased from 2.75% to 2.25%

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**CITY OF STONE MOUNTAIN, GEORGIA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2020**

	Special Revenue				Total
	Cemetery Fund	Police Asset Forfeiture Fund	Hotel / Motel Fund	Capital Projects Fund	
<b>Assets</b>					
Cash	\$ -	\$ 25,262	\$ 704	\$ -	\$ 25,966
Receivable	-	-	-	-	-
Taxes	-	-	700	-	700
Miscellaneous	-	-	-	-	-
Grant receivable	-	-	-	-	-
Due from other funds	5,357	-	-	-	5,357
Due from component unit	-	-	-	-	-
Deposits	-	-	-	-	-
	<u>\$ 5,357</u>	<u>\$ 25,262</u>	<u>\$ 1,404</u>	<u>\$ -</u>	<u>\$ 32,023</u>
<b>Liabilities and Fund Equity</b>					
Liabilities:					
Accounts payable	\$ -	\$ 8,510	\$ -	\$ -	\$ 8,510
Accrued liabilities	741	-	551	-	1,292
Unearned revenue	-	6,753	-	-	6,753
Total Liabilities	<u>741</u>	<u>15,263</u>	<u>551</u>	<u>-</u>	<u>16,555</u>
Fund Balance					
Restricted -					
Police Services	-	9,999	-	-	9,999
Tourism and promotion	-	-	853	-	853
Cemetery up-keep	4,616	-	-	-	4,616
Unassigned	-	-	-	-	-
Total fund balance	<u>4,616</u>	<u>9,999</u>	<u>853</u>	<u>-</u>	<u>15,468</u>
Total liabilities and fund balance	<u>\$ 5,357</u>	<u>\$ 25,262</u>	<u>\$ 1,404</u>	<u>\$ -</u>	<u>\$ 32,023</u>



**CITY OF STONE MOUNTAIN, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Special Revenue</u>				
	Cemetery	Police	Hotel /	Capital	
	Fund	Asset	Motel	Projects	
Revenues:	Fund	Forfeiture	Fund	Fund	Total
Cemetery lot sales	\$ 5,400	\$ -	\$ -	\$ -	\$ 5,400
Taxes	-	-	7,913	-	7,913
Intergovernmental	-	-	5,000	-	5,000
Fines and forfeitures	-	-	-	-	-
Other	-	-	10,500	-	10,500
Total Revenue	<u>5,400</u>	<u>-</u>	<u>23,413</u>	<u>-</u>	<u>28,813</u>
Expenditures;					
Current:					
Salaries and benefits	7,309	-	42,594	-	49,903
Purchased/contracted services	4,961	-	2,187	-	7,148
Supplies	-	-	776	-	776
Other	-	-	3,445	-	3,445
Capital outlay	-	11,137	-	-	11,137
Total Expenditures	<u>12,270</u>	<u>11,137</u>	<u>49,002</u>	<u>-</u>	<u>72,409</u>
Excess (deficiency) of revenues over expenditures	(6,870)	(11,137)	(25,589)	-	(43,596)
Other financing sources (uses)					
Transfers in (out)	-	-	25,045	-	25,045
Net Change in Fund Balances	(6,870)	(11,137)	(544)	-	(18,551)
Fund Balance-Beginning of Year	<u>11,486</u>	<u>21,136</u>	<u>1,397</u>	<u>-</u>	<u>34,019</u>
Fund Balance-End of Year	<u>\$ 4,616</u>	<u>\$ 9,999</u>	<u>\$ 853</u>	<u>\$ -</u>	<u>\$ 15,468</u>

**CITY OF STONE MOUNTAIN, GEORGIA**  
**GENERAL FUND**  
**COMPARATIVE BALANCE SHEET**  
**DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>Assets</b>		
Cash	\$ 3,505,495	\$ 2,955,771
Receivables - net		
Property taxes	330,045	280,306
Franchise taxes	198,937	195,723
Other taxes	14,563	17,257
Fines	186,962	252,574
Intergovernmental	-	-
Miscellaneous	13,035	9,808
Due from other funds	12,366	-
Due from component unit	-	-
Prepaid expenses	10,301	4,698
Total assets	<u>\$ 4,271,704</u>	<u>\$ 3,716,137</u>
<b>Liabilities</b>		
Accounts payable	\$ 97,425	\$ 81,859
Accrued liabilities	97,105	103,563
Due to component unit	65,076	-
Due to other funds	5,357	33,174
Unearned revenues	15,740	21,360
Total liabilities	<u>280,703</u>	<u>239,956</u>
<b>Deferred Inflows of Resources</b>		
Unavailable revenues	<u>452,837</u>	<u>286,405</u>
<b>Fund Balance (Deficit)</b>		
Nonspendable - prepaid items	10,301	4,698
Assigned - for next year's budget appropriations	858,057	504,442
Unassigned	2,669,806	2,680,636
Total fund balance (deficit)	<u>3,538,164</u>	<u>3,189,776</u>
Total liabilities, deferred inflows of resources and fund balance (deficit)	<u>\$ 4,271,704</u>	<u>\$ 3,716,137</u>

**CITY OF STONE MOUNTAIN, GEORGIA**  
**GENERAL FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**For the years ended December 31, 2020 and 2019**

	2020	2019
<b>Revenues:</b>		
Taxes	\$ 3,109,986	\$ 3,227,344
Business licenses and permits	106,593	129,750
Intergovernmental	68,991	75,752
Service fees	8,139	10,413
Fines and forfeitures	523,423	935,248
Interest	2	4
Rents	-	900
Miscellaneous	9,459	27,071
<b>Total revenues</b>	<u>3,826,593</u>	<u>4,406,482</u>
<b>Expenditures:</b>		
Current-		
Governing Body	40,972	53,273
General Government	536,302	290,609
Financial Administration	573,215	531,912
Government Buildings	116,547	106,895
Municipal Court	246,465	302,056
Public Safety	572,817	1,269,972
Highways and Streets	537,587	388,738
Culture and Recreation	148,104	153,328
Economic Development	328,092	117,775
Capital Outlay	138,067	240,194
Debt service -		
Principal	139,044	118,330
Interest	52,543	50,513
<b>Total expenditures</b>	<u>3,429,755</u>	<u>3,623,595</u>
Excess (deficiency) of revenues over expenditures	<u>396,838</u>	<u>782,887</u>
Other financing sources (uses)		
Capital lease proceeds	123,343	153,191
Proceeds from disposition of capital assets	10,247	93,623
Transfers (net)	(182,040)	(33,920)
<b>Total other financing sources (uses)</b>	<u>(48,450)</u>	<u>212,894</u>
Net change in fund balance	348,388	995,781
Fund Balance-Beginning of Year	3,189,776	2,193,995
Fund Balance-End of Year	<u>\$ 3,538,164</u>	<u>\$ 3,189,776</u>

(See accompanying notes to the financial statements.)



**CITY OF STONE MOUNTAIN, GEORGIA**  
**GENERAL FUND**  
**SCHEDULES OF REVENUES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**For the year ended December 31, 2020**  
**(With comparative actual amounts for the year ended December 31, 2019)**

	2020			2019
	Final Budget	Actual	Variance	Actual
<b>Revenues</b>				
<b>Taxes:</b>				
Property	\$ 2,410,785	\$ 2,114,326	\$ (296,459)	\$ 2,271,568
Utility franchise	269,349	261,483	(7,866)	275,272
Host tax	-	1,238	1,238	-
Alcoholic beverage	17,947	14,005	(3,942)	16,055
Insurance premium	468,697	468,698	1	444,322
Motor vehicle	123,738	132,067	8,329	100,120
Intangible taxes	56,031	56,545	514	49,719
Business and occupational	35,541	41,051	5,510	41,388
Other taxes	22,045	20,573	(1,472)	28,900
Total taxes	<u>3,404,133</u>	<u>3,109,986</u>	<u>(294,147)</u>	<u>3,227,344</u>
<b>Business Licenses and Permits</b>	<u>105,580</u>	<u>106,593</u>	<u>1,013</u>	<u>129,750</u>
<b>Intergovernmental</b>	<u>68,994</u>	<u>68,991</u>	<u>(3)</u>	<u>75,752</u>
<b>Service Fees</b>				
Police services	6,840	6,970	130	8,110
Miscellaneous	-	1,169	1,169	2,303
Total service fees	<u>6,840</u>	<u>8,139</u>	<u>1,299</u>	<u>10,413</u>
<b>Fines and Forfeitures</b>	<u>551,691</u>	<u>523,423</u>	<u>(28,268)</u>	<u>935,248</u>
<b>Interest Earned</b>	<u>-</u>	<u>2</u>	<u>2</u>	<u>4</u>
<b>Rents</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>900</u>
<b>Miscellaneous</b>				
Other	15,126	9,459	(5,667)	27,071
Total	<u>15,126</u>	<u>9,459</u>	<u>(5,667)</u>	<u>27,071</u>
<b>Total Revenues</b>	<u>\$ 4,152,364</u>	<u>\$ 3,826,593</u>	<u>\$ (325,771)</u>	<u>\$ 4,406,482</u>

**CITY OF STONE MOUNTAIN, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
(With comparative actual totals for the year ended December 31, 2019)

	2020			2019
	Final Budget	Actual	Variance	Actual
<b>Expenditures</b>				
<b>Governing Body</b>				
Personal services and benefits	\$ 36,191	\$ 36,444	\$ (253)	\$ 35,160
Purchased / contracted services	17,180	4,528	12,652	18,113
Supplies	50	-	50	-
Total operating	53,421	40,972	12,449	53,273
Total Governing Body	53,421	40,972	12,449	53,273
<b>General Government</b>				
Personal services and benefits	132,449	132,449	-	116,575
Purchased / contracted services	400,913	388,686	12,227	149,783
Supplies	16,124	15,167	957	24,251
Other	-	-	-	-
Total operating	549,486	536,302	13,184	290,609
Capital outlay	-	-	-	-
Total General Government	549,486	536,302	13,184	290,609
<b>Financial Administration</b>				
Personal services and benefits	471,369	424,226	47,143	359,814
Purchased / contracted services	144,391	139,831	4,560	160,930
Supplies	12,791	9,158	3,633	11,168
Other	821	-	821	-
Total operating	629,372	573,215	56,157	531,912
Capital outlay	-	-	-	771
Total Financial Administration	629,372	573,215	56,157	532,683

Continued

**CITY OF STONE MOUNTAIN, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
(With comparative actual totals for the year ended December 31, 2019)

	2020			2019
	Final Budget	Actual	Variance	Actual
<b>Government Buildings</b>				
Purchased / contracted services	\$ 94,015	\$ 81,188	\$ 12,827	\$ 66,898
Supplies	46,375	35,359	11,016	39,997
Other	5,889	-	5,889	-
Total operating	146,279	116,547	29,732	106,895
Capital outlay	-	-	-	1,791
Total Government Buildings	146,279	116,547	29,732	108,686
<b>Municipal Court</b>				
Personal services and benefits	160,789	144,215	16,574	161,347
Purchased / contracted services	82,852	60,901	21,951	93,140
Supplies	5,235	4,146	1,089	3,701
Other costs	37,500	37,203	297	43,868
Total operating	286,376	246,465	39,911	302,056
Capital outlay	-	-	-	2,042
Total Municipal Court	286,376	246,465	39,911	304,098
<b>Public Safety</b>				
Police				
Personal services and benefits	395,698	358,376	37,322	1,043,477
Purchased / contracted services	181,608	167,386	14,222	174,164
Supplies	60,725	47,055	13,670	52,331
Other costs		-	-	-
Total operating	638,031	572,817	65,214	1,269,972
Capital outlay	191,033	138,067	52,966	146,686
Total Public Safety	829,064	710,884	118,180	1,416,658

Continued



**CITY OF STONE MOUNTAIN, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
**(With comparative actual totals for the year ended December 31, 2019)**

	2020			2019
	Final Budget	Actual	Variance	Actual
<b>Highways and Streets</b>				
Personal services and benefits	\$ 217,927	\$ 175,722	\$ 42,205	\$ 202,656
Purchased / contracted services	266,641	243,879	22,762	60,455
Supplies	133,955	117,986	15,969	125,627
Other costs	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>-</u>
Total operating	<u>620,023</u>	<u>537,587</u>	<u>82,436</u>	<u>388,738</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,904</u>
Total Highways and Streets	<u>620,023</u>	<u>537,587</u>	<u>82,436</u>	<u>477,642</u>
<b>Culture and Recreation</b>				
Personal services and benefits	131,741	116,031	15,710	124,411
Purchased / contracted services	32,966	28,552	4,414	24,359
Supplies	6,007	3,521	2,486	4,558
Other costs	<u>1,628</u>	<u>-</u>	<u>1,628</u>	<u>-</u>
Total operating	<u>172,342</u>	<u>148,104</u>	<u>24,238</u>	<u>153,328</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Recreation	<u>172,342</u>	<u>148,104</u>	<u>24,238</u>	<u>153,328</u>

Continued

CITY OF STONE MOUNTAIN, GEORGIA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2020  
(With comparative actual totals for the year ended December 31, 2019)

	2020			2019
	Final Budget	Actual	Variance	Actual
<b>Economic Development</b>				
Personal services and benefits	\$ -	\$ -	\$ -	\$ -
Purchased / contracted services	327,008	328,092	(1,084)	117,775
Supplies	-	-	-	-
Total operating	327,008	328,092	(1,084)	117,775
Capital outlay	-	-	-	-
Total Economic Development	327,008	328,092	(1,084)	117,775
<b>Debt Service</b>				
Principal	142,516	139,044	3,472	118,330
Interest	52,677	52,543	134	50,513
Total Debt Service	195,193	191,587	3,606	168,843
Total Expenditures	\$ 3,808,564	\$ 3,429,755	\$ 378,809	\$ 3,623,595

**CITY OF STONE MOUNTAIN, GEORGIA  
CEMETERY FUND  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2020 AND 2019**

<b>Assets</b>	<u>2020</u>	<u>2019</u>
Due from other funds	\$ 5,357	\$ 11,636
Total Assets	<u>\$ 5,357</u>	<u>\$ 11,636</u>
<b>Liabilities and Fund Balance</b>		
Liabilities		
Accrued liabilities	\$ 741	\$ 150
Total Liabilities	741	150
Fund balance		
Restricted for cemetery up-keep	<u>4,616</u>	<u>11,486</u>
Total Liabilities and Fund Balance	<u>\$ 5,357</u>	<u>\$ 11,636</u>



**CITY OF STONE MOUNTAIN, GEORGIA**  
**CEMETERY FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
**(With comparative actual amounts for the year ended December 31, 2019)**

	2020			2019
	Budget	Actual	Variance	Actual
<b>Revenues</b>				
Cemetery lot sales	\$ 5,300	\$ 5,400	\$ 100	\$ 5,950
Contributions	-	-	-	11,600
Total Revenues	5,300	5,400	100	17,550
<b>Expenditures</b>				
Current				
Salaries and benefits	7,852	7,309	543	7,495
Purchased/contracted services	8,900	4,961	3,939	3,335
Other costs	836	-	836	-
Capital outlay	-	-	-	-
Total Expenditures	17,588	12,270	5,318	10,830
Excess of revenues over (under) expenditures	(12,288)	(6,870)	5,418	6,720
Other financing sources (uses)				
Transfers	12,288	-	(12,288)	-
Net change in fund balance	-	(6,870)	(6,870)	6,720
Fund Balance-Beginning of Year	11,486	11,486	-	4,766
Fund Balance-End of Year	\$ 11,486	\$ 4,616	\$ (6,870)	\$ 11,486

**CITY OF STONE MOUNTAIN, GEORGIA  
POLICE ASSET FORFEITURE FUND  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2020 AND 2019**

<b>Assets</b>	<u>2020</u>	<u>2019</u>
Cash	\$ 25,262	\$ 28,019
Total assets	<u>\$ 25,262</u>	<u>\$ 28,019</u>
<b>Liabilities and Fund Balance</b>		
Liabilities		
Accounts Payable	\$ 8,510	\$ 130
Unearned Revenues	<u>6,753</u>	<u>6,753</u>
Total liabilities	<u>15,263</u>	<u>6,883</u>
Fund balance:		
Restricted for police budget enhancement	<u>9,999</u>	<u>21,136</u>
Total liabilities and fund balance	<u>\$ 25,262</u>	<u>\$ 28,019</u>

**CITY OF STONE MOUNTAIN, GEORGIA**  
**POLICE ASSET FORFEITURE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
(With comparative actual amounts for the year ended December 31, 2019)

	2020			2019
	Budget	Actual	Variance	Actual
<b>Revenues</b>				
Forfeitures	\$ -	\$ -	\$ -	\$ 5,041
Other	-	-	-	-
Total Revenues	-	-	-	5,041
<b>Expenditures</b>				
Current -				
Supplies	-	-	-	5,141
Purchased/contracted services	-	-	-	849
Other costs	9,999	-	9,999	-
Capital outlay-				
Machinery and equipment	11,137	11,137	-	-
Total Expenditures	21,136	11,137	9,999	5,990
Excess (deficiency) of Revenues over Expenditures	(21,136)	(11,137)	9,999	(949)
Other financing sources (uses) Transfers in (out)	-	-	-	-
Net change in fund balance	(21,136)	(11,137)	9,999	(949)
Fund Balance-Beginning of Year	21,136	21,136	-	22,085
Fund Balance-End of Year	\$ -	\$ 9,999	\$ 9,999	\$ 21,136



**CITY OF STONE MOUNTAIN, GEORGIA  
HOTEL / MOTEL TAX FUND  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>Assets</b>		
Cash	\$ 704	\$ 1,003
Receivables -	700	1,030
Taxes	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 1,404</u>	<u>\$ 2,033</u>
 <b>Liabilities and Fund Balance</b>		
Liabilities		
Accrued liabilities	\$ 551	\$ 636
Due to other funds	<u>-</u>	<u>-</u>
Total Liabilities	551	636
Fund balance - Restricted for Tourism and Promotion	<u>853</u>	<u>1,397</u>
Total Liabilities and Equity	<u>\$ 1,404</u>	<u>\$ 2,033</u>

**CITY OF STONE MOUNTAIN, GEORGIA**  
**HOTEL / MOTEL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
**(With comparative actual amounts for the year ended December 31, 2019)**

	2020			2019
	Final Budget	Actual	Variance	Actual
<b>Revenues</b>				
Hotel / Motel tax	\$ 8,550	\$ 7,913	\$ (637)	\$ 13,399
Event revenue	-	-	-	3,961
Film permits	-	-	-	8,500
Intergovernmental	5,000	5,000	-	-
Miscellaneous	1,500	1,500	-	3,109
Contributions from SMMA	9,000	9,000	-	9,000
Total Revenues	24,050	23,413	(637)	37,969
<b>Expenditures</b>				
Current -				
Tourism and Promotion	63,550	49,002	14,548	78,577
Capital outlay	-	-	-	-
Total Expenditures	63,550	49,002	14,548	78,577
Excess (deficiency) of Revenues over Expenditures	(39,500)	(25,589)	13,911	(40,608)
Other financing sources (uses)				
Transfers in (out)	39,500	25,045	(14,455)	42,005
Net change in fund balance	-	(544)	(544)	1,397
Fund Balance-Beginning of Year	1,397	1,397	-	-
Fund balance-end of Year	\$ 1,397	\$ 853	\$ (544)	\$ 1,397

**CITY OF STONE MOUNTAIN, GEORGIA  
CAPITAL PROJECTS FUND  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>Assets</b>		
Cash	\$ -	\$ -
Receivables -		
Other taxes	-	-
Grant	-	-
Due from other funds		
Total Assets	<u>\$ -</u>	<u>\$ -</u>
<b>Liabilities</b>		
Accounts payable	\$ -	\$ -
Accrued liabilities	-	-
Due to other funds	-	-
Total Liabilities	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>		
Unavailable revenues	-	-
<b>Fund balance -</b>		
Restricted for capital outlay	-	-
Unassigned	-	-
Total Fund Balance	<u>-</u>	<u>-</u>
<b>Total Liabilities, Deferred Inflows of resources and Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>



**CITY OF STONE MOUNTAIN, GEORGIA**  
**CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
(With comparative actual amounts for the year ended December 31, 2019)

	*Budget	2020 Actual	Variance	2019 Actual
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-
Taxes	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditures</b>				
Capital Outlay				
Highways and Streets	-	-	-	-
General Government Buildings	-	-	-	1,997
Debt Service				
Debt Issue Cost	-	-	-	-
Total Expenditures	-	-	-	1,997
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of				
Revenues over				
Expenditures	-	-	-	(1,997)
Other Financing Sources (Uses)				
Capital Lease Proceeds	-	-	-	-
Transfers	-	-	-	1,997
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balance	-	-	-	-
Fund balance-Beginning of Year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balance-end of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\* Management did not expect any significant transactions in this fund for 2020.

**CITY OF STONE MOUNTAIN, GEORGIA**  
**SPLOST CAPITAL PROJECTS FUND**  
**BALANCE SHEET**  
**DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash	\$ 1,660,101	\$ 1,044,374
Due from other governments	92,672	88,022
Due from other funds	<u>-</u>	<u>-</u>
<b>Total assets</b>	<u><u>\$ 1,752,773</u></u>	<u><u>\$ 1,132,396</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$ 27,987	\$ 13,860
Due to other funds	<u>-</u>	<u>-</u>
	<u>27,987</u>	<u>13,860</u>
<b>Deferred inflows of resources</b>		
Unavailable revenues	<u>-</u>	<u>-</u>
<b>Fund balance</b>		
Reserved for specified purposes	<u>1,724,786</u>	<u>1,118,536</u>
<b>Total fund balance</b>	<u>1,724,786</u>	<u>1,118,536</u>
<b>Total liabilities and fund balance</b>	<u><u>\$ 1,752,773</u></u>	<u><u>\$ 1,132,396</u></u>

**CITY OF STONE MOUNTAIN, GEORGIA  
SPLOST CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>REVENUES</b>		
Intergovernmental	\$ 884,830	\$ 910,666
Interest	<u>178</u>	<u>146</u>
<b>Total revenues</b>	<u>885,008</u>	<u>910,812</u>
<b>EXPENDITURES</b>		
Capital Outlay -		
Street improvements	231,088	197,624
Police equipment	-	91,798
Fire facilities	29,412	29,412
Park improvements	18,258	13,823
Debt Service -		
Principal	-	-
Interest	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>278,758</u>	<u>332,657</u>
Excess of revenues over (under) expenditures	606,250	578,155
Other financing sources (uses)		
Transfers	<u>-</u>	<u>-</u>
 Net change in fund balance	 606,250	 578,155
<b>Fund Balance -</b>		
Beginning	<u>1,118,536</u>	<u>540,381</u>
Ending	<u>\$ 1,724,786</u>	<u>\$ 1,118,536</u>

**CITY OF STONE MOUNTAIN, GEORGIA  
SCHEDULE OF PROJECTS FINANCED  
WITH SPECIAL SALES TAX PROCEEDS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

<b>PROJECTS</b>	<b>ORIGINAL ESTIMATED COST</b>	<b>EXPENDITURES</b>			<b>ESTIMATED PERCENT COMPLETE</b>
		<b>BEGINNING OF YEAR</b>	<b>CURRENT YEAR</b>	<b>TO DATE</b>	
Street Improvements	\$ 4,410,238	\$ 197,624	\$ 231,088	\$ 428,712	9.7%
Police Equipment	252,048	190,665	-	190,665	75.6%
Fire Facilities and Equipment	176,472	51,471	29,412	80,883	45.8%
Park Improvements	<u>853,898</u>	<u>13,823</u>	<u>18,258</u>	<u>32,081</u>	3.8%
	<u>\$ 5,692,656</u>	<u>\$ 453,583</u>	<u>\$ 278,758</u>	<u>\$ 732,341</u>	



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**CITY OF STONE MOUNTAIN, GEORGIA**  
**SOLID WASTE ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2020 AND 2019**

<b>Assets</b>	<u>2020</u>	<u>2019</u>
<b>Current assets</b>		
Accounts receivable		
Sanitation	\$ 688	\$ 2,548
Dumpsters	-	-
Due from General Fund	-	-
Prepaid items	-	-
Total current assets	<u>688</u>	<u>2,548</u>
<b>Noncurrent assets</b>		
Capital assets		
Automobiles	68,481	68,481
Machinery and equipment	23,130	23,130
Accumulated depreciation	<u>(91,611)</u>	<u>(91,611)</u>
Capital assets (net of depreciation)	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>-</u>	<u>-</u>
 Total assets	 <u>688</u>	 <u>2,548</u>
<b>Liabilities</b>		
Current liabilities		
Accounts payable	-	-
Accrued salaries	204	202
Customer deposits	-	-
Unearned revenue	-	-
Accrued liabilities	<u>-</u>	<u>-</u>
Current liabilities	<u>204</u>	<u>202</u>
Noncurrent liabilities		
Capital lease payable	<u>-</u>	<u>-</u>
Total noncurrent liabilities		
 Total liabilities	 <u>204</u>	 <u>202</u>
<b>Net Position</b>		
Investment in capital assets	-	-
Unrestricted	<u>484</u>	<u>2,346</u>
 Total net position	 <u>\$ 484</u>	 <u>\$ 2,346</u>

**CITY OF STONE MOUNTAIN, GEORGIA**  
**SOLID WASTE ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
OPERATING REVENUES:		
Refuse collection	\$ -	\$ 472
Dumpster collection	-	-
Miscellaneous	-	-
	<hr/>	<hr/>
Total operating revenues	-	472
	<hr/>	<hr/>
OPERATING EXPENSES:		
Purchased products and services		
Landfill fees	-	3,037
Dumpster collection	-	-
Sanitation expense	-	-
Personal services and benefits	9,571	10,284
Purchased / contracted services	-	1,596
Supplies	-	606
Depreciation	-	386
Bad debt expense	-	-
Other	-	-
	<hr/>	<hr/>
Total operating expenses	9,571	15,909
	<hr/>	<hr/>
Operating income	(9,571)	(15,437)
	<hr/>	<hr/>
NONOPERATING INCOME/(EXPENSES)		
Loss on sale of capital assets	-	-
	<hr/>	<hr/>
Total nonoperating income/(expense)	-	-
	<hr/>	<hr/>
Income before transfers and capital contributions	(9,571)	(15,437)
	<hr/>	<hr/>
Capital contributions	-	-
Transfers in/(out)	7,709	(10,082)
	<hr/>	<hr/>
Change in net position	(1,862)	(25,519)
	<hr/>	<hr/>
NET POSITION, BEGINNING OF YEAR	2,346	27,865
	<hr/>	<hr/>
NET POSITION, END OF YEAR	\$ 484	\$ 2,346
	<hr/>	<hr/>

**CITY OF STONE MOUNTAIN, GEORGIA**  
**SOLID WASTE ENTERPRISE FUND**  
**COMPARATIVE STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Cash received from customers and users	\$ 1,860	\$ 25,547
Cash paid to suppliers	(2,411)	(7,782)
Cash paid to employees	<u>(7,158)</u>	<u>(7,683)</u>
Net cash provided by operating activities	<u>(7,709)</u>	<u>10,082</u>
Cash flows from capital financing activities:		
Proceeds from sales of capital assets	-	-
Purchase of capital assets	-	-
Principal paid on capital debt	<u>-</u>	<u>-</u>
Net cash provided by capital financing activities	<u>-</u>	<u>-</u>
Cash flows from non-capital financing activities:		
Transfers	<u>7,709</u>	<u>(10,082)</u>
Net cash provided by non-capital financing activities	<u>7,709</u>	<u>(10,082)</u>
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents - Beginning of Year	<u>-</u>	<u>-</u>
Cash and cash equivalents - End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>



**CITY OF STONE MOUNTAIN, GEORGIA  
SOLID WASTE ENTERPRISE FUND  
STATEMENTS OF CASH FLOWS**

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED  
BY OPERATING ACTIVITIES**

	<u>2020</u>	<u>2019</u>
Operating income (loss)	\$ (9,571)	\$ (15,437)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	-	386
(Increase) decrease in receivables	1,860	31,434
(Increase) decrease in prepaids	-	-
Increase (decrease) in accounts payable	-	-
Increase (decrease) in unearned revenues	-	(1,622)
Increase (decrease) in customer deposits	-	(4,737)
Increase (decrease) in accrued liabilities	<u>2</u>	<u>58</u>
Net cash provided by operating activities	<u>\$ (7,709)</u>	<u>\$ 10,082</u>

**CITY OF STONE MOUNTAIN, GEORGIA**  
**STORMWATER MANAGEMENT FUND**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 358,823	\$ 157,102
Receivables, net -		
Accounts	23,534	26,039
Due from other funds	-	21,538
Total current assets	<u>382,357</u>	<u>204,679</u>
<b>Non-Current Assets</b>		
Capital assets -		
Construction in progress	-	-
Infrastructure	1,622,960	1,590,965
Accumulated depreciation	<u>(279,029)</u>	<u>(238,788)</u>
Capital assets, net of depreciation	1,343,931	1,352,177
Total non-current assets	<u>1,343,931</u>	<u>1,352,177</u>
<b>Total Assets</b>	<u>1,726,288</u>	<u>1,556,856</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable	17,752	12,849
Accrued liabilities	740	735
Due to other funds	<u>12,366</u>	<u>-</u>
Total current liabilities	<u>30,858</u>	<u>13,584</u>
<b>Noncurrent Liabilities</b>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>	<u>30,858</u>	<u>13,584</u>
<b>NET POSITION</b>		
Investment in capital assets	1,343,931	1,352,177
Unrestricted	<u>351,499</u>	<u>191,095</u>
<b>Total Net Position</b>	<u>\$ 1,695,430</u>	<u>\$ 1,543,272</u>

**CITY OF STONE MOUNTAIN, GEORGIA  
STORMWATER MANAGEMENT FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 148,358	\$ 148,070
Total operating revenues	<u>148,358</u>	<u>148,070</u>
<b>OPERATING EXPENSES</b>		
Personal services and benefits	33,731	37,249
Purchased/contracted services	66,494	47,762
Supplies	-	-
Depreciation	40,241	33,309
Bad debt	5,000	-
Other	20	-
Total operating expenses	<u>145,486</u>	<u>118,320</u>
Operating income (loss)	2,872	29,750
<b>Non-operating revenues and (expenses)</b>		
Interest income	<u>-</u>	<u>-</u>
Income before transfers and capital contributions	2,872	29,750
Capital contributions	-	-
Transfers	<u>149,286</u>	<u>-</u>
Change in net position	152,158	29,750
NET POSITION - BEGINNING	<u>1,543,272</u>	<u>1,513,522</u>
NET POSITION - ENDING	<u>\$ 1,695,430</u>	<u>\$ 1,543,272</u>

**CITY OF STONE MOUNTAIN, GEORGIA  
STORMWATER MANAGEMENT FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>Cash flows from operating activities:</b>		
Cash received from customers and users	\$ 150,863	\$ 135,921
Cash paid to suppliers for goods	(74,354)	(47,427)
Cash paid to employees	(25,983)	(27,882)
Net cash provided from operating activities	<u>50,526</u>	<u>60,612</u>
<b>Cash flows from investing activities:</b>		
Interest income	<u>-</u>	<u>-</u>
Net cash from investing activities	<u>-</u>	<u>-</u>
<b>Cash flows from non-capital financing activities:</b>		
Transfers from other funds	149,286	-
Change in due to/from other funds	<u>33,904</u>	<u>79,481</u>
Net cash flows from non-capital financing activities	<u>183,190</u>	<u>79,481</u>
<b>Cash flows from capital financing activities:</b>		
Proceeds from capital contributions	-	-
Purchase of capital assets	<u>(31,995)</u>	<u>(396,983)</u>
Net cash flows from capital financing activities	<u>(31,995)</u>	<u>(396,983)</u>
Net cash flows	201,721	(256,890)
Cash and cash equivalents - beginning	<u>157,102</u>	<u>413,992</u>
Cash and cash equivalents - ending	<u>\$ 358,823</u>	<u>\$ 157,102</u>



**CITY OF STONE MOUNTAIN, GEORGIA  
STORMWATER MANAGEMENT FUND  
COMPARATIVE STATEMENTS OF CASH FLOWS**

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED  
BY OPERATING ACTIVITIES**

	<u>2020</u>	<u>2019</u>
<b>Operating income (loss)</b>	<b>\$ 2,872</b>	<b>\$ 29,750</b>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	40,241	33,309
(Increase) decrease in receivables	2,505	(12,149)
Increase (decrease) in accounts payable	4,903	9,488
Increase (decrease) in accrued liabilities	5	214
Total adjustments	<u>47,654</u>	<u>30,862</u>
<b>Net cash from operating activities</b>	<b><u>\$ 50,526</u></b>	<b><u>\$ 60,612</u></b>

**CITY OF STONE MOUNTAIN, GEORGIA  
DOWNTOWN DEVELOPMENT AUTHORITY  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2020 AND 2019**

<b>Assets</b>	<u><b>2020</b></u>	<u><b>2019</b></u>
Assets:		
Cash	\$ 166,086	\$ 168,085
Receivables		
Rents	-	-
Due from primary government	65,076	-
Deposits	<u>-</u>	<u>31,400</u>
Total Assets	<u><u>\$ 231,162</u></u>	<u><u>\$ 199,485</u></u>
 <b>Liabilities and Fund Equity</b>		
Liabilities:		
Accounts payable	\$ 4,600	\$ 12,627
Due to primary government	-	-
Accrued liabilities	<u>5,555</u>	<u>1,212</u>
Total Liabilities	<u>10,155</u>	<u>13,839</u>
Fund equity:		
Fund Balance - Unassigned	<u>221,007</u>	<u>185,646</u>
Total Fund Equity	<u>221,007</u>	<u>185,646</u>
Total Liabilities and Fund Equity	<u><u>\$ 231,162</u></u>	<u><u>\$ 199,485</u></u>

**CITY OF STONE MOUNTAIN, GEORGIA  
DOWNTOWN DEVELOPMENT AUTHORITY  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
Revenues:		
Rents	\$ -	\$ 6,000
Event fees	1,792	2,189
Contributions -		
City	-	117,889
Other	-	-
Miscellaneous	<u>7,680</u>	<u>5,686</u>
 Total Revenues	 <u>9,472</u>	 <u>131,764</u>
Expenditures:		
Personal services and benefits	61,841	47,054
Purchased / contracted services	189,579	13,994
Supplies	2,650	3,971
Façade grants	4,600	4,366
Events	2,793	12,010
Other	8,828	3,109
Capital outlay	-	229,531
Debt service -		
Principal	15,675	30,237
Interest	<u>15,153</u>	<u>31,420</u>
 Total Expenditures	 <u>301,119</u>	 <u>375,692</u>
 Excess of revenues over (under) expenditures	 (291,647)	 (243,928)
Other financing sources (uses):		
Proceeds from note issue	-	-
Proceeds from sale of asset	-	17,303
Transfer (net)	<u>327,008</u>	<u>-</u>
 Total Other Financing Sources (Uses)	 <u>327,008</u>	 <u>17,303</u>
 Net change in fund balance	 35,361	 (226,625)
 Fund Balance - Beginning of year	 <u>185,646</u>	 <u>412,271</u>
 Fund Balance - End of year	 <u>\$ 221,007</u>	 <u>\$ 185,646</u>

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