

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

PREPARED BY:

Finance Director

CITY OF PERRY, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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INTRODUCTORY SECTION



December 30, 2022

The Honorable Mayor, Members of the Governing Council and Citizens
of the City of Perry

In accordance with state statutes and local charter provisions, we hereby submit the Annual Comprehensive Financial Report (“ACFR”) of the City of Perry (the “City”) for the fiscal year ended June 30, 2022. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Since the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Mauldin & Jenkins, Certified Public Accountants, LLC, has issued an unmodified (“clean”) opinion on the City’s financial statements for the fiscal year ended June 30, 2022. The Independent Auditor’s Report is located in the front of the financial section of this report. In addition to the audit of the financial records, the City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit organizations. For the fiscal year ended June 30, 2022, the City did expend more than \$750,000 in federal funds; therefore, a single audit was completed.

Generally Accepted Accounting Principles (“GAAP”) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management’s Discussion and Analysis (“MD&A”). This letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The City’s MD&A can be found immediately following the Independent Auditor’s Report.

Profile of the Government

Founded in 1824, the City of Perry is located in Houston County in the heart of Middle Georgia. The historic community currently encompasses 26.56 square miles along Interstate 75 approximately 90 miles south of Atlanta. The City has been able to capitalize on proximity to Robins Air Force Base, excellent schools, unique downtown, high quality of life, and location in transforming from a small town to a vibrant and growing community. As a hub of state and federal highways, home of the award-winning Georgia National Fairgrounds and Agricenter and with events like the Dogwood Festival, Perry Music Festival, Food Truck Friday, and the annual Perry Buzzard Drop New Year’s Eve bash, Perry is “Where Georgia Comes Together”.

The City, the county seat for Houston County, serves an estimated population of 22,029, according to the most recent census data, and offers a variety of municipal services including police and fire protection, maintenance of streets, parks and recreational activities, judicial services, community development, general administration, water, sewer and natural gas utility services, solid waste services and stormwater utility services. The City is empowered to levy a property tax on both real and personal property located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City operates under the council-manager form of government. This organizational plan places legislative responsibility for municipal government with the City Council and gives administrative authority to the City Manager. The Council, which consists of the mayor and six Council members, levies taxes, enacts ordinances, adopts the annual budget and performs other legislative functions. The Mayor and Council are elected on a staggered non-partisan basis for a term of four years. The mayor is elected City-Wide. For the purpose of electing Council members, the City is divided into three districts, which consists of two posts each. The members representing each Council district shall be elected only by the voters residing in that district and not at large. Upon the recommendation of the Mayor, the City Council appoints a City Manager to manage the government through the development, implementation, and execution of programs and policies established by the Council.

The financial reporting entity of the City includes all the funds for which the City's elected officials are financially accountable, including its component units. Component units presented are the Perry Area Convention and Visitors Bureau Authority, which promotes tourism for the area; the Downtown Development Authority, which supports economic revitalization of the downtown district; Perry Industrial Building Authority and Perry Public Facilities Authority, which promotes new and existing industry, or expansion of in-city infrastructure needs.

Upon the recommendation of the City Manager and no later than the close of the fiscal year, the City Council adopts the budget for the upcoming fiscal year. The annual budget serves as the foundation for the City's financial plan and assists in the control of the financial stability and health of the government. The budget is prepared by fund, function and department and is closely monitored throughout the year. As conditions change or circumstances are altered, the budget process allows for amendments.

Local Economy

As the City continues to grow, so does the economy. With a healthy business mix, advantageous location, vibrant downtown core, quality workforce, and burgeoning market, Perry continues to be a viable and competitive business. According to current business license data, the City has over 767 businesses that account for the employment of over 5,200 persons. Robins Air Force Base, located in nearby Warner Robins, employs about 23,000 civilians, military members and contractors; and has approximately \$3.15 billion annual economic impact, is the principal economic driver for not only the City, but the Middle Georgia region. The City's largest economic sectors continue to be the service and retail industries.

The City is doing all it can to be as business-friendly as possible. In 2022, the City was able to lower the property tax millage rate from 14.05 to 14.00. The City has a number of programs available for business owners.

As one of the 35 Rural Zone Communities in Georgia, the City has assisted numerous local businesses obtain over one million dollars in business tax credits under the Georgia Department of Community Affairs Rural Zone Program. The Rural Zone Program offers tax credits to eligible businesses for job creation, investment and building rehabilitation. During these unprecedented times, 35 businesses were certified for the rural zone tax credits for the year ended June 30, 2022. Job creation of these businesses totaled 163 full time equivalent positions within the Rural Zone district and more than \$7.3 million was spent by private property owners in purchase and rehabilitation of properties.

Overall, Perry's business community continues to thrive. In April 2022, Jack Link's announced the investment of \$450 million to build a manufacturing plant in Perry that will create 800 new jobs. In March 2022, the VA announced the redevelopment of the Eastgate Shopping Center into a \$14 million facility. Additionally, multiple existing businesses have announced plans to or have broken ground on expansions.

In FY 2022, the City's operating indicators continued to illustrate strong growth. The City issued 461 new single family residential and commercial structure permits with an estimated valuation of \$120,860,438 while also adding 796 water service connections and 451 sewer service connections.

In 2022, tourism continues to be a growing economic sector for the City of Perry with the City, Discover Perry, Perry Music Festival, Food Truck Fridays, Perry Area Chamber of Commerce Dogwood Festival, and the rest of our community partners focused on leveraging and marketing our unique assets to take advantage of the \$68.96 billion statewide industry. The Georgia National Fairgrounds and Agricenter ("GNFA") was able to host events and visitors again as COVID-19 restrictions were eased. Additionally, the City continued to explore ways to bring people to the City with community events such as the Workout in the Park Series, where participants join in on a free and relaxing yoga session; Perry Presents, a free outdoor live concert series; Fall Film Series, a free outdoor movie night; and the Downtown Perry Wine & Food Festival.

Long-term Financial Planning

The City met or took into consideration the following fiscal challenges in developing the 2023 budget:

- No millage rate increase for the ninth consecutive year
 - The millage rate was decreased by .05 mills
- Increase the defined contribution retirement rate from 4% to 5%
- The following rate increases are in place for City Service Billing:
 - The Fire Protection fee increases \$1.00/ERU/mo
 - The Water Consumption rate increases 0.0186/unit. The Water Base fee and Sewer Consumption rate remains the same
 - The Natural Gas base charge increases \$0.30/billing. The Consumption rate remains the same
 - The Solid Waste Collection rate remains the same
- Additional funding to increase contracted grass mowing to once a week during growing season

Major Initiatives

Led by the Mayor and Council's directions, several tasks were undertaken this fiscal year 2022, which included:

- Purchase and demolition of blighted properties to expand A D Redmond Park
- Award of Bid for the Bear Branch Sewer Expansion/Replacement project
- Installation of playground equipment & parking lot at Pine Needle Park
- Relocation & Expansion of gas & water mains along Hwy 127
- Realignment of Main Street to expand Legacy Park
- Construction of several Water/Sewer Main extensions along Perimeter Point, Perry Parkway, Hampton court, Talton Road, and Thompson Road
- Design and bidding of renovations of the Old County Courthouse to become City Hall

Acknowledgements

The preparation of this report could not have been accomplished without the professional, efficient, and dedicated services of the entire staff of the Finance Department and Mauldin & Jenkins, Certified Public Accountants, LLC. We express appreciation to all staff members who contributed to the preparation of this report. Credit also must be given to the Mayor and City Council for their support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

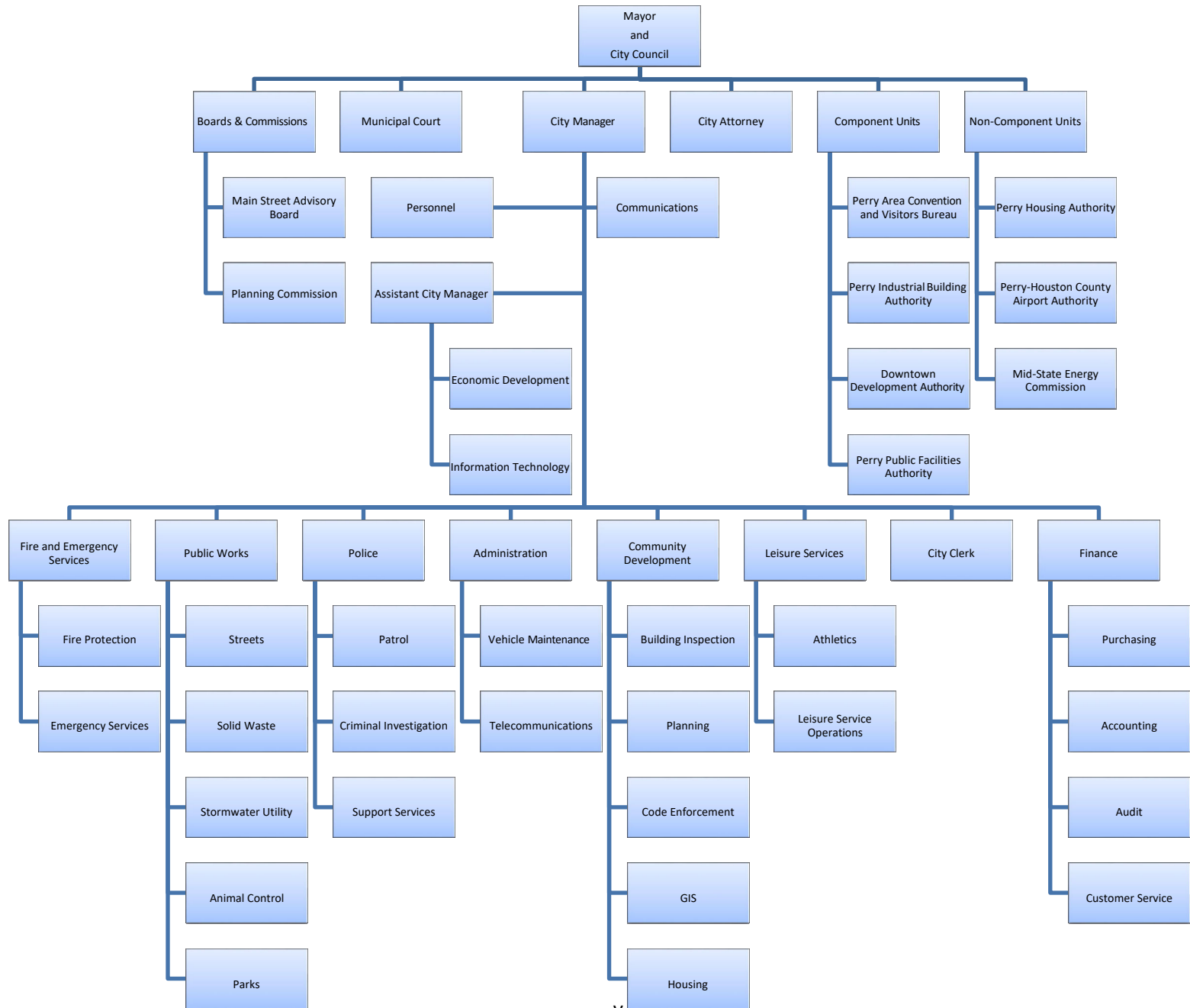
A handwritten signature in black ink, appearing to read "R. Lee Gilmour".

R. Lee Gilmour
City Manager

A handwritten signature in blue ink, appearing to read "M. Worthington".

Mitchell Worthington
Finance Director

CITY OF PERRY ORGANIZATION CHART



CITY OF PERRY, GEORGIA

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2022

Mayor	Randall Walker
Mayor Pro-Tempore	Willie J. King
Council Members	
District 1	
Post 1	Phyllis A. Bynum-Grace
Post 2	Willie J. King
District 2	
Post 1	Robert Jones
Post 2	Joy Peterson
District 3	
Post 1	Darryl Albritton
Post 2	Riley Hunt
City Manager	R. Lee Gilmour
City Attorney	Brooke Newby
Assistant City Manager	Robert Smith
Director of Administration	Brenda L. King
Director of Community Development	Brian Wood
Director of Leisure Services	Sedrick Swan
Finance Director	Mitchell Worthington
Fire Chief	Z. Lee Parker
Police Chief	Stephen D. Lynn
Public Works Superintendent	Ansley Fitzner

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**Honorable Mayor and Members of City Council
The City of Perry, Georgia
Perry, Georgia**

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, the Fire Protection Fund, and the ARPA Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (on pages 5-14) and the Schedule of Changes in the City's Net Pension (Asset) Liability and Related Ratios and Schedule of City Contributions (on pages 65-68) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedule of Expenditures of Special Purpose Local Option Sales Tax, as required by the official Code of Georgia Annotated §48-8-121, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of Special Purpose Local Option Sales Tax are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
December 30, 2022

CITY OF PERRY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022

The Management's Discussion and Analysis ("MD&A") of the City of Perry, Georgia's (the "City") Annual Comprehensive Financial Report ("ACFR") provides an overall narrative and analysis of the City's financial statements for the fiscal year ended June 30, 2022. This MD&A is designed to look at the City's financial performance as a whole. Readers should review the information presented in conjunction with information provided in the financial statements and the notes to the financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of 2022 by \$102,441,712 (net position). Of this amount, \$15,434,664 (unrestricted net position) may be used to meet ongoing obligations to citizens and creditors.
- During the year ended June 30, 2022, the City's net position increased by \$3,467,244.
- As of June 30, 2022, the City's governmental funds reported combined fund balances of \$23,920,779, an increase of \$2,596,322 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,369,854, or 21.12% of total general fund expenditures.
- During fiscal year 2022, the City's net book value of capital assets increased by approximately \$5,283,242.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

Both of the *government-wide financial statements* distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that intend to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, recreation and housing and development. The business-type activities of the City include water and sewerage, stormwater utility, natural gas distribution, solid waste operation and a revolving loan fund.

The *government-wide financial statements* include not only the City of Perry itself (known as the primary government), but also entities for which the City is financially accountable. These component units are the Perry Area Convention and Visitors Bureau, the Downtown Development Authority, Perry Industrial Building Authority and the Perry Public Facilities Authority. Their financial information is reported separately from that of the primary government.

The government-wide financial statements can be found on pages 15 through 18 of this report.

Fund Financial Statements

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

Governmental Funds

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

Because the focus of governmental fund financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information 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 funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 16 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, the Special Purpose Local Option Sales Tax ("SPLOST") 2018, Perry Public Facilities Authority Capital Projects Fund, and the Fire Protection Fund. Data from the other eleven governmental funds is presented in a total column termed as "other governmental funds." Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements and schedules elsewhere in this report.

The City adopted an annual appropriated budget for all of its funds except the fiduciary funds, which are not budgeted, and the capital project funds, of which project length budgets are adopted. A budgetary comparison statement has been provided for the General Fund and the Fire Protection Fund to demonstrate compliance with its budget.

The basic governmental funds financial statements can be found on pages 15 through 25 of this report.

Proprietary Funds

The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the water and sewerage, natural gas distribution, stormwater utility, solid waste operation and a revolving loan fund.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewerage, natural gas distribution operations, stormwater utility and solid waste operation which are considered to be major funds of the City. The revolving loan fund is a nonmajor fund.

The basic proprietary fund financial statements can be found on pages 26 through 29 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiduciary Funds

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

The basic fiduciary fund financial statement can be found on page 30 of this report.

Notes to the Financial Statements

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

The notes can be found on pages 32 through 64 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's retirement system Net Pension Liability (Asset) and City Contributions. Required supplementary information can be found on pages 65 through 68 of this report.

The combining statements and individual fund schedules referred to earlier are presented immediately following the required supplementary information.

Combining statements and individual fund schedules can be found on pages 69 through 72 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's combined net position (government and business-type activities) exceeded liabilities by \$102,441,712 at June 30, 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table provides a summary of the City's net position for fiscal years 2022 and 2021.

City of Perry - Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Assets						
Current and Other Assets	\$ 30,741,926	\$ 24,188	\$ 10,789,879	\$ 10,262,311	\$ 41,531,805	\$ 34,450,909
Capital Assets	55,516,912	53,654	59,900,994	56,480,213	115,417,906	110,134,664
	86,258,838	77,843,049	70,690,873	66,742,524	156,949,711	144,585,573
Deferred Outflows of Resources						
Pension	28,148	22,844	-	-	28,148	22,844
Deferred charge on refunding	-	-	376,974	441,627	376,974	441,627
	28,148	22,844	376,974	441,627	405,122	464,471
Liabilities						
Current and Other Liabilities	4,459,593	2,670,786	2,140,369	1,833,091	6,599,962	4,503,877
Long-Term Liabilities	25,268,264	20,196,583	19,893,818	21,228,731	45,162,082	41,425,314
	29,727,857	22,867,369	22,034,187	23,061,822	51,762,044	45,929,191
Deferred Inflows of Resources						
Pension	1,718,422	146,385	-	-	1,718,422	146,385
	1,718,422	146,385	-	-	1,718,422	146,385
Net Position						
Net Investment in Capital Assets	42,704,468	44,655,383	39,149,695	34,449,732	81,854,163	79,105,115
Capital Outlay	2,793,715	2,601,195	-	-	2,793,715	2,601,195
Debt Service	-	-	1,694,279	1,694,892	1,694,279	1,694,892
Restricted	564,439	341,090	100,452	94,828	664,891	435,918
Unrestricted	7,345,430	7,254,471	8,089,234	7,882,877	15,434,664	15,137,348
	\$ 53,408,052	\$ 54,852,139	\$ 49,033,660	\$ 44,122,329	\$ 102,441,712	\$ 98,974,468

The City's net investment in capital assets (i.e., land, infrastructure, buildings, machinery and equipment) less any outstanding debt used to acquire those assets comprise 79.9%, or \$81,854,163 of the City's total net position. Net investments in capital assets for governmental activities decreased by \$1,950,915 and business-type government activities increased by \$4,699,963 in fiscal year 2022. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt are expected to be provided from other sources, since there are no plans to liquidate these assets.

An additional portion of the City's net position (5.0% or \$5,152,885) represents resources that are subject to external restrictions on how they may be used. The remaining balance (15.0% or \$15,434,664) of the City's net position is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

During the current fiscal year, the City's combined net position increased by \$3,467,244. Governmental activities net position decreased by \$1,444,087 in fiscal year 2022, whereas the net position of the business-type activities increased \$4,911,331.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table summarizes changes in net position for the governmental and business-type activities:

City of Perry - Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues:						
Charges for services	\$ 11,997,637	\$ 10,213,619	\$ 19,094,606	\$ 17,992,303	\$ 31,092,243	\$ 28,205,922
Operating Grants and Contributions	1,540,617	566,294	-	-	1,540,617	566,294
Capital Grants and Contributions	3,926,388	3,337,817	-	-	3,926,388	3,337,817
General Revenues:						
Property Taxes	10,257,320	9,257,578	-	-	10,257,320	9,257,578
Hotel/Motel Taxes	1,440,736	1,106,887	-	-	1,440,736	1,106,887
Franchise Taxes	1,786,875	1,427,527	-	-	1,786,875	1,427,527
Alcoholic Beverage Taxes	321,426	333,247	-	-	321,426	333,247
Insurance Premium Taxes	1,122,523	1,103,239	-	-	1,122,523	1,103,239
Occupational Taxes	238,124	236,563	-	-	238,124	236,563
Restricted Investment Earnings	-	-	365	431	365	431
Unrestricted Investment Earnings	20,255	15,673	21,702	(15,371)	41,957	302
	<u>32,651,901</u>	<u>27,598,444</u>	<u>19,116,673</u>	<u>17,977,363</u>	<u>51,768,574</u>	<u>45,575,807</u>
Expenses						
General Government	9,791,367	9,779,265	-	-	9,791,367	9,779,265
Public Safety	12,094,436	10,333,290	-	-	12,094,436	10,333,290
Public Works	4,091,595	3,662,628	-	-	4,091,595	3,662,628
Recreation	2,050,996	503,166	-	-	2,050,996	503,166
Health and Welfare	4,581	4,483	-	-	4,581	4,483
Housing and Development	851,465	618,917	-	-	851,465	618,917
Interest on Long-Term Debt	586,477	478,402	-	-	586,477	478,402
Issuance Cost	196,993	-	-	-	196,993	-
Water and Sewerage System	-	-	9,482,833	8,434,741	9,482,833	8,434,741
Stormwater Utility	-	-	912,407	749,552	912,407	749,552
Gas System	-	-	4,923,200	4,877,878	4,923,200	4,877,878
Solid Waste	-	-	3,320,239	2,426,980	3,320,239	2,426,980
Revolving Loan Fund	-	-	(5,259)	50	(5,259)	50
	<u>29,667,910</u>	<u>25,651,022</u>	<u>18,633,420</u>	<u>16,489,201</u>	<u>48,301,330</u>	<u>42,140,223</u>
Increase in Net Position, before transfers	<u>2,983,991</u>	<u>1,947,422</u>	<u>483,253</u>	<u>1,488,162</u>	<u>3,467,244</u>	<u>3,435,584</u>
Transfers	<u>(4,428,078)</u>	<u>(218,973)</u>	<u>4,428,078</u>	<u>218,973</u>	<u>-</u>	<u>-</u>
	<u>(4,428,078)</u>	<u>(218,973)</u>	<u>4,428,078</u>	<u>218,973</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>(1,444,087)</u>	<u>1,728,449</u>	<u>4,911,331</u>	<u>1,707,135</u>	<u>3,467,244</u>	<u>3,435,584</u>
Net Position - Beginning of year	<u>54,852,139</u>	<u>53,123,690</u>	<u>44,122,329</u>	<u>42,415,194</u>	<u>98,974,468</u>	<u>95,538,884</u>
Net Position - End of year	<u>\$ 53,408,052</u>	<u>\$ 54,852,139</u>	<u>\$ 49,033,660</u>	<u>\$ 44,122,329</u>	<u>\$ 102,441,712</u>	<u>\$ 98,974,468</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities

For 2022, governmental activities decreased the City's net position by \$1,444,087. Both revenues and expenses increased for the year when compared with 2021. Revenues increased as a result of an increase in general government charges for services (\$1,784,108), operating grants and contributions (\$974,323), capital grants and contributions (\$588,571), property taxes (\$999,742), Hotel/Motel taxes (\$333,849), franchise taxes (\$359,348), and insurance premium taxes (\$19,284). Total expenses increased significantly in the following areas: public safety (\$1,761,146), public works (\$428,967), recreation (\$1,547,830). Major contributing factors to the increase in expenditures include filled vacancies in the police and fire departments (public safety), contract increases for maintenance and mowing (public works), and reinstating the City's recreation activities, which were on hiatus the previous year due to the Covid-19 pandemic.

Business-Type Activities

The business-type activities followed the same pattern as the previous year and increased the City's net position by \$4,911,331. In 2022, there was an increase in charges for services, particularly the water and sewerage system and Solid Waste Funds as these funds all experienced increases in customers and the rates were adjusted for operating and capital needs. All proprietary funds ended the year with positive net positions. The stormwater utility fund and solid waste fund each had relatively small operating losses, which will be addressed in fiscal year 2023 by increasing rates.

Financial Analysis of the City's Major Funds

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

Governmental Funds

The focus of the City's governmental 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 June 30, 2022, the City's governmental funds reported combined fund balances of \$23,920,779, an increase of \$2,596,322 from the prior year. Approximately 21.6% of the combined fund balances, (\$5,160,674) is classified as unassigned. The remaining amounts are classified as nonspendable (\$17,780), restricted (\$17,694,951) and assigned (\$236,001).

The General Fund is the chief operating fund of the City. At June 30, 2021, the unassigned fund balance of the general fund was \$5,369,854, while total fund balance was \$6,417,228. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 21.1% of total fund expenditures, while total fund balance represents 25.2% of the same amount.

MANAGEMENT'S DISCUSSION AND ANALYSIS

During the current fiscal year, the fund balance of the General Fund decreased by \$144,514. Key factors in this decrease are as follows:

- Filled vacancies in the police and fire departments
- Reinstating recreation activities that were on hiatus during the Covid-19 pandemic

The Fire Protection Fund accounts for a majority of the fire protection services within the City and is funded through a monthly fee charged on a citizen's/business's utility bill. The fee is based on ERUs and the risk of any particular building. Fee revenues totaled \$2,559,072 in fiscal year 2022, representing a 13.9% (\$312,477) increase over the previous fiscal year. This increase is due mainly to customer base growth.

Growth in the SPLOST 2018 Fund revenue amounted to 18.7% (\$278,218) when compared to the previous fiscal year. Fund balance also increased by \$1,090,883 but this will be spent in future years as projects come to fruition.

Proprietary Funds

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

Unrestricted net position of proprietary funds ended on a positive note in the amount of \$8,083,234. Other factors concerning the finances of these funds have been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The difference between the original budget appropriations, including transfers, and the final amended budget appropriation reflects an increase in actual revenues collected for Property Tax and Charges for services as well as an increase in expenses for the Public Safety and Public Works Functions. Public Safety was able to fill multiple vacancies throughout the year which resulted in higher than budgeted expenses while public works experienced increases in various service/maintenance contracts. The amended budget also reflects an increase in employee Health/Dental insurance costs and the increased debt service associated with PPFA Revenue Bonds.

Capital Assets

The City's capital assets for its governmental and business-type activities as of June 30, 2022, total \$115,417,906 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, construction in progress, infrastructure, machinery and equipment, structures, equipment and lines, and furniture and fixtures.

The total increase in the City's investment in capital assets for the current period was \$5,283,242. Detailed information regarding the capital asset activity for 2022 can be found on pages 45 and 46 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Major capital asset events during the current fiscal year included the following:

- Various governmental capital asset projects, including land purchases, with a total value of \$8,765,099 were completed or acquired during the year. The total value of governmental capital assets of all types under construction at year-end was \$4,299,815. Machinery and other rolling stock valued at \$1,100,790 was placed into service during the year. Major projects consisted of the purchase of the old county courthouse to be renovated into a new City Hall, realignment of Main Street to expand Legacy Park, and installation of playground equipment and a parking lot at Pine Needle Park.
- Various business-type capital asset projects with a total value of \$3,789,943 were completed or acquired during the year. The major contributors to this value is the relocation/expansion of gas & water mains along Hwy 127 and construction of several water/sewer main extensions along Perimeter Point, Perry Parkway, Hampton Court, Talton Road, and Thompson Road. The total value of business-type capital assets of all types under construction at year-end was \$5,098,133.

The following table summarizes the City's governmental and business-type activity capital assets by major category as of the end of 2022 and 2021.

City of Perry - Capital Assets (Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 11,047,177	\$ 10,913,992	\$ 419,821	\$ 418,836	\$ 11,466,998	\$ 11,332,800
Land improvements	303,434	319,217	-	-	303,434	319,217
Buildings and improvements	7,325,434	6,097,717	-	-	7,325,434	6,097,717
Infrastructure	31,072,663	30,104,882	-	-	31,072,663	30,104,882
Machinery and equipment	1,463,715	1,359,890	-	-	1,463,715	1,359,890
Furniture and fixtures	4,674	5,912	-	-	4,674	5,912
Structures, equipment and lines	-	-	54,383,040	52,613,436	54,383,040	52,613,436
Construction in progress	4,299,815	4,852,869	5,098,133	3,447,941	9,397,948	8,300,810
	<u>\$ 55,516,912</u>	<u>\$ 53,654,451</u>	<u>\$ 59,900,994</u>	<u>\$ 56,480,213</u>	<u>\$ 115,417,906</u>	<u>\$ 110,134,664</u>

Long-Term Debt

At June 30, 2021, the City had total debt outstanding of \$48,277,514 as compared to \$43,313,677 at the end of the prior year. This amount is comprised of \$33,550,958 in revenue bonds, \$11,868,528 in loans payable, and \$2,858,028 in capital lease agreements.

City of Perry - Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenue Bonds	\$ 23,363,344	\$ 18,514,279	\$ 10,187,614	\$ 10,937,367	\$ 33,550,958	\$ 29,451,646
Loans	1,432,655	-	10,435,873	10,897,797	11,868,528	10,897,797
Capital Leases	2,353,242	2,327,290	504,786	636,944	2,858,028	2,964,234
	<u>\$ 27,149,241</u>	<u>\$ 20,841,569</u>	<u>\$ 21,128,273</u>	<u>\$ 22,472,108</u>	<u>\$ 48,277,514</u>	<u>\$ 43,313,677</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

Debt issued in 2022 amounted to \$5,974,020 compared to \$9,685,489 in the previous year. A majority of this debt (\$5,162,653) is comprised of revenue bonds to provide funding for water, sewer and stormwater system expansion as well as the purchase and renovation of the former Houston County Government Building to be used as the City Municipal Court Building. The remainder of this debt is comprised of capital leases used to purchase machinery and equipment for various departments throughout the City.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of real and personal property. The City has not issued any general obligation debt since 1970 and has had none outstanding since 1990. The amount of general obligation debt legally allowable for the City is \$62,639,263.

Additional information on the City's long-term debt can be found in Note 7 on pages 48 through 52 of this report.

Economic Factors and Current Year Budget and Rates

Building permits issued for new starts and additions were 450 residential and 10 commercial structures.

As of June 30, 2022, the unemployment rate for Houston County was 3.3%, which is comparable to the State of Georgia's unemployment rate at that time. Management has estimated the service population for the City to be 22,029 at June 30, 2022, which is based on Census estimates.

The City met or took into consideration the following fiscal challenges in developing the 2023 budget:

- No millage rate increase for the ninth consecutive year
 - The millage rate was decreased by .05 mills
- Increase the defined contribution retirement rate from 4% to 5%
- The following rate increases are in place for City Service Billing:
 - The Fire Protection fee increases \$1.00/ERU/mo
 - The Water Consumption rate increases 0.0186/unit. The Water Base fee and Sewer Consumption rate remains the same
 - The Natural Gas base charge increases \$0.30/billing. The Consumption rate remains the same
 - The Solid Waste Collection rate remains the same
- Additional funding to increase contracted grass mowing to once a week during growing season

Request for Information

This financial report is designed to provide a general overview of the City's finances for those with an interest in our government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Perry Finance Department, P.O. Box 2030, Perry, Georgia 31069.

BASIC FINANCIAL STATEMENTS

CITY OF PERRY, GEORGIA

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

ASSETS	Primary Government		
	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	\$ 23,773,517	\$ 4,067,298	\$ 27,840,815
Investments	2,181,787	1,840,605	4,022,392
Taxes receivable	179,784	-	179,784
Accounts receivable, net of allowances	580,806	2,002,991	2,583,797
Intergovernmental receivable	-	-	-
Other receivable	278,537	-	278,537
Internal balances	(133,824)	133,824	-
Inventories	2,634	207,772	210,406
Prepaid expenses	23,645	11,184	34,829
Net pension asset	3,855,040	-	3,855,040
Restricted assets:			
Cash and cash equivalents	-	1,783,411	1,783,411
Loans receivable	-	15,357	15,357
Investment in Mid-State Energy Commission	-	727,438	727,438
Capital assets:			
Nondepreciable	15,346,992	5,517,954	20,864,946
Depreciable, net of accumulated depreciation	40,169,920	54,383,040	94,552,960
Total assets	<u>86,258,838</u>	<u>70,690,874</u>	<u>156,949,712</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension contributions subsequent to measurement date	28,148	-	28,148
Deferred amount on refunding	-	376,974	376,974
Total deferred outflows of resources	<u>28,148</u>	<u>376,974</u>	<u>405,122</u>
LIABILITIES			
Accounts payable	728,642	570,657	1,299,299
Retainage payable	150,827	-	150,827
Accrued liabilities	888,407	205,219	1,093,626
Unearned revenues	1,322,646	-	1,322,646
Financed purchases, due within one year	783,919	201,221	985,140
Financed purchases, due in more than one year	1,569,323	303,565	1,872,888
Note payable due within one year	306,107	-	306,107
Note payable due in more than one year	1,126,548	-	1,126,548
Loans payable due within one year	-	470,732	470,732
Loans payable due in more than one year	-	9,965,141	9,965,141
Bonds payable due within one year	265,000	663,000	928,000
Bonds payable due in more than one year	23,134,694	9,524,614	32,659,308
Compensated absences due within one year	314,894	19,784	334,678
Compensated absences due in more than one year	600,597	39,046	639,643
Landfill post-closure care costs due in less than one year	-	3,500	3,500
Landfill post-closure care costs due in more than one year	-	61,452	61,452
Total liabilities	<u>31,191,604</u>	<u>22,027,931</u>	<u>53,219,535</u>
DEFERRED INFLOW OF RESOURCES			
Pension - net difference in projected and actual investment earnings	1,718,422	-	1,718,422
NET POSITION			
Net investment in capital assets	42,517,291	39,149,695	81,666,986
Restricted for:			
Capital outlay	2,810,171	-	2,810,171
Debt service	-	1,694,279	1,694,279
Capital projects	-	100,452	100,452
Public safety purposes	299,473	-	299,473
Culture and beautification	270,224	-	270,224
Other purposes	-	-	-
Unrestricted	7,479,801	8,095,491	15,575,292
Total net position	<u>\$ 53,376,960</u>	<u>\$ 49,039,917</u>	<u>\$ 102,416,877</u>

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

	Component Units		
	Perry Area Convention and Visitors Bureau	Perry Downtown Development Authority	Perry Industrial Building Authority
\$	528,905	\$ 81,517	\$ 245,842
	-	-	-
	-	-	-
	17,820	-	-
	-	-	-
	-	-	-
	-	-	-
	-	23,883	-
	-	-	-
	487,693	-	-
	316,550	-	-
	<u>1,350,968</u>	<u>105,400</u>	<u>245,842</u>
	-	-	-
	-	-	-
	-	-	-
	13,074	45	-
	-	-	-
	12,387	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	4,779	-	-
	11,882	-	-
	-	-	-
	-	-	-
	<u>42,122</u>	<u>45</u>	<u>-</u>
	-	-	-
	-	-	-
	804,243	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	900	-
	504,603	104,455	245,842
\$	<u>1,308,846</u>	<u>105,355</u>	<u>245,842</u>

CITY OF PERRY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities:				
General government	\$ 9,786,109	\$ 7,017,453	\$ -	\$ 1,900,182
Public safety	12,094,436	3,660,040	127,716	48,542
Public works	4,091,595	307,680	1,063,301	1,979,750
Recreation	2,050,996	182,061	138,741	-
Health and welfare	4,581	-	-	-
Housing and economic development	851,465	830,403	210,859	-
Interest on long-term debt	622,827	-	-	-
Issuance cost	196,993	-	-	-
Total governmental activities	<u>29,699,002</u>	<u>11,997,637</u>	<u>1,540,617</u>	<u>3,928,474</u>
Business-type activities:				
Water and sewerage system	9,482,833	9,579,827	-	-
Stormwater utility fund	906,150	861,888	-	-
Gas system	4,923,200	5,445,595	-	-
Solid waste	3,320,239	3,207,296	-	-
Revolving loan fund	(5,259)	-	-	-
Total business-type activities	<u>18,627,163</u>	<u>19,094,606</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 48,326,165</u>	<u>\$ 31,092,243</u>	<u>\$ 1,540,617</u>	<u>\$ 3,928,474</u>
Component units:				
Perry Area Convention and Visitors Bureau	\$ 391,639	\$ 5,055	\$ 357,600	\$ -
Perry Downtown Development Authority	20,313	-	34,138	-
Perry Industrial Building Authority	-	-	-	-
Total component units	<u>\$ 411,952</u>	<u>\$ 5,055</u>	<u>\$ 391,738</u>	<u>\$ -</u>

General revenues:
Property taxes
Franchise taxes
Insurance premium tax
Occupational taxes
Alcoholic beverage taxes
Hotel/Motel taxes
Restricted investment earnings
Net unrestricted investment earnings
PPP loan forgiveness
Transfers
Total general revenue and transfers
Change in net position
Net position, beginning of year
Net position, end of year

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

Net (Expenses) Revenues and Changes in Net Position			Component Units		
Governmental Activities	Business-type Activities	Total	Perry Area Convention and Visitors Bureau	Perry Downtown Development Authority	Perry Industrial Building Authority
\$ (868,474)	\$ -	\$ (868,474)	\$ -	\$ -	\$ -
(8,258,138)	-	(8,258,138)	-	-	-
(740,864)	-	(740,864)	-	-	-
(1,730,194)	-	(1,730,194)	-	-	-
(4,581)	-	(4,581)	-	-	-
189,797	-	189,797	-	-	-
(622,827)	-	(622,827)	-	-	-
(196,993)	-	(196,993)	-	-	-
<u>(12,232,274)</u>	<u>-</u>	<u>(12,232,274)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	96,994	96,994	-	-	-
-	(44,262)	(44,262)	-	-	-
-	522,395	522,395	-	-	-
-	(112,943)	(112,943)	-	-	-
-	5,259	5,259	-	-	-
<u>-</u>	<u>467,443</u>	<u>467,443</u>	<u>-</u>	<u>-</u>	<u>-</u>
(12,232,274)	467,443	(11,764,831)	-	-	-
			(28,984)	-	-
			-	13,825	-
			<u>(28,984)</u>	<u>13,825</u>	<u>-</u>
10,257,320	-	10,257,320	-	-	-
1,786,875	-	1,786,875	-	-	-
1,122,523	-	1,122,523	-	-	-
238,124	-	238,124	-	-	-
321,426	-	321,426	-	-	-
1,440,736	-	1,440,736	-	-	-
-	365	365	-	-	-
18,169	21,702	39,871	157	107	612
-	-	-	14,300	-	-
<u>(4,428,078)</u>	<u>4,428,078</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>10,757,095</u>	<u>4,450,145</u>	<u>15,207,240</u>	<u>14,457</u>	<u>107</u>	<u>612</u>
<u>(1,475,179)</u>	<u>4,917,588</u>	<u>3,442,409</u>	<u>(14,527)</u>	<u>13,932</u>	<u>612</u>
<u>54,852,139</u>	<u>44,122,329</u>	<u>98,974,468</u>	<u>1,323,373</u>	<u>91,423</u>	<u>245,230</u>
<u>\$ 53,376,960</u>	<u>\$ 49,039,917</u>	<u>\$ 102,416,877</u>	<u>\$ 1,308,846</u>	<u>\$ 105,355</u>	<u>\$ 245,842</u>

CITY OF PERRY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Component Unit						
	General Fund	Fire Protection Fund	SPLOST 2018 Fund	ARPA	Perry Public Facilities Authority	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 6,336,380	\$ 48,914	\$ 2,216,172	\$ -	\$ 14,336,797	\$ 835,254	\$ 23,773,517
Investments	2,181,787	-	-	-	-	-	2,181,787
Taxes receivable, net	34,686	-	-	-	-	145,098	179,784
Accounts receivable, net	36,599	202,671	341,536	-	-	-	580,806
Due from other funds	443,349	26,666	7,234	1,955,136	-	226,127	2,658,512
Other receivables	278,537	-	-	-	-	-	278,537
Inventories	2,634	-	-	-	-	-	2,634
Prepaid expenditures	-	16,231	-	5,865	-	1,549	23,645
Total assets	\$ 9,313,972	\$ 294,482	\$ 2,564,942	\$ 1,961,001	\$ 14,336,797	\$ 1,208,028	\$ 29,679,222
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 297,501	\$ 16,393	\$ 5,878	\$ 169,853	\$ 99,715	\$ 139,302	\$ 728,642
Retainage payable	-	-	-	35,883	-	114,944	150,827
Accrued liabilities	613,805	109,240	-	-	-	5,387	728,432
Deposits	15,620	-	-	-	-	-	15,620
Due to other funds	1,955,136	-	1,460	431,283	-	404,457	2,792,336
Unearned revenue	-	-	-	1,322,646	-	-	1,322,646
Total liabilities	2,882,062	125,633	7,338	1,959,665	99,715	664,090	5,738,503
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	14,682	-	-	-	-	-	14,682
Total deferred inflows of resources	14,682	-	-	-	-	-	14,682
FUND BALANCES							
Nonspendable:							
Prepaid expenditures	-	16,231	-	5,865	-	1,549	23,645
Restricted for:							
Public safety	-	152,618	-	-	-	146,855	299,473
Culture and beautification	-	-	-	-	-	270,224	270,224
Capital outlay	-	-	2,557,604	1,336	14,237,082	350,946	17,146,968
Assigned:							
Self insurance	203,372	-	-	-	-	-	203,372
Culture and beautification	27,889	-	-	-	-	-	27,889
Administrative	4,740	-	-	-	-	-	4,740
Unassigned	5,369,854	-	-	(5,865)	-	(225,636)	5,138,353
Total fund balances	6,417,228	168,849	2,557,604	1,336	14,237,082	543,938	23,926,037
Total liabilities, deferred inflows of resource and fund balances	\$ 9,313,972	\$ 294,482	\$ 2,564,942	\$ 1,961,001	\$ 14,336,797	\$ 1,208,028	\$ 29,679,222

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

CITY OF PERRY, GEORGIA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2022**

Total fund balances of governmental funds		\$ 23,926,037
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources; therefore, they are not reported in the respective governmental funds:		
Cost of capital assets	\$ 97,097,622	
Accumulated depreciation	<u>(41,580,710)</u>	55,516,912
Certain long-term assets are not available to pay for current period expenditures		
Unavailable revenue	\$ 14,682	
Net pension asset	<u>3,855,040</u>	3,869,722
Deferred outflow of resources		
Pension contributions		28,148
Deferred inflow of resources		
Pension investment earnings		(1,718,422)
Long-term liabilities are not due and payable in the current period; therefore, they are not reported in governmental funds:		
Accrued interest	\$ (144,355)	
Compensated absences	(915,491)	
Bonds	(23,399,694)	
Financed purchases	(2,353,242)	
Note payable	<u>(1,432,655)</u>	<u>(28,245,437)</u>
Net position of governmental activities		<u>\$ 53,376,960</u>

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

CITY OF PERRY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>General</u>	<u>Fire</u>	<u>SPLOST</u>	<u>ARPA</u>	<u>Component Unit</u>	<u>Nonmajor</u>	<u>Total</u>
	<u>Fund</u>	<u>Protection</u>	<u>2018</u>		<u>Perry Public</u>	<u>Governmental</u>	<u>Governmental</u>
		<u>Fund</u>	<u>Fund</u>		<u>Facilities</u>	<u>Funds</u>	<u>Funds</u>
					<u>Authority</u>		
REVENUES							
Taxes:							
Property	\$ 10,257,193	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,257,193
Franchise	1,786,875	-	-	-	-	-	1,786,875
Insurance premium	1,122,523	-	-	-	-	-	1,122,523
Occupational	238,124	-	-	-	-	-	238,124
Alcoholic beverage	321,426	-	-	-	-	-	321,426
Hotel/Motel	-	-	-	-	-	1,440,736	1,440,736
Licenses and permits	1,038,045	-	-	-	-	-	1,038,045
Intergovernmental	48,542	-	1,898,096	1,732,460	-	247,290	3,926,388
Fines and forfeitures	700,878	-	-	-	-	56,092	756,970
Fire protection fees	-	2,837,595	-	-	-	-	2,837,595
Charges for services	6,558,180	-	-	-	-	-	6,558,180
Contributions from private sources	138,741	-	-	-	-	-	138,741
Investment earnings	11,281	146	2,086	1,336	4,738	668	20,255
Miscellaneous	806,847	-	-	-	-	1,401,876	2,208,723
Total revenues	23,028,655	2,837,741	1,900,182	1,733,796	4,738	3,146,662	32,651,774
EXPENDITURES							
Current:							
General government	9,548,139	-	-	-	-	2,242,207	11,790,346
Public safety	7,857,051	3,545,319	-	-	-	45,843	11,448,213
Public works	3,312,634	-	4,000	-	-	-	3,316,634
Recreation	2,280,195	-	-	-	-	-	2,280,195
Housing and development	666,494	-	-	-	-	-	666,494
Health and welfare	4,581	-	-	-	-	-	4,581
Capital outlay	-	107,807	1,343,897	1,647,416	-	3,573,009	6,672,129
Debt service:							
Principal	1,145,200	-	-	-	-	-	1,145,200
Interest and other fees	608,205	-	-	-	-	-	608,205
Issuance cost	-	-	-	-	196,993	-	196,993
Total expenditures	25,422,499	3,653,126	1,347,897	1,647,416	196,993	5,861,059	38,128,990
Excess (deficiency) of revenues over (under) expenditures	<u>(2,393,844)</u>	<u>(815,385)</u>	<u>552,285</u>	<u>86,380</u>	<u>(192,255)</u>	<u>(2,714,397)</u>	<u>(5,477,216)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	791,183	725,958	-	-	-	2,592,057	4,109,198
Transfers out	(815,403)	-	-	(85,044)	(2,475,375)	(198,590)	(3,574,412)
Financed purchases	2,231,000	107,807	-	-	-	-	2,338,807
Proceeds from sale	42,550	-	-	-	-	-	42,550
Bond proceeds	-	-	-	-	4,930,000	-	4,930,000
Premium on bonds issued	-	-	-	-	232,653	-	232,653
Total other financing sources (uses)	2,249,330	833,765	-	(85,044)	2,687,278	2,393,467	8,078,796
Net change in fund balances	(144,514)	18,380	552,285	1,336	2,495,023	(320,930)	2,601,580
Fund balances, beginning of year	6,561,742	150,469	2,005,319	-	11,742,059	864,868	21,324,457
Fund balances, end of year	\$ 6,417,228	\$ 168,849	\$ 2,557,604	\$ 1,336	\$ 14,237,082	\$ 543,938	\$ 23,926,037

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

CITY OF PERRY, GEORGIA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Net change in fund balances of total governmental funds as noted in the statement of revenues, expenditures and changes in fund balances. \$ 2,601,580

Amounts reported for governmental activities in the statement of activities are different from the statement of revenues, expenditures and changes in fund balances because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital outlay	\$	9,546,568	
Depreciation		(2,620,723)	6,925,845

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, transfers from enterprise funds) is to decrease net position. (5,063,384)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.

Deferred inflows of resources in the prior year	\$	(14,555)	
Deferred inflows of resources in the current year		14,682	127

The issuance of long-term debt provides current financial resources to governmental funds, but increases liabilities in the statement of net position. Repayment of debt is an expenditure in the governmental funds, but reduces long-term liabilities in the statement of net position.

Proceeds from financed purchases	\$	(2,338,807)	
Proceeds from revenue bonds and bond premium		(5,162,653)	
Amortization of bond premium		12,238	
Payment of notes, financed purchases, and bonds		1,145,200	(6,344,022)

The effect of changes in net pension assets and related deferred inflows and outflows of pension resources. 728,976

Some expenses reported in the statement of activities do not require the use of current financial resources, and are not reported as expenditures in governmental funds.

Current year change in compensated absences	\$	(297,441)	
Change in accrued interest		(26,860)	(324,301)

Net change in net position of governmental activities as noted in the statement of activities \$ (1,475,179)

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

CITY OF PERRY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 8,955,400	\$ 10,257,200	\$ 10,257,193	\$ (7)
Franchise	1,464,000	1,786,900	1,786,875	(25)
Insurance premium	1,103,200	1,122,500	1,122,523	23
Occupational	215,400	238,100	238,124	24
Alcoholic beverage	315,700	321,400	321,426	26
Licenses and permits	697,400	1,038,000	1,038,045	45
Intergovernmental	5,400	48,500	48,542	42
Fines and forfeitures	578,200	700,800	700,878	78
Charges for services	5,459,500	6,558,100	6,558,180	80
Contributions from private sources	-	138,700	138,741	41
Investment earnings	8,000	(11,200)	11,281	22,481
Miscellaneous	405,200	806,700	806,847	147
Total revenues	<u>19,207,400</u>	<u>23,005,700</u>	<u>23,028,655</u>	<u>22,955</u>
EXPENDITURES				
Current				
General government:				
Mayor	43,700	104,400	104,215	185
City Council	119,600	144,000	143,935	65
City Attorney	247,100	265,800	265,740	60
Municipal Court	554,800	638,800	638,577	223
Administrative	4,483,900	5,870,800	5,150,428	720,372
City Manager	1,532,300	1,778,300	1,778,069	231
Community development	1,149,300	1,454,500	1,453,693	807
Elections	15,700	13,500	13,482	18
Total general government	<u>8,146,400</u>	<u>10,270,100</u>	<u>9,548,139</u>	<u>721,961</u>
Public safety	6,636,200	7,856,700	7,857,051	(351)
Public works	2,676,800	3,313,400	3,312,634	766
Recreation	601,000	2,270,100	2,280,195	(10,095)
Housing and development	289,300	667,100	666,494	606
Health and welfare	4,600	4,600	4,581	19
Debt service:				
Principal	793,300	1,043,300	1,145,200	(101,900)
Interest and other fees	473,500	603,000	608,205	(5,205)
Total expenditures	<u>19,621,100</u>	<u>26,028,300</u>	<u>25,422,499</u>	<u>605,801</u>
Excess of revenues over expenditures	<u>(413,700)</u>	<u>(3,022,600)</u>	<u>(2,393,844)</u>	<u>628,756</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	517,500	790,200	791,183	983
Transfers out	(155,500)	(815,500)	(815,403)	97
Financed purchases	458,500	2,231,000	2,231,000	-
Sale of capital assets	4,100	42,600	42,550	(50)
Total other financing sources, net	<u>824,600</u>	<u>2,248,300</u>	<u>2,249,330</u>	<u>1,030</u>
Net change in fund balances	<u>410,900</u>	<u>(774,300)</u>	<u>(144,514)</u>	<u>629,786</u>
Fund balances, beginning of year	<u>6,561,742</u>	<u>6,561,742</u>	<u>6,561,742</u>	<u>-</u>
Fund balances, end of year	<u>\$ 6,972,642</u>	<u>\$ 5,787,442</u>	<u>\$ 6,417,228</u>	<u>\$ 629,786</u>

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

CITY OF PERRY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FIRE PROTECTION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Fire protection fees	\$ 2,837,500	\$ 2,837,595	\$ 95
Interest	100	146	46
Total revenues	<u>2,837,600</u>	<u>2,837,741</u>	<u>141</u>
EXPENDITURES			
Current:			
Public safety	3,625,000	3,545,319	79,681
Capital outlay	9,000	107,807	(98,807)
Total expenditures	<u>3,634,000</u>	<u>3,653,126</u>	<u>(19,126)</u>
Deficiency of revenues under expenditures	<u>(796,400)</u>	<u>(815,385)</u>	<u>(18,985)</u>
Other financing sources			
Transfers in	725,800	725,958	158
Financed purchases	107,800	107,807	7
Total other financing sources	<u>833,600</u>	<u>833,765</u>	<u>165</u>
Net change in fund balance	<u>37,200</u>	<u>18,380</u>	<u>(18,820)</u>
FUND BALANCES, beginning of year	<u>150,469</u>	<u>150,469</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 187,669</u>	<u>\$ 168,849</u>	<u>\$ (18,820)</u>

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

CITY OF PERRY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
ARPA SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	\$ 1,732,400	\$ 1,732,460	\$ 60
Interest	1,300	1,336	36
Total revenues	<u>1,733,700</u>	<u>1,733,796</u>	<u>96</u>
EXPENDITURES			
Capital outlay	1,547,800	1,647,416	(99,616)
Total expenditures	<u>1,547,800</u>	<u>1,647,416</u>	<u>(99,616)</u>
Excess of revenues under expenditures	<u>185,900</u>	<u>86,380</u>	<u>(99,520)</u>
Other financing uses			
Transfers out	<u>(85,100)</u>	<u>(85,044)</u>	<u>56</u>
Total other financing uses	<u>(85,100)</u>	<u>(85,044)</u>	<u>56</u>
Net change in fund balance	<u>100,800</u>	<u>1,336</u>	<u>(99,464)</u>
FUND BALANCES, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 100,800</u>	<u>\$ 1,336</u>	<u>\$ (99,464)</u>

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

CITY OF PERRY, GEORGIA

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

	Water and Sewerage System	Stormwater Utility Fund	Gas System	Solid Waste	Nonmajor Revolving Loan Fund	Totals
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 2,471,178	\$ 249,099	\$ 801,553	\$ 545,468	\$ -	\$ 4,067,298
Investments	1,305,533	-	535,072	-	-	1,840,605
Accounts receivable, net of allowances	1,043,085	111,613	525,419	322,874	-	2,002,991
Loans receivable, current portion	-	-	-	-	6,089	6,089
Due from other funds	424,049	-	-	-	-	424,049
Inventories	207,772	-	-	-	-	207,772
Prepaid expenses	1,109	1,228	-	8,847	-	11,184
Total current assets	5,452,726	361,940	1,862,044	877,189	6,089	8,559,988
NON-CURRENT ASSETS						
Restricted assets, cash	1,694,279	-	2,921	-	86,211	1,783,411
Loans receivable	-	-	-	-	9,268	9,268
Investment in Jointly-Owned Natural Gas Transmission Line	-	-	727,438	-	-	727,438
Capital assets:						
Land and easements	240,805	26,956	62,165	89,895	-	419,821
Structures, equipment and lines	79,926,967	2,096,343	4,912,933	1,021,905	-	87,958,148
Construction in progress	4,461,152	216,154	385,094	35,733	-	5,098,133
Less: accumulated depreciation	(30,204,936)	(522,466)	(2,427,942)	(419,764)	-	(33,575,108)
Total non-current assets	56,118,267	1,816,987	3,662,609	727,769	95,479	62,421,111
Total assets	61,570,993	2,178,927	5,524,653	1,604,958	101,568	70,981,099
DEFERRED OUTFLOWS OF RESOURCES						
Deferred amount on refunding	376,974	-	-	-	-	376,974
Total deferred outflows of resources	376,974	-	-	-	-	376,974
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable	319,025	2,817	2,049	246,766	-	570,657
Salaries payable	-	3,120	-	20,643	-	23,763
Accrued interest payable	137,452	630	48	698	-	138,828
Due to other funds	16,380	154,518	1,502	116,709	1,116	290,225
Compensated absences	-	7,028	-	12,756	-	19,784
Customer deposits payable	39,074	-	3,554	-	-	42,628
Landfill post-closure care costs	-	-	-	3,500	-	3,500
Revenue bonds payable, current portion	663,000	-	-	-	-	663,000
Notes payable, current portion	470,732	-	-	-	-	470,732
Financed purchases, due within one year	59,483	79,975	12,364	49,399	-	201,221
Total current liabilities	1,705,146	248,088	19,517	450,471	1,116	2,424,338
NON-CURRENT LIABILITIES						
Compensated absences, net of current portion	-	20,915	-	18,131	-	39,046
Revenue bonds	9,524,614	-	-	-	-	9,524,614
Loans payable	9,965,141	-	-	-	-	9,965,141
Financed purchases, due in more than one year	66,559	24,496	5,003	207,507	-	303,565
Landfill post-closure care costs	-	-	-	61,452	-	61,452
Total non-current liabilities	19,556,314	45,411	5,003	287,090	-	19,893,818
Total liabilities	21,261,460	293,499	24,520	737,561	1,116	22,318,156
NET POSITION						
Net investment in capital assets	34,051,433	1,712,516	2,914,883	470,863	-	39,149,695
Restricted for debt service	1,694,279	-	-	-	-	1,694,279
Restricted for loans receivable	-	-	-	-	100,452	100,452
Unrestricted	4,940,795	172,912	2,585,250	396,534	-	8,095,491
Total net position	\$ 40,686,507	\$ 1,885,428	\$ 5,500,133	\$ 867,397	\$ 100,452	\$ 49,039,917

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

CITY OF PERRY, GEORGIA

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

	Water and Sewerage System	Stormwater Utility Fund	Gas System	Solid Waste	Nonmajor Revolving Loan Fund	Totals
OPERATING REVENUES						
Charges for services	\$ 9,530,793	\$ 861,888	\$ 5,438,977	\$ 3,207,296	\$ -	\$ 19,038,954
Miscellaneous	49,034	-	6,618	-	-	55,652
Total operating revenues	<u>9,579,827</u>	<u>861,888</u>	<u>5,445,595</u>	<u>3,207,296</u>	<u>-</u>	<u>19,094,606</u>
OPERATING EXPENSES						
Cost of sales and services	6,374,557	271,677	4,496,232	2,337,138	25	13,479,629
Salaries and benefits	117	308,525	-	625,534	-	934,176
Administration	844,739	208,549	346,600	272,688	(5,284)	1,667,292
Depreciation	1,749,172	114,007	79,790	77,370	-	2,020,339
Total operating expenses	<u>8,968,585</u>	<u>902,758</u>	<u>4,922,622</u>	<u>3,312,730</u>	<u>(5,259)</u>	<u>18,101,436</u>
Operating income (loss)	<u>611,242</u>	<u>(40,870)</u>	<u>522,973</u>	<u>(105,434)</u>	<u>5,259</u>	<u>993,170</u>
NON-OPERATING REVENUES (EXPENSES)						
Net income from joint venture	-	-	10,736	-	-	10,736
Interest income - nonrestricted assets	7,887	246	2,203	630	-	10,966
Interest income - restricted assets	-	-	-	-	365	365
Interest expense	(514,248)	(3,392)	(578)	(7,509)	-	(525,727)
Total non-operating revenues (expenses)	<u>(506,361)</u>	<u>(3,146)</u>	<u>12,361</u>	<u>(6,879)</u>	<u>365</u>	<u>(503,660)</u>
Income before capital contributions and transfers	<u>104,881</u>	<u>(44,016)</u>	<u>535,334</u>	<u>(112,313)</u>	<u>5,624</u>	<u>489,510</u>
CAPITAL CONTRIBUTIONS	<u>3,719,724</u>	<u>686,731</u>	<u>296,888</u>	<u>259,521</u>	<u>-</u>	<u>4,962,864</u>
TRANSFERS						
Transfers out	(348,852)	(30,508)	(155,426)	-	-	(534,786)
Total transfers	<u>(348,852)</u>	<u>(30,508)</u>	<u>(155,426)</u>	<u>-</u>	<u>-</u>	<u>(534,786)</u>
Change in net position	<u>3,475,753</u>	<u>612,207</u>	<u>676,796</u>	<u>147,208</u>	<u>5,624</u>	<u>4,917,588</u>
NET POSITION, beginning of year	<u>37,210,754</u>	<u>1,273,221</u>	<u>4,823,337</u>	<u>720,189</u>	<u>94,828</u>	<u>44,122,329</u>
NET POSITION, end of year	<u>\$ 40,686,507</u>	<u>\$ 1,885,428</u>	<u>\$ 5,500,133</u>	<u>\$ 867,397</u>	<u>\$ 100,452</u>	<u>\$ 49,039,917</u>

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

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

	Water and Sewerage System	Stormwater Utility Fund	Gas System	Solid Waste	Nonmajor Revolving Loan Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	\$ 8,994,270	\$ 842,330	\$ 5,237,453	\$ 3,172,805	\$ -	\$ 18,246,858
Payments to suppliers	(7,369,406)	(410,871)	(4,948,921)	(2,476,442)	5,259	(15,200,381)
Payments to employees	(117)	(301,902)	(346,600)	(606,911)	-	(1,255,530)
Net cash provided by (used in) operating activities	<u>1,624,747</u>	<u>129,557</u>	<u>(58,068)</u>	<u>89,452</u>	<u>5,259</u>	<u>1,790,947</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES						
Transfers out	(348,852)	(30,508)	(155,426)	-	-	(534,786)
Net cash used in non-capital financing activities	<u>(348,852)</u>	<u>(30,508)</u>	<u>(155,426)</u>	<u>-</u>	<u>-</u>	<u>(534,786)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	(102,990)	(86,983)	(138,363)	(149,920)	-	(478,256)
Payments on bonds	(652,000)	-	-	-	-	(652,000)
Principal paid on notes payable and financed purchases	(507,019)	(89,751)	(12,046)	(57,826)	-	(666,642)
Proceeds from notes payable and financed purchases	72,560	-	-	-	-	72,560
Interest paid	(456,815)	(4,594)	(611)	(7,750)	-	(469,770)
Net cash used in capital and related financing activities	<u>(1,646,264)</u>	<u>(181,328)</u>	<u>(151,020)</u>	<u>(215,496)</u>	<u>-</u>	<u>(2,194,108)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of investments	(2,930)	-	(1,201)	-	-	(4,131)
Proceeds from revolving loans	-	-	-	-	3,459	3,459
Cash disbursed for new revolving loans	-	-	-	-	(5,284)	(5,284)
Interest received	7,887	246	2,203	630	365	11,331
Net cash provided by investing activities	<u>4,957</u>	<u>246</u>	<u>1,002</u>	<u>630</u>	<u>(1,460)</u>	<u>5,375</u>
Increase (decrease) in cash and cash equivalents	(365,412)	(82,033)	(363,512)	(125,414)	3,799	(932,572)
Cash and cash equivalents:						
Beginning of year	4,530,869	331,132	1,167,986	670,882	82,412	6,783,281
End of year	<u>\$ 4,165,457</u>	<u>\$ 249,099</u>	<u>\$ 804,474</u>	<u>\$ 545,468</u>	<u>\$ 86,211</u>	<u>\$ 5,850,709</u>
Classified as:						
Cash and cash equivalents	\$ 2,471,178	\$ 249,099	\$ 801,553	\$ 545,468	\$ -	\$ 4,067,298
Restricted assets, cash	1,694,279	-	2,921	-	86,211	1,783,411
Total cash and cash equivalents	<u>\$ 4,165,457</u>	<u>\$ 249,099</u>	<u>\$ 804,474</u>	<u>\$ 545,468</u>	<u>\$ 86,211</u>	<u>\$ 5,850,709</u>

(Continued)

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

	Water and Sewerage System	Stormwater Utility Fund	Gas System	Solid Waste	Nonmajor Revolving Loan Fund	Totals
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ 611,242	\$ (40,870)	\$ 522,973	\$ (105,434)	\$ 5,259	\$ 993,170
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	1,749,172	114,007	79,790	77,370	-	2,020,339
Amortization of premium	(97,753)	-	-	-	-	(97,753)
Provision for landfill closure/post-closure care costs	-	-	-	2,558	-	2,558
Changes in assets and liabilities:						
(Increase) decrease in:						
Accounts receivable	(175,978)	(19,558)	(208,017)	(34,491)	-	(438,044)
Prepaid expenses	1,973	1,876	1,166	(1,777)	-	3,238
Due from other funds	(409,749)	-	-	-	-	(409,749)
Inventories	(207,772)	-	-	-	-	(207,772)
Increase (decrease) in:						
Accounts payable	185,528	1,982	(25,032)	128,314	-	290,792
Accrued liabilities	170	(4,953)	(125)	3,671	-	(1,237)
Compensated absences payable	-	11,576	-	14,952	-	26,528
Due to other funds	(32,086)	65,497	(428,823)	4,289	-	(391,123)
Net cash provided by (used in) operating activities	<u>\$ 1,624,747</u>	<u>\$ 129,557</u>	<u>\$ (58,068)</u>	<u>\$ 89,452</u>	<u>\$ 5,259</u>	<u>\$ 1,790,947</u>
Noncash capital and related financing activities:						
Contributions of capital assets	\$ 3,719,724	\$ 686,731	\$ 296,888	\$ 259,521	\$ -	\$ 4,962,864
Proceeds from issuance of capital leases	72,560	-	-	-	-	72,560
Amortization of deferred loss from refunding	64,653	-	-	-	-	64,653
Noncash investing activities:						
Change in investment in JOTL	-	-	10,736	-	-	10,736

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

CITY OF PERRY, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUND
JUNE 30, 2022

	<u>Custodial Fund</u>
ASSETS	
Cash	\$ 75,327
Total assets	<u>\$ 75,327</u>
LIABILITIES	
Confiscated assets pending disposition	\$ 20,874
Total liabilities	<u>\$ 20,874</u>
NET POSITION	
Net Position	<u>\$ 54,453</u>

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

CITY OF PERRY, GEORGIA

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

	<u>Custodial Fund</u>
ADDITIONS	
Confiscations	\$ 18,057
DELETIONS	
Disbursements	39,166
Net increase	(21,109)
NET POSITION	
Beginning of year	75,562
End of year	<u>\$ 54,453</u>

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

NOTES TO FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Financial Reporting Entity

The City was reincorporated by the General Assembly of Georgia in 1983 by Georgia Laws (Act No. 444) through the enactment of a charter effective July 1, 1983. The City was originally chartered in 1824.

City government is conducted by a non-partisan Mayor and Council. The Council is composed of six elected members, two from each of three districts. Members serve staggered four-year terms. Council selects a City Manager who oversees day-to-day operations of the City.

The City provides numerous municipal services authorized by its charter and operates four major utilities.

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

In conformity with generally accepted accounting principles, as set forth in the Statement of the GASB No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, the component units’ financial statements have been included as discretely presented. All of the City’s component units have a June 30 year-end.

Blended Component Unit

The Perry Public Facilities Authority (the “PPFA”) was created to authorize the issuance of revenue bonds. The PPFA consists of seven members. The Mayor and Council members of the City appoint one member whose term on the PPFA shall correspond with the term of the Mayor or Council member who appointed such member. Of these seven members, one serves as chairperson and another serves as vice-chairperson. Four members of the PPFA shall constitute a quorum. The members shall not be compensated for their services, however shall be reimbursed for their actual expenses necessarily incurred in the performance of their duties. The PPFA has the same address as the City.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Discretely Presented Component Units

The Perry Area Convention and Visitors Bureau (the “CVB”) was created to promote tourism, trade and conventions for the City. The governing board consists of nine regular members and four ex-officio members. The Mayor and City Council of the City appoint the regular members. Five of these members must be recommended by the Perry Area Chamber of Commerce Board of Directors. The ex-officio members are the executive director of the Visitors Bureau, the City Manager, the executive director of the Perry Area Chamber of Commerce and the executive director of the Georgia National Fairgrounds and Agricenter. The City provides the major support to the CVB through the collection and remittance of hotel/motel taxes. The CVB is reported as a governmental fund type. Complete financial statements for the CVB may be obtained at the Perry Area Convention and Visitors Bureau administrative offices:

Perry Area Convention and Visitors Bureau
101 Courtney Hodges Boulevard
Perry, Georgia 31069

The Perry Downtown Development Authority (the “Authority”) was created to revitalize and redevelop the central business district of the City, to develop and promote for the public good and general welfare, trade, commerce, industry and employment opportunities. The Authority is governed by seven directors appointed by the Mayor and City Council. The City provides support to the Authority relative to the yearly operating budget requirements. The Authority is reported as a governmental fund type. Complete financial statements for the Authority may be obtained at the Perry Downtown Development Authority administrative offices:

Perry Downtown Development Authority
1211 Washington Street
Perry, Georgia 31069

The Perry Industrial Building Authority (the “Building Authority”) was created to encourage and promote the expansion and development of industrial and commercial facilities in the City. The Building Authority is governed by two directors appointed by the Mayor and City Council and three ex-officio members – the Mayor, the chairman of the Houston County Board of Commissioners and the president of the Perry Area Chamber of Commerce. The City does have the ability to impose its will on the Building Authority relative to the use of existing funds. The Building Authority’s financial statements consist of a general fund only and is reported as a governmental fund type. The Building Authority has not issued separate financial statements for the current fiscal year.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

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

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, Special Purpose Local Option Sales Taxes (“SPLOST”), franchise taxes, other taxes, licenses and permits, intergovernmental revenues, investment earnings and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

Fire Protection Fund – The Fire Protection Fund accounts for the fire protection fee used to fund maintenance, operation and staff expenses associated with the Davis Farm fire station.

SPLOST 2018 Fund – The SPLOST fund accounts for the City’s construction and improvement projects based on the 1 cent special purpose sales tax approved by the voters of the City and Houston County.

American Rescue Plan Act Fund – This fund is used to account for grant funds awarded to the City as part of the State and Local Fiscal Recovery Fund under the American Plan Act of 2021.

Perry Public Facilities Authority Fund – The Perry Public Facilities Authority Fund is a blended component unit of the City of Perry that is used to account for the issuance of revenue bonds which are used to fund public facility construction and improvement projects.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major proprietary funds:

Water and Sewerage System – accounts for the operations and maintenance of the City's water and wastewater services to the residents and businesses of the City.

Stormwater Utility Fund – accounts for the operations and maintenance of the City's stormwater management program.

Gas System – accounts for the operations and maintenance of the City's natural gas services to the residents and businesses of the City.

Solid Waste Fund – accounts for the operation and maintenance of the City's trash, leaf and limb collections to the residents and businesses of the City.

Additionally, the City reports the following fund type:

Special Revenue Funds account for revenue sources that are legally restricted to expenditure specific purposes.

Capital Project Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The **Enterprise Fund** is used to account for the revenues and expenses associated with the revolving loan fund of the City.

Fiduciary Fund – accounts for money confiscated and held pending disposition by courts.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's public utilities and various other functions of the government. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

D. Management Estimates

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

E. Deposits and Investments

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

Investments – Investments are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value.

F. Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received, including property taxes and amounts due from other funds and grants. All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Interfund Receivables, Payables and Transfers

In the fund financial statements, balances that are representative of lending/borrowing arrangements, outstanding at the end of the fiscal year, are referred to as “interfund receivables/interfund payables”. In the government-wide financial statements these balances are netted and reported as “internal balances”.

H. Inventories

In the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in/first-out (“FIFO”) basis and are expensed when used (i.e. the consumption method). In the fund financial statements, inventories of governmental funds are stated at cost. Cost is determined on an FIFO basis. Inventories of supplies are reported at cost, whereas inventories held for resale are reported at the lower of cost or market.

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditure/expense when consumed rather than when purchased.

J. Restricted Assets

Resources set aside in proprietary funds for repayment of bonds and renewal and extension in the amount of \$1,694,279 are classified as restricted assets because their use is limited by bond covenants. A corresponding portion of net position is segregated by its classification as “restricted for debt service”.

Customers’ meter deposits are classified as restricted assets because their use is limited.

K. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000. Preliminary and interim costs incurred by governmental funds for capital projects are reported as “construction in progress”. Costs related to abandoned projects are expensed when the project is abandoned.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets (Continued)

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the City chose to include all such items regardless of their acquisition date or amount. The City contracted with a third-party appraiser for the initial recording of these assets through historical costs and City records. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

Capital assets are depreciated over their estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Furniture and fixtures	5 – 7 years
Machinery and equipment	3 – 10 years
Lines and Mains	50 years
Buildings and improvements	10 – 50 years
Land improvements	10 – 25 years
Infrastructure	50 years

L. Compensated Absences

Effective January 1, 2022, the City provides an all-purpose paid time off (“PTO”) policy to regular full-time employees to use for vacation, personal illness, illness of an immediate family member, or other personal business. It combines traditional vacation and sick leave into one flexible paid time-off policy. The amount of paid time off earned during each period will be based on the employee’s shift type (standard shift employees, 12-hour shift police officers, and 24-hour shift firefighters) and length of service with the City. There is no cap on the accumulation of PTO hours. In accordance with GASB Statement 16, the City accrues the cost of annual leave when the leave is earned. This cost is accrued in the government-wide and proprietary fund financial statements.

Employees with accrued sick leave under the City’s previous sick leave policy will retain these hours for use in accordance with the previous policy. Employees leaving the City are not entitled to payment for accumulated sick leave. In accordance with GASB Statement 16, the City does not accrue sick leave because employees do not receive “termination payments” upon leaving the City.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. One is the deferred loss on refunding reported in the government-wide statement of net position. A deferred loss on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and being amortized over the life of the refunding debt. The second item of deferred outflows of resources relates to pensions. Any contributions made by the City to the pension plan before year-end but subsequent to the measurement date are reported as deferred outflows of resources. Certain changes in the net pension asset are recognized against pension expense over time instead of all being recognized in the year of occurrence.

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, represents an acquisition of fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The first item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source, property taxes. This amount is deferred and recognized as an inflow of resources in the period the amounts become available. The City also has a pension related item that qualifies for reporting in this category. The difference between projected investment return on pension investments and actual return on those investments is deferred and amortized against pension expense over a five-year period.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Pensions

For purposes of measuring the net pension asset, 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 Perry Retirement Plan (the “Plan”) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Fund Equity

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

Fund Balances

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

- **Non-spendable** – Fund balances are reported as non-spendable when amounts cannot be spent because they are either: a) not in spendable form (i.e., items that are not expected to be converted to cash), or b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use, either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Mayor and City Council through the adoption of a resolution. The Mayor and City Council may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Mayor and City Council have authorized the City Manager or his/her designee to assign fund balance.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Equity (Continued)

- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Fund Balance Flow Assumptions

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

The City does not have a formal minimum fund balance policy.

Net Position

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

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

Q. Allocation of Administrative Costs

At the governmental fund level, the City allocates administrative costs to the various departments and funds for which services are provided as allowable by the benefiting fund. The allocations are based upon the City's estimate of each fund's share of the services.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Tax Abatement Agreements

The City is required to disclose information for any tax abatement agreements, either entered into by the City, or agreements entered into by other governments that reduce the City's tax revenue. As of June 30, 2022, the City did not have any such agreements, either entered into by the City or by other governments that exceeded the quantitative threshold for disclosure.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

An annual appropriated budget is adopted by ordinance for all fund types except fiduciary funds, which are not budgeted, and capital projects funds, which have project length budgets. The budgets are prepared on the modified accrual basis for governmental fund types and on the accrual basis for proprietary fund types and are consistent with generally accepted accounting principles. All annual appropriations lapse at the end of the fiscal year with the exception of the capital projects funds. On or before the last day of February each year, all departments of the City submit requests for appropriations to the City Manager so that a budget may be prepared. Appropriated budgets are compiled by the City Manager, finance officer and department heads. Before the first day of May, the proposed budget is presented to the Mayor and Council for review. After holding a public hearing, a final budget is prepared and adopted not later than June 30th. Budgetary control is maintained at the department level. Department heads, with the approval of the City Manager, may transfer appropriations within their department. Interdepartmental transfers require the approval of City Council. For fiscal year ended June 30, 2022, expenditures exceeded final amended budgets as follows:

Fund or Department	Excess
General Fund:	
General Government:	
Public Safety	\$ 351
Recreation	10,095
Debt Service:	
Principal	101,900
Interest and other fees	5,205
Fire Protection Fund:	
Capital outlay	98,807

These over-expenditures were funded by under-expenditures in other departments.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS

A. Interest Rate Risk

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

B. Credit Risk

Georgia laws of the Official Code of Georgia Annotated (“O.C.G.A.”) §36-83-4 and §36-82-7 limit investments of the City. The City has no investment policy that would further limit its investment choices. State statute authorizes the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the local government investment pool (“Georgia Fund 1”). As of June 30, 2022, the City’s investment in the Georgia Fund 1 was rated AA Af by Standard & Poor’s. Shares sold and redeemed are based on \$1 per share. The reported value of the pool is the same as the fair value of the pool shares. The Georgia Fund 1 is managed by the Office of the State Treasurer.

C. Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities combined in the aggregate totaling not less than 110% of the public funds held. As of June 30, 2022, the City’s bank balances of deposits are entirely covered under insurance or collateralization with securities held by the City’s agent in the City’s name.

As of June 30, 2022, the City had the following investments:

<u>Investment Type</u>	<u>Maturities (Days)</u>	<u>Fair Value</u>
Georgia Fund 1	43	\$ 4,022,392
Total Fair Value		<u>\$ 4,022,392</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

D. Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The only investments held by the City as of June 30, 2022, are maintained in Georgia Fund 1 and are not subject to level disclosure.

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

NOTE 4. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities					
Capital assets, not being depreciated:					
Land and land improvements	\$ 10,913,964	\$ 197,739	\$ (64,526)	\$ -	\$ 11,047,177
Construction in progress	4,852,869	6,677,915	(35,994)	(7,194,975)	4,299,815
Total capital assets, not being depreciated	<u>15,766,833</u>	<u>6,875,654</u>	<u>(100,520)</u>	<u>(7,194,975)</u>	<u>15,346,992</u>
Capital assets, being depreciated:					
Buildings and improvements	9,416,831	1,465,909	-	68,507	10,951,247
Land improvements	1,393,365	-	-	6,150	1,399,515
Furnitures and fixtures	56,705	-	-	-	56,705
Machinery and equipment	9,352,295	1,100,790	(49,118)	-	10,403,967
Infrastructure	57,207,473	104,215	-	2,157,454	59,469,142
Total capital assets, being depreciated	<u>77,426,669</u>	<u>2,670,914</u>	<u>(49,118)</u>	<u>2,232,111</u>	<u>82,280,576</u>
Less accumulated depreciation for:					
Buildings and improvements	(3,319,114)	(306,699)	-	-	(3,625,813)
Land improvements	(1,074,148)	(21,933)	-	-	(1,096,081)
Furnitures and fixtures	(50,793)	(1,238)	-	-	(52,031)
Machinery and equipment	(7,992,405)	(996,965)	49,118	-	(8,940,252)
Infrastructure	(27,102,591)	(1,293,888)	-	-	(28,396,479)
Total accumulated depreciation	<u>(39,539,051)</u>	<u>(2,620,723)</u>	<u>49,118</u>	<u>-</u>	<u>(42,110,656)</u>
Total capital assets, being depreciated, net	<u>37,887,618</u>	<u>50,191</u>	<u>-</u>	<u>2,232,111</u>	<u>40,169,920</u>
Governmental activities capital assets, net	<u>\$ 53,654,451</u>	<u>\$ 6,925,845</u>	<u>\$ (100,520)</u>	<u>\$ (4,962,864)</u>	<u>\$ 55,516,912</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities					
Capital assets, not being depreciated:					
Land and easements	\$ 418,836	\$ 660	\$ -	\$ 325	\$ 419,821
Construction in progress	3,447,941	65,500	-	1,584,692	5,098,133
Total capital assets, not being depreciated	<u>3,866,777</u>	<u>66,160</u>	<u>-</u>	<u>1,585,017</u>	<u>5,517,954</u>
Capital assets, being depreciated:					
Structures, equipment and lines	84,201,892	412,096	(33,687)	3,377,847	87,958,148
Less accumulated depreciation for:					
Structures, equipment and lines	<u>(31,588,456)</u>	<u>(2,020,339)</u>	<u>33,687</u>	<u>-</u>	<u>(33,575,108)</u>
Total capital assets, being depreciated, net	<u>52,613,436</u>	<u>(1,608,243)</u>	<u>-</u>	<u>3,377,847</u>	<u>54,383,040</u>
Business-type activities capital assets, net	<u>\$ 56,480,213</u>	<u>\$ (1,542,083)</u>	<u>\$ -</u>	<u>\$ 4,962,864</u>	<u>\$ 59,900,994</u>

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

Governmental activities:	
General government	\$ 72,231
Public safety	1,151,791
Public works	1,071,513
Parks and recreation	163,727
Housing and development	161,461
Total depreciation expense - governmental activities	<u>\$ 2,620,723</u>
Business-type activities:	
Water and sewerage system	\$ 1,749,172
Stormwater utility fund	114,007
Gas system	79,790
Solid waste	77,370
Total depreciation expense - business-type activities	<u>\$ 2,020,339</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

Payable Fund	Receivable Fund						
	Governmental Funds				Enterprise Funds		
	General	Fire Protection	2018 SPLOST	ARPA	Nonmajor Governmental	Water and Sewerage	Total
General	\$ -	\$ -	\$ -	\$ 1,955,136	\$ -	\$ -	\$ 1,955,136
SPLOST 2018 Fund	-	-	-	-	1,460	-	1,460
ARPA	-	-	7,234	-	-	424,049	431,283
Nonmajor Governmental	179,790	-	-	-	224,667	-	404,457
Water and Sewerage System	-	16,380	-	-	-	-	16,380
Stormwater Utility Fund	150,221	4,297	-	-	-	-	154,518
Gas System	-	1,502	-	-	-	-	1,502
Solid Waste	112,222	4,487	-	-	-	-	116,709
Nonmajor Enterprise	1,116	-	-	-	-	-	1,116
PPFA - Component Unit	-	-	-	-	-	-	-
	<u>\$ 443,349</u>	<u>\$ 26,666</u>	<u>\$ 7,234</u>	<u>\$ 1,955,136</u>	<u>\$ 226,127</u>	<u>\$ 424,049</u>	<u>\$ 3,082,561</u>

These amounts represent short-term receivables and payables. The balances resulted from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

The amount due to the SPLOST 2018 Fund results from SPLOST eligible expenditures incurred during the fiscal year which were reimbursed by the ARPA Fund subsequent to year end.

Interfund transfers for the year ended June 30, 2022, is as follows:

Fund Transfers In	Fund Transfers Out							Total
	General Fund	ARPA Fund	Water and Sewerage System	Perry Public Facilities Authority	Gas System	Stormwater Utility Fund	Nonmajor Governmental	
General Fund	\$ 752	\$ 57,055	\$ 348,852	\$ -	\$ 155,426	\$ 30,508	\$ 198,590	\$ 791,183
Fire Protection Fund	697,969	27,989	-	-	-	-	-	725,958
Nonmajor Governmental	116,682	-	-	2,475,375	-	-	-	2,592,057
	<u>\$ 815,403</u>	<u>\$ 85,044</u>	<u>\$ 348,852</u>	<u>\$ 2,475,375</u>	<u>\$ 155,426</u>	<u>\$ 30,508</u>	<u>\$ 198,590</u>	<u>\$ 4,109,198</u>

Transfers are used to: 1) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them, 2) close out funds no longer used by the City, and 3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LANDFILL POST-CLOSURE CARE COSTS

The City has closed its Chapel Road/Ford Creek landfill site and has received a closure certificate from the Georgia Environmental Protection Division (“EPD”). State and federal laws and regulations require the City to perform certain maintenance and monitoring functions for 30 years after closure. The EPD approved total assured costs for this fiscal year are \$64,952 and are reported as a current and non-current liability in the Solid Waste Fund. Actual costs may be higher than estimates due to inflation, changes in technology or regulations. During 2022, the City increased/adjusted these closure costs for inflation by \$2,558.

NOTE 7. LONG-TERM DEBT

Primary Government

Financed Purchase from Direct Borrowings

The City has entered into financed purchase agreements for financing the acquisition of equipment and for system expansion and refunding. The agreements qualify as financed purchases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. Interest rates vary from 1.59% to 3.74%. Total cost of assets acquired under these leases, governmental activities and business-type activities, as of June 30, 2022, is \$15,169,324. Total accumulated depreciation on assets acquired under capital leases as of June 30, 2022 is \$9,221,537. Cost of equipment included in the governmental activities statement of net position is \$3,034,606, which includes \$6,037,951 of accumulated depreciation. Cost of equipment and system expansion and refunding included in the business-type activities statement of net position is \$2,913,181, which includes \$3,18,586 of accumulated depreciation. Depreciation expense on assets acquired under leases for the year ended June 30, 2022 is \$70,386 for governmental activities and \$42,099 for business-type activities.

Annual debt service requirements to maturity for these financed purchases are as follows:

Fiscal Year Ending June 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 783,919	\$ 73,517	\$ 857,436	\$ 202,652	\$ 8,986	\$ 211,638
2024	766,400	59,957	826,357	120,403	5,331	125,734
2025	428,958	36,559	465,517	68,275	3,797	72,072
2026	184,114	19,272	203,386	44,614	2,584	47,198
2027	111,158	6,912	118,070	45,862	1,336	47,198
2028	78,693	1,393	80,086	22,980	338	23,318
Total	<u>\$ 2,353,242</u>	<u>\$ 197,610</u>	<u>\$ 2,550,852</u>	<u>\$ 504,786</u>	<u>\$ 22,372</u>	<u>\$ 527,158</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Financed Purchase from Direct Borrowings (Continued)

Although the City is not obligated to make annual appropriations under these financed purchases, failure to do so will result in forfeiture of the assets acquired with these proceeds.

Loans – General Obligation Debt

On November 21, 2017, the City entered into a contract with the Georgia Environmental Finance Authority (“GEFA”) for a Drinking Water State Revolving Loan Fund grant/loan to provide financing for constructing a new water plant and wells. The old water treatment plant will be decommissioned and two old wells will be abandoned. The note is as follows at June 30, 2022:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 470,732	\$ 193,174	\$ 663,906
2024	479,706	184,200	663,906
2025	488,852	175,054	663,906
2026	498,171	165,735	663,906
2027	507,669	156,237	663,906
2028 – 2032	2,687,264	632,266	3,319,530
2033 – 2037	2,953,377	366,153	3,319,530
2038 – 2041	2,350,102	84,221	2,434,323
Total	<u>\$ 10,435,873</u>	<u>\$ 1,957,040</u>	<u>\$ 12,392,913</u>

The loan is to be paid in monthly installments of \$55,326 including interest at 1.89% through 2041. The City covenants and agrees that it shall, to the extent necessary, levy an annual ad valorem tax on all taxable property within the City as necessary to produce revenues that will be sufficient to fulfill the City’s obligations of this note. The outstanding note from direct borrowings contains a provision that in an event of default, the lender may declare the outstanding principal and accrued interest immediately due and may terminate its remaining commitment (if any) to make further advances of the loan.

Revenue Bonds

The City’s business-type activity, the Water and Sewerage System, has revenue bonds payable solely from revenues generated by fund activities. The bond indentures contain restrictions on the use of bond proceeds and fund revenues as well as providing for sinking funds, renewal and extension funds and minimum fund operating requirements (revenue bond coverage).

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Revenue Bonds (Continued)

On May 14, 2013, the City issued \$5,304,000 in Revenue Bonds with interest rates ranging from 1.92% to 2.45%. The proceeds were used to refund \$1,558,876 of the 1998 Revenue Bonds and advance refund a portion of the outstanding 2005 Revenue Bonds in the amount of \$3,365,000. The net proceeds of \$3,620,936 (including a \$255,936 premium and after payment of \$124,188 in issuance costs) were deposited in an escrow account to provide funds for the future debt payments on the portion of the advance refunded bonds. The advanced refunding resulted in a deferred loss of \$366,836. As a result, the refunded portion of the 2005 Revenue Bonds is considered defeased and the liability for those bonds has been removed from the statement of net position.

On August 2, 2016, the City issued \$8,595,000 in Revenue Bonds with interest rates ranging from 2.00% to 5.00%. The proceeds were used to advance refund \$9,155,000 of the 2007 Revenue Bonds and prepay in full \$173,263 of the loan from GEFA. The net proceeds of \$8,202,123 (including a \$1,209,559 premium and after payment of \$219,614 in issuance cost) were deposited in an escrow account to provide funds for the future debt payments on the portion of the advance refunded bonds. The advanced refunding resulted in a deferred loss of \$503,447, which will be amortized over the life of the bonds. As a result, the refunded portion of the 2007 Revenue Bonds is considered defeased and the liability for those bonds has been removed from the statement of net position.

On April 4, 2017, the Perry Public Facilities Authority issued \$2,255,000 in Revenue Bonds to provide funds for improvements to certain parks and recreational facilities of the City. Interest rates range from 2.00% to 4.00%.

On March 5, 2019, the Perry Public Facilities Authority issued \$7,710,000 in Revenue Bonds to provide funds for a gas main extension, improvements to the water and sewer system, parks and recreational improvements and acquisition of property for a new City Hall. Interest rates range from 3.00% to 4.00%.

On September 3, 2020, the Perry Public Facilities Authority issued \$4,010,000 in Revenue Bonds to provide funds for improvements to the water and sewer system and acquisition and renovation of the Houston County Government Building for use as a City Municipal Court Building. Interest rates range from 2.00 to 3.00%.

On June 22, 2021, the Perry Public Facilities Authority issued \$4,030,000 in Revenue Bonds to provide funds for improvements to the sewer and stormwater system. The interest rate is 3.00%.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Revenue Bonds (Continued)

On May 24, 2022, the Perry Public Facilities Authority issued \$4,930,000 in Revenue Bonds to provide funds for improvements to the sewer and stormwater system. The interest rate is 4.00%.

The 2013 and 2016 Revenue Bonds are parity bonds in that they both have a first lien on water and sewerage system assets and revenues. The following summarizes the debt service requirements of the Revenue Bonds.

Fiscal Year Ending June 30,	2013 Revenue Bonds		2016 Revenue Bonds		2017 Revenue Bonds		2019 Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
	2023	\$ 593,000	\$ 22,963	\$ 70,000	\$ 309,238	\$ 95,000	59,138	\$ 100,000
2024	603,000	11,578	75,000	307,063	100,000	56,287	100,000	281,406
2025	-	-	690,000	292,138	105,000	53,288	105,000	278,406
2026	-	-	715,000	270,294	105,000	50,138	110,000	274,206
2027	-	-	3,945,000	950,025	110,000	46,988	115,000	269,806
2028 – 2032	-	-	2,780,000	151,050	595,000	183,940	625,000	1,277,430
2033 – 2037	-	-	-	-	700,000	82,499	1,470,000	1,070,830
2038 – 2042	-	-	-	-	-	-	1,735,000	774,030
2043 – 2047	-	-	-	-	-	-	2,095,000	408,352
2048 – 2049	-	-	-	-	-	-	955,000	52,200
Total	\$ 1,196,000	\$ 34,541	\$ 8,275,000	\$ 2,279,808	\$ 1,810,000	\$ 532,278	\$ 7,410,000	\$ 4,971,072

Fiscal Year Ending June 30,	2020 Revenue Bonds		2021 Revenue Bonds		2022 Revenue Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
	2023	\$ 70,000	\$ 101,450	\$ -	\$ -	\$ -	\$ 168,168	\$ 928,000
2024	75,000	99,350	-	120,900	-	197,200	953,000	876,584
2025	75,000	97,100	-	120,900	-	197,200	975,000	841,832
2026	80,000	94,850	-	120,900	-	197,200	1,010,000	810,388
2027	80,000	92,450	-	120,900	-	197,200	4,250,000	1,480,169
2028 – 2032	445,000	424,300	-	604,500	-	986,000	4,445,000	2,641,220
2033 – 2037	2,050,000	321,200	-	604,500	1,235,000	938,400	5,455,000	2,079,029
2038 – 2042	1,065,000	53,100	2,790,000	561,000	3,005,000	518,400	8,595,000	1,388,130
2043 – 2047	-	-	1,240,000	110,400	690,000	27,600	4,025,000	518,752
2048 – 2049	-	-	-	-	-	-	955,000	52,200
Total	\$ 3,940,000	\$ 1,283,800	\$ 4,030,000	\$ 2,364,000	\$ 4,930,000	\$ 3,427,368	\$ 31,591,000	\$ 11,465,499

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Changes in Long-term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Revenue bonds	\$ 17,455,000	\$ 4,930,000	\$ (265,000)	\$ 22,120,000	\$ 265,000
Plus unamortized premium	1,059,279	232,653	(12,238)	1,279,694	-
Revenue bonds, net	18,514,279	5,162,653	(277,238)	23,399,694	265,000
Financed purchases	2,327,290	738,807	(712,855)	2,353,242	783,919
Notes from direct borrowings	-	1,600,000	(167,345)	1,432,655	306,107
Compensated absences	618,050	1,074,361	(776,920)	915,491	314,894
	<u>\$ 21,459,619</u>	<u>\$ 8,575,821</u>	<u>\$ (1,934,358)</u>	<u>\$ 28,101,082</u>	<u>\$ 1,669,920</u>
Business-type activities					
Revenue bonds	\$ 10,123,000	\$ -	\$ (652,000)	\$ 9,471,000	\$ 663,000
Plus unamortized premium	814,367	-	(97,753)	716,614	-
Revenue bonds, net	10,937,367	-	(749,753)	10,187,614	663,000
Notes from direct borrowings	10,897,797	-	(461,924)	10,435,873	470,732
Financed purchases	636,944	72,560	(204,718)	504,786	201,221
Compensated absences	32,302	73,619	(47,091)	58,830	19,784
Landfill post-closure care costs	62,394	2,558	-	64,952	3,500
	<u>\$ 22,566,804</u>	<u>\$ 148,737</u>	<u>\$ (1,463,486)</u>	<u>\$ 21,252,055</u>	<u>\$ 1,358,237</u>

For governmental activities, compensated absences are generally liquidated by the General Fund. For business-type activities, compensated absences and landfill post-closure care costs are generally paid for by the Solid Waste Fund.

NOTE 8. TAX REVENUE

A. Property Tax

State law requires that property taxes be based on assessed value, which is 40% of market value. All real and personal property (including motor vehicles) are valued as of January 1 of each year and personal property tax returns must be filed for tax purposes by March 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, all assessments are made by the Board of Tax Assessors of Houston County.

Exemptions are permitted for certain inventories. There are other exemptions provided by state and local laws.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. TAX REVENUE (CONTINUED)

B. Property Tax (Continued)

Upon completion of all assessments and tax returns, the information is turned over to the County Tax Commissioner for compilation of the tax digest. The completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the state mandated 40% of fair market value. The State Revenue Commissioner has the option to withhold certain state funding if the mandated 40% level is not reached.

The property tax calendar is as follows:

	Real/Personal Property (Excluding Vehicles)	Motor Vehicles
Assessment date	January 1	January 1
Levy date	September 8	January 1
Due dates and collection dates	December 20	Staggered

Property taxes receivable have been reduced to their estimated net realizable value. Estimated uncollectible amounts are based upon historical experience rates and result in a direct reduction of the related revenue amount at the end of the period.

C. Hotel/Motel Excise Tax

The City levies and collects a 7% lodging tax which is reported in the hotel/motel tax special revenue fund. In 2012, an amendment was made to the contract with the Visitors Bureau relative to the annual allocation. Under the terms of the new contract, the City is to pay the Visitors Bureau an annual allocation the City determines to be appropriate based on the Visitors Bureau's approved budget from the tourism promotion portion of the total accommodation excise tax collected. In no case shall that amount be less than 25% of the total tax collections. The allocations are paid in monthly installments. The contract may be canceled by either party upon a 90-day notice.

A summary of the hotel/motel excise tax expenditures and receipts for the fiscal year ended June 30, 2022, is as follows:

Expenditure by Purpose	Expenditures	Tax Receipts	Percentage
Perry Area Convention and Visitors Bureau	\$ 360,267	\$ 360,267	25%
General Fund	955,831	1,080,469	75%
Total	\$ 1,316,098	\$ 1,440,736	100%

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. TAX REVENUE (CONTINUED)

C Hotel/Motel Excise Tax (Continued)

The schedule above reflects current year revenues and expenditures relative to current year revenues. The City does not transfer their entire portion of hotel/motel excise tax receipts to the General Fund. Therefore, the fund reports a year-end fund balance.

NOTE 9. PENSION PLAN

A. Plan Description

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

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

Inactive plan members or beneficiaries currently receiving benefits	123
Inactive plan members entitled to, but not receiving benefits	154
Total	<u>277</u>

B. Freezing of Plan

Effective January 1, 2012, the City of Perry Retirement Plan is frozen to new entrants and participants (including officials) and shall not accrue any additional benefits. Participants are 100% vested in their accrued benefits. Due to the City of Perry Retirement Plan freeze, the asset method was changed to not allow the actuarial value of the assets to exceed 120% of fair value. There were no other changes in plan provisions, methods, or assumptions in this valuation.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. PENSION PLAN (CONTINUED)

C. Contributions

The City of Perry Retirement Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the City of Perry Retirement Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the City of Perry Retirement Plan. The funding policy for the City of Perry Retirement Plan, as adopted by the City Council, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by the City Council. For the year ended June 30, 2022, the active member contribution rate was 0.00% of annual pay and the City's contribution rate was 0.00% of annual payroll due to the City of Perry Retirement Plan being frozen as of January 1, 2012. City contributions to the City of Perry Retirement Plan were \$34,125 for the year ended June 30, 2022.

D. Net Pension Asset of the City

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

Actuarial Assumptions – The total pension liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	N/A
Investment rate of return	7.375%, net of pension plan investment expense, including inflation

Mortality rates were based on the gender-distinct Pri-2012 head-count weighed Employee Mortality Table with rates multiplied by 1.25.

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. PENSION PLAN (CONTINUED)

D. Net Pension Asset of the City (Continued)

Actuarial Assumptions (Continued) – Cost of living adjustments were assumed to be 2.25% although the City of Perry Retirement Plan allowance for annual cost of living adjustment is variable, as established by the City Council, in an amount not to exceed 5%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses 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 class included in the pension plan's target asset allocation as of March 31, 2020, are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.55%
International equity	20%	7.30%
Domestic fixed income	20%	0.40%
Real estate	10%	3.65%
Global fixed income	5%	0.50%
Total	100%	

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

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. PENSION PLAN (CONTINUED)

D Net Pension Asset of the City (Continued)

Changes in the Net Pension (Asset) Liability of the City – The changes in the components of the net pension (asset) liability of the City for the year ended June 30, 2022, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset) Liability (a) - (b)
Balances at June 30, 2021	\$ 11,353,714	\$ 12,913,045	\$ (1,559,331)
Changes for the year:			
Interest	809,073	-	809,073
Differences between expected and actual experience	(19,593)	-	(19,593)
Contributions - employer	-	34,125	(34,125)
Net investment income	-	3,087,227	(3,087,227)
Benefit payments, including refunds of employee contributions	(766,452)	(766,452)	-
Administrative expenses	-	(36,163)	36,163
Net changes	<u>23,028</u>	<u>2,318,737</u>	<u>(2,295,709)</u>
Balances at June 30, 2022	<u>\$ 11,376,742</u>	<u>\$ 15,231,782</u>	<u>\$ (3,855,040)</u>

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

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

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension asset	\$ (2,694,797)	\$ (3,855,040)	\$ (4,838,421)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. PENSION PLAN (CONTINUED)

D Net Pension Asset of the City (Continued)

Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate (Continued) – Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2021, and the current sharing pattern of costs between employer and employee.

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

For the year ended June 30, 2022, the City recognized pension income of \$689,547. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (1,718,422)
City contributions subsequent to the measurement date	28,148	-
Total	<u>\$ 28,148</u>	<u>\$ (1,718,422)</u>

City contributions subsequent to the measurement date of \$28,148 are reported as deferred outflows of resources and will be recognized as an increase of the net pension asset in the year ending June 30, 2023. The deferred inflow of resources related to the net difference between projected and actual earnings on pension plan investment of \$1,718,422 will be recognized in pension expense as follows:

Year ending June 30,			
2022	\$	(429,742)	
2023		(369,608)	
2024		(486,426)	
2025		(432,646)	
Total		<u>\$ (1,718,422)</u>	

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. ICMA RETIREMENT PLANS

A. Section 401 Plan

In January 2012, the City adopted the City of Perry Defined Contribution Plan in the form of the ICMA Retirement Corporation Governmental Profit Sharing Plan and Trust. All full-time employees and elected and appointed officials are eligible to participate in the plan. There is no minimum age requirement relative to eligibility. However, employees must be actively participating in the 457 plan to be eligible for the employer match. Employer matching contributions shall not exceed 3% of earnings. All full-time employees and elected and appointed officials employed as of December 31, 2011 are considered 100% vested regardless of their length of service with the City. Other vesting in the plan is as follows: one year – 20% vested, two years – 40% vested, three years – 60% vested, four years – 80% vested, and five years – 100% vested. Participant loans are permitted under the plan, subject to plan provisions. Employer contributions for fiscal year ended June 30, 2022, were \$222,827.

B. Section 457 Plan

In January 2012, the City adopted a 457 Deferred Compensation Plan in the form of ICMA Retirement Corporation Deferred Compensation Plan and Trust. Per the plan document, employees may make voluntary pretax contributions to the plan, subject to the limitations. Participant loans are permitted under the plan, subject to plan provisions.

NOTE 11. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and losses resulting from providing accident and health benefits to employees, retirees, and their dependents.

The City provides a self-insurance health and dental plan for its employees. This plan is accounted for in the General Fund and funded accordingly to the historical cost of health and dental benefits provided to City employees. The City purchases specific and aggregate stop loss insurance to protect itself in unusual circumstances. Claims payable consist of claims incurred but not yet paid as of June 30, 2022, and were estimated based on the Loss Analysis Report provided by the third-party administrator and pending specific stop loss reimbursements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11. RISK MANAGEMENT (CONTINUED)

Changes in claims payable are as follows:

	Year Ended June 30,		
	2022	2021	2020
Beginning	\$ 105,270	\$ 123,585	\$ 70,569
Claims incurred	2,402,012	1,942,800	1,833,061
Claims paid	(2,282,613)	(1,961,115)	(1,780,045)
Ending	\$ 224,669	\$ 105,270	\$ 123,585

The City has property and liability insurance coverage with the Georgia Interlock Risk Management Agency (“GIRMA”). Losses relative to these risks are limited to a \$5,000 deductible provided for in the GIRMA contracts. During the past three years, settlements have not exceeded the coverages.

The City has obtained workers’ compensation insurance through a third-party private insurance company. The policy provides for workers’ compensation coverage for claims in excess of the City’s deductible of \$2,500.

NOTE 12. CONTRACTS

The City has a contract with the Visitors Bureau whereby the Visitors Bureau will staff and maintain a facility for tourism development, visitor information, and a rest area for travelers and for the general promotion of the City. During the term of the contract, the City is required to pay to the Visitors Bureau no less than 25% of all hotel/motel tax revenues collected by the City. The contract may be canceled by either party upon a 90-day notice.

The City has a contract with the Perry Area Chamber of Commerce (the “Chamber”) whereby the Chamber will promote and publicize the City. Under terms of this agreement, the City pays the Chamber \$6,000 a year (\$500 monthly). The term of this contract is from July 1 to June 30, and is reconsidered annually.

The City has entered into various contracts relative to natural gas supply whereby the City, along with other participating municipalities, is jointly and severally liable for costs under these contracts.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 13. CONTINGENT LIABILITIES

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

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

NOTE 14. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities and counties in the 11 county middle Georgia area, is a member of the Middle Georgia Regional Commission ("RC") and is required to pay annual dues thereto. During the fiscal year ended June 30, 2022, the City paid \$22,590 in such dues. Membership in an RC is required by O.C.G.A. §50-8-34 which provides for the organizational structure of the RC in Georgia. RC board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Middle Georgia Regional Commission
175 C Emery Highway
Macon, Georgia 31217

The City, together with the cities of Warner Robins, Hawkinsville, Byron, and Cochran, Georgia, formed the Mid-State Energy Commission (the "Commission") in 1953. The Commission was established to provide maintenance and related services for a natural gas transmission line serving the above cities and their customers. A board of directors, composed of one member from each of the cities, manages the Commission. The Commission's major source of revenue consists of reimbursements for operating expenses and capital outlays from member cities. The Commission's financial records are maintained on a fiscal year ending December 31 of each year. A separately issued financial report is available and may be obtained from:

Mid-State Energy Commission
200 Dunbar Road
Byron, Georgia 31008

NOTES TO THE FINANCIAL STATEMENTS

NOTE 14. JOINT VENTURES (CONTINUED)

The following is a summary schedule of the Commission's basic financial statements for the year ended December 31, **2021**:

Cash and cash equivalents	\$ 70,343
Other assets	3,190,420
Property and equipment, net	<u>15,200,775</u>
Total assets	<u>\$ 18,461,538</u>
Liabilities	\$ 14,213,082
Net position - unrestricted	<u>4,248,456</u>
Total liabilities and net position	<u>\$ 18,461,538</u>

As of June 30, 2022, the City has an approximate 15.97% interest in current operations of the Commission. The City's overall equity interest in the Commission is approximately 17.1%. This equity interest is recorded in the Gas System Fund's statement of net position in the amount of \$727,438.

In March 1994, the Perry-Houston County Airport Authority (the "Airport Authority") was created by renaming the Perry-Fort Valley Airport Authority (H.B. No. 2027, Act No. 718 of the Georgia General Assembly). On May 17, 2004, H.B. No. 1684, Act No. 755 was passed by the Georgia General Assembly amending the membership requirements. Members of the Airport Authority consist of the Mayor of the City and the Chairman of the Houston County Commissioners or their respective designee and five additional members appointed by City Council and County Commissioners. Appointment of a majority of the Airport Authority members alternates between the City and Houston County. Separate financial statements may be obtained from:

Perry-Houston County Airport Authority
P.O. Box 1572
Perry, Georgia 31069

The City does not have an equity interest in the Airport Authority. The City has an ongoing financial interest due to the fact that the Airport Authority's continued operations at current levels depend on the City's financial support. For the fiscal year ended June 30, 2022, the City contributed \$44,604 relative to this support.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 15. RELATED ORGANIZATIONS

The Mayor of the City is responsible for appointing the members of the Perry Housing Authority. The Perry Housing Authority has a

NOTE 16. COMMITMENTS

As of June 30, 2022, the City has commitments relative to various construction projects as follows:

- The City of Perry is committed to fund its portion of operating expenses and capital outlay for the Jointly-Owned Transmission Line System. This cost is not determined at this time.
- The City of Perry is committed to fund the design and construction of a new Administrative Building adjacent to the Community Development offices located at 741 Main Street. The cost is not determined at this time.
- The City of Perry is committed to the renovation of the old County Courthouse located at 801 Main Street, which will become City Hall. The renovation cost has been established at \$2,425,948.
- The City of Perry is committed to the realignment of Mainstreet near the intersection of Carroll Street and Commerce Street. As of the end of the fiscal year, the project was in construction phase with a total contracted amount of \$654,348.
- The City of Perry is committed to construction of the Bear Branch Sewer Expansion. Contracted cost of construction is \$1,552,512.
- The City of Perry is committed to construction of the Perry Branch Sewer Expansion. As of June 30, 2022, construction has commenced with a total build cost of \$2,977,940.
- The City of Perry is committed to construction of the Langston Road Regional Stormwater Pond. As of the end of the fiscal year, the project is in design phase and the estimated cost in not yet determined.
- The City of Perry is committed to construction of a second entrance to Creekwood Park. As of the end of the fiscal year, the project is in design phase and the estimated cost in not yet determined.
- The City is committed to upgrading capacity at the Frank Satterfield WWTF. As of June 30, 2022, the project is in design/permitting phase and total cost is not yet determined.
- The City is committed to the relocating a water main along Highway 127, which is being widened by the county. Total estimated cost as of June 30, 2022 is \$1,052,586.
- As of June 30, 2022, the City is in Design Phase for a second Waste Water Treatment Facility. Total estimated cost for construction is \$50 million.
- The City is committed to constructing additional sidewalks on Hampton Court. As of June 30, 2022, the project is in the bidding phase with an estimated construction cost of \$340,000.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 17. NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets on the government-wide statement of net position as of June 30, 2022, is as follows:

	Governmental Activities	Business-type Activities
Cost of capital assets	\$ 97,627,568	\$ 93,476,102
Less accumulated depreciation	(42,110,656)	(33,575,108)
Book value	55,516,912	59,900,994
Less all capital related debt	(27,185,591)	(21,128,273)
Add unspent bond proceeds	14,336,797	-
Add deferred amount on refunding	-	376,974
Less retainage payable	(150,827)	-
Net investment in capital assets	\$ 42,517,291	\$ 39,149,695

	Water and Sewerage System	Stormwater Utility Fund	Gas System	Solid Waste
Cost of capital assets	\$ 84,628,924	\$ 2,339,453	\$ 5,360,192	\$ 1,147,533
Less accumulated depreciation	(30,204,936)	(522,466)	(2,427,942)	(419,764)
Book value	54,423,988	1,816,987	2,932,250	727,769
Less all capital related debt	(20,749,529)	(104,471)	(17,367)	(256,906)
Add deferred amount on refunding	376,974	-	-	-
Net investment in capital assets	\$ 34,051,433	\$ 1,712,516	\$ 2,914,883	\$ 470,863

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PERRY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE CITY'S NET PENSION (ASSET) LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR END

	2022	2021	2020	2019
Total pension liability				
Interest on total pension liability	\$ 809,073	\$ 801,327	\$ 806,458	\$ 800,351
Differences between expected and actual experience	(19,593)	66,225	(170,683)	(9,551)
Changes of assumptions	-	-	219,865	-
Benefit payments, including refunds of employee contributions	(766,452)	(758,590)	(727,316)	(691,444)
Other	-	-	-	-
Net change in total pension liability	23,028	108,962	128,324	99,356
Total pension liability - beginning	11,353,714	11,244,752	11,116,428	11,017,072
Total pension liability - ending (a)	11,376,742	11,353,714	11,244,752	11,116,428
Plan fiduciary net position				
Contributions - employer	34,125	37,472	37,322	37,038
Net investment income	3,087,227	1,163,347	354,511	1,202,270
Benefit payments, including refunds of employee contributions	(766,452)	(758,590)	(727,316)	(691,444)
Administrative expenses	(36,163)	(35,729)	(35,232)	(38,317)
Net change in plan fiduciary net position	2,318,737	406,500	(370,715)	509,547
Plan fiduciary net position - beginning	12,913,045	12,506,545	12,877,260	12,367,713
Plan fiduciary net position - ending (b)	15,231,782	12,913,045	12,506,545	12,877,260
City's net pension (asset) liability - ending (a) - (b)	\$ (3,855,040)	\$ (1,559,331)	\$ (1,261,793)	\$ (1,760,832)
Plan fiduciary net position as a percentage of the total pension liability	133.9%	113.7%	111.2%	115.8%
Covered payroll	N/A	N/A	N/A	N/A
City's net pension (asset) liability as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A

Notes to the Schedule:

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

	2018	2017	2016	2015
\$	829,027	\$ 832,499	\$ 820,697	\$ 829,065
	(65,738)	(253,951)	(59,743)	(169,961)
	-	-	-	(193,507)
	(621,851)	(624,837)	(592,489)	(554,664)
	(132,420)	-	-	-
	9,018	(46,289)	168,465	(89,067)
	11,008,054	11,054,343	10,885,878	10,974,945
	11,017,072	11,008,054	11,054,343	10,885,878
	39,896	40,590	100,850	134,631
	1,661,181	1,173,604	145,516	1,176,223
	(621,851)	(624,837)	(592,489)	(554,664)
	(41,761)	(25,879)	(30,265)	(24,707)
	1,037,465	563,478	(376,388)	731,483
	11,330,248	10,766,770	11,143,158	10,411,675
	12,367,713	11,330,248	10,766,770	11,143,158
\$	(1,350,641)	\$ (322,194)	\$ 287,573	\$ (257,280)
	112.3%	102.9%	97.4%	102.4%
	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A

CITY OF PERRY, GEORGIA

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

	2022	2021	2020	2019
Actuarially determined contribution	\$ 34,125	\$ 37,472	\$ 37,322	\$ 37,038
Contributions in relation to the actuarially determined contribution	34,125	37,472	37,322	37,038
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	N/A	N/A	N/A	N/A
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A

Notes to the Schedule:

Valuation date	January 1, 2022
Actuarial cost method	Projected unit credit
Actuarial asset valuation method	Sum of actuarial value at the beginning of the year and the cash flows during the year, plus the assumed investment return adjusted by 10% of the amount that the value exceeds or is less than the fair value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed rate of return on investments	7.375%
Projected salary increases	N/A
Cost of living adjustments	2.25%
Amortization method	Closed level dollar for unfunded liability
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 15 years.

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

2018	2017	2016	2015
\$ 39,896	40,590	100,850	117,216
39,896	40,590	100,850	117,216
\$ -	\$ -	\$ -	\$ -
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

SUPPLEMENTARY INFORMATION

CITY OF PERRY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Confiscated Assets Fund – This fund accounts for cash received from the sale of confiscated assets and confiscated assets that are no longer subject to court jurisdiction.

CDBG Fund – This fund accounts for money received from the U.S. Department of Housing and Urban Development to fund local community development activities.

Creekwood 2019 CDBG Fund – This fund accounts for money received from the U.S. Department of Housing and Urban Development to fund local community development activities in the Creekwood neighborhood.

2020 CHIP Fund – This fund accounts for money received from the state to provide safe, decent, and affordable housing in Georgia.

Municipal Court Technology Fund – This fund accounts for money received as a surcharge of fines to assist with funding purchases and upgrades to technology equipment used in administering Municipal Court functions.

Hotel/Motel Tax Fund – This fund accounts for the hotel/motel taxes collected and expenditures related to tourism.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Capital Projects Fund – This fund accounts for capital projects of the City that are not required to be reported in a separate fund.

PPFA Capital Projects Fund – This fund accounts for capital projects of the City from the Perry Public Facilities Authority Fund that are not required to be reported in a separate fund.

Local Maintenance and Improvement Grant Program (“LMIG Program”) – This fund accounts for revenues received from the State of Georgia Department of Transportation for road improvements.

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

	Special Revenue Funds				
	Confiscated Assets	CDBG	Creekwood 2019 CDBG	2020 CHIP	Municipal Court Technology
ASSETS					
Cash and cash equivalents	\$ 146,855	\$ 100	\$ 100	\$ 38,499	\$ 95,087
Taxes receivable	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	\$ 146,855	\$ 100	\$ 100	\$ 38,499	\$ 95,087
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 3,489
Retainage payable	-	-	-	-	-
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	-	-	-	-	3,489
FUND BALANCES (DEFICIT)					
Non-spendable:					
Prepaid expenditures	-	-	-	-	-
Restricted for:					
Public safety - police services	146,855	-	-	-	-
Culture and beautification	-	-	-	-	-
Capital outlay	-	100	100	38,499	91,598
Unassigned	-	-	-	-	-
Total fund balances (deficits)	146,855	100	100	38,499	91,598
Total liabilities and fund balances	\$ 146,855	\$ 100	\$ 100	\$ 38,499	\$ 95,087

Capital Projects Funds						
Hotel/Motel Tax	Total	Capital Projects	PPFA Capital Projects	LMIG Program	Total	Total Nonmajor Governmental Funds
\$ 333,103	\$ 613,744	\$ 221,510	\$ -	\$ -	\$ 221,510	\$ 835,254
145,098	145,098	-	-	-	-	145,098
1,549	1,549	-	-	-	-	1,549
-	-	-	5,478	220,649	226,127	226,127
<u>\$ 479,750</u>	<u>\$ 760,391</u>	<u>\$ 221,510</u>	<u>\$ 5,478</u>	<u>\$ 220,649</u>	<u>\$ 447,637</u>	<u>\$ 1,208,028</u>
\$ 22,800	\$ 26,289	\$ 13,299	\$ 99,714	\$ -	\$ 113,013	\$ 139,302
-	-	-	114,944	-	114,944	114,944
5,387	5,387	-	-	-	-	5,387
179,790	179,790	224,667	-	-	224,667	404,457
<u>207,977</u>	<u>211,466</u>	<u>237,966</u>	<u>214,658</u>	<u>-</u>	<u>452,624</u>	<u>664,090</u>
1,549	1,549	-	-	-	-	1,549
-	146,855	-	-	-	-	146,855
270,224	270,224	-	-	-	-	270,224
-	130,297	-	-	220,649	220,649	350,946
-	-	(16,456)	(209,180)	-	(225,636)	(225,636)
<u>271,773</u>	<u>548,925</u>	<u>(16,456)</u>	<u>(209,180)</u>	<u>220,649</u>	<u>(4,987)</u>	<u>543,938</u>
<u>\$ 479,750</u>	<u>\$ 760,391</u>	<u>\$ 221,510</u>	<u>\$ 5,478</u>	<u>\$ 220,649</u>	<u>\$ 447,637</u>	<u>\$ 1,208,028</u>

CITY OF PERRY, GEORGIA

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

	Special Revenue Funds				
	Confiscated Assets	CDBG	Creekwood 2019 CDBG	2020 CHIP	Municipal Court Technology
Revenues					
Hotel/motel taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	56,092	-	-	-	-
Intergovernmental	-	-	-	-	-
Interest revenue	143	-	-	-	-
Other revenues	-	483,174	580,127	210,859	127,716
Total revenues	<u>56,235</u>	<u>483,174</u>	<u>580,127</u>	<u>210,859</u>	<u>127,716</u>
Expenditures					
General government	-	483,074	172,923	172,460	132,283
Public safety	45,843	-	-	-	-
Capital outlay	-	-	397,757	-	-
Total expenditures	<u>45,843</u>	<u>483,074</u>	<u>570,680</u>	<u>172,460</u>	<u>132,283</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,392</u>	<u>100</u>	<u>9,447</u>	<u>38,399</u>	<u>(4,567)</u>
Other financing sources (uses)					
Transfers in	-	-	-	100	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>100</u>	<u>-</u>
Net change in fund balances	10,392	100	9,447	38,499	(4,567)
Fund balances (deficits), beginning of year	<u>136,463</u>	<u>-</u>	<u>(9,347)</u>	<u>-</u>	<u>96,165</u>
Fund balances (deficits), end of year	<u>\$ 146,855</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 38,499</u>	<u>\$ 91,598</u>

Capital Project Funds							Total Nonmajor Governmental Funds
Hotel/Motel Tax	Total	Capital Projects	PPFA Capital Projects	LMIG Program	Total		
\$ 1,440,736	\$ 1,440,736	\$ -	\$ -	\$ -	\$ -	\$ 1,440,736	
-	56,092	-	-	-	-	56,092	
-	-	-	-	247,290	247,290	247,290	
228	371	47	-	250	297	668	
-	1,401,876	-	-	-	-	1,401,876	
<u>1,440,964</u>	<u>2,899,075</u>	<u>47</u>	<u>-</u>	<u>247,540</u>	<u>247,587</u>	<u>3,146,662</u>	
1,281,467	2,242,207	-	-	-	-	2,242,207	
-	45,843	-	-	-	-	45,843	
4,360	402,117	336,484	2,509,846	324,562	3,170,892	3,573,009	
<u>1,285,827</u>	<u>2,690,167</u>	<u>336,484</u>	<u>2,509,846</u>	<u>324,562</u>	<u>3,170,892</u>	<u>5,861,059</u>	
155,137	208,908	(336,437)	(2,509,846)	(77,022)	(2,923,305)	(2,714,397)	
69,582	69,682	47,000	2,475,375	-	2,522,375	2,592,057	
(30,271)	(30,271)	-	(168,319)	-	(168,319)	(198,590)	
<u>39,311</u>	<u>39,411</u>	<u>47,000</u>	<u>2,307,056</u>	<u>-</u>	<u>2,354,056</u>	<u>2,393,467</u>	
194,448	248,319	(289,437)	(202,790)	(77,022)	(569,249)	(320,930)	
77,325	300,606	272,981	(6,390)	297,671	564,262	864,868	
<u>\$ 271,773</u>	<u>\$ 548,925</u>	<u>\$ (16,456)</u>	<u>\$ (209,180)</u>	<u>\$ 220,649</u>	<u>\$ (4,987)</u>	<u>\$ 543,938</u>	

CITY OF PERRY, GEORGIA

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

	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Fines and forfeitures	\$ 56,000	\$ 56,092	\$ 92
Interest revenue	100	143	43
Total revenues	<u>56,100</u>	<u>56,235</u>	<u>135</u>
 EXPENDITURES			
Current:			
Public safety	45,900	45,843	57
Total expenditures	<u>45,900</u>	<u>45,843</u>	<u>57</u>
 Net change in fund balance	10,200	10,392	192
 FUND BALANCES, beginning of year	<u>136,463</u>	<u>136,463</u>	<u>-</u>
 FUND BALANCES, end of year	<u><u>\$ 146,663</u></u>	<u><u>\$ 146,855</u></u>	<u><u>\$ 192</u></u>

CITY OF PERRY, GEORGIA

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

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Taxes	\$ 1,440,700	\$ 1,440,736	\$ 36
Interest	200	228	28
Total revenues	<u>1,440,900</u>	<u>1,440,964</u>	<u>64</u>
EXPENDITURES			
Current:			
General government	1,287,500	1,281,467	6,033
Capital outlay	4,400	4,360	40
Total expenditures	<u>1,291,900</u>	<u>1,285,827</u>	<u>6,073</u>
Excess of revenues over expenditures	149,000	155,137	6,137
OTHER FINANCING SOURCES (USES)			
Transfers in	69,500	69,582	82
Transfers out	(30,800)	(30,271)	529
Total other financing uses, net	<u>38,700</u>	<u>39,311</u>	<u>611</u>
Net change in fund balance	187,700	194,448	6,748
FUND BALANCES, beginning of year	<u>77,325</u>	<u>77,325</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 265,025</u>	<u>\$ 271,773</u>	<u>\$ 6,748</u>

CITY OF PERRY, GEORGIA

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

	Final Budgeted Amounts	Actual	Variance
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Grants	\$ 483,174	\$ 483,174	\$ -
Total revenues	<u>483,174</u>	<u>483,174</u>	<u>-</u>
 EXPENDITURES			
Current:			
General government	483,074	483,074	-
Total expenditures	<u>483,074</u>	<u>483,074</u>	<u>-</u>
 Net change in fund balance	100	100	-
 FUND BALANCES, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
 FUND BALANCES, end of year	<u><u>\$ 100</u></u>	<u><u>\$ 100</u></u>	<u><u>\$ -</u></u>

CITY OF PERRY, GEORGIA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CREEKWOOD 2019 CDBG SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Grants	\$ 580,100	\$ 580,127	\$ 27
Total revenues	<u>580,100</u>	<u>580,127</u>	<u>27</u>
EXPENDITURES			
Current:			
General government	173,000	172,923	77
Capital outlay	<u>397,800</u>	<u>397,757</u>	<u>43</u>
Total expenditures	<u>570,800</u>	<u>570,680</u>	<u>120</u>
Net change in fund balance	9,300	9,447	147
Net change in fund balance	9,300	9,447	147
FUND BALANCES (DEFICIT), beginning of year	<u>(9,347)</u>	<u>(9,347)</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ (47)</u>	<u>\$ 100</u>	<u>\$ 147</u>

CITY OF PERRY, GEORGIA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
2020 CHIP SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Grants	\$ 210,800	\$ 210,859	\$ 59
Total revenues	<u>210,800</u>	<u>210,859</u>	<u>59</u>
EXPENDITURES			
Current:			
General government	172,500	172,460	40
Total expenditures	<u>172,500</u>	<u>172,460</u>	<u>40</u>
Net change in fund balance	38,300	38,399	99
OTHER FINANCING SOURCES			
Transfers in	100	100	-
Total other financing sources	<u>100</u>	<u>100</u>	<u>-</u>
Net change in fund balance	38,400	38,499	99
FUND BALANCES, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ 38,400</u></u>	<u><u>\$ 38,499</u></u>	<u><u>\$ 99</u></u>

CITY OF PERRY, GEORGIA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
MUNICIPAL COURT TECHNOLOGY SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Grants	\$ 127,700	\$ 127,716	\$ 16
Total revenues	<u>127,700</u>	<u>127,716</u>	<u>16</u>
 EXPENDITURES			
Current:			
General government	<u>132,300</u>	<u>132,283</u>	<u>17</u>
Total expenditures	<u>132,300</u>	<u>132,283</u>	<u>17</u>
 Net change in fund balance	(4,600)	(4,567)	33
 FUND BALANCES, beginning of year	<u>96,165</u>	<u>96,165</u>	<u>-</u>
 FUND BALANCES, end of year	<u>\$ 91,565</u>	<u>\$ 91,598</u>	<u>\$ 33</u>

CITY OF PERRY, GEORGIA
BALANCE SHEET
COMPONENT UNIT
PERRY INDUSTRIAL BUILDING AUTHORITY
JUNE 30, 2022

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 245,842
Total assets	<u>\$ 245,842</u>
FUND BALANCE	
Fund balance: Unassigned	\$ 245,842
Total fund balance	<u>\$ 245,842</u>

CITY OF PERRY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPONENT UNIT
PERRY INDUSTRIAL BUILDING AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>General Fund</u>
REVENUES	
Interest earnings	\$ 612
Total revenues	<u>\$ 612</u>
Net change in fund balance	\$ 612
FUND BALANCE, beginning of year	<u>245,230</u>
FUND BALANCE, end of year	<u>\$ 245,842</u>

CITY OF PERRY, GEORGIA

**SCHEDULE OF EXPENDITURES OF
2018 SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2022**

Project Description	Original Estimated Cost	Current Estimated Cost	Expenditures		Total
			Prior Years	Current Year	
Road, Street and Bridge and Sidewalk Projects	\$ 3,500,000	\$ 3,500,000	\$ 602,162	\$ 891,415	\$ 1,493,577
Public Safety Facilities and Equipment	621,653	694,191	916,406	51,498	967,904
Water and Sewer System Improvements	2,500,000	2,500,000	48,738	35,594	84,332
Recreational Facilities and Equipment	1,200,000	1,200,000	765,124	369,390	1,134,514
	<u>\$ 7,821,653</u>	<u>\$ 7,894,191</u>	<u>\$ 2,332,430</u>	<u>\$ 1,347,897</u>	<u>\$ 3,680,327</u>

STATISTICAL SECTION

CITY OF PERRY, GEORGIA

STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	82 – 89
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	90 – 96
<i>These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales tax.</i>	
Debt Capacity	97 – 100
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	101 – 104
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.</i>	
Operating Information	105 and 106
<i>These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

CITY OF PERRY, GEORGIA

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Invested in capital assets, net of related debt	\$ 46,096,524	\$ 45,321,336	\$ 46,900,636	\$ 47,484,247	\$ 48,383,084	\$ 48,360,389	\$ 47,501,166	\$ 46,690,172	\$ 44,655,383	\$ 42,704,468
Restricted	902,235	432,514	888,137	1,013,179	2,599,658	725,758	566,317	1,820,851	2,669,304	3,358,154
Unrestricted	2,517,519	3,702,452	3,673,551	4,240,487	2,502,945	4,002,653	5,003,684	4,605,845	7,536,899	7,345,430
Total governmental activities net position	<u>\$ 49,516,278</u>	<u>\$ 49,456,302</u>	<u>\$ 51,462,324</u>	<u>\$ 52,737,913</u>	<u>\$ 53,485,687</u>	<u>\$ 53,088,800</u>	<u>\$ 53,071,167</u>	<u>\$ 53,116,868</u>	<u>\$ 54,861,586</u>	<u>\$ 53,408,052</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 22,842,720	\$ 25,323,141	\$ 28,678,359	\$ 30,013,524	\$ 31,154,747	\$ 32,461,367	\$ 33,155,834	\$ 34,084,726	\$ 34,449,732	\$ 39,149,695
Restricted	5,881,479	5,136,797	2,641,309	2,380,463	2,119,367	1,749,165	1,762,296	1,788,038	1,789,720	1,794,731
Unrestricted	3,704,445	3,684,043	4,201,969	4,979,274	5,912,564	6,712,987	6,699,211	6,542,636	7,882,878	8,089,234
Total business-type activities net position	<u>\$ 32,428,644</u>	<u>\$ 34,143,981</u>	<u>\$ 35,521,637</u>	<u>\$ 37,373,261</u>	<u>\$ 39,186,678</u>	<u>\$ 40,923,519</u>	<u>\$ 41,617,341</u>	<u>42,415,400</u>	<u>\$ 44,122,330</u>	<u>\$ 49,033,660</u>
Primary government										
Net investment in capital assets	\$ 68,939,244	\$ 70,644,477	\$ 75,578,995	\$ 77,497,771	\$ 79,537,831	\$ 80,821,756	\$ 80,657,000	\$ 80,774,898	\$ 79,105,115	\$ 81,854,163
Restricted	6,783,714	5,569,311	3,529,446	3,393,642	4,719,025	2,474,923	2,328,613	3,608,889	4,459,024	5,152,885
Unrestricted	6,221,964	7,386,495	7,875,520	9,219,761	8,415,509	10,715,640	11,702,895	11,148,481	15,419,777	15,434,664
Total primary government net position	<u>\$ 81,944,922</u>	<u>\$ 83,600,283</u>	<u>\$ 86,983,961</u>	<u>\$ 90,111,174</u>	<u>\$ 92,672,365</u>	<u>\$ 94,012,319</u>	<u>\$ 94,688,508</u>	<u>\$ 95,532,268</u>	<u>\$ 98,983,916</u>	<u>\$ 102,441,712</u>

CITY OF PERRY, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental activities:										
General government	\$ 5,268,547	\$ 5,361,965	\$ 4,454,832	\$ 5,710,470	\$ 4,390,500	\$ 6,017,188	\$ 7,681,726	\$ 8,706,439	\$ 9,779,265	\$ 9,791,367
Public safety	5,117,980	5,344,131	6,401,412	6,860,961	7,993,308	8,623,099	8,993,169	10,181,579	10,333,290	12,094,436
Public works	4,059,039	3,420,399	3,219,647	2,662,221	3,618,169	3,882,919	2,969,069	2,768,363	3,662,628	4,091,595
Recreation	591,901	673,069	757,513	671,304	558,570	845,498	1,053,370	800,193	503,166	2,050,996
Health and Welfare	-	-	-	-	-	-	-	4,167	4,483	4,581
Housing and Development	92,998	164,912	133,169	409,351	521,248	565,247	861,386	917,753	618,917	851,465
Issuance cost	-	-	-	-	109,741	-	183,376	-	270,871	586,477
Interest on long-term debt	18,431	25,337	43,804	43,227	55,486	117,339	234,782	439,063	478,402	196,993
Total governmental activities expenses	15,148,896	14,989,813	15,010,377	16,357,534	17,247,022	20,051,290	21,976,878	23,817,557	25,651,022	29,667,910
Business-type activities:										
Water and sewerage system	5,776,214	5,185,739	5,641,228	5,936,054	6,606,650	6,923,161	7,221,673	7,814,046	8,434,741	9,482,833
Storm Water Utility	29,818	110,590	177,743	216,692	449,532	565,824	724,686	687,625	749,552	912,407
Gas system	2,993,365	3,368,442	3,386,102	3,004,228	3,634,164	4,078,978	4,581,124	3,999,382	4,877,878	4,923,200
Solid Waste	1,151,240	1,096,567	1,131,538	1,305,430	1,307,216	1,565,354	1,957,833	2,236,356	2,426,980	3,320,239
Revolving Loan Fund	2,631	3,117	676	3,177	1,354	1,227	1,127	1,166	50	(5,259)
Total business-type activities expense	9,953,268	9,764,455	10,337,287	10,465,581	11,998,916	13,134,544	14,486,443	14,738,575	16,489,201	18,633,420
Total primary government expenses	\$ 25,102,164	\$ 24,754,268	\$ 25,347,664	\$ 26,823,115	\$ 29,245,938	\$ 33,185,834	\$ 36,463,321	\$ 38,556,132	\$ 42,140,223	\$ 48,301,330
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 3,413,900	\$ 2,622,425	\$ 2,792,988	\$ 2,835,501	\$ 3,320,331	\$ 4,010,960	\$ 4,258,665	\$ 4,647,468	\$ 5,824,548	\$ 7,017,453
Public safety	567,396	608,906	1,681,058	2,107,076	2,191,225	2,331,480	2,818,073	3,043,762	3,147,909	3,660,040
Public works	-	91,613	39,255	8,126	4,448	-	-	169,648	326,796	307,680
Recreation	80,223	274,263	287,624	153,418	145,881	118,344	134,896	69,333	87,156	182,061
Housing and Development	-	212,096	258,377	314,989	389,411	413,186	408,043	637,044	827,210	830,403
Operating grants and contributions	250,710	27,094	21,917	67,861	265,745	599,635	800,597	694,193	566,294	1,540,617
Capital grants and contributions	3,587,628	1,475,645	1,937,557	2,000,176	1,645,981	1,912,159	1,844,344	2,204,085	3,337,817	3,926,388
Total governmental activities program revenues	7,899,857	5,312,042	7,018,776	7,487,147	7,963,022	9,385,764	10,264,618	11,465,533	14,117,730	17,464,642

(Continued)

CITY OF PERRY, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Program Revenues (Continued)										
Business-type activities:										
Charges for services:										
Water and sewerage	\$ 5,294,439	\$ 5,439,779	\$ 6,105,689	\$ 6,442,304	\$ 7,091,789	\$ 7,163,929	\$ 7,505,989	\$ 8,319,862	\$ 8,956,098	\$ 9,579,827
Stormwater Utility	80,474	204,290	265,005	268,663	380,181	449,973	644,859	747,933	810,577	861,888
Gas	3,538,054	4,065,207	3,942,241	3,760,224	4,396,057	4,971,143	5,143,331	4,545,374	5,700,271	5,445,595
Solid waste	1,200,899	1,214,302	1,199,863	1,254,919	1,322,934	1,599,622	1,959,648	2,112,528	2,525,357	3,207,296
Revolving Loan fund	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	1,000,465	1,152,368	755,661	856,682	347,380	347,380	-	-	-	-
Total business-type activities program revenues	11,114,331	12,075,946	12,268,459	12,582,792	13,538,341	14,532,047	15,253,827	15,725,697	17,992,303	19,094,606
Total primary government program revenues	<u>\$ 19,014,188</u>	<u>\$ 17,387,988</u>	<u>\$ 19,287,235</u>	<u>\$ 20,069,939</u>	<u>\$ 21,501,363</u>	<u>\$ 23,917,811</u>	<u>\$ 25,518,445</u>	<u>\$ 27,191,230</u>	<u>\$ 32,110,033</u>	<u>\$ 36,559,248</u>
Net (Expenses)/Revenue										
Governmental activities	\$ (7,249,039)	\$ (9,677,771)	\$ (7,991,601)	\$ (8,870,387)	\$ (9,284,000)	\$ (10,665,526)	\$ (11,712,260)	\$ (12,352,024)	\$ (11,533,292)	\$ (12,203,268)
Business-type activities	1,161,063	2,311,491	1,931,172	2,117,211	1,539,425	1,397,503	767,384	987,122	1,503,102	461,186
Total primary government net (expense)/revenue	<u>\$ (6,087,976)</u>	<u>\$ (7,366,280)</u>	<u>\$ (6,060,429)</u>	<u>\$ (6,753,176)</u>	<u>\$ (7,744,575)</u>	<u>\$ (9,268,023)</u>	<u>\$ (10,944,876)</u>	<u>\$ (11,364,902)</u>	<u>\$ (10,030,190)</u>	<u>\$ (11,742,082)</u>
General Revenue and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes	\$ 6,022,167	\$ 6,261,530	\$ 6,354,007	\$ 6,616,806	\$ 6,767,309	\$ 7,198,490	\$ 7,601,113	\$ 8,204,588	\$ 9,267,025	\$ 10,257,320
Sales taxes	-	-	-	-	-	-	-	-	-	-
Occupational taxes	186,884	179,117	190,072	183,722	188,133	197,256	201,852	215,472	236,563	238,124
Franchise taxes	974,874	1,035,669	1,141,340	1,130,978	1,181,007	1,334,400	1,441,279	1,449,821	1,427,527	1,786,875
Insurance premium taxes	689,460	713,871	745,918	796,833	860,753	916,829	988,756	1,050,279	1,103,239	1,122,523
Hotel/motel taxes	723,017	777,462	943,752	831,837	879,193	929,288	966,801	895,601	1,106,887	1,440,736
Alcoholic beverage taxes	261,496	259,529	262,646	270,422	275,936	285,484	297,110	315,778	333,247	321,426
Grants and contributions not restricted	-	-	-	-	-	-	-	-	-	-
Interest revenue	5,148	5,881	6,840	11,445	23,159	55,376	86,888	58,865	15,673	20,255
Miscellaneous	-	-	-	-	75,408	15,592	-	-	-	-
Loss on sale of capital assets	-	-	-	-	-	(49,320)	-	-	-	-
Transfers	194,917	258,501	609,607	303,933	(219,124)	(614,755)	110,861	207,321	(218,973)	(4,428,078)
Total governmental activities	<u>9,057,963</u>	<u>9,491,560</u>	<u>10,254,182</u>	<u>10,145,976</u>	<u>10,031,774</u>	<u>10,268,640</u>	<u>11,694,660</u>	<u>12,397,725</u>	<u>13,271,188</u>	<u>10,759,181</u>

CITY OF PERRY, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
(Continued)										
General Revenue and Other Changes in Net Assets (Continued)										
Business-type activities:										
Interest revenue	\$ 16,213	\$ 30,297	\$ 38,901	\$ 38,346	\$ 54,868	\$ 71,963	\$ 72,949	\$ 18,258	\$ (14,939)	\$ 22,067
Transfers	(194,917)	(258,501)	(609,607)	(303,933)	219,124	267,375	(110,861)	(207,321)	218,973	4,428,078
Total business-type activities	<u>(178,704)</u>	<u>(228,204)</u>	<u>(570,706)</u>	<u>(265,587)</u>	<u>273,992</u>	<u>339,338</u>	<u>(37,912)</u>	<u>(189,063)</u>	<u>204,034</u>	<u>4,450,145</u>
Total primary government	<u>\$ 8,879,259</u>	<u>\$ 9,263,356</u>	<u>\$ 9,683,476</u>	<u>\$ 9,880,389</u>	<u>\$ 10,305,766</u>	<u>\$ 10,607,978</u>	<u>\$ 11,656,748</u>	<u>\$ 12,208,662</u>	<u>\$ 13,475,222</u>	<u>\$ 15,209,326</u>
Change in Net Assets										
Governmental activities	\$ 1,808,924	\$ (186,211)	\$ 2,262,581	\$ 1,275,589	\$ 747,774	\$ (396,887)	\$ (17,633)	\$ 45,701	\$ 1,737,896	\$ (1,444,087)
Business-type activities	982,359	2,083,287	1,360,466	1,851,624	1,813,417	1,736,841	734,472	798,059	1,707,136	4,911,331
Total primary government	<u>\$ 2,791,283</u>	<u>\$ 1,897,076</u>	<u>\$ 3,623,047</u>	<u>\$ 3,127,213</u>	<u>\$ 2,561,191</u>	<u>\$ 1,339,954</u>	<u>\$ 716,839</u>	<u>\$ 843,760</u>	<u>\$ 3,445,032</u>	<u>\$ 3,467,244</u>

Notes: In fiscal year 2009, grants and contributions increased for governmental and business-type activities due to the City's acceptance of donated infrastructure from developers. In fiscal year 2009, the City began reporting sales taxes received from Houston County as intergovernmental revenue.

CITY OF PERRY, GEORGIA

**PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
General government	\$ 4,066,703	\$ 4,098,070	\$ 4,184,892	\$ 4,247,632	\$ 4,716,169	\$ 5,584,433	\$ 6,229,659	\$ 6,114,087	\$ 7,522,557	\$ 8,915,549
Public safety	1,287,121	617,770	1,688,257	2,112,830	2,203,030	2,498,116	2,979,402	3,324,944	4,660,247	3,836,298
Public works	2,403,338	91,613	582,812	609,545	245,697	236,280	226,103	730,503	922,962	3,350,731
Recreation	142,695	292,493	304,438	202,151	204,383	222,308	252,082	150,988	106,403	320,802
Housing & Development	-	212,096	258,377	314,989	593,743	844,626	577,339	1,145,001	905,561	1,041,262
Subtotal governmental activities	<u>7,899,857</u>	<u>5,312,042</u>	<u>7,018,776</u>	<u>7,487,147</u>	<u>7,963,022</u>	<u>9,385,763</u>	<u>10,264,585</u>	<u>11,465,523</u>	<u>14,117,730</u>	<u>17,464,642</u>
Business-type activities:										
Water and Sewerage system	6,256,924	6,534,147	6,859,120	7,264,878	7,439,169	7,163,929	7,505,989	8,319,862	8,956,098	9,579,827
Stormwater Utility	117,974	204,290	265,005	302,771	380,181	449,973	644,859	747,933	810,577	861,888
Gas system	3,538,534	4,123,207	3,944,471	3,760,224	4,396,057	4,971,143	5,148,331	4,545,374	5,700,271	5,445,595
Solid Waste	1,200,899	1,214,302	1,199,863	1,254,919	1,322,934	1,599,622	1,959,648	2,112,528	2,525,357	3,207,296
Revolving Loan Fund	-	-	-	-	-	-	-	-	-	-
Subtotal business-type activities	<u>11,114,331</u>	<u>12,075,946</u>	<u>12,268,459</u>	<u>12,582,792</u>	<u>13,538,341</u>	<u>14,184,667</u>	<u>15,258,827</u>	<u>15,725,697</u>	<u>17,992,303</u>	<u>19,094,606</u>
Total primary government	<u>\$ 19,014,188</u>	<u>\$ 17,387,988</u>	<u>\$ 19,287,235</u>	<u>\$ 20,069,939</u>	<u>\$ 21,501,363</u>	<u>\$ 23,570,430</u>	<u>\$ 25,523,412</u>	<u>\$ 27,191,220</u>	<u>\$ 32,110,033</u>	<u>\$ 36,559,248</u>

CITY OF PERRY, GEORGIA

**FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	22,324	5,626	5,134	4,642	4,150	3,659	533	-	-	-
Restricted	127,082	-	-	-	-	-	-	-	-	-
Assigned	1,013,702	1,559,087	938,672	798,477	496,335	422,170	292,807	52,266	32,579	236,001
Unassigned	2,005,129	2,499,916	2,954,387	3,561,400	4,120,667	3,598,289	4,444,325	4,166,314	6,297,198	5,369,854
Total General Fund	\$ 3,168,237	\$ 4,064,629	\$ 3,898,193	\$ 4,364,519	\$ 4,621,152	\$ 4,024,118	\$ 4,737,665	\$ 4,218,580	\$ 6,329,777	\$ 5,605,855
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved:										
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Debt Service Fund	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	21,317	22,674	18,336	17,597	20,364	23,167	17,780
Restricted	775,153	433,789	888,137	1,013,179	2,599,658	2,176,521	7,666,306	6,132,068	2,730,898	3,123,379
Assigned	122,867	203,309	150,703	171,026	28,389	(264,821)	-	-	-	-
Unassigned	-	-	(43,480)	(1,514)	254,199	1,090	(2,834)	(96,550)	266,591	(209,180)
Total All Other Governmental Funds	\$ 898,020	\$ 637,098	\$ 995,360	\$ 1,204,008	\$ 2,904,920	\$ 1,931,126	\$ 7,681,069	\$ 6,055,882	\$ 3,020,656	\$ 2,931,979

CITY OF PERRY, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Property taxes	\$ 6,059,085	\$ 6,246,778	\$ 6,387,352	\$ 6,614,288	\$ 6,763,330	\$ 7,213,971	\$ 7,594,163	\$ 8,196,636	\$ 9,257,927	\$ 10,257,193
Sales taxes	-	-	-	-	-	-	-	-	-	-
Other taxes	2,835,731	2,965,648	3,283,728	3,213,792	3,385,022	3,663,257	3,895,798	3,926,951	4,207,463	4,909,684
Licenses and permits	246,401	256,696	333,856	384,886	436,719	505,904	617,810	753,364	952,567	1,038,045
Impact fees	34,348	-	-	-	-	-	-	-	-	-
Charges for services	1,980,238	1,876,053	1,900,896	1,803,274	1,792,411	2,295,618	2,357,805	2,728,436	3,467,513	4,744,909
Administrative	531,459	722,681	804,700	877,878	956,976	922,600	1,089,519	1,283,970	1,813,590	1,813,271
Intergovernmental	3,293,411	1,484,509	1,942,175	2,001,930	1,651,939	1,918,171	1,747,881	2,228,814	3,409,375	3,926,388
Contributions from private sources	23,755	18,230	16,914	65,809	55,307	105,964	119,186	80,654	19,247	138,741
Fines and forfeitures	399,543	546,846	684,626	575,291	450,666	514,540	703,445	760,892	515,761	756,970
Fire protection fees	-	-	923,271	1,521,243	1,723,349	1,798,761	2,095,664	2,246,595	2,559,072	2,837,595
Investment earnings	6,583	5,881	7,225	11,743	23,307	55,525	87,031	58,865	15,673	20,255
Other revenues	869,530	407,027	411,953	256,538	895,507	1,339,648	1,436,845	1,407,537	1,452,163	2,208,723
Total revenues	16,280,084	14,530,349	16,696,696	17,326,672	18,134,533	20,333,959	21,745,147	23,672,714	27,670,351	32,651,774
Expenditures										
General government	5,325,293	4,789,974	5,036,319	4,340,561	5,407,291	6,927,031	8,115,770	8,381,515	9,523,879	11,795,604
Public Safety	4,842,018	5,271,581	7,394,161	6,850,865	7,335,149	9,294,930	8,267,288	9,179,374	9,619,192	11,448,213
Public Works	2,750,883	2,210,614	2,091,860	2,626,590	2,328,139	1,974,674	2,314,263	2,666,196	2,764,420	3,316,634
Recreation	457,770	556,432	628,057	789,014	883,515	781,032	823,703	713,066	633,634	2,280,195
Housing and Development	-	126,356	92,401	372,986	484,316	541,671	763,123	704,658	464,902	666,494
Health and Welfare	-	-	-	-	-	-	-	4,167	4,483	4,581
Debt service										
Principal	436,281	535,743	528,189	455,333	706,123	833,221	852,337	1,055,792	978,380	1,145,200
Interest	25,461	22,923	43,675	41,616	42,064	117,654	169,452	443,996	480,454	608,205
Capital outlay	4,123,862	1,960,218	1,765,356	2,045,997	2,380,051	3,494,122	3,419,698	4,202,303	2,482,145	6,672,129
Miscellaneous	-	-	-	-	109,741	-	183,376	-	270,871	196,993
Total expenditures	17,961,568	15,473,841	17,580,018	17,522,962	19,676,389	23,964,335	24,909,010	27,351,067	27,222,360	38,134,248
Excess (deficiency) of revenues over expenditures	(1,681,484)	(943,492)	(883,322)	(196,290)	(1,541,856)	(3,630,376)	(3,163,863)	(3,678,353)	447,991	(5,482,474)

CITY OF PERRY, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing Sources (Uses)										
Transfers from other funds	\$ 325,380	\$ 290,901	\$ 1,362,669	\$ 401,991	\$ 1,014,934	\$ 2,324,161	\$ 4,808,116	\$ 4,461,194	\$ 3,404,382	\$ 4,109,198
Transfers to other funds	(130,463)	(32,400)	(753,062)	(98,058)	(674,525)	(1,884,616)	(4,039,282)	(3,449,818)	(2,276,750)	(3,574,412)
Sale of capital assets	26,823	11,444	17,464	16,762	14,052	74,919	13,345	35,117	25,065	2,338,807
Capital leases	630,661	1,182,782	448,077	550,569	751,058	1,545,084	918,386	407,028	663,699	42,550
Issuance of debt	-	-	-	-	2,318,472	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	8,007,348	-	8,778,786	5,162,653
Miscellaneous	-	-	-	-	75,408	-	-	-	-	-
Total other financing sources (uses)	<u>852,401</u>	<u>1,452,727</u>	<u>1,075,148</u>	<u>871,264</u>	<u>3,499,399</u>	<u>2,059,548</u>	<u>9,707,913</u>	<u>1,453,521</u>	<u>10,595,182</u>	<u>8,078,796</u>
Net change in fund balances	<u>\$ (829,083)</u>	<u>\$ 509,235</u>	<u>\$ 191,826</u>	<u>\$ 674,974</u>	<u>\$ 1,957,543</u>	<u>\$ (1,570,828)</u>	<u>\$ 6,544,050</u>	<u>\$ (2,224,832)</u>	<u>\$ 11,043,173</u>	<u>\$ 2,596,322</u>
Debt service as a percentage of noncapital expenditures	3.34%	4.13%	3.62%	3.21%	4.33%	4.65%	4.75%	6.48%	5.90%	5.57%

CITY OF PERRY, GEORGIA

**TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

Fiscal Year	Tax Revenues							Total
	General Property	Franchise	Insurance Premium	Occupational	Alcoholic Beverage	Hotel/Motel		
2013	\$ 6,059,085	\$ 974,874	\$ 689,460	\$ 186,884	\$ 261,496	\$ 723,017	\$ 8,894,816	
2014	6,246,778	1,035,669	713,871	179,117	259,529	777,462	9,212,426	
2015	6,387,352	1,141,340	745,918	190,072	262,646	943,752	9,671,080	
2016	6,614,288	1,130,978	796,833	183,722	270,422	831,837	9,828,080	
2017	6,763,330	1,181,007	860,753	188,133	275,936	879,193	10,148,352	
2018	7,213,971	1,334,400	916,829	197,256	285,484	929,288	10,877,228	
2019	7,594,163	1,441,279	988,756	201,852	297,110	966,801	11,489,961	
2020	8,196,636	1,449,821	1,050,279	215,472	315,778	895,601	12,123,587	
2021	9,257,927	1,427,527	1,103,239	236,563	333,247	1,106,887	13,465,390	
2022	10,257,193	1,786,875	1,122,523	238,124	321,426	1,440,736	15,166,877	
Change 2012-2022	55.4%	40.5%	70.0%	37.2%	29.2%	55.6%	73.0%	

Notes: Property tax increase due to reassessments.
In fiscal year 2009, the City began reporting sales taxes received from Houston County as intergovernmental revenues.

CITY OF PERRY, GEORGIA

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

Fiscal Year Ended June 30,	Real Property	Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2013	\$ 349,547,799	\$ 87,818,594	\$ 20,882,818	\$ 416,483,574	14.13	\$ 1,093,415,981	38.090%
2014	339,209,653	87,493,518	18,134,196	408,568,975	14.08	1,066,757,927	38.300%
2015	346,001,684	99,448,161	20,636,156	424,813,689	14.05	1,113,624,613	38.147%
2016	369,841,695	110,332,474	23,898,087	456,276,082	14.05	1,200,435,423	38.009%
2017	383,463,988	89,831,969	24,237,050	449,058,907	14.05	1,183,239,893	37.952%
2018	395,261,996	57,878,998	27,016,313	426,124,681	14.05	1,132,852,485	37.615%
2019	426,737,358	77,881,440	27,307,011	477,311,787	14.05	1,261,546,995	37.835%
2020	468,828,551	84,035,677	34,312,608	518,551,620	14.05	1,382,160,570	37.517%
2021	575,376,275	94,525,109	48,970,062	620,931,322	14.05	1,438,440,688	43.167%
2022	581,514,564	94,530,338	49,652,271	626,392,631	14.05	1,453,786,410	43.087%

Source: Based on information obtained from Houston County Tax Assessor's Office.

Notes: Property in the City is reassessed once every five years on average. The City assesses property at 40 percent of actual value for commercial, industrial and residential property.

CITY OF PERRY, GEORGIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year	City Direct Rates				Overlapping Rates				
	Houston Basic Rate	Peach Basic Rate	General Obligation Debt Service	Total Direct Rate	State of Georgia	Houston County	Peach County	Houston County School System	Total
2012	14.13	14.13	0.00	28.26	0.25	9.950	13.555	13.340	37.10
2013	14.13	14.13	0.00	28.26	0.20	9.950	13.555	13.340	37.05
2014	14.08	14.08	0.00	28.16	0.15	9.950	13.555	13.340	37.00
2015	14.05	14.05	0.00	28.10	0.10	11.130	14.555	13.340	39.13
2016	14.05	14.05	0.00	28.10	0.05	11.130	14.555	13.340	39.08
2017	14.05	11.972	0.00	26.02	0.00	11.130	14.555	13.340	39.03
2018	14.05	12.86	0.00	26.91	0.00	11.112	14.616	13.320	39.05
2019	14.05	12.84	0.00	26.89	0.00	11.112	14.546	13.297	38.96
2020	14.05	12.55	0.00	26.60	0.00	11.112	14.473	13.297	38.88
2021	14.05	12.53	0.00	26.58	0.00	11.112	14.403	13.297	38.81
2022	14.05	12.57	0.00	26.62	0.00	11.112	14.403	13.183	38.70

Source: Houston County Tax Commissioner's Office

Notes: The City's basic property tax rate is established by the City Council each year in July.
The overlapping rates are those of State and County governments that apply to property owners within the City

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

Taxpayer	2013			2022		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation
Graphic Packaging, Inc	\$ 19,252,701	1	4.69%	\$ 33,583,291	1	4.92%
Houston Lake Apartments, LLC	7,054,560	2	1.72%	12,550,880	3	1.84%
Guardian Centers of Georgia	5,449,400	3		15,084,606	2	2.21%
Tolleson Lumber Co	4,017,501	4	0.98%			
Strawser Construction Company	3,997,451	5	0.97%			
TSC Apparel	3,629,986	6	0.88%			
Georgia Power Company	3,621,357	7	0.88%	7,129,369	6	1.04%
Advanced Drainage Systems, Inc	3,447,056	8	0.84%	5,486,461	7	0.80%
Valley Drive Development LLC	3,132,497	9				
Galileo Apollo IV Sub LLC	3,017,899	10	0.73%			
Interfor				10,525,891	4	1.54%
Development Authority of Houston County				5,123,880	8	0.75%
Sandler NonWoven Corporation				9,483,425	5	1.39%
Comsouth				4,929,160	8	0.72%
SPMK XVI Hampton LLC				4,162,680	9	0.61%
GA Perry Landlord LLC				3,969,720	10	0.58%
Total	\$ 56,620,408		11.69%	\$ 112,029,363		16.42%

Source: Based on information obtained from the Houston County Tax Assessor's Office.

CITY OF PERRY, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2013	\$ 5,965,028	\$ 5,814,628	97.48%	\$ 114,053	\$ 5,928,681	99.39%
2014	5,853,182	5,779,232	98.74%	65,216	5,844,448	99.85%
2015	6,193,700	6,110,863	98.66%	77,951	6,188,814	99.92%
2016	6,410,681	6,276,920	97.91%	101,595	6,378,515	99.50%
2017	6,510,552	6,267,662	96.27%	66,692	6,334,354	97.29%
2018	6,366,998	6,271,905	98.51%	50,628	6,322,533	99.30%
2019	7,220,244	7,137,432	98.85%	66,864	7,204,296	99.78%
2020	7,401,534	7,394,091	99.90%	3,466	7,397,557	99.95%
2021	7,954,007	7,913,381	99.49%	126	7,913,507	99.49%
2022	8,885,182	8,784,551	98.87%	2,986	8,787,537	98.90%

Source: Based on information obtained from the Houston County Tax Assessors' Office.

CITY OF PERRY, GEORGIA

TAXABLE SALES BY CATEGORY LAST TEN FISCAL YEARS

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Food/Bar	\$ 4,001,399	\$ 4,177,376	\$ 4,637,901	\$ 4,941,841	\$ 5,062,192	\$ 5,001,529	\$ 4,259,823	\$ 5,347,526	\$ 6,102,551	\$ 6,602,068
Apparel	-	-	-	-	-	-	-	-	-	-
General Merchandise	3,674,175	3,659,551	3,749,988	3,814,977	3,767,279	3,898,148	3,479,756	4,641,157	6,622,412	5,550,781
Accommodations	262,637	238,501	279,316	297,867	313,962	340,868	328,563	339,490	331,605	461,505
Automotive	2,385,052	500,137	501,373	529,188	531,451	618,493	591,329	725,649	916,793	992,724
Home	-	-	-	-	-	-	-	-	-	-
Home Furnishings	1,556,730	1,711,997	1,708,876	1,798,748	1,922,418	2,078,173	1,864,698	2,448,606	2,956,877	3,360,866
Lumber	-	-	-	-	-	-	-	-	-	-
Construction	97,736	108,684	148,069	129,106	128,686	121,998	98,125	185,159	254,217	349,452
Miscellaneous Service	1,367,688	1,453,489	1,505,708	1,501,110	1,524,966	1,539,413	1,428,816	1,754,942	1,939,765	2,215,571
Manufacturers	968,689	969,150	1,170,967	1,125,410	1,098,741	1,108,738	1,053,414	1,526,396	1,561,074	1,502,456
Utilities	1,848,610	1,894,010	2,079,355	1,885,208	1,832,618	2,199,104	1,752,819	1,995,416	2,088,740	2,293,154
Wholesale	2,083,892	2,188,118	2,316,101	2,228,598	2,014,592	2,298,952	2,665,499	3,110,093	2,607,343	3,675,315
Miscellaneous Other-Retail	3,900,181	3,942,872	3,825,100	4,034,164	4,056,649	4,752,635	4,147,579	5,639,745	5,486,403	6,186,629
Total	<u>\$ 22,146,787</u>	<u>\$20,843,885</u>	<u>\$21,922,754</u>	<u>\$22,286,217</u>	<u>\$22,253,554</u>	<u>\$23,958,051</u>	<u>\$21,670,421</u>	<u>\$27,714,179</u>	<u>\$30,867,781</u>	<u>\$ 33,190,522</u>

Source: Georgia Dept of Revenue, Local Government Services Division

Notes: Since the City of Perry does not have sales tax, all sales tax reported to the Georgia Department of Revenue is accumulated by commodity as Houston County. The above numbers are taken from commodity reports issued by the Georgia Department of Revenue for Houston County and represents the County as a whole.

Category reporting format changed in May 2010.

CITY OF PERRY, GEORGIA

DIRECT AND OVERLAPPING SALES TAX RATES LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Houston County</u>
2013	0.00%	7.00%
2014	0.00%	7.00%
2015	0.00%	7.00%
2016	0.00%	7.00%
2017	0.00%	7.00%
2018	0.00%	7.00%
2019	0.00%	7.00%
2020	0.00%	7.00%
2021	0.00%	7.00%
2022	0.00%	7.00%

Source: Local sales tax is imposed countywide (Houston County).

Notes: In 2001 the citizens voted to imposed a 1% SPLOST. A portion of this 1% is shared by all the cities in Houston County.

CITY OF PERRY, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Business-type Activities			Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Certificates of Participation	Capital Leases	Note Payable	Water/Sewer Revenue Bonds	Water/Sewer Georgia Revolving Loan	Capital Leases			
2013	\$ -	\$ -	\$ 1,055,725	\$ 200,000	\$ 15,124,000	\$ 427,951	\$ 2,172,918	\$ 18,980,594	2.49%	862
2014	-	-	1,802,764	100,000	14,754,000	336,921	1,904,683	18,898,368	2.50%	925
2015	-	-	1,822,652	-	14,215,000	242,300	1,452,898	17,732,850	2.88%	615
2016	-	-	1,917,888	-	13,660,000	184,219	1,266,636	17,028,743	3.20%	902
2017	-	-	1,962,823	-	12,579,000	-	585,458	15,127,281	3.67%	1,050
2018	2,229,505	-	2,759,686	-	13,090,363	549,636	493,289	19,122,479	3.01%	861
2019	10,147,027	-	2,910,735	-	12,400,130	2,812,362	510,993	28,781,247	2.14%	636
2020	9,952,201	-	2,451,971	-	11,674,544	9,508,118	555,508	34,142,342	1.89%	563
2021	18,514,279	-	2,327,290	-	10,937,367	10,897,797	636,944	43,313,677	2.22%	1,033
2022	23,363,344	-	2,353,242	-	10,187,614	10,435,873	504,786	46,844,859	2.05%	955

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

¹See the Schedule of Demographic and Economic Statistics on page 102 for personal income and population data.

CITY OF PERRY, GEORGIA

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022**

<u>Category of Debt</u>	<u>Amount of Outstanding Debt</u>	<u>Percentage Applicable to Government</u>
Direct		
Revenue Bonds	\$ 23,363,344	
Capital Leases	2,353,242	
Total Direct Debt	<u>25,716,586</u>	
Overlapping ¹		
Capital Leases	-	0%
General Obligation Debt	12,505,000	0%
Total Overlapping Debt	<u>12,505,000</u>	<u>0%</u>
 Total Direct and Overlapping Debt	 <u>\$ 38,221,586</u>	

¹ Houston County Board of Education; Data available as of 6/30/2020

The percentage of overlapping debt applicable is calculated by taking the share of each individual project that Perry participates in and multiplying that share percentage by the total principal outstanding in each project.

CITY OF PERRY, GEORGIA

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net Assessed Value	\$422,152,830	\$415,489,773	\$440,832,739	\$456,276,082	\$463,384,449	\$453,090,995	\$477,311,788	\$527,099,393	\$620,931,322	\$626,392,631
Debt Limit-10% of Assessed Value	<u>42,215,283</u>	<u>41,548,977</u>	<u>44,083,274</u>	<u>45,627,608</u>	<u>46,338,445</u>	<u>45,309,100</u>	<u>47,731,179</u>	<u>52,709,939</u>	<u>62,093,132</u>	<u>62,639,263</u>
Debt Applicable to Debt Limit: General obligation bonds	-	-	-	-	-	-	-	-	-	-
Net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Debt Margin	<u>\$ 42,215,283</u>	<u>\$ 41,548,977</u>	<u>\$ 44,083,274</u>	<u>\$ 45,627,608</u>	<u>\$ 46,338,445</u>	<u>\$ 45,309,100</u>	<u>\$ 47,731,179</u>	<u>\$ 52,709,939</u>	<u>\$ 62,093,132</u>	<u>\$ 62,639,263</u>
Legal debt margin as a percentage of the debt limit	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

CITY OF PERRY, GEORGIA

**PLEGDED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Water and Sewerage System Revenue Bonds

Year	Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Total	Coverage
				Principal	Interest		
2013	\$ 5,294,439	\$ 3,674,954	\$ 1,619,485	\$ 425,000	\$ 637,737	\$ 1,062,737	1.52
2014	5,439,779	3,562,569	1,877,210	370,000	487,207	857,207	2.19
2015	6,105,689	3,985,770	2,119,919	539,000	489,210	1,028,210	2.06
2016	6,442,304	4,338,065	2,104,239	555,000	538,638	1,093,638	1.92
2017	7,078,789	4,769,060	2,309,729	521,000	365,403	886,403	2.61
2018	7,069,936	4,919,798	2,150,138	575,000	393,994	968,994	2.22
2019	7,556,208	5,263,404	2,292,804	615,000	376,170	991,170	2.31
2020	8,355,308	5,809,143	2,546,165	627,000	364,191	991,191	2.57
2021	8,962,203	6,402,274	2,559,929	639,000	351,986	990,986	2.58
2022	9,587,714	7,219,413	2,368,301	652,000	339,538	991,538	2.39

Notes: Gross revenue equals operating and non-operating revenues of the Water and Sewerage System. Operating expenses do not include bond interest, depreciation or amortization expenses.

CITY OF PERRY, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population¹	Personal Income (amounts expressed in thousands)¹	Per Capita Personal Income^{2,3,7,8}	Median Age^{3,5}	School Enrollment⁶	Unemployment Rate^{3,4}
2013	14,786	\$ 499,043	\$ 34,674	37.2	27,610	8.3%
2014	15,094	479,453	37,042	32.4	27,948	7.3%
2015	15,610	511,521	21,306	32.8	28,146	6.4%
2016	16,361	545,580	28,148	37.3	27,530	5.6%
2017	16,764	555,571	28,596	38.0	29,490	5.0%
2018	17,741	575,701	20,369	31.8	28,348	4.3%
2019	18,654	614,842	29,791	38.6	29,770	3.9%
2020	19,929	645,298	31,370	38.7	30,221	6.2%
2021	20,624	960,254	46,579	34.6	30,243	3.9%
2022	22,029	1,077,857	48,929	38.1	30,243	3.3%

¹ Per 2020 Census and the City's estimate

² Middle Georgia Regional Commission

³ Information available at the county level only (Houston County)

⁴ Data obtained from Georgia Department of Labor

⁵ Estimate per census taken every 10 years

⁶ Houston County Board of Education

⁷ BEA Regional Economic Analysis

⁸ 2013 data provided for the City of Perry

Note: Personal income information is a total for the year

CITY OF PERRY, GEORGIA

PRINCIPAL EMPLOYERS CURRENT AND NINE YEARS AGO

2013 Employers¹

Robins Air Force Base
Houston Medical Center
Utility Service Company Inc.
Perdue Farms Inc.
Frito-Lay Inc.
Walmart
Graphic Packaging International
US Air Force Reserve Unit
Ardagh Group - Glass
Houston County

2022 Employers²

Frito Lay
Gilmer Warehouse & Logistics
Graphic Packaging International, Inc.
Houston County Board of Commissioners
Houston County Board of Education
Interfor
Perdue Chicken
Perry Hospital
Southern Home Care Services
Summer Hill Senior Living

Source: ¹Georgia Department of Labor; ²City of Perry - Tax & License

Notes: Employers are listed in alphabetical order only, and are not ranked in any way.
Number of employees cannot be listed due to privacy issues.
Information available at the county level only for 2013

CITY OF PERRY, GEORGIA

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

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
City Manager	3	3	3	3	3	3	4	4	5	5
Municipal Court	0	0	0	0	0	0	3	3	3	4
Administrative										
Finance	5	5	5	5	5	5	5	6	8	9
Human Resources	1	1	1	1	1	1	1	1	2	2
Information Technology	0	0	0	0	0	0	0	0	0	0
Build/dg. Maintenance	3	4	4	4	4	4.5	5.5	3	4	4
Community Development	5	5	5	5	6	7	9	8	10	10
Economic Development	1.5	2	2	2	2.5	3.5	4	3	3	3
City Attorney	0	0	0	0	0	0	0	2	2	2
Public Safety										
Police										
Officers	35	35	35.5	38	42	44	46	42.5	46.5	47
Civilians	6.5	6.5	6.5	6.5	7.5	8	8	10.5	8.5	9
Fire Department										
Firefighters	20	24	45	45	45	45	45	48	50.5	50.5
Civilians	1	1	1	1	1	1	1	1	1	1
Public Works Department	14	14	14	14	17	17	18	24	23	23
Recreation Department	7	7	7	7	8	8	8	8.5	7.5	10

CITY OF PERRY, GEORGIA

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

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Water Department										
Water Treatment	0	0	0	0	0	0	0	0	0	0
Water Administrative	4	4	4	4	4	5	3	5	5	5
Line Maintenance	0	0	0	0	0	0	0	0	0	0
Sewer Department	0	0	0	0	0	0	0	0	0	0
Solid Waste	7	6	7	7	7	9	8	8	9	9
Gas	0	0	0	0	0	0	0	0	0	0
Total	113	117.5	140	142.5	153	161	168.5	177.5	188	193.5

Source: Payroll records.

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).
 Full-time equivalent employment is calculated by dividing total labor hours by 2,080.
 Municipal Court previously included with public safety

CITY OF PERRY, GEORGIA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Building permits issued-commercial	36	20	31	26	38	33	16	9	10	10
Building permits issued-residential	155	195	237	240	280	371	366	447	519	450
Police										
Physical arrests	1693	1484	1455	1205	834	692	1035	629	471	863
Parking violations	16	19	48	29	15	35	14	12	18	8
Traffic violations	3751	2868	3710	4462	3390	6795	7108	3971	4080	4366
Fire										
Emergency responses	1778	1750	1890	2011	2025	1935	1854	1842	2024	2329
Fires extinguished	90	97	87	86	78	71	66	68	92	91
Public Works										
Streets resurfaced (miles)	2.11	2.31	2.31	1.68	1.83	3.59	3.24	1.99	1.3	3.14
Water										
Service connections	6883	7001	7571	7881	8329	9044	10320	10983	12501	13297
Water main breaks	9	9	10	5	5	2	11	14	11	13
Average daily consumption (million gallons)	1.8	1.71	1.77	1.92	2.04	2.13	1.84	1.99	1.97	1.96
Wastewater										
Average daily sewage treatment (million gallons)	2.1	2.946	2.28	2.3	1.81	1.6	2.44	2.988	2.79	2.706
Service Connections	5147	5230	5430	5629	5888	6489	7883	7288	7703	8154
Gas System										
Service Connections	2439	3209	2389	2380	2484	2398	2568	2464	2637	2543
Average daily consumption (MCF)	1531	1380	1271	2339	2509	3292	1783	1235	1188	1146

Source: Various City departments.

CITY OF PERRY, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol cars	41	39	29	36	28	30	37	40	39	39
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Trucks	4	4	4	4	4	6	6	6	6	6
Fire hydrants	923	950	950	964	978	989	998	1075	1300	1350
Recreation										
Community Center	1	1	1	1	1	1	1	1	1	1
Parks	17	18	23	23	23	23	26	26	26	26
Park Acreage	99.81	100.4	124.53	124.53	124.53	124.53	188.76	188.22	188.22	188.22
Swimming Pools	1	1	1	1	1	0	0	0	0	0
Splashpad						1	1	1	1	1
Tennis Courts	8	4	4	2	2	2	4	4	4	4
Public Works										
Streets (miles)	207.8	208.79	208.79	210.38	210.69	166.79	167.35	167.35	168.09	168.09
Sidewalks (miles)	34.55	34.55	34.55	37.73	37.73	38.06	40.47	40.468	40.468	40.576
Number of Streets	439	444	444	448	449	470	472	472	477	0
Number of Streets Lights	2301	2328	2344	2370	2374	2382	2393	2400	2418	145
Water										
Miles of Water Mains	151.22	151.22	152.43	161	163	164.1	164.61	165.13	166.56	168.17
Water tanks	5	5	5	5	5	5	5	5	5	5
Storage capacity (million gallons)	1.75	1.75	1.75	1.75	1.75	1.75	1.75	2.575	3.125	3.125
Wastewater										
Miles of Sewers	106.5	106.5	107.72	123	125	126	126.55	126.55	127.5	409.74
Treatment plants	1	1	1	1	1	1	1	1	1	1
Treatment capacity (million gal)	3.0	3.0	3.0	3.0	3.0	3	3	3	3	3
Gas System										
Miles of Gas Lines	81.1	81.4	81.4	84.1	73.3	73.3	73.3	73.55	84	114.94

Source: Various City departments.

COMPLIANCE SECTION



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

**Honorable Mayor and Members of City Council
The City of Perry, Georgia
Perry, Georgia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, the aggregately discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Perry, Georgia (the "City") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 30, 2022. This report does not include the results of our testing of internal control over financial reporting or compliance and other matters that have been reported in the separately issued financial statements and reports of the discretely presented component units, the Perry Area Convention and Visitors Bureau (the "CVB") and the Perry Downtown Development Authority (the "Authority").

Report on Internal Control Over Financial Reporting

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

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

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

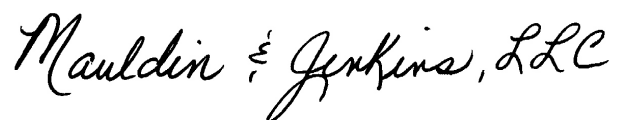
Report on Compliance and Other Matters

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

Purpose of this Report

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

Macon, Georgia
December 30, 2022





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

Honorable Mayor and Members of City Council
The City of Perry, Georgia
Perry, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Perry, Georgia's (the "City") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Macon, Georgia
December 30, 2022

CITY OF PERRY, GEORGIA

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

Federal Grantor/ Pass-Through Program Title	Federal Assistance Listing Number	Grant ID Number	Federal Expenditures
U.S. Environmental Protection Agency			
Direct Awards			
Brownfield Grant	66.818	BF000D71518	\$ 36,542
Total U.S. Environmental Protection Agency			<u>36,542</u>
U.S. Department of the Treasury			
Direct Awards			
Equitable Sharing	21.016	15-6400-5-5-123	624
COVID-19 - Coronavirus State & Local Fiscal Recovery Fund	21.027	GA0005122	<u>1,732,460</u>
Total U.S. Department of the Treasury			<u>1,733,084</u>
U.S. Department of Justice			
Direct Awards			
Bulletproof Vest Partnership Program	16.607	2021BUBX21026486	<u>2,700</u>
Total U.S. Department of Justice			<u>2,700</u>
U.S. Department of Housing and Urban Development			
Passed through Georgia Department of Community Affairs			
Community Development Block Grant Program	14.228	20h-x-076-2-6154	483,074
Community Development Block Grant Program	14.228	19b-x-076-2-6085	<u>570,680</u>
			<u>1,053,754</u>
Community Housing Investment Program	14.239	2020-112	<u>172,360</u>
			<u>172,360</u>
Total U.S. Department of Housing and Urban Development			<u>1,226,114</u>
Total Expenditures of Federal Awards			<u>\$ 2,998,440</u>

See Notes to Schedule of Expenditures of Federal Awards.

CITY OF PERRY, GEORGIA

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

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Perry, Georgia (the "City") and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of 2 CFR part 200, OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The City did not use the 10% de minimis indirect cost rate.

NOTE 3. SUBRECIPIENTS

The City did not pass through any funds to subrecipients during the year ended June 30, 2022.

CITY OF PERRY, GEORGIA

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

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

Yes No

Significant deficiencies identified not considered
to be material weaknesses?

Yes None Reported

Noncompliance material to financial statements noted?

Yes No

Federal Awards

Internal control over major programs:

Material weaknesses identified?

Yes No

Significant deficiencies identified not considered
to be material weaknesses?

Yes None Reported

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

Unmodified

Any audit findings disclosed that are required to
be reported in accordance with 2 CFR Part 200.516(a)

Yes No

Identification of major program:

CFDA Number

21.027

Name of Federal Program or Cluster

Department of Treasury

COVID-19 Coronavirus State and Local Fiscal Recovery
Funds

14.228

Department of Housing and Urban Development

Community Development Block Grant Program

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

\$750,000

Auditee qualified as low-risk auditee?

Yes No

CITY OF PERRY, GEORGIA

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

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

**SECTION III
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

CITY OF PERRY, GEORGIA

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

None reported.