

**CITY OF PERRY, GEORGIA**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2018**

**PREPARED BY:**

**Director of Administration**



# CITY OF PERRY, GEORGIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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# CITY OF PERRY, GEORGIA

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**CITY OF PERRY, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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## **INTRODUCTORY SECTION**





December 31, 2018

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 Comprehensive Annual Financial Report of the City of Perry for the fiscal year ended June 30, 2018. 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 of Perry’s financial statements for the fiscal year ended June 30, 2018. 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, 2018, 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 27.86 square miles along Interstate 75 approximately 90 miles south of Atlanta. Perry 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 of more than 15,000 people. As a hub of state and federal highways, home of the Georgia National Fairgrounds & Agricenter and the Georgia Artisans Center, and with events like the Dogwood Festival, the Perry Music

Festival, and the annual Perry Buzzard Drop New Year's Eve bash, Perry is "Where Georgia Comes Together".

Perry, the county seat for Houston County, serves a population of 17,741, as estimated by management, 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 and solid waste services. The City of Perry 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 of Perry 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 citywide. For the purpose of electing council members, the City of Perry 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 of Perry 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; and the Perry Industrial Building Authority, which promotes new industry, or expansion of existing industry in the city.

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**

The City of Perry is growing and our economy is growing with it. With a healthy business mix, advantageous location, vibrant downtown core, quality workforce, and burgeoning market, Perry continues to be a viable and competitive business location. According to current business license data, the City has over 660 businesses that account for the employment of over 10,000 persons. Robins Air Force Base, located in nearby Warner Robins, employs over 22,000 persons and, with an estimated \$2.7 billion annual economic impact, is the principal economic driver for not only Perry, but the Middle Georgia region. Perry's largest economic sectors continue to be the service and retail industries.

Much of the growth we are seeing in Perry can be attributed to unique assets that put Perry in an advantageous position when it comes to attracting people and business to the community. The educational opportunities found in Perry are second to none. From a world-class public school system and independent college preparatory alternative to post-secondary educational opportunities that rival metropolitan areas, education is critical in driving the growth and quality of life found in Perry. Located in Middle Georgia along I-75, Perry's proximity to major transportation assets (e.g. Hartsfield-Jackson International Airport, Port of Savannah, I-16, I-85, etc.) and centers of population throughout the Southeast make it an attractive location for prospective businesses. With a focus on quality of life, Mayor and Council are implementing numerous quality of life improvements that will work towards Perry being a destination for people, jobs, and investment.

Tourism continues to be a major economic sector for the City of Perry with the City, Discover Perry, Perry Music Festival, 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 \$60.8 billion statewide industry. The Georgia National Fairgrounds and Agricenter (GNFA) continue to be the City's largest attraction with nearly 1 million people per year visiting for a variety of events including, of course, the Georgia National Fair. The GNFA is averaging 15.9 events per month with 76,769 visitors! Downtown Perry continues to develop as an important economic asset with its historic charm and unique shops and restaurants attracting people from all over Middle Georgia.

The City of Perry issued 382 new single family residential and commercial structure permits with an estimated valuation of \$78,588,526.

### **Long-term Financial Planning**

The City met or took into consideration the following fiscal challenges in developing the 2019 budget:

- No millage rate increase
- No increase in fire protection fee
- Include a fulltime special events coordinator position
- Add two school resource officer positions in Police Department
- Reduction of gas meter base fee from \$8.00 to \$4.20.
- Increase funding for health and dental insurance charges.

## Major Initiatives

Led by the Mayor and Council's directions, several tasks were undertaken this fiscal year 2018, which included:

- Purchased property in downtown area for new city hall
- Begin construction of Splashpad at Creekwood Park
- Purchased mini pumper, Pierce Custom pumper and Mid Mount Ladder Trucks for Fire and Emergency Services
- Purchase vehicles and equipment for Police, Public Works, Water and Gas departments.
- Initiate the beginning stages of constructing Davis Farm Station Annex to house apparatus and include classroom training area.
- Completion of Main Street Water Main improvements, Main Street Lighting improvements, Park Avenue Culvert replacement, Perry Arts Center renovations,, Langston Place pump station and Tucker Road Sewer improvements.

## 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,



R. Lee Gilmour  
City Manager



Brenda L. King  
Director of Administration



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Perry  
Georgia**

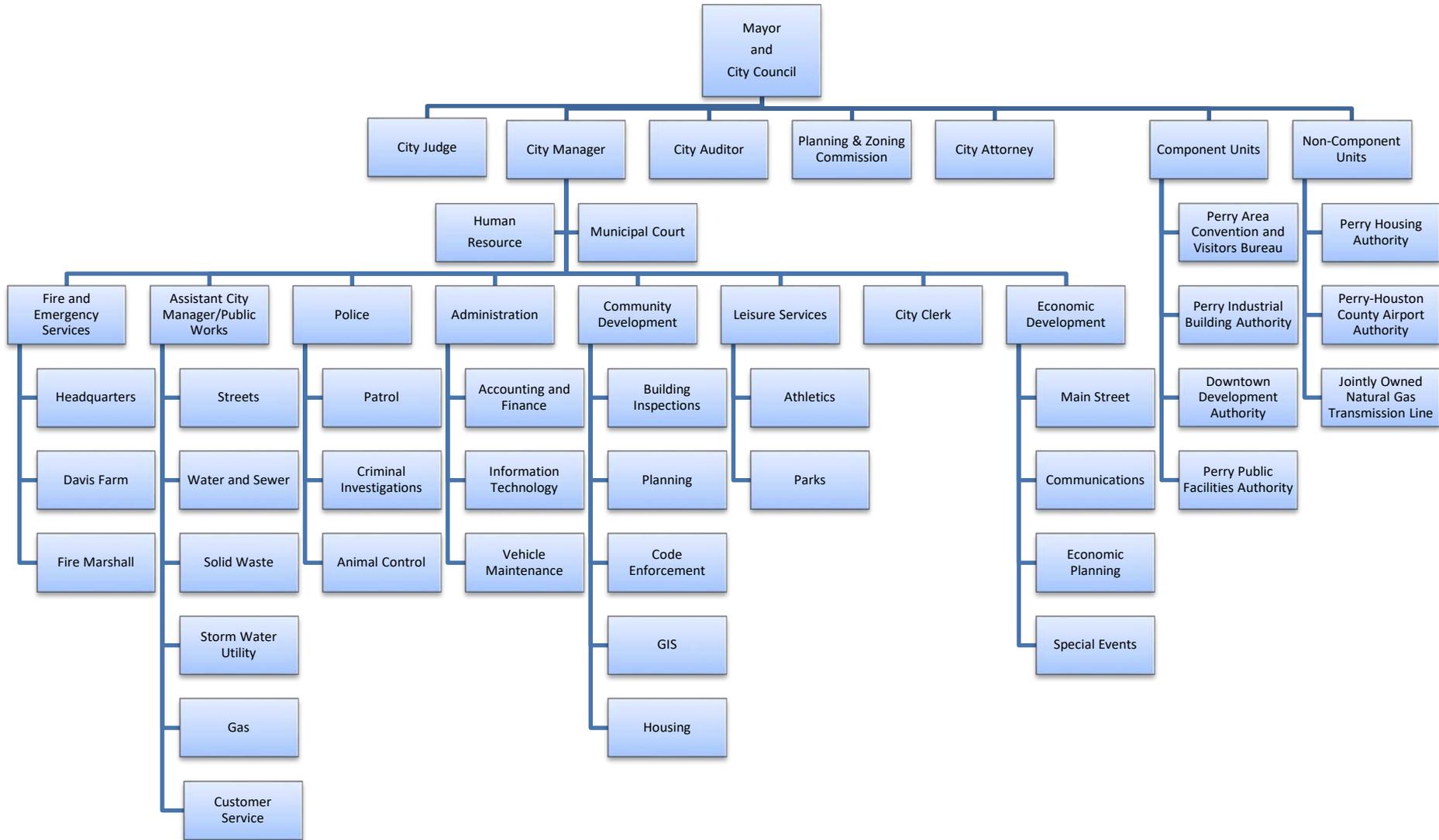
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morrill*

Executive Director/CEO

# ORGANIZATION CHART



City of Perry, Georgia  
List of Principal Officials  
June 30, 2018

Mayor	James E. Faircloth, Jr.
Mayor Pro-Tempore	Randall Walker
Council Members	
District 1	
Post 1	Phyllis A. Bynum-Grace
Post 2	Willie J. King
District 2	
Post 1	Robert Jones
Post 2	William R. Jackson
District 3	
Post 1	Randall Walker
Post 2	Riley Hunt
City Manager	R. Lee Gilmour
City Attorney	David G. Walker Matthew Hulbert
Assistant City Manager/Public Works Director	Robert Smith
Director of Administration	Brenda L. King
Director of Community Development	Brian Wood
Director of Leisure Services	Kevin Dye
Economic Development Director	Vacant
Fire Chief	Z. Lee Parker
Police Chief	Stephen D. Lynn

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## **FINANCIAL SECTION**





## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Financial Statements**

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, 2018, and the related notes to the financial statements, which collectively comprise the City of Perry, Georgia's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

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

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

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Perry, Georgia as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund and Fire Protection Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis (on pages 11 through 21) and the Schedule of Changes in the City's Net Pension (Asset) Liability and Related Ratios and the Schedule of City Contributions (on pages 68 and 69) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Perry, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City of Perry, Georgia. The accompanying schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-121, and is also not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

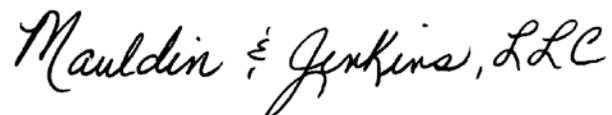
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The combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial 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 special purpose local option sales tax proceeds and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2018, 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 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 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 of Perry, Georgia's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

Macon, Georgia  
December 31, 2018

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## CITY OF PERRY, GEORGIA

### MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2018

Management's Discussion and Analysis of the City of Perry Georgia's Comprehensive Annual Financial Report (CAFR) provides an overall narrative and analysis of the City's financial statements for the fiscal year ended June 30, 2018. This discussion and analysis 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 of the City exceeded its liabilities at the close of 2018 by \$93,971,669 (net position). Of this amount \$11,303,271 (unrestricted net position) may be used to meet ongoing obligations to citizens and creditors.
- During the year ended June 30, 2018, the City's net position increased by \$1,299,304.
- As of June 30, 2018, the City's governmental funds reported combined fund balances of \$5,955,244, a decrease of \$1,570,828 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$3,333,468, or 19% of total general fund expenditures.
- During fiscal year 2018, the City's capital assets increased by approximately \$3,375,139.

#### Overview of the Financial Statements

This discussion and analysis 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.

## CITY OF PERRY, GEORGIA

### MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2018

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 17 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.

## CITY OF PERRY, GEORGIA

### MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2018

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 ten 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 SPLOST 2012 fund and the fire protection fund. Data from the other seven 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 18 through 23 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 24 through 27 of this report.

**CITY OF PERRY, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2018**

***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 28 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 29 through 58 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 59 and 60 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 61 through 64 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 \$93,971,669 at June 30, 2018.

**CITY OF PERRY, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2018**

The following table provides a summary of the City's net position for fiscal years 2017 and 2018.

City of Perry - Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
<b>Assets</b>						
Current and Other Assets	\$ 8,818,373	\$ 9,088,749	\$ 8,669,464	\$ 9,053,651	\$ 17,487,837	\$ 18,142,400
Capital Assets	51,898,817	50,345,907	46,594,756	44,772,527	98,493,573	95,118,434
	<b>60,717,190</b>	59,434,656	<b>55,264,220</b>	53,826,178	<b>115,981,410</b>	113,260,834
<b>Deferred Outflows of Resources</b>						
Pension	19,940	23,811	-	-	19,940	23,811
Pension - Net difference in projected and actual investment earnings	-	-	-	-	-	-
Deferred charge on refunding	-	-	635,586	700,239	635,586	700,239
	19,940	23,811	635,586	700,239	655,526	724,050
<b>Liabilities</b>						
Current and Other Liabilities	2,526,581	2,226,146	1,603,888	1,987,497	4,130,469	4,213,643
Long-Term Liabilities	4,460,085	3,720,469	13,413,049	13,352,242	17,873,134	17,072,711
	6,986,666	5,946,615	15,016,937	15,339,739	22,003,603	21,286,354
<b>Deferred Inflows of Resources</b>						
Pension	661,664	26,165	-	-	661,664	26,165
	661,664	26,165	-	-	661,664	26,165
<b>Net Position</b>						
Net Investment in Capital Assets	48,360,389	48,383,084	31,825,781	31,154,747	80,186,170	79,537,831
Capital Outlay	217,470	2,336,301	-	-	217,470	2,336,301
Debt Service	-	-	1,654,399	1,683,491	1,654,399	1,683,491
Restricted	515,593	263,357	94,766	435,876	610,359	699,233
Unrestricted	3,995,348	2,502,945	7,307,923	5,912,564	11,303,271	8,415,509
	<b>\$ 53,088,800</b>	\$ 53,485,687	<b>\$ 40,882,869</b>	\$ 39,186,678	<b>\$ 93,971,669</b>	\$ 92,672,365

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 85.1% of the City's total net position. Net investments in capital assets for governmental activities decreased by \$22,695 in fiscal year 2018. 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.

Approximately 2.6% of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of the City's net position is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

**CITY OF PERRY, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2018**

The City finished strong at the close of the fiscal year. Governmental activities net position decreased by \$396,887 in fiscal year 2018. Whereas, the net position of the business-type activities increased \$1,696,191. Combined, the City's total net position increased by \$1,299,304.

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	
	2018	2017	2018	2017	2018	2017
<b>Revenues</b>						
Program Revenues						
Charges for services	\$ 6,873,969	\$ 6,051,296	\$ 14,184,667	\$ 13,190,961	\$ 21,058,636	\$ 19,242,257
Operating Grants and Contributions	599,635	265,745	-	-	599,635	265,745
Capital Grants and Contributions	1,912,159	1,645,981	-	347,380	1,912,159	1,993,361
General Revenues						
Property Taxes	7,198,490	6,767,309	-	-	7,198,490	6,767,309
Hotel/Motel Taxes	929,288	879,193	-	-	929,288	879,193
Franchise Taxes	1,334,000	1,181,007	-	-	1,334,000	1,181,007
Alcoholic Beverage Taxes	285,484	275,936	-	-	285,484	275,936
Insurance Premium Taxes	916,829	860,753	-	-	916,829	860,753
Occupational Taxes	197,256	188,133	-	-	197,256	188,133
Restricted Investment Earnings	-	-	1,048	1,129	1,048	1,129
Unrestricted Investment Earnings	55,376	23,159	70,915	53,739	126,291	76,898
Miscellaneous	15,592	75,408	-	-	15,592	75,408
	<b>20,318,078</b>	<b>18,213,920</b>	<b>14,256,630</b>	<b>13,593,209</b>	<b>34,574,708</b>	<b>31,807,129</b>
<b>Expenses</b>						
General Government	6,066,508	4,390,500	-	-	6,066,508	4,390,500
Public Safety	6,623,099	7,993,308	-	-	6,623,099	7,993,308
Public Works	3,903,278	3,618,169	-	-	3,903,278	3,618,169
Recreation	845,499	558,570	-	-	845,499	558,570
Housing and Development	565,247	521,248	-	-	565,247	521,248
Interest on Long-Term Debt	117,339	55,486	-	-	117,339	55,486
Issuance Cost	-	109,741	-	-	-	109,741
Water and Sewerage System	-	-	6,902,802	6,606,650	6,902,802	6,606,650
Stormwater Utility	-	-	565,824	449,532	565,824	449,532
Gas System	-	-	4,078,978	3,634,164	4,078,978	3,634,164
Solid Waste	-	-	1,565,354	1,307,216	1,565,354	1,307,216
Revolving Loan Fund	-	-	1,227	1,354	1,227	1,354
	<b>18,120,970</b>	<b>17,247,022</b>	<b>13,114,185</b>	<b>11,998,916</b>	<b>31,235,155</b>	<b>29,245,938</b>
<b>Increase in Net Position, before transfers</b>	<b>2,197,108</b>	<b>966,898</b>	<b>1,142,445</b>	<b>1,594,293</b>	<b>3,339,553</b>	<b>2,561,191</b>
Transfers	(594,396)	(219,124)	594,396	219,124	-	-
	<b>(594,396)</b>	<b>(219,124)</b>	<b>594,396</b>	<b>219,124</b>	<b>-</b>	<b>-</b>
<b>Change in Net Position</b>	<b>(396,887)</b>	<b>747,774</b>	<b>1,736,841</b>	<b>1,813,417</b>	<b>1,339,954</b>	<b>2,561,191</b>
<b>Net Position - Beginning of year, as restated</b>	<b>53,485,687</b>	<b>52,737,913</b>	<b>39,186,678</b>	<b>37,373,261</b>	<b>92,672,365</b>	<b>90,111,174</b>
<b>Net Position - End of year</b>	<b>\$ 53,088,800</b>	<b>\$ 53,485,687</b>	<b>\$ 40,923,519</b>	<b>\$ 39,186,678</b>	<b>\$ 94,012,319</b>	<b>\$ 92,672,365</b>

**Governmental Activities**

Governmental activities decreased the City's net position by \$396,887. Although revenues and expenditures increased for the year when compared with 2017, the increase is a result of the following expenditures categories: general government, public works and recreation.

## CITY OF PERRY, GEORGIA

### MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2018

#### **Business-Type Activities**

The business-type activities followed the same pattern as the previous year and increased the City's net position by \$1,696,191. In 2018, there was an increase in charges for services, particularly the storm water utility and gas revenue funds. However, all proprietary funds ended the year with positive net positions.

#### **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, 2018, the City's governmental funds reported combined fund balances of \$5,955,244, a decrease of \$1,570,828 from the prior year. Approximately 56% of the combined fund balances, (\$3,327,253) is classified as unassigned. The remaining amounts are classified as nonspendable (\$21,995), restricted (\$2,183,826) and assigned (\$422,170).

The general fund is the chief operating fund of the City. At June 30, 2018, the unassigned fund balance of the general fund was \$3,333,468, while total fund balance was \$3,759,297. 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 19% of total fund expenditures, while total fund balance represents 21.5% of the same amount.

During the current fiscal year, the fund balance of the general fund increased by \$861,855.

#### **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 \$7,307,923. Other factors concerning the finances of these funds have been addressed in the discussion of the City's business-type activities.

## CITY OF PERRY, GEORGIA

### MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2018

#### General Fund Budgetary Highlights

During fiscal year 2018, the primary differences between the original and the final amended budget can be summarized as follows:

- Increase property tax to reflect actual receipts
- Increase insurance premium tax to reflect actual receipts
- Increase license and permit revenue to reflect actual receipts
- Increase contributions and donations to reflect actual receipts
- Add purchase of fire apparatus
- Add cost to purchase property for new City Hall and water treatment plant #3 and wells.
- Add cost for initial stage of conversion to Energov software for building permits and occupational tax certificates
- Add increase in cost of health and dental insurance claims
- Add revenue and expenditures associated with Irma storm event
- Add cost relative to CDBG and CHIP housing rehabilitation
- Add additional funding for Creekwood Park Splashpad construction
- Add overtime cost of building inspector and fire marshall

#### Capital Assets and Debt Administration

##### Capital Assets

The City's capital assets for its governmental and business-type activities as of June 30, 2018, total \$98,493,573 (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 net investment in capital assets for the current period was \$3,375,139. Detailed information regarding the capital asset activity for 2018 can be found on pages 41 and 42 of this report.

**CITY OF PERRY, GEORGIA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2018**

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

<b>Project</b>	<b>Cost</b>
<b>Vehicles and Equipment</b>	\$ 1,728,791
<b>Wastewater Plant Aeration Basis Improvements</b>	\$ 1,391,208
<b>Creekwood Park Splashpad</b>	\$ 552,541
<b>New City Hall Property</b>	\$ 576,994
<b>Waterplant #3 and Wells</b>	\$ 532,658
<b>Perry Arts Center Renovations</b>	\$ 246,153
<b>Main Street 12" Water Main</b>	\$ 225,804
<b>Big Indian Creek White Tail Trail Extension</b>	\$ 166,337
<b>Park Avenue Culvert</b>	\$ 151,784
<b>Tucker Road Sewer Improvements</b>	\$ 150,204
<b>Sewer Main Improvement</b>	\$ 113,334
<b>Heritage Park Phase II</b>	\$ 70,420

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

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2016</b>
Land	\$ 10,058,675	\$ 9,733,581	\$ 396,701	\$ 305,283	\$ 10,455,376	\$ 10,038,864
Land improvements	293,505	297,280	-	-	293,505	297,280
Buildings and Improvements	5,407,407	4,672,617	-	-	5,407,407	4,672,617
Infrastructure	32,030,235	32,952,111	-	-	32,030,235	32,952,111
Machinery and Equipment	3,208,537	2,444,421	-	-	3,208,537	2,444,421
Furniture & Fixtures	(7,675)	(3,550)	-	-	(7,675)	(3,550)
Structures, Equipment and Lines	-	-	45,297,576	43,278,008	45,297,576	43,278,008
Construction in Progress	908,133	249,447	900,479	1,189,236	1,808,612	1,438,683
	<b>\$ 51,898,817</b>	<b>\$ 50,345,907</b>	<b>\$ 46,594,756</b>	<b>\$ 44,772,527</b>	<b>\$ 98,493,573</b>	<b>\$ 95,118,434</b>

**Long-Term Debt**

At June 30, 2018, the City had total long-term debt outstanding of \$18,572,944 as compared to \$18,598,521 at the end of the prior year. This amount is comprised of \$15,319,868 in revenue bonds, and \$3,253,076 in capital lease agreements.

**CITY OF PERRY, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2018**

**City of Perry - Outstanding Debt**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2018</b>	2017	<b>2018</b>	2017	<b>2018</b>	2017
Revenue Bonds	\$ 2,229,505	\$ 2,317,679	\$ 13,090,363	\$ 13,732,561	\$ 15,319,868	\$ 16,050,240
Loans	-	-	-	-	-	-
Capital Leases	<b>2,759,686</b>	1,962,823	<b>493,390</b>	585,458	<b>3,253,076</b>	2,548,281
	<b>\$ 4,989,191</b>	\$ 4,280,502	<b>\$ 13,583,753</b>	\$ 14,318,019	<b>\$ 18,572,944</b>	\$ 18,598,521

Debt issued in 2018 amounted to \$2,477,316 compared to \$3,142,289 in the previous year. The capital leases the City entered into were for machinery and equipment for the public works, water and sewer, recreation, and public safety.

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 \$45,309,100.

Additional information on the City's long-term debt can be found in Note 7 on pages 44 through 47 of this report.

**Economic Factors and Current Year Budget and Rates**

Building permits issued for new starts and additions were 379 residential and 28 commercial and accessory structures.

As of June 30, 2018, the unemployment rate for Houston County was 4.3% compared to the State of Georgia rate of 4.10%. Management has estimated the service population for the City to be 17,741 at June 30, 2018, which is based on the average household of 2.49 persons.

The City of Perry was in a very fortunate position of having the ability to sustain 2018 programs and activities without reductions when preparing the Fiscal Year 2019 Budget. However, the following factors were considered in preparation of the City's budget for 2019:

- No millage rate increase
- No increase in fire protection fee
- Include funding for additional school resource officers
- Include funding for full-time Special Events Coordinator position
- Include cost of going to two-week contracted street mowing in Public Works Department
- Include funding for increasing health and dental claims

**CITY OF PERRY, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2018**

**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, 2018

ASSETS	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Perry Area Convention and Visitors Bureau	Perry Downtown Development Authority	Perry Industrial Building Authority
Cash and cash equivalents	\$ 3,589,127	\$ 3,194,676	\$ 6,783,803	\$ 557,179	\$ 29,215	\$ 241,329
Investments	2,956,415	1,253,565	4,209,980	-	-	-
Taxes receivable	122,626	-	122,626	-	-	-
Accounts receivable, net of allowances	182,040	1,207,025	1,389,065	-	-	-
Mortgage receivable	1,025	-	1,025	-	-	-
Other receivable	271,778	-	271,778	-	-	-
Due from other governments	267,030	-	267,030	42,337	-	-
Internal balances	56,721	(56,721)	-	-	-	-
Inventories	2,634	-	2,634	-	-	-
Prepaid expenses	18,336	26,975	45,311	450	-	-
Net pension asset	1,350,641	-	1,350,641	-	-	-
Restricted assets:						
Cash and cash equivalents	-	1,715,517	1,715,517	-	-	-
Investments	-	513,773	513,773	-	-	-
Loans receivable	-	54,037	54,037	-	-	-
Investment in Jointly-Owned Natural Gas Transmission Line	-	760,617	760,617	-	-	-
Capital assets:						
Nondepreciable	10,966,808	1,297,180	12,263,988	487,693	18,562	-
Depreciable, net of accumulated depreciation	40,932,009	45,297,576	86,229,585	392,740	-	-
Total assets	<u>60,717,190</u>	<u>55,264,220</u>	<u>115,981,410</u>	<u>1,480,399</u>	<u>47,777</u>	<u>241,329</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension contributions subsequent to measurement date	19,940	-	19,940	-	-	-
Deferred amount on refunding	-	635,586	635,586	-	-	-
Total deferred outflows of resources	<u>19,940</u>	<u>635,586</u>	<u>655,526</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>						
Accounts payable	537,274	629,552	1,166,826	3,614	-	-
Retainage payable	-	5,534	5,534	-	-	-
Line of credit payable	613,494	-	613,494	-	-	-
Accrued liabilities	384,510	156,369	540,879	5,296	-	-
Capital leases due within one year	701,551	177,430	878,981	-	-	-
Capital leases due in more than one year	2,058,135	315,960	2,374,095	-	-	-
Loans payable due in more than one year	-	549,636	549,636	-	-	-
Bonds payable due within one year	85,000	615,000	700,000	-	-	-
Bonds payable due in more than one year	2,144,505	12,475,363	14,619,868	-	-	-
Compensated absences due within one year	204,752	16,503	221,255	1,350	-	-
Compensated absences due in more than one year	257,445	14,338	271,783	1,350	-	-
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	-	57,752	57,752	-	-	-
Total liabilities	<u>6,986,666</u>	<u>15,016,937</u>	<u>22,003,603</u>	<u>11,610</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOW OF RESOURCES</b>						
Pension - net difference in projected and actual investment earnings	661,664	-	661,664	-	-	-
<b>NET POSITION</b>						
Net investment in capital assets	48,360,389	31,825,781	80,186,170	880,433	18,562	-
Restricted for:						
Capital outlay	217,470	-	217,470	-	-	-
Debt service	-	1,654,399	1,654,399	-	-	-
Capital projects	-	94,766	94,766	-	-	-
Public safety purposes	328,708	-	328,708	-	-	-
Culture and beautification	186,885	-	186,885	-	-	-
Other purposes	-	-	-	-	20,700	-
Unrestricted	3,995,348	7,307,923	11,303,271	588,356	8,515	241,329
Total net position	<u>\$ 53,088,800</u>	<u>\$ 40,882,869</u>	<u>\$ 93,971,669</u>	<u>\$ 1,468,789</u>	<u>\$ 47,777</u>	<u>\$ 241,329</u>

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

**CITY OF PERRY, GEORGIA**

**STATEMENT OF ACTIVITIES**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 6,066,508	\$ 4,010,959	\$ 62,231	\$ 1,511,243
Public safety	8,623,099	2,331,480	2,000	164,636
Public works	3,903,278	-	-	236,280
Recreation	845,498	118,344	103,964	-
Housing and economic development	565,247	413,186	431,440	-
Interest on long-term debt	117,339	-	-	-
Total governmental activities	<u>20,120,969</u>	<u>6,873,969</u>	<u>599,635</u>	<u>1,912,159</u>
Business-type activities:				
Water and sewerage system	6,902,802	7,163,929	-	-
Stormwater utility fund	565,824	449,973	-	-
Gas system	4,078,978	4,930,493	-	-
Solid waste	1,565,354	1,599,622	-	-
Revolving loan fund	1,227	-	-	-
Total business-type activities	<u>13,114,185</u>	<u>14,144,017</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 33,235,154</u>	<u>\$ 21,017,986</u>	<u>\$ 599,635</u>	<u>\$ 1,912,159</u>
<b>Component units:</b>				
Perry Area Convention and Visitors Bureau	\$ 390,998	\$ 21,711	\$ 391,492	\$ -
Perry Downtown Development Authority	7,922	-	3,100	-
Perry Industrial Building Authority	-	-	-	-
Total component units	<u>\$ 398,920</u>	<u>\$ 21,711</u>	<u>\$ 394,592</u>	<u>\$ -</u>

General revenues:  
 Property taxes  
 Franchise taxes  
 Insurance premium tax  
 Occupational taxes  
 Alcoholic beverage taxes  
 Hotel/Motel taxes  
 Financial institution taxes  
 Restricted investment earnings  
 Unrestricted investment earnings  
 Miscellaneous  
 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.

**CITY OF PERRY, GEORGIA**

**STATEMENT OF ACTIVITIES**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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
\$ (482,075)	\$ -	\$ (482,075)	\$ -	\$ -	\$ -
(6,124,983)	-	(6,124,983)	-	-	-
(3,666,998)	-	(3,666,998)	-	-	-
(623,190)	-	(623,190)	-	-	-
279,379	-	279,379	-	-	-
(117,339)	-	(117,339)	-	-	-
<u>(10,735,206)</u>	<u>-</u>	<u>(10,735,206)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	261,127	261,127	-	-	-
-	(115,851)	(115,851)	-	-	-
-	851,515	851,515	-	-	-
-	34,268	34,268	-	-	-
-	(1,227)	(1,227)	-	-	-
<u>-</u>	<u>1,029,832</u>	<u>1,029,832</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(10,735,206)</u>	<u>1,029,832</u>	<u>(9,705,374)</u>	<u>-</u>	<u>-</u>	<u>-</u>
			22,205	-	-
			-	(4,822)	-
			-	-	-
			<u>\$ 22,205</u>	<u>\$ (4,822)</u>	<u>\$ -</u>
7,198,490	-	7,198,490	-	-	-
1,334,400	-	1,334,400	-	-	-
916,829	-	916,829	-	-	-
197,256	-	197,256	-	-	-
285,484	-	285,484	-	-	-
929,288	-	929,288	-	-	-
-	-	-	-	-	-
-	1,048	1,048	-	-	-
55,376	70,915	126,291	97	182	1,319
15,592	-	15,592	-	-	-
(594,396)	594,396	-	-	-	-
<u>10,338,319</u>	<u>666,359</u>	<u>11,004,678</u>	<u>97</u>	<u>182</u>	<u>1,319</u>
<u>(396,887)</u>	<u>1,696,191</u>	<u>1,299,304</u>	<u>22,302</u>	<u>(4,640)</u>	<u>1,319</u>
<u>53,485,687</u>	<u>39,186,678</u>	<u>92,672,365</u>	<u>1,446,487</u>	<u>52,417</u>	<u>240,010</u>
<u>\$ 53,088,800</u>	<u>\$ 40,882,869</u>	<u>\$ 93,971,669</u>	<u>\$ 1,468,789</u>	<u>\$ 47,777</u>	<u>\$ 241,329</u>

**CITY OF PERRY, GEORGIA**

**BALANCE SHEET**

**GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	<u>Component Unit</u>					<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Fire Protection Fund</u>	<u>SPLOST 2012 Fund</u>	<u>Perry Public Facilities Authority</u>	<u>Nonmajor Governmental Funds</u>	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 1,499,439	\$ 137,726	\$ 31,916	\$ 1,450,763	\$ 469,283	\$ 3,589,127
Investments	2,956,415	-	-	-	-	2,956,415
Taxes receivable, net	52,166	-	-	-	70,460	122,626
Accounts receivable, net	57,820	124,220	-	-	-	182,040
Due from other funds	263,110	3,570	-	-	184,500	451,180
Due from other governments	18,479	-	248,551	-	-	267,030
Mortgages receivable	1,025	-	-	-	-	1,025
Other receivables	271,778	-	-	-	-	271,778
Inventories	2,634	-	-	-	-	2,634
Prepaid expenditures	-	17,303	-	-	1,033	18,336
<b>Total assets</b>	<b>\$ 5,122,866</b>	<b>\$ 282,819</b>	<b>\$ 280,467</b>	<b>\$ 1,450,763</b>	<b>\$ 725,276</b>	<b>\$ 7,862,191</b>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 256,615	\$ 5,473	\$ 63,497	\$ -	\$ 211,689	\$ 537,274
Line of credit payable	613,494	-	-	-	-	613,494
Accrued liabilities	301,962	41,717	-	-	503	344,182
Deposits	17,538	-	-	-	-	17,538
Due to other funds	173,960	-	-	-	220,499	394,459
<b>Total liabilities</b>	<b>1,363,569</b>	<b>47,190</b>	<b>63,497</b>	<b>-</b>	<b>432,691</b>	<b>1,906,947</b>
<b>FUND BALANCES</b>						
Nonspendable:						
Inventories	2,634	-	-	-	-	2,634
Prepaid expenditures	-	17,303	-	-	1,033	18,336
Long-term receivables	1,025	-	-	-	-	1,025
Restricted for:						
Public safety	-	218,326	-	-	110,382	328,708
Culture and beautification	-	-	-	-	186,885	186,885
Capital outlay	-	-	216,970	1,450,763	500	1,668,233
Assigned:						
Self insurance	371,629	-	-	-	-	371,629
Culture and beautification	45,414	-	-	-	-	45,414
Administrative	5,127	-	-	-	-	5,127
Capital outlay	-	-	-	-	-	-
Unassigned:	3,333,468	-	-	-	(6,215)	3,327,253
<b>Total fund balances</b>	<b>3,759,297</b>	<b>235,629</b>	<b>216,970</b>	<b>1,450,763</b>	<b>292,585</b>	<b>5,955,244</b>
<b>Total liabilities and fund balance</b>	<b>\$ 5,122,866</b>	<b>\$ 282,819</b>	<b>\$ 280,467</b>	<b>\$ 1,450,763</b>	<b>\$ 725,276</b>	<b>\$ 7,862,191</b>

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, 2018**

Total fund balances of governmental funds		\$	5,955,244
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	\$	83,738,767
	Accumulated depreciation	<u>(31,839,950)</u>	51,898,817
Certain long-term assets are not available to pay for current-period expenditures			
	Net pension asset		1,350,641
Deferred outflow of resources			
	Pension contributions		19,940
	Pension investment earnings		(661,664)
Long-term liabilities are not due and payable in the current period; therefore, they are not reported in governmental funds:			
	Accrued interest	(22,790)	
	Compensated absences	(462,197)	
	Bonds	(2,229,505)	
	Capital leases	<u>(2,759,686)</u>	<u>(5,474,178)</u>
Net position of governmental activities		\$	<u><u>53,088,800</u></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, 2018**

	Component Unit					Total Governmental Funds
	General Fund	Fire Protection Fund	SPLOST 2012 Fund	Perry Public Facilities Authority	Nonmajor Governmental Funds	
<b>REVENUES</b>						
Taxes:						
Property	\$ 7,213,971	\$ -	\$ -	\$ -	\$ -	\$ 7,213,971
Franchise	1,334,400	-	-	-	-	1,334,400
Insurance premium	916,829	-	-	-	-	916,829
Occupational	197,256	-	-	-	-	197,256
Alcoholic beverage	285,484	-	-	-	-	285,484
Hotel/motel	-	-	-	-	929,288	929,288
Licenses and permits	505,904	-	-	-	-	505,904
Intergovernmental	178,096	-	1,511,094	-	228,981	1,918,171
Fines and forfeitures	491,721	-	-	-	22,819	514,540
Fire protection fees	-	1,798,761	-	-	-	1,798,761
Charges for services	2,295,618	-	-	-	-	2,295,618
Administrative	922,600	-	-	-	-	922,600
Contributions from private sources	105,964	-	-	-	-	105,964
Investment earnings	47,446	372	149	7,088	470	55,525
Miscellaneous	836,546	-	7,560	-	495,542	1,339,648
<b>Total revenues</b>	<b>15,331,835</b>	<b>1,799,133</b>	<b>1,518,803</b>	<b>7,088</b>	<b>1,677,100</b>	<b>20,333,959</b>
<b>EXPENDITURES</b>						
Current:						
General government	5,937,062	-	-	-	989,969	6,927,031
Public safety	7,382,189	1,892,333	-	-	20,408	9,294,930
Public works	1,973,740	-	934	-	-	1,974,674
Recreation	781,032	-	-	-	-	781,032
Housing and development	541,671	-	-	-	-	541,671
Capital outlay	-	-	1,566,571	-	1,927,551	3,494,122
Debt service:						
Principal	766,714	66,507	-	-	-	833,221
Interest and other fees	98,084	19,570	-	-	-	117,654
<b>Total expenditures</b>	<b>17,480,492</b>	<b>1,978,410</b>	<b>1,567,505</b>	<b>-</b>	<b>2,937,928</b>	<b>23,964,335</b>
Excess (deficiency) of revenues over (under) expenditures	(2,148,657)	(179,277)	(48,702)	7,088	(1,260,828)	(3,630,376)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	1,022,039	37,015	-	-	1,529,928	2,588,982
Transfers out	(1,253,229)	-	-	(501,117)	(395,091)	(2,149,437)
Capital lease	1,443,073	102,011	-	-	-	1,545,084
Sale of capital assets	74,919	-	-	-	-	74,919
<b>Total other financing sources (uses)</b>	<b>1,286,802</b>	<b>139,026</b>	<b>-</b>	<b>(501,117)</b>	<b>1,134,837</b>	<b>2,059,548</b>
Net change in fund balances	(861,855)	(40,251)	(48,702)	(494,029)	(125,991)	(1,570,828)
<b>Fund balances, beginning of year</b>	<b>4,621,152</b>	<b>275,880</b>	<b>265,672</b>	<b>1,944,792</b>	<b>418,576</b>	<b>7,526,072</b>
<b>Fund balances, end of year</b>	<b>\$ 3,759,297</b>	<b>\$ 235,629</b>	<b>\$ 216,970</b>	<b>\$ 1,450,763</b>	<b>\$ 292,585</b>	<b>\$ 5,955,244</b>

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, 2018**

Net change in fund balances of total governmental funds as noted in the statement of revenues, expenditures and changes in fund balances. \$ (1,570,828)

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	\$ 5,042,995	
Depreciation	<u>(2,331,905)</u>	2,711,090

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. (1,158,180)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. (15,481)

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 government funds, but reduces long-term liabilities in the statement of net position.

Proceeds from capital lease obligations	\$ (1,545,084)	
Amortization of bond premium	3,174	
Payment of capital leases payable and bonds payable	<u>833,221</u>	(708,689)

The effect of changes in net pension asset and related deferred inflows and outflows of pension resources. 389,077

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	(41,017)	
Change in accrued interest	<u>\$ (2,859)</u>	<u>(43,876)</u>

Net change in net position of governmental activities as noted in the statement of activities \$ (396,887)

**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, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Property	\$ 6,796,600	\$ 7,197,600	\$ 7,213,971	\$ 16,371
Franchise	1,104,100	1,334,400	1,334,400	-
Insurance premium	860,700	916,800	916,829	29
Occupational	183,700	197,200	197,256	56
Alcoholic beverage	270,300	285,400	285,484	84
Licenses and permits	380,900	505,900	505,904	4
Intergovernmental	5,600	178,000	178,096	96
Fines and forfeitures	563,200	491,700	491,721	21
Charges for services	1,744,400	2,298,700	2,295,618	(3,082)
Administrative	956,400	922,600	922,600	-
Contributions from private sources	-	105,900	105,964	64
Investment earnings	8,000	47,400	47,446	46
Miscellaneous	122,300	836,500	836,546	46
Total revenues	<u>12,996,200</u>	<u>15,318,100</u>	<u>15,331,835</u>	<u>13,735</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
<b>General government</b>				
Mayor	40,000	99,200	99,091	109
City Council	90,900	107,400	107,361	39
City Attorney	75,700	82,000	81,974	26
Municipal Court	426,200	353,900	353,705	195
Administrative	2,436,700	3,547,700	3,547,046	654
City Manager	434,400	1,025,100	1,032,847	(7,747)
Community Development	613,800	710,600	714,678	(4,078)
Elections	6,000	400	360	40
Total general government	<u>4,123,700</u>	<u>5,926,300</u>	<u>5,937,062</u>	<u>(10,762)</u>
<b>Public safety</b>	5,538,300	7,383,800	7,382,189	1,611
<b>Public works</b>	1,946,400	1,975,000	1,973,740	1,260
<b>Recreation</b>	654,600	783,700	781,032	2,668
<b>Housing and development</b>	343,100	553,200	541,671	11,529
<b>Debt service:</b>				
Principal	922,300	1,085,900	766,714	319,186
Interest and other fees	118,900	98,500	98,084	416
Total expenditures	<u>13,647,300</u>	<u>17,806,400</u>	<u>17,480,492</u>	<u>325,908</u>
Deficiency of revenues over expenditures	<u>(651,100)</u>	<u>(2,488,300)</u>	<u>(2,148,657)</u>	<u>339,643</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	494,500	1,015,600	1,022,039	6,439
Transfers out	(67,200)	(978,500)	(1,253,229)	(274,729)
Capital leases	343,200	1,443,000	1,443,073	73
Sale of capital assets	3,000	71,800	74,919	3,119
Line of credit	-	934,200	-	(934,200)
Appropriation of fund balance	-	135,800	-	(135,800)
Total other financing sources, net	<u>773,500</u>	<u>2,621,900</u>	<u>1,286,802</u>	<u>(1,335,098)</u>
Net change in fund balances	<u>122,400</u>	<u>133,600</u>	<u>(861,855)</u>	<u>(995,455)</u>
<b>Fund balances, beginning of year</b>	<u>4,621,152</u>	<u>4,621,152</u>	<u>4,621,152</u>	<u>-</u>
<b>Appropriation of fund balance</b>	-	(135,800)	-	135,800
<b>Fund balances, end of year</b>	<u>\$ 4,743,552</u>	<u>\$ 4,618,952</u>	<u>\$ 3,759,297</u>	<u>\$ (859,655)</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, 2018**

	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Fire protection fees	\$ 1,798,600	\$ 1,798,761	\$ 161
Interest	300	372	72
Total revenues	<u>1,798,900</u>	<u>1,799,133</u>	<u>233</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	1,892,600	1,892,333	267
Debt service:			
Principal	66,600	66,507	93
Interest	19,600	19,570	30
Total expenditures	<u>1,978,800</u>	<u>1,978,410</u>	<u>390</u>
Deficiency of revenues over expenditures	<u>(179,900)</u>	<u>(179,277)</u>	<u>623</u>
<b>Other financing sources</b>			
Transfers in	37,000	37,015	15
Capital leases	102,000	102,011	11
Total other financing sources	<u>139,000</u>	<u>139,026</u>	<u>26</u>
Net change in fund balance	<u>(40,900)</u>	<u>(40,251)</u>	<u>649</u>
<b>FUND BALANCES , beginning of year</b>	<u>275,880</u>	<u>275,880</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 234,980</u>	<u>\$ 235,629</u>	<u>\$ 649</u>

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

**CITY OF PERRY, GEORGIA**

**STATEMENT OF NET POSITION**

**PROPRIETARY FUNDS  
JUNE 30, 2018**

	<b>Water and Sewerage System</b>	<b>Stormwater Utility Fund</b>	<b>Gas System</b>	<b>Solid Waste</b>	<b>Nonmajor Revolving Loan Fund</b>	<b>Totals</b>
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	\$ 1,309,429	\$ 52,555	\$ 1,444,442	\$ 388,250	\$ -	\$ 3,194,676
Investments	1,253,565	-	-	-	-	1,253,565
Accounts receivable, net of allowances	651,134	43,843	310,660	201,388	-	1,207,025
Loans receivable, current portion	-	-	-	-	18,941	18,941
Due from other funds	-	319	-	2,199	-	2,518
Prepaid expenses	17,374	1,587	1,682	6,332	-	26,975
Total current assets	<u>3,231,502</u>	<u>98,304</u>	<u>1,756,784</u>	<u>598,169</u>	<u>18,941</u>	<u>5,703,700</u>
<b>NONCURRENT ASSETS</b>						
Restricted assets, cash	1,663,961	-	2,921	-	48,635	1,715,517
Restricted assets, investments	-	-	513,773	-	-	513,773
Loans receivable	-	-	-	-	35,096	35,096
Investment in Jointly-Owned Natural Gas Transmission Line	-	-	760,617	-	-	760,617
Capital assets:						
Land and easements	240,805	3,835	62,166	89,895	-	396,701
Structures, equipment and lines	66,317,511	874,813	3,875,330	494,984	-	71,562,638
Construction in progress	778,415	44,813	77,251	-	-	900,479
Less: accumulated depreciation	(23,724,424)	(128,916)	(2,114,625)	(297,097)	-	(26,265,062)
Total noncurrent assets	<u>45,276,268</u>	<u>794,545</u>	<u>3,177,433</u>	<u>287,782</u>	<u>83,731</u>	<u>49,619,759</u>
Total assets	<u>48,507,770</u>	<u>892,849</u>	<u>4,934,217</u>	<u>885,951</u>	<u>102,672</u>	<u>55,323,459</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred amount on refunding	635,586	-	-	-	-	635,586
Total deferred outflows of resources	<u>635,586</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>635,586</u>
<b>LIABILITIES</b>						
<b>CURRENT LIABILITIES</b>						
Accounts payable	269,559	1,238	214,561	136,869	7,325	629,552
Retainage payable	5,534	-	-	-	-	5,534
Salaries payable	-	5,368	-	11,294	-	16,662
Accrued interest payable	130,967	3,905	340	33	-	135,245
Due to other funds	-	58,658	-	-	581	59,239
Compensated absences	-	5,080	-	11,423	-	16,503
Customer deposits payable	1,529	-	2,933	-	-	4,462
Landfill post-closure care costs	-	-	-	3,500	-	3,500
Revenue bonds payable, current portion	615,000	-	-	-	-	615,000
Capital leases, current portion	33,536	62,276	17,631	63,987	-	177,430
Total current liabilities	<u>1,056,125</u>	<u>136,525</u>	<u>235,465</u>	<u>227,106</u>	<u>7,906</u>	<u>1,663,127</u>
<b>NONCURRENT LIABILITIES</b>						
Compensated absences, net of current portion	-	7,642	-	6,696	-	14,338
Revenue bonds	12,475,363	-	-	-	-	12,475,363
Loans payable	549,636	-	-	-	-	549,636
Capital leases	25,239	254,432	36,289	-	-	315,960
Landfill postclosure care costs	-	-	-	57,752	-	57,752
Total long-term liabilities	<u>13,050,238</u>	<u>262,074</u>	<u>36,289</u>	<u>64,448</u>	<u>-</u>	<u>13,413,049</u>
Total liabilities	<u>14,106,363</u>	<u>398,599</u>	<u>271,754</u>	<u>291,554</u>	<u>7,906</u>	<u>15,076,176</u>
<b>NET POSITION</b>						
Net investment in capital assets	29,277,947	477,837	1,846,202	223,795	-	31,825,781
Restricted for debt service	1,654,399	-	-	-	-	1,654,399
Restricted for loans receivable	-	-	-	-	94,766	94,766
Unrestricted	4,104,647	16,413	2,816,261	370,602	-	7,307,923
Total net position	<u>\$ 35,036,993</u>	<u>\$ 494,250</u>	<u>\$ 4,662,463</u>	<u>\$ 594,397</u>	<u>\$ 94,766</u>	<u>40,882,869</u>

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, 2018**

	<b>Water and Sewerage System</b>	<b>Stormwater Utility Fund</b>	<b>Gas System</b>	<b>Solid Waste</b>	<b>Nonmajor Revolving Loan Fund</b>	<b>Totals</b>
<b>OPERATING REVENUES</b>						
Charges for services	\$ 7,069,936	\$ 417,269	\$ 4,929,903	\$ 1,593,622	\$ -	\$ 14,010,730
Miscellaneous	93,993	32,704	590	6,000	-	133,287
Total operating revenues	<u>7,163,929</u>	<u>449,973</u>	<u>4,930,493</u>	<u>1,599,622</u>	<u>-</u>	<u>14,144,017</u>
<b>OPERATING EXPENSES</b>						
Cost of sales and services	4,386,078	170,424	3,792,366	968,502	1,227	9,318,597
Salaries and benefits	-	249,250	-	405,075	-	654,325
Administration	513,361	67,600	170,800	127,879	-	879,640
Bad debt expense	48,196	2,598	26,521	8,301	-	85,616
Depreciation	1,561,173	70,968	88,429	53,326	-	1,773,896
Total operating expenses	<u>6,508,808</u>	<u>560,840</u>	<u>4,078,116</u>	<u>1,563,083</u>	<u>1,227</u>	<u>12,712,074</u>
Operating income (loss)	<u>655,121</u>	<u>(110,867)</u>	<u>852,377</u>	<u>36,539</u>	<u>(1,227)</u>	<u>1,431,943</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Net income from joint venture	-	-	32,846	-	-	32,846
Interest income - nonrestricted assets	29,396	24	8,327	322	-	38,069
Interest income - restricted assets	-	-	-	-	1,048	1,048
Interest expense	(393,994)	(4,984)	(862)	(2,271)	-	(402,111)
Total non-operating revenues (expenses)	<u>(364,598)</u>	<u>(4,960)</u>	<u>40,311</u>	<u>(1,949)</u>	<u>1,048</u>	<u>(330,148)</u>
Income (loss) before capital contributions and transfers	<u>290,523</u>	<u>(115,827)</u>	<u>892,688</u>	<u>34,590</u>	<u>(179)</u>	<u>1,101,795</u>
<b>CAPITAL CONTRIBUTIONS</b>	<u>882,061</u>	<u>151,880</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,033,941</u>
<b>TRANSFERS</b>						
Transfers out	(155,197)	(6,183)	(555,668)	-	-	(717,048)
Transfers in	90,100	164,804	-	22,599	-	277,503
Total transfers	<u>(65,097)</u>	<u>158,621</u>	<u>(555,668)</u>	<u>22,599</u>	<u>-</u>	<u>(439,545)</u>
Change in net position	<u>1,107,487</u>	<u>194,674</u>	<u>337,020</u>	<u>57,189</u>	<u>(179)</u>	<u>1,696,191</u>
<b>NET POSITION, beginning of year</b>	<u>33,929,506</u>	<u>299,576</u>	<u>4,325,443</u>	<u>537,208</u>	<u>94,945</u>	<u>39,186,678</u>
<b>NET POSITION, end of year</b>	<u>\$ 35,036,993</u>	<u>\$ 494,250</u>	<u>\$ 4,662,463</u>	<u>\$ 594,397</u>	<u>\$ 94,766</u>	<u>\$ 40,882,869</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, 2018**

	Water and Sewerage System	Stormwater Utility Fund	Gas System	Solid Waste	Nonmajor Revolving Loan Fund	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from customers and users	\$ 7,079,941	\$ 454,465	\$ 4,938,623	\$ 1,538,642	\$ -	\$ 14,011,671
Payments to suppliers	(4,620,226)	(294,357)	(3,708,215)	(1,030,962)	(3,461)	(9,657,221)
Payments to employees	(513,361)	(253,996)	(170,800)	(396,242)	-	(1,334,399)
Net cash provided by (used in) operating activities	<u>1,946,354</u>	<u>(93,888)</u>	<u>1,059,608</u>	<u>111,438</u>	<u>(3,461)</u>	<u>3,020,051</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Transfers in	90,100	164,804	-	22,599	-	277,503
Transfers out	(155,197)	(6,183)	(555,668)	-	-	(717,048)
Net cash provided by (used in) noncapital financing activities	<u>(65,097)</u>	<u>158,621</u>	<u>(555,668)</u>	<u>22,599</u>	<u>-</u>	<u>(439,545)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Acquisition (sale) of capital assets	(1,994,662)	(485,904)	(81,618)	-	-	(2,562,184)
Payments on bonds	(575,000)	-	-	-	-	(575,000)
Principal paid on notes payable and capital leases	(350,905)	(9,505)	(12,366)	(101,888)	-	(474,664)
Proceeds from notes payable and capital leases	571,030	326,213	34,989	-	-	932,232
Interest paid	(332,366)	(1,089)	(531)	(2,309)	-	(336,295)
Net cash used in capital and related financing activities	<u>(2,681,903)</u>	<u>(170,285)</u>	<u>(59,526)</u>	<u>(104,197)</u>	<u>-</u>	<u>(3,015,911)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Proceeds (purchase) of investments	324,368	-	(6,788)	-	-	317,580
Proceeds from revolving loans	-	-	-	-	29,750	29,750
Cash disbursed for new revolving loans	-	-	-	-	(12,374)	(12,374)
Interest received	29,396	24	8,327	322	1,048	39,117
Net cash provided by investing activities	<u>353,764</u>	<u>24</u>	<u>1,539</u>	<u>322</u>	<u>18,424</u>	<u>374,073</u>
Increase (decrease) in cash and cash equivalents	(446,882)	(105,528)	445,953	30,162	14,963	(61,332)
<b>Cash and cash equivalents:</b>						
Beginning of year	3,420,272	158,083	1,001,410	358,088	33,672	4,971,525
End of year	<u>\$ 2,973,390</u>	<u>\$ 52,555</u>	<u>\$ 1,447,363</u>	<u>\$ 388,250</u>	<u>\$ 48,635</u>	<u>\$ 4,910,193</u>
<b>Classified as:</b>						
Cash and cash equivalents	\$ 1,309,429	\$ 52,555	\$ 1,444,442	\$ 388,250	\$ -	\$ 3,194,676
Restricted assets, cash	1,663,961	-	2,921	-	48,635	1,715,517
Total cash and cash equivalents	<u>\$ 2,973,390</u>	<u>\$ 52,555</u>	<u>\$ 1,447,363</u>	<u>\$ 388,250</u>	<u>\$ 48,635</u>	<u>\$ 4,910,193</u>

(Continued)

# CITY OF PERRY, GEORGIA

## STATEMENT OF CASH FLOWS

### PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

		Water and Sewerage System	Stormwater Utility Fund	Gas System	Solid Waste	Nonmajor Revolving Loan Fund	Totals
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>							
Operating income (loss)	\$	655,121	\$ (110,867)	\$ 852,377	\$ 36,539	\$ (1,227)	\$ 1,431,943
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:							
Depreciation		1,561,173	70,968	88,429	53,326	-	1,773,896
Amortization of premium		(67,198)	-	-	-	-	(67,198)
Provision for bad debts		48,196	2,598	26,521	8,301	-	85,616
Provision for landfill closure/post-closure care costs		-	-	-	4,534	-	4,534
Changes in assets and liabilities:							
(Increase) decrease in:							
Accounts receivable		(80,947)	(8,834)	8,130	(60,980)	-	(142,631)
Prepaid expenses		4,338	504	4,541	5,012	-	14,395
Due from other funds		-	13,326	11,963	(179)	-	25,110
Increase (decrease) in:							
Accounts payable		(137,549)	(115,495)	74,122	56,052	(1,686)	(124,556)
Retainage payable		(20,359)	-	-	-	-	(20,359)
Accrued liabilities		(3,041)	2,192	-	4,313	-	3,464
Compensated absences payable		-	(6,938)	-	4,520	-	(2,418)
Due to other funds		(13,380)	58,658	(6,475)	-	(548)	38,255
Net cash provided by (used in) operating activities	<u>\$</u>	<u>1,946,354</u>	<u>\$ (93,888)</u>	<u>\$ 1,059,608</u>	<u>\$ 111,438</u>	<u>\$ (3,461)</u>	<u>\$ 3,020,051</u>
<b>Noncash capital and related financing activities:</b>							
Contributions of capital assets	\$	882,061	\$ 151,880	\$ -	\$ -	\$ -	\$ 1,033,941
Amortization of deferred loss from refunding		64,653	-	-	-	-	64,653
<b>Noncash investing activities:</b>							
Change in investment in JOTL		-	-	32,846	-	-	32,846

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

**CITY OF PERRY, GEORGIA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUND**  
**JUNE 30, 2018**

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	<u>Agency Fund</u>
<b>ASSETS</b>	
Cash	\$ 4
Total assets	<u>\$ 4</u>
<b>LIABILITIES</b>	
Payable from assets	
Confiscated assets pending disposition	\$ 4
Total liabilities	<u>\$ 4</u>

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

## **NOTES TO THE BASIC FINANCIAL STATEMENTS**



# CITY OF PERRY, GEORGIA

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2018

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### 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 of Perry, Georgia 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 nonpartisan 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 Governmental Accounting Standards Board (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 Units**

The Perry Public Facilities Authority (hereinafter 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 of Perry 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 FINANCIAL STATEMENTS

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### 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 (hereinafter the Visitors Bureau) 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 authority, 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 Visitors Bureau through the collection and remittance of hotel/motel taxes. The Visitors Bureau is reported as a governmental fund type. Complete financial statements for the Visitors Bureau may be obtained at the entity's 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 entity's 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 FINANCIAL STATEMENTS

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### 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 nonfiduciary 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 FINANCIAL STATEMENTS

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### 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, 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 2012 Fund** – The Special Purpose Local Option Sales Tax 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 of Perry and Houston County.

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 and leaf and limb collections to the residents and businesses of the City.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Additionally, the City reports the following fund type:

***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.

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.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### F. Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received including property taxes, amounts due from other funds and grants.

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

#### 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 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 a first-in, first-out basis.

Inventories of supplies are reported at cost, whereas inventories held for resale are reported at 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 amounts of \$1,654,399 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. Customers' meter deposits for the Water and Sewerage System and Gas System are \$9,562 and \$2,921, respectively.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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.

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

Annual leave is earned by all permanent City employees and may be accumulated and carried over to a maximum of 240 hours per employee (366 hours for firefighters). 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.

Sick leave is earned by all full-time City employees and 1,280 hours may be accumulated (1,792 for firefighters). 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 FINANCIAL STATEMENTS

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### 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, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three 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 and third items 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. 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.

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance that applies to 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.

## NOTES TO FINANCIAL STATEMENTS

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### 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 Balance

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

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the 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 designee to assign fund balance.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### P. Fund Equity (Continued)

##### Fund Balance (Continued)

- **Unassigned** – Fund balances are reported as unassigned when the balances have not been assigned to other funds and that are not restricted, committed, or assigned to specific purposes with the General Fund.

##### 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 consist 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 FINANCIAL STATEMENTS

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### **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 by the City, or agreements entered into by other governments that reduce the City's tax revenue. As of June 30, 2018, 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 30<sup>th</sup>.

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, 2018, expenditures exceeded final amended budgets in the Hotel/Motel Tax Fund in the amount of \$9,189. Expenditures also exceeded final amended budgets for the general government activities in the General Fund in the amount of \$10,762.

### **NOTE 3. DEPOSITS AND INVESTMENTS**

#### **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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

#### Credit Risk

Georgia laws (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, 2018, the City's investment in the Georgia Fund 1 was rated AA+ 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.

#### 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, 2018, 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, 2018, the City had the following investments:

<u>Investment Type</u>	<u>Maturities (Days)</u>	<u>Fair Value</u>
Georgia Fund 1	10	<u>\$ 4,723,753</u>
Total Fair Value		<u><u>\$ 4,723,753</u></u>

#### 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 City as of June 30, 2018, 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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. CAPITAL ASSETS

Capital asset activity for the primary government for the year ended June 30, 2018, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental Activities:</b>					
Capital Assets, not being depreciated:					
Land and land improvements	\$ 9,733,581	\$ 425,395	\$ (100,301)	\$ -	\$ 10,058,675
Construction in progress	249,447	1,268,449	-	(609,763)	908,133
Total capital assets, not being depreciated	<u>9,983,028</u>	<u>1,693,844</u>	<u>(100,301)</u>	<u>(609,763)</u>	<u>10,966,808</u>
Capital assets, being depreciated:					
Buildings and improvements	6,982,937	672,442	-	265,628	7,921,007
Land improvements	1,279,391	27,800	(19,000)	19,000	1,307,191
Furnitures and fixtures	34,441	-	(575)	-	33,866
Machinery and equipment	7,621,387	1,604,974	(994,049)	-	8,232,312
Infrastructure	54,942,454	1,043,935	-	(708,806)	55,277,583
Total capital assets, being depreciated	<u>70,860,610</u>	<u>3,349,151</u>	<u>(1,013,624)</u>	<u>(424,178)</u>	<u>72,771,959</u>
Less accumulated depreciation for:					
Buildings and improvements	(2,310,320)	(203,280)	-	-	(2,513,600)
Land improvements	(982,111)	(50,575)	19,000	-	(1,013,686)
Furnitures and fixtures	(37,991)	(3,550)	-	-	(41,541)
Machinery and equipment	(5,176,966)	(816,920)	970,111	-	(5,023,775)
Infrastructure	(21,990,343)	(1,257,580)	575	-	(23,247,348)
Total accumulated depreciation	<u>(30,497,731)</u>	<u>(2,331,905)</u>	<u>989,686</u>	<u>-</u>	<u>(31,839,950)</u>
Total capital assets, being depreciated, net	<u>40,362,879</u>	<u>1,017,246</u>	<u>(23,938)</u>	<u>(424,178)</u>	<u>40,932,009</u>
Governmental activities capital assets, net	<u>\$ 50,345,907</u>	<u>\$ 2,711,090</u>	<u>\$ (124,239)</u>	<u>\$ (1,033,941)</u>	<u>\$ 51,898,817</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Business-type activities</b>					
Capital Assets, not being depreciated:					
Land and easements	\$ 305,283	\$ 90,894	\$ -	\$ 524	\$ 396,701
Construction in progress	1,189,236	633,376	-	(922,133)	900,479
Total capital assets, not being depreciated	<u>1,494,519</u>	<u>724,270</u>	<u>-</u>	<u>(921,609)</u>	<u>1,297,180</u>
Capital assets, being depreciated:					
Structures, equipment and lines	68,168,986	1,837,914	(399,812)	1,955,550	71,562,638
Less accumulated depreciation for:					
Structures, equipment and lines	<u>(24,890,978)</u>	<u>(1,773,896)</u>	<u>399,812</u>	<u>-</u>	<u>(26,265,062)</u>
Total capital assets, being depreciated, net	<u>43,278,008</u>	<u>64,018</u>	<u>-</u>	<u>1,955,550</u>	<u>45,297,576</u>
Business-type activities capital assets, net	<u>\$ 44,772,527</u>	<u>\$ 788,288</u>	<u>\$ -</u>	<u>\$ 1,033,941</u>	<u>\$ 46,594,756</u>

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

**Governmental activities:**

General government	\$ 99,097
Public safety	734,686
Public works	1,366,855
Parks and recreation	110,806
Housing and development	20,461
Total depreciation expense - governmental activities	<u>\$ 2,331,905</u>

**Business-type activities:**

Water and sewerage system	\$ 1,561,173
Stormwater utility fund	70,968
Gas system	88,429
Solid waste	53,326
Total depreciation expense - business-type activities	<u>\$ 1,773,896</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2018, is as follows:

	Receivable Fund:					
	Governmental Funds			Enterprise Funds		
	General	Fire	Nonmajor	Solid Waste	Stormwater	Total
		Protection	Governmental		Utility Fund	
<b>Payable Fund:</b>						
General	\$ -	\$ 3,570	\$ 167,872	\$ 2,199	\$ 319	\$ 173,960
Nonmajor Governmental	203,871	-	16,628	-	-	220,499
Stormwater Utility Fund	58,658	-	-	-	-	58,658
Nonmajor Enterprise	581	-	-	-	-	581
	\$ 263,110	\$ 3,570	\$ 184,500	\$ 2,199	\$ 319	\$ 453,698

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.

Interfund transfers for the year ended June 30, 2018, is as follows:

	Fund Transfers Out:						
	General Fund	Water and Sewerage System	Perry Public Facilities Authority	Gas System	Stormwater Utility Fund	Nonmajor Governmental	Total
<b>Fund Transfers In:</b>							
General	\$ -	\$ 155,197	\$ -	\$ 465,568	\$ 6,183	\$ 395,091	\$ 1,022,039
Fire Protection	37,015	-	-	-	-	-	37,015
Water and Sewerage System	-	-	-	90,100	-	-	90,100
Stormwater Fund	164,804	-	-	-	-	-	164,804
Solid Waste Fund	22,599	-	-	-	-	-	22,599
Nonmajor Governmental	1,028,811	-	501,117	-	-	-	1,529,928
	\$ 1,253,229	\$ 155,197	\$ 501,117	\$ 555,668	\$ 6,183	\$ 395,091	\$ 2,866,485

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 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 \$61,252 and are reported as a current and noncurrent liability in the Solid Waste Fund. Actual costs may be higher than estimates due to inflation, changes in technology or regulations. During 2018, the City increased/adjusted these closure costs for inflation by \$50.

### NOTE 7. LONG-TERM DEBT

#### *Primary Government*

#### **Capital Leases**

The City has entered into lease agreements as lessee for financing the acquisition of equipment and for system expansion and refunding. The lease agreements qualify as capital leases 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 1.52% to 4.05%. Total cost of assets acquired under these capital leases, governmental activities and business-type activities, as of June 30, 2018, is \$10,845,369. Total accumulated depreciation on assets acquired under capital lease as of June 30, 2018 is \$5,669,700. Cost of equipment included in the governmental activities statement of net position is \$1,894,269, which includes \$3,475,542 of accumulated depreciation. Cost of equipment and system expansion and refunding included in the business-type activities statement of net position is \$3,281,400, which includes \$2,194,158 of accumulated depreciation. Depreciation expense on assets acquired under capital lease for the year ending June 30, 2018 is \$549,633 for governmental activities and \$187,282 for business-type activities.

Annual debt service requirements to maturity for these capital leases are as follows:

Fiscal Year Ending June 30,	<b>Governmental Activities</b>			<b>Business-Type Activities</b>		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 701,551	\$ 71,670	\$ 773,221	\$ 177,430	\$ 10,898	\$ 188,328
2020	579,458	55,444	634,902	87,288	7,761	95,049
2021	399,790	41,169	440,959	79,877	5,605	85,482
2022	174,416	32,313	206,729	78,689	3,592	82,281
2023	180,022	26,705	206,727	70,106	1,571	71,677
2024-2028	724,449	53,168	777,617	-	-	-
Total	<u>\$ 2,759,686</u>	<u>\$ 280,469</u>	<u>\$ 3,040,155</u>	<u>\$ 493,390</u>	<u>\$ 29,427</u>	<u>\$ 522,817</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### *Primary Government (Continued)*

#### **Capital Leases (Continued)**

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

#### **Loans – General Obligation Debt**

On November 21, 2017, the City entered into a contract with the Georgia Environmental Finance Authority 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 total proceeds for the loan were \$549,636. The loan is to be paid over a 20-year period on a monthly basis starting on the earlier of 1) the completion date, 2) March 1, 2020, or 3) the date that the loan evidenced by this note is fully disbursed. Interest is at 1.89%. This loan is still in the drawdown phase so no maturity schedule will be presented.

#### **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).

On September 18, 2007, the City issued \$9,445,000 in Series 2007 Revenue Bonds to provide for system expansion. The interest rate varies from 3.6% to 4.0%. These bonds were defeased during the year with the issuance of the 2016 Revenue Bonds as described on the following page.

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 an economic gain of approximately \$284,000. As a result, the refunded portion of the 2005 Revenue Bonds is considered defeased and the liability for those bonds have been removed from the statement of net position.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### *Primary Government (Continued)*

#### **Revenue Bonds (Continued)**

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 Georgia Environmental Facilities Authority. 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 have been removed from the statement of net position. As of June 30, 2018, The County's outstanding refunded debt totaled \$9,045,000 while the outstanding refunding debt totaled \$8,550,000, a difference of \$495,000.

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 recreation facilities of the City of Perry. Interest rates range from 2.00% to 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		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 540,000	\$ 66,317	\$ 75,000	\$ 315,788	\$ 85,000	\$ 69,088	\$ 700,000	\$ 451,193
2020	562,000	55,949	65,000	314,288	90,000	67,388	717,000	437,625
2021	574,000	45,158	65,000	312,988	90,000	64,688	729,000	422,834
2022	582,000	34,138	70,000	311,688	95,000	61,988	747,000	407,814
2023	593,000	22,963	70,000	310,288	95,000	59,138	758,000	392,389
2024-2028	603,000	11,578	2,975,000	1,387,564	530,000	250,390	4,108,000	1,649,532
2029-2033	-	-	4,265,000	706,000	615,000	165,934	4,880,000	871,934
2034-2037	-	-	965,000	31,100	570,000	56,811	1,535,000	87,911
<b>Total</b>	<b>\$ 3,454,000</b>	<b>\$ 236,103</b>	<b>\$ 8,550,000</b>	<b>\$ 3,689,704</b>	<b>\$ 2,170,000</b>	<b>\$ 795,425</b>	<b>\$ 14,174,000</b>	<b>\$ 4,721,232</b>

## NOTES TO 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, 2018, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Revenue bonds	\$ 2,255,000	\$ -	\$ (85,000)	\$ 2,170,000	\$ 85,000
Plus unamortized premium	62,679	-	(3,174)	59,505	-
Revenue bonds, net	2,317,679	-	(88,174)	2,229,505	85,000
Capital leases payable	1,962,823	1,545,084	(748,221)	2,759,686	701,551
Compensated absences	421,180	182,939	(141,922)	462,197	204,752
	<u>\$ 4,701,682</u>	<u>\$ 1,728,023</u>	<u>\$ (978,317)</u>	<u>\$ 5,451,388</u>	<u>\$ 906,303</u>
<b>Business-type activities:</b>					
Revenue bonds	\$ 12,579,000	\$ -	\$ (575,000)	\$ 12,004,000	\$ 615,000
Plus unamortized premium	1,153,561	-	(67,198)	1,086,363	-
Revenue bonds, net	13,732,561	-	(642,198)	13,090,363	615,000
Notes payable	-	549,636	-	549,636	-
Capital lease payable	585,458	382,596	(474,664)	493,390	177,430
Compensated absences	33,259	11,829	(14,247)	30,841	16,503
Landfill postclosure care costs	56,718	4,534	-	61,252	3,500
	<u>\$ 14,407,996</u>	<u>\$ 948,595</u>	<u>\$ (1,131,109)</u>	<u>\$ 14,225,482</u>	<u>\$ 812,433</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. SHORT-TERM BORROWINGS

In December 2017, the City renewed its line of credit with a local financial institution for a total amount of \$650,000. The City made total draws on the line of credit of \$613,494. The line of credit is due December 31, 2018, and carries interest at 3.52%.

Short-term borrowing activity for the fiscal year ended June 30, 2018, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Short-term borrowings	\$ 94,600	\$ 613,494	\$ (94,600)	\$ 613,494
	<u>\$ 94,600</u>	<u>\$ 613,494</u>	<u>\$ (94,600)</u>	<u>\$ 613,494</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. TAX REVENUE

#### 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.

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:

	<b>Real/Personal Property (Excluding Vehicles)</b>	<b>Motor Vehicles</b>
Assessment date	January 1	January 1
Levy date	October 6	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.

#### 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 Perry Area Convention and 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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. TAX REVENUE (CONTINUED)

#### Hotel/Motel Excise Tax (Continued)

A summary of the hotel/motel excise tax expenditures and receipts for the fiscal year ended June 30, 2018, is as follows:

<u>Expenditure by Purpose</u>	<u>Expenditures</u>	<u>Tax Receipts</u>	<u>Percentage</u>
Perry Area Convention and Visitors Bureau	\$ 349,155	\$ 349,155	38%
General Fund	550,025	580,133	62%
Total	<u>\$ 899,180</u>	<u>\$ 929,288</u>	<u>100%</u>

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 10. PENSION PLAN

#### 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's pension plan is administered through the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Plan provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Benefits are provided by the 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 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](http://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, 2018, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	107
Inactive plan members entitled to, but not receiving benefits	169
Total	<u>276</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 10. PENSION PLAN (CONTINUED)

#### Freezing of Plan

Effective January 1, 2012, the 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 Plan freeze, the asset method was changed to not allow the actuarial value of the assets to exceed 120% of market value. There were no other changes in plan provisions, methods, or assumptions in this valuation.

#### Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the 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, 2018, 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 Plan being frozen as of January 1, 2012. City contributions to the Plan were \$39,896 for the year ended June 30, 2018.

#### Net Pension Asset of the City

The City's net pension asset was measured as of September 30, 2017. The total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2017 with update procedures performed by the actuary to roll forward to the total pension asset measured as of September 30, 2017.

*Actuarial Assumptions* – The total pension liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	N/A
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with gender-distinct rates, set forward two years for males and one year for females.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. PENSION PLAN (CONTINUED)

#### Net Pension Asset of the City (Continued)

The actuarial assumptions used in the January 1, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 – June 30, 2014.

Cost of living adjustments were assumed to be 2.75% although the 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 September 30, 2017, are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.71%
International equity	20%	7.71%
Fixed income	25%	5.47%
Real estate	10%	5.21%
Total	100%	

\*Rates shown are net of the 2.75% assumed rate of inflation.

*Discount Rate* – The discount rate used to measure the total pension asset was 7.50%. 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's plan 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 FINANCIAL STATEMENTS

### NOTE 10. PENSION PLAN (CONTINUED)

#### 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, 2018, were as follows:

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension (Asset) Liability (a) - (b)</b>
<b>Balances at June 30, 2017</b>	\$ 11,008,054	\$ 11,330,248	\$ (322,194)
<b>Changes for the year:</b>			
Interest	829,027	-	829,027
Differences between expected and actual experience	(65,738)	-	(65,738)
Contributions - employer	-	39,896	(39,896)
Net investment income	-	1,661,181	(1,661,181)
Benefit payments, including refunds of employee contributions	(621,851)	(621,851)	-
Administrative expenses	-	(41,761)	41,761
Other	(132,420)	-	(132,420)
<b>Net changes</b>	<u>9,018</u>	<u>1,037,465</u>	<u>(1,028,447)</u>
<b>Balances at June 30, 2018</b>	<u>\$ 11,017,072</u>	<u>\$ 12,367,713</u>	<u>\$ (1,350,641)</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 multiyear 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 7.50%, 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 (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	<b>1% Decrease (6.50%)</b>	<b>Current Discount Rate (7.50%)</b>	<b>1% Increase (8.50%)</b>
City's net pension asset	\$ (136,925)	\$ (1,350,641)	\$ (2,369,962)

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. PENSION PLAN (CONTINUED)

#### Net Pension Asset of the City (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, 2017, and the current sharing pattern of costs between employer and employee.

#### Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2018, the City recognized pension income of \$353,050. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (661,664)
City contributions subsequent to the measurement date	19,940	-
Total	<b>\$ 19,940</b>	<b>\$ (661,664)</b>

City contributions subsequent to the measurement date of \$19,940 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, 2019. The deferred inflow of resources related to the net difference between projected and actual earnings on pension plan investment of \$661,664 will be recognized in pension expense as follows:

Year ending June 30,	
2019	\$ (171,754)
2020	(94,444)
2021	(234,015)
2022	(161,451)
Total	<b>\$ (661,664)</b>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 11. ICMA RETIREMENT PLANS

#### 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, 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, 2018, were \$113,171.

#### 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 12. 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, 2018, and were estimated based on the Loss Analysis Report provided by the third-party administrator and pending specific stop loss reimbursements.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 12. RISK MANAGEMENT

Changes in claims payable are as follows:

	Year Ended June 30,		
	2018	2017	2016
Beginning	\$ 321,749	\$ 182,162	\$ 325,815
Claims incurred	1,665,480	1,452,519	954,622
Claims paid	(1,930,953)	(1,312,932)	(1,098,275)
Ending	\$ 56,276	\$ 321,749	\$ 182,162

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 13. CONTRACTS

The City has a contract with the Perry Area Convention and 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 whereby the Chamber will promote and publicize the City of Perry. 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 FINANCIAL STATEMENTS

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### NOTE 14. 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 15. 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, 2018, the City paid \$21,060 in such dues. Membership in an RC is required by O.C.G.A. 50-8-34 which provides for the organization 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 of Perry, together with the cities of Warner Robins, Hawkinsville, and Cochran, Georgia formed the Jointly-Owned Natural Gas Transmission Line (the "JOTL") in 1953. The JOTL 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 JOTL. The JOTL's major source of revenue consists of reimbursements for operating expenses and capital outlays from member cities. The JOTL's financial records are maintained on a fiscal year ending September 30 of each year. A separately issued financial report is available and may be obtained from:

Jointly-Owned Natural Gas  
200 Dunbar Road  
Byron, Georgia 31008

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 15. JOINT VENTURES (CONTINUED)

The following is a summary schedule of the JOTL's basic financial statements for the year ended September 30, 2017:

Cash and cash equivalents	\$ 117,654
Other assets	418,634
Property and equipment, net	<u>5,076,315</u>
Total assets	<u>\$ 5,612,603</u>
Liabilities	\$ 1,156,389
Net position - unrestricted	<u>4,456,214</u>
Total liabilities and net position	<u>\$ 5,612,603</u>

As of June 30, 2018, the City has an approximate 15.97% interest in current operations of the JOTL. The City's overall equity interest in the JOTL is approximately 17.07%. This equity interest is recorded in the Gas System Fund's statement of net position.

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 Authority consist of the Mayor of the City of Perry 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 of Perry 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 Perry-Houston County 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, 2018, the City contributed \$44,600 relative to this support.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 16. RELATED ORGANIZATIONS

The Mayor of the City of Perry, Georgia is responsible for appointing the members of the Perry Housing Authority. The Perry Housing Authority has a six-member board with staggered terms. The City of Perry is also responsible for appointing board members to the Houston County Library Board. The City's accountability for these organizations does not extend beyond making the appointments.

### NOTE 17. COMMITMENTS

As of June 30, 2018, 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 determinable at this time.
- The City of Perry is committed to fund construction in progress for the Public Safety Building and the Animal Control Building Projects. The remaining cost of the contract at year end was approximately \$250,000.
- The City of Perry is committed to fund construction in progress for the Tolleson Avenue cul-de-sac Project. The remaining cost of the contract at year end was approximately \$42,000.
- The City of Perry is partnered with the Perry Historical Society to fund stabilization cost of the Sinclair Station Project. The remaining cost to the City at year end was approximately \$134,000.

### NOTE 18. NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets on the Government-wide statement of net position as of June 30, 2018, is as follows:

	Governmental Activities	Business-type Activities
Cost of capital assets	\$ 83,738,767	\$ 72,859,818
Less accumulated depreciation	(31,839,950)	(26,265,062)
Book value	51,898,817	46,594,756
Less all capital related debt	(4,989,191)	(14,133,389)
Add unspent bond proceeds	1,450,763	-
Less deferred amount on refunding	-	(635,586)
Net investment in capital assets	\$ 48,360,389	\$ 31,825,781

## **REQUIRED SUPPLEMENTARY INFORMATION**



# CITY OF PERRY, GEORGIA

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

	2018	2017	2016	2015
<b>Total pension liability</b>				
Interest on total pension liability	\$ 829,027	\$ 832,499	\$ 820,697	\$ 829,065
Differences between expected and actual experience	(65,738)	(253,951)	(59,743)	(169,961)
Changes of assumptions	-	-	-	(193,507)
Benefit payments, including refunds of employee contributions	(621,851)	(624,837)	(592,489)	(554,664)
Other	(132,420)	-	-	-
<b>Net change in total pension liability</b>	<b>9,018</b>	<b>(46,289)</b>	<b>168,465</b>	<b>(89,067)</b>
<b>Total pension liability - beginning</b>	<b>11,008,054</b>	<b>11,054,343</b>	<b>10,885,878</b>	<b>10,974,945</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 11,017,072</b>	<b>\$ 11,008,054</b>	<b>\$ 11,054,343</b>	<b>\$ 10,885,878</b>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 39,896	\$ 40,590	\$ 100,850	\$ 134,631
Net investment income	1,661,181	1,173,604	145,516	1,176,223
Benefit payments, including refunds of employee contributions	(621,851)	(624,837)	(592,489)	(554,664)
Administrative expenses	(41,761)	(25,879)	(30,265)	(24,707)
<b>Net change in plan fiduciary net position</b>	<b>1,037,465</b>	<b>563,478</b>	<b>(376,388)</b>	<b>731,483</b>
<b>Plan fiduciary net position - beginning</b>	<b>11,330,248</b>	<b>10,766,770</b>	<b>11,143,158</b>	<b>10,411,675</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 12,367,713</b>	<b>\$ 11,330,248</b>	<b>\$ 10,766,770</b>	<b>\$ 11,143,158</b>
<b>City's net pension (asset) liability - ending (a) - (b)</b>	<b>\$ (1,350,641)</b>	<b>\$ (322,194)</b>	<b>\$ 287,573</b>	<b>\$ (257,280)</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>112.3%</b>	<b>102.9%</b>	<b>97.4%</b>	<b>102.4%</b>
<b>Covered-employee payroll</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>City's net pension (asset) liability as a percentage of covered-employee payroll</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

### Notes to the Schedule

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

# CITY OF PERRY, GEORGIA

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CITY CONTRIBUTIONS

	2018	2017	2016	2015
Actuarially determined contribution	\$ 39,896	\$ 40,590	\$ 100,850	117,216
Contributions in relation to the actuarially determined contribution	39,896	40,590	100,850	117,216
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered-employee 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, 2018
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 market 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	7.50%
Projected salary increases	N/A
Cost of living adjustments	2.75%
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.

Changes in assumptions: Effective with this valuation, the investment return assumption was decreased from 7.75% to 7.50% and the inflation assumption was decreased from 3.25% to 2.75%. In addition, the cost-of-living adjustment assumption was decreased from 3.00% to 2.75%.

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

## **SUPPLEMENTARY INFORMATION**



# CITY OF PERRY, GEORGIA

## NONMAJOR GOVERNMENTAL FUNDS

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### 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.

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

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

**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 & Improvement Grant 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, 2018**

<b>Special Revenue Funds</b>					
<b>ASSETS</b>	<b>Confiscated Assets</b>	<b>CHIP</b>	<b>CDBG</b>	<b>Hotel/Motel Tax</b>	<b>Total</b>
Cash and cash equivalents	\$ 110,381	\$ 1,150	\$ 700	\$ 286,501	\$ 398,732
Taxes receivable	-	-	-	70,460	70,460
Prepaid expenditures	-	-	-	1,033	1,033
Due from other funds	1	-	-	-	1
<b>Total assets</b>	<b>\$ 110,382</b>	<b>\$ 1,150</b>	<b>\$ 700</b>	<b>\$ 357,994</b>	<b>\$ 470,226</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	-	-	-	43,818	43,818
Accrued liabilities	-	-	-	503	503
Due to other funds	-	60	200	126,845	127,105
<b>Total liabilities</b>	<b>-</b>	<b>60</b>	<b>200</b>	<b>171,166</b>	<b>171,426</b>
<b>FUND BALANCES (DEFICIT)</b>					
Nonspendable:					
Prepaid expenditures	-	-	-	1,033	1,033
Restricted for:					
Public safety - police services	110,382	-	-	-	110,382
Culture and beautification	-	1,090	-	185,795	186,885
Capital outlay	-	-	500	-	500
Assigned:					
Capital outlay	-	-	-	-	-
Unassigned:					
Total fund balances (deficits)	110,382	1,090	500	186,828	298,800
<b>Total liabilities and fund balances</b>	<b>\$ 110,382</b>	<b>\$ 1,150</b>	<b>\$ 700</b>	<b>\$ 357,994</b>	<b>\$ 470,226</b>

<b>Capital Projects Funds</b>				<b>Total Nonmajor Governmental Funds</b>
<b>Capital Projects</b>	<b>PPFA Capital Projects</b>	<b>LMIG Program</b>	<b>Total</b>	
\$ 70,551	\$ -	\$ -	\$ 70,551	\$ 469,283
-	-	-	-	70,460
-	-	-	-	1,033
-	167,871	16,628	184,499	184,500
<u>\$ 70,551</u>	<u>\$ 167,871</u>	<u>\$ 16,628</u>	<u>\$ 255,050</u>	<u>\$ 725,276</u>
\$ -	\$ 167,871	\$ -	\$ 167,871	\$ 211,689
-	-	-	-	503
70,551	-	22,843	93,394	220,499
<u>70,551</u>	<u>167,871</u>	<u>22,843</u>	<u>261,265</u>	<u>432,691</u>
-	-	-	-	1,033
-	-	-	-	110,382
-	-	-	-	186,885
-	-	-	-	500
-	-	-	-	-
-	-	(6,215)	(6,215)	(6,215)
-	-	(6,215)	(6,215)	292,585
<u>\$ 70,551</u>	<u>\$ 167,871</u>	<u>\$ 16,628</u>	<u>\$ 255,050</u>	<u>\$ 725,276</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, 2018**

	<b>Special Revenue Funds</b>				
	<b>Confiscated Assets</b>	<b>CHIP</b>	<b>CDBG</b>	<b>Hotel/Motel Tax</b>	<b>Total</b>
<b>Revenues:</b>					
Hotel/motel taxes	\$ -	-	\$ -	\$ 929,288	\$ 929,288
Fines and forfeitures	22,819	-	-	-	22,819
Intergovernmental	-	-	-	-	-
Interest revenue	104	-	-	197	301
Other revenues	-	98,149	389,361	-	487,510
Total revenues	<u>22,923</u>	<u>98,149</u>	<u>389,361</u>	<u>929,485</u>	<u>1,439,918</u>
<b>Expenditures:</b>					
General government	-	97,019	388,861	504,089	989,969
Public safety	20,408	-	-	-	20,408
Capital outlay	-	-	-	-	-
Total expenditures	<u>20,408</u>	<u>97,019</u>	<u>388,861</u>	<u>504,089</u>	<u>1,010,377</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,515</u>	<u>1,130</u>	<u>500</u>	<u>425,396</u>	<u>429,541</u>
<b>Other financing sources (uses)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(395,091)	(395,091)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(395,091)</u>	<u>(395,091)</u>
Net change in fund balances	2,515	1,130	500	30,305	34,450
<b>Fund balances (deficits), beginning of year</b>	<u>107,867</u>	<u>(40)</u>	<u>-</u>	<u>156,523</u>	<u>264,350</u>
<b>Fund balances (deficits), end of year</b>	<u>\$ 110,382</u>	<u>\$ 1,090</u>	<u>\$ 500</u>	<u>\$ 186,828</u>	<u>\$ 298,800</u>

<b>Capital Project Funds</b>				
<b>Capital Projects</b>	<b>PPFA Capital Projects</b>	<b>LMIG Program</b>	<b>Total</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ -	\$ -	-	\$ 929,288
-	-	-	-	22,819
-	-	228,981	228,981	228,981
66	-	103	169	470
8,032	-	-	8,032	495,542
<u>8,098</u>	<u>-</u>	<u>229,084</u>	<u>237,182</u>	<u>1,677,100</u>
-	-	-	-	989,969
-	-	-	-	20,408
897,427	668,988	361,136	1,927,551	1,927,551
<u>897,427</u>	<u>668,988</u>	<u>361,136</u>	<u>1,927,551</u>	<u>2,937,928</u>
<u>(889,329)</u>	<u>(668,988)</u>	<u>(132,052)</u>	<u>(1,690,369)</u>	<u>(1,260,828)</u>
860,940	668,988	-	1,529,928	1,529,928
-	-	-	-	(395,091)
<u>860,940</u>	<u>668,988</u>	<u>-</u>	<u>1,529,928</u>	<u>1,134,837</u>
(28,389)	-	(132,052)	(160,441)	(125,991)
<u>28,389</u>	<u>-</u>	<u>125,837</u>	<u>154,226</u>	<u>418,576</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,215)</u>	<u>\$ (6,215)</u>	<u>\$ 292,585</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, 2018**

	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Fines and forfeitures	\$ 22,700	\$ 22,819	\$ 119
Interest revenue	100	104	4
Total revenues	<u>22,800</u>	<u>22,923</u>	<u>123</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	<u>20,500</u>	<u>20,408</u>	<u>92</u>
Total expenditures	<u>20,500</u>	<u>20,408</u>	<u>92</u>
Net change in fund balance	<u>2,300</u>	<u>2,515</u>	<u>215</u>
<b>FUND BALANCES, beginning of year</b>	<u>107,867</u>	<u>107,867</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 110,167</u>	<u>\$ 110,382</u>	<u>\$ 215</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, 2018**

	<b>Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>			
Taxes	\$ 929,200	\$ 929,288	\$ 88
Interest	100	197	97
Total revenues	<u>929,300</u>	<u>929,485</u>	<u>185</u>
<b>EXPENDITURES</b>			
Current:			
General government	<u>494,900</u>	<u>504,089</u>	<u>(9,189)</u>
Total expenditures	<u>494,900</u>	<u>504,089</u>	<u>(9,189)</u>
Excess of revenues over expenditures	<u>434,400</u>	<u>425,396</u>	<u>(9,004)</u>
<b>Other financing uses</b>			
Transfers out	<u>(395,100)</u>	<u>(395,091)</u>	<u>9</u>
Total other financing uses	<u>(395,100)</u>	<u>(395,091)</u>	<u>9</u>
Net change in fund balance	39,300	30,305	(8,995)
<b>FUND BALANCES, beginning of year</b>	<u>156,523</u>	<u>156,523</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ 195,823</u></u>	<u><u>\$ 186,828</u></u>	<u><u>\$ (8,995)</u></u>

**CITY OF PERRY, GEORGIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
CHIP SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Grants	\$ 98,100	\$ 98,149	\$ 49
Total revenues	<u>98,100</u>	<u>98,149</u>	<u>49</u>
 <b>EXPENDITURES</b>			
Current:			
Housing and Development	97,100	97,019	81
Total expenditures	<u>97,100</u>	<u>97,019</u>	<u>81</u>
 Net change in fund balance	1,000	1,130	130
 <b>FUND BALANCES, beginning of year</b>	<u>(40)</u>	<u>(40)</u>	<u>-</u>
 <b>FUND DEFICIT, end of year</b>	<u>\$ 960</u>	<u>\$ 1,090</u>	<u>\$ 130</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, 2018**

	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Grants	\$ 389,200	\$ 333,291	\$ (55,909)
Total revenues	<u>389,200</u>	<u>333,291</u>	<u>(55,909)</u>
<b>EXPENDITURES</b>			
Current:			
Housing and Development	388,900	332,791	56,109
Total expenditures	<u>388,900</u>	<u>332,791</u>	<u>56,109</u>
Net change in fund balance	300	500	200
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 300</u>	<u>\$ 500</u>	<u>\$ 200</u>

**CITY OF PERRY, GEORGIA**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
POLICE PRE-CONFISCATION ASSETS FUND  
AGENCY FUND  
JUNE 30, 2018**

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	<u>Balance July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2018</u>
<b>ASSETS</b>				
Cash	\$ 4	\$ -	\$ -	\$ 4
<b>LIABILITIES</b>				
Payable from assets				
Confiscated assets pending disposition	\$ 4	\$ -	\$ -	\$ 4

**CITY OF PERRY, GEORGIA**  
**BALANCE SHEET**  
**COMPONENT UNIT**  
**PERRY INDUSTRIAL BUILDING AUTHORITY**  
**JUNE 30, 2018**

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	<u>General Fund</u>
<b><u>ASSETS</u></b>	
Cash and cash equivalents	\$ 241,329
Total assets	<u>\$ 241,329</u>
<b><u>FUND BALANCE</u></b>	
Fund balance:	
Unassigned	<u>\$ 241,329</u>
Total fund balance	<u>\$ 241,329</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, 2018

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	<u>General Fund</u>
<b><u>REVENUES</u></b>	
Interest earnings	\$ 1,319
Total revenues	<u>\$ 1,319</u>
Net change in fund balance	\$ 1,319
<b>FUND BALANCE, beginning of year</b>	<u>240,010</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 241,329</u>

**CITY OF PERRY, GEORGIA**

**SCHEDULE OF EXPENDITURES OF  
2012 SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS**

**FOR THE YEAR ENDED JUNE 30, 2018**

<u>Project Description</u>	<u>Original Estimated Cost</u>	<u>Expenditures</u>		<u>Total</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Road, Street and Bridge and Sidewalk Projects	\$ 3,000,000	\$ 2,578,250	\$ 344,315	\$ 2,922,565
Public Safety Facilities and Equipment	1,800,000	-	-	-
Facilities	-	1,044,717	160,911	1,205,628
Water and Sewer System Improvements and Debt Retirement	4,100,000	2,352,765	894,755	3,247,520
Recreation Facilities and Equipment	900,000	307,064	167,524	474,588
	<u>\$ 9,800,000</u>	<u>\$ 6,282,796</u>	<u>\$ 1,567,505</u>	<u>\$ 7,850,301</u>

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## **STATISTICAL SECTION**



# CITY OF PERRY, GEORGIA

## STATISTICAL SECTION

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This part of the City of Perry's comprehensive annual 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>
<b>Financial Trends</b> .....	<b>73 – 80</b>
<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>	
<b>Revenue Capacity</b> .....	<b>81 – 87</b>
<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>	
<b>Debt Capacity</b> .....	<b>88 – 91</b>
<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>	
<b>Demographic and Economic Information</b> .....	<b>92 – 95</b>
<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>	
<b>Operating Information</b> .....	<b>96 and 97</b>
<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 comprehensive annual financial reports for the relevant year.

# CITY OF PERRY, GEORGIA

## NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 39,638,909	\$ 40,372,191	\$ 41,158,197	\$ 43,486,281	\$ 46,096,524	\$ 45,321,336	\$ 46,900,636	\$ 47,484,247	\$ 48,383,084	\$ 48,360,389
Restricted	617,583	1,250,369	1,782,171	2,018,810	902,235	432,514	888,137	1,013,179	2,599,658	733,063
Unrestricted	2,232,820	1,107,129	1,382,365	2,202,263	2,517,519	3,702,452	3,673,551	4,240,487	2,502,945	3,995,348
<b>Total governmental activities net position</b>	<b>\$ 42,489,312</b>	<b>\$ 42,729,689</b>	<b>\$ 44,322,733</b>	<b>\$ 47,707,354</b>	<b>\$ 49,516,278</b>	<b>\$ 49,456,302</b>	<b>\$ 51,462,324</b>	<b>\$ 52,737,913</b>	<b>\$ 53,485,687</b>	<b>\$ 53,088,800</b>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ 23,957,133	\$ 24,782,664	\$ 26,112,142	\$ 27,206,012	\$ 22,842,720	\$ 25,323,141	\$ 28,678,359	\$ 30,013,524	\$ 31,154,747	\$ 31,825,781
Restricted	1,297,318	1,401,716	1,572,771	1,705,382	5,881,479	5,136,797	2,641,309	2,380,463	2,119,367	1,749,165
Unrestricted	1,136,503	1,508,631	2,497,698	2,750,048	3,704,445	3,684,043	4,201,969	4,979,274	5,912,564	7,348,573
<b>Total business-type activities net position</b>	<b>\$ 26,390,954</b>	<b>\$ 27,693,011</b>	<b>\$ 30,182,611</b>	<b>\$ 31,661,442</b>	<b>\$ 32,428,644</b>	<b>\$ 34,143,981</b>	<b>\$ 35,521,637</b>	<b>\$ 37,373,261</b>	<b>\$ 39,186,678</b>	<b>\$ 40,923,519</b>
<b>Primary government</b>										
Net investment in capital assets	\$ 63,596,042	\$ 65,154,855	\$ 67,270,339	\$ 70,692,293	\$ 68,939,244	\$ 70,644,477	\$ 75,578,995	\$ 77,497,771	\$ 79,537,831	\$ 80,186,170
Restricted	1,914,901	2,652,085	3,354,942	3,724,192	6,783,714	5,569,311	3,529,446	3,393,642	4,719,025	2,482,228
Unrestricted	3,369,323	2,615,760	3,880,063	4,952,311	6,221,964	7,386,495	7,875,520	9,219,761	8,415,509	11,343,921
<b>Total primary government net position</b>	<b>\$ 68,880,266</b>	<b>\$ 70,422,700</b>	<b>\$ 74,505,344</b>	<b>\$ 79,368,796</b>	<b>\$ 81,944,922</b>	<b>\$ 83,600,283</b>	<b>\$ 86,983,961</b>	<b>\$ 90,111,174</b>	<b>\$ 92,672,365</b>	<b>\$ 94,012,319</b>

**Notes:** In fiscal year 2009, capital assets for governmental and business-type activities increased due to the City's acceptance of donated infrastructure from developers.

# CITY OF PERRY, GEORGIA

## CHANGES IN NET POSITION LAST TEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses:</b>										
Governmental activities:										
General government	\$ 5,005,881	\$ 4,909,398	\$ 5,400,595	\$ 5,727,426	\$ 5,268,547	\$ 5,361,965	\$ 4,454,832	\$ 5,710,470	\$ 4,390,500	\$ 6,066,508
Public safety	4,948,762	4,668,275	4,822,567	4,664,379	5,117,980	5,344,131	6,401,412	6,860,961	7,993,308	8,623,099
Public works	3,502,393	3,077,136	2,938,046	3,696,463	4,059,039	3,420,399	3,219,647	2,662,221	3,618,169	3,903,278
Recreation	762,759	1,214,175	754,375	628,819	591,901	673,069	757,513	671,304	558,570	845,498
Housing and Development	-	-	-	98,417	92,998	164,912	133,169	409,351	521,248	565,247
Issuance cost	-	-	-	-	-	-	-	-	109,741	-
Interest on long-term debt	30,390	24,206	26,979	24,824	18,431	25,337	43,804	43,227	55,486	117,339
Total governmental activities expenses	14,250,185	13,893,190	13,942,562	14,840,328	15,148,896	14,989,813	15,010,377	16,357,534	17,247,022	20,120,969
Business-type activities:										
Water and sewerage system	4,711,813	4,435,805	4,726,726	5,318,365	5,776,214	5,185,739	5,641,228	5,936,054	6,606,650	6,902,802
Storm Water Utility	-	-	-	-	29,818	110,590	177,743	216,692	449,532	565,824
Gas system	4,045,331	3,288,164	3,018,220	2,553,870	2,993,365	3,368,442	3,386,102	3,004,228	3,634,164	4,078,978
Solid Waste	1,113,804	1,032,283	1,095,164	1,053,980	1,151,240	1,096,567	1,131,538	1,305,430	1,307,216	1,565,354
Revolving Loan Fund	-	-	1,505	764	2,631	3,117	676	3,177	1,354	1,227
Total business-type activities expense	9,870,948	8,756,252	8,841,615	8,926,979	9,953,268	9,764,455	10,337,287	10,465,581	11,998,916	13,114,185
Total primary government expenses	\$ 24,121,133	\$ 22,649,442	\$ 22,784,177	\$ 23,767,307	\$ 25,102,164	\$ 24,754,268	\$ 25,347,664	\$ 26,823,115	\$ 29,245,938	\$ 33,235,154
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services:										
General government	\$ 2,824,202	\$ 2,576,860	\$ 2,977,195	\$ 3,341,070	\$ 3,413,900	\$ 2,622,425	\$ 2,792,988	\$ 2,835,501	\$ 3,320,331	\$ 4,010,959
Public safety	668,410	832,034	745,912	679,303	567,396	608,906	1,681,058	2,107,076	2,191,225	2,331,480
Public works	28,864	36,589	727,413	12,748	-	91,613	39,255	8,126	4,448	-
Recreation	59,982	71,595	84,496	79,323	80,223	274,263	287,624	153,418	145,881	118,344
Housing & Development	-	-	-	-	-	212,096	258,377	314,989	389,411	413,186
Operating grants and contributions	39,611	59,660	353,326	511,899	250,710	27,094	21,917	67,861	265,745	599,635
Capital grants and contributions	12,888,756	2,362,756	1,874,479	4,330,530	3,587,628	1,475,645	1,937,557	2,000,176	1,645,981	1,912,159
Total governmental activities program revenues	16,509,825	5,939,494	6,762,821	8,954,873	7,899,857	5,312,042	7,018,776	7,487,147	7,963,022	9,385,763

# CITY OF PERRY, GEORGIA

## CHANGES IN NET POSITION LAST TEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Business-type activities:</b>										
Charges for services:										
Water and sewerage	\$ 3,840,234	\$ 4,748,904	\$ 5,503,160	\$ 5,381,152	\$ 5,294,439	\$ 5,439,779	\$ 6,105,689	\$ 6,442,304	\$ 7,091,789	\$ 7,163,929
Stormwater Utility	-	-	-	-	80,474	204,290	265,005	268,663	380,181	449,973
Gas	4,198,216	3,865,318	3,553,258	2,777,812	3,538,054	4,065,207	3,942,241	3,760,224	4,396,057	4,971,143
Solid waste	1,108,597	1,150,433	1,114,365	1,128,539	1,200,899	1,214,302	1,199,863	1,254,919	1,322,934	1,599,622
Revolving Loan fund	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	-	-	76,228	37,462	-	-	-	-	-	-
Capital grants and contributions	8,430,059	365,288	1,347,008	1,500,298	1,000,465	1,152,368	755,661	856,682	347,380	-
<b>Total business-type activities program revenues</b>	<b>17,577,106</b>	<b>10,129,943</b>	<b>11,594,019</b>	<b>10,825,263</b>	<b>11,114,331</b>	<b>12,075,946</b>	<b>12,268,459</b>	<b>12,582,792</b>	<b>13,538,341</b>	<b>14,184,667</b>
<b>Total primary government program revenues</b>	<b>\$ 34,086,931</b>	<b>\$ 16,069,437</b>	<b>\$ 18,356,840</b>	<b>\$ 19,780,136</b>	<b>\$ 19,014,188</b>	<b>\$ 17,387,988</b>	<b>\$ 19,287,235</b>	<b>\$ 20,069,939</b>	<b>\$ 21,501,363</b>	<b>\$ 23,570,430</b>
<b>Net (Expenses)/Revenue</b>										
Governmental activities	\$ 2,259,640	\$ (7,953,696)	\$ (7,179,741)	\$ (5,885,455)	\$ (7,249,039)	\$ (9,677,771)	\$ (7,991,601)	\$ (8,870,387)	\$ (9,284,000)	\$ (10,735,206)
Business-type activities	7,706,158	1,373,691	2,752,404	1,898,284	1,161,063	2,311,491	1,931,172	2,117,211	1,539,425	1,070,482
<b>Total primary government net (expense)/revenue</b>	<b>\$ 9,965,798</b>	<b>\$ (6,580,005)</b>	<b>\$ (4,427,337)</b>	<b>\$ (3,987,171)</b>	<b>\$ (6,087,976)</b>	<b>\$ (7,366,280)</b>	<b>\$ (6,060,429)</b>	<b>\$ (6,753,176)</b>	<b>\$ (7,744,575)</b>	<b>\$ (9,664,724)</b>
<b>General Revenue and Other Changes in Net Assets</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 5,388,329	\$ 5,553,366	\$ 5,858,558	\$ 6,003,452	\$ 6,022,167	\$ 6,261,530	\$ 6,354,007	\$ 6,616,806	\$ 6,767,309	\$ 7,198,490
Sales taxes	-	-	-	-	-	-	-	-	-	-
Occupational taxes	136,652	130,721	159,777	172,437	186,884	179,117	190,072	183,722	188,133	197,256
Franchise taxes	940,461	898,714	963,109	1,016,175	974,874	1,035,669	1,141,340	1,130,978	1,181,007	1,334,400
Insurance premium taxes	537,407	532,365	516,893	649,107	689,460	713,871	745,918	796,833	860,753	916,829
Hotel/motel taxes	661,485	676,347	720,652	711,283	723,017	777,462	943,752	831,837	879,193	929,288
Alcoholic beverage taxes	266,795	255,007	245,627	257,945	261,496	259,529	262,646	270,422	275,936	285,484
Grants and contributions not restricted	-	-	-	-	-	-	-	-	-	-
Interest revenue	30,823	9,426	6,269	6,067	5,148	5,881	6,840	11,445	23,159	55,376
Miscellaneous	-	-	-	-	-	-	-	-	75,408	15,592
Transfers	172,434	138,127	301,900	453,611	194,917	258,501	609,607	303,933	(219,124)	(594,396)
<b>Total governmental activities</b>	<b>8,134,386</b>	<b>8,194,073</b>	<b>8,772,785</b>	<b>9,270,077</b>	<b>9,057,963</b>	<b>9,491,560</b>	<b>10,254,182</b>	<b>10,145,976</b>	<b>10,031,774</b>	<b>10,338,319</b>

**CITY OF PERRY, GEORGIA**

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

(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Business-type activities:										
Interest revenue	\$ 162,445	\$ 66,493	\$ 39,096	\$ 34,158	\$ 16,213	\$ 30,297	\$ 38,901	\$ 38,346	\$ 54,868	\$ 71,963
Transfers	(172,434)	(138,127)	(301,900)	(453,611)	(194,917)	(258,501)	(609,607)	(303,933)	219,124	594,396
Total business-type activities	(9,989)	(71,634)	(262,804)	(419,453)	(178,704)	(228,204)	(570,706)	(265,587)	273,992	666,359
Total primary government	\$ 8,124,397	\$ 8,122,439	\$ 8,509,981	\$ 8,850,624	\$ 8,879,259	\$ 9,263,356	\$ 9,683,476	\$ 9,880,389	\$ 10,305,766	\$ 11,004,678
<b>Change in Net Assets</b>										
Governmental activities	\$ 10,394,026	\$ 240,377	\$ 1,593,044	\$ 3,384,622	\$ 1,808,924	\$ (186,211)	\$ 2,262,581	\$ 1,275,589	\$ 747,774	\$ (396,887)
Business-type activities	7,696,169	1,302,057	2,489,600	1,478,831	982,359	2,083,287	1,360,466	1,851,624	1,813,417	1,736,841
Total primary government	\$ 18,090,195	\$ 1,542,434	\$ 4,082,644	\$ 4,863,453	\$ 2,791,283	\$ 1,897,076	\$ 3,623,047	\$ 3,127,213	\$ 2,561,191	\$ 1,339,954

**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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Governmental activities:</b>										
General government	\$ 2,888,938	\$ 2,576,860	\$ 3,330,499	\$ 4,009,325	\$ 4,066,703	\$ 4,098,070	\$ 4,184,892	\$ 4,247,632	\$ 4,716,169	\$ 5,584,433
Public safety	955,828	1,165,993	1,018,400	901,757	1,287,121	617,770	1,688,257	2,112,830	2,203,030	2,498,116
Public works	12,458,044	2,003,189	2,212,991	3,822,039	2,403,338	91,613	582,812	609,545	245,697	236,280
Recreation	207,015	193,452	200,931	221,752	142,695	292,493	304,438	202,151	204,383	222,308
Housing & Development	-	-	-	-	-	212,096	258,377	314,989	593,743	844,626
<b>Subtotal governmental activities</b>	<b>16,509,825</b>	<b>5,939,494</b>	<b>6,762,821</b>	<b>8,954,873</b>	<b>7,899,857</b>	<b>5,312,042</b>	<b>7,018,776</b>	<b>7,487,147</b>	<b>7,963,022</b>	<b>9,385,763</b>
<b>Business-type activities:</b>										
Water and Sewerage system	12,270,293	5,114,192	6,850,168	6,881,450	6,256,924	6,534,147	6,859,120	7,264,878	7,439,169	7,163,929
Stormwater Utility	-	-	-	-	117,974	204,290	265,005	302,771	380,181	449,973
Gas system	4,198,216	3,865,318	3,565,558	2,780,202	3,538,534	4,123,207	3,944,471	3,760,224	4,396,057	4,971,143
Solid Waste	1,108,597	1,150,433	1,114,365	1,128,539	1,200,899	1,214,302	1,199,863	1,254,919	1,322,934	1,599,622
Revolving Loan Fund	-	-	63,928	35,072	-	-	-	-	-	-
<b>Subtotal business-type activities</b>	<b>17,577,106</b>	<b>10,129,943</b>	<b>11,594,019</b>	<b>10,825,263</b>	<b>11,114,331</b>	<b>12,075,946</b>	<b>12,268,459</b>	<b>12,582,792</b>	<b>13,538,341</b>	<b>14,184,667</b>
<b>Total primary government</b>	<b>\$ 34,086,931</b>	<b>\$ 16,069,437</b>	<b>\$ 18,356,840</b>	<b>\$ 19,780,136</b>	<b>\$ 19,014,188</b>	<b>\$ 17,387,988</b>	<b>\$ 19,287,235</b>	<b>\$ 20,069,939</b>	<b>\$ 21,501,363</b>	<b>\$ 23,570,430</b>

**Notes:** In fiscal year 2009, public works and water and sewerage system includes contributions from developers accepted by the City.  
 In fiscal year 2010, development in the City of Perry slowed down dramatically.  
 In fiscal year 2011, the City received a grant from GEFA for a revolving loan fund.  
 In fiscal year 2012, the City created a housing and development department for economic development.  
 In fiscal year 2013, the City created a Stormwater Utility Fund.  
 In fiscal year 2015, the City created the Fire Protection Fund.

# CITY OF PERRY, GEORGIA

## FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ 32,629	\$ 21,165	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	2,257,538	1,787,001	-	-	-	-	-	-	-	-
Nonspendable	-	-	27,462	22,224	22,324	5,626	5,134	4,642	4,150	3,659
Restricted	-	-	49,986	135,262	127,082	-	-	-	-	-
Assigned	-	-	367,338	429,994	1,013,702	1,559,087	938,672	798,477	496,335	422,170
Unassigned	-	-	1,788,898	2,330,679	2,005,129	2,499,916	2,954,387	3,561,400	4,120,667	3,333,468
<b>Total General Fund</b>	<b>\$ 2,290,167</b>	<b>\$ 1,808,166</b>	<b>\$ 2,233,684</b>	<b>\$ 2,918,159</b>	<b>\$ 3,168,237</b>	<b>\$ 4,064,629</b>	<b>\$ 3,898,193</b>	<b>\$ 4,364,519</b>	<b>\$ 4,621,152</b>	<b>\$ 3,759,297</b>
All Other Governmental Funds										
Reserved	\$ 584,954	\$ 1,229,204	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved:										
Special Revenue Funds	41,342	(13,504)	-	-	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Debt Service Fund	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	21,317	22,674	18,336
Restricted	-	-	1,732,185	1,883,548	775,153	433,789	888,137	1,013,179	2,599,658	2,183,826
Assigned	-	-	40,703	93,633	122,867	203,309	150,703	171,026	28,389	-
Unassigned	-	-	-	-	-	-	(43,480)	(1,514)	254,199	(6,215)
<b>Total All Other Governmental Funds</b>	<b>\$ 626,296</b>	<b>\$ 1,215,700</b>	<b>\$ 1,772,888</b>	<b>\$ 1,977,181</b>	<b>\$ 898,020</b>	<b>\$ 637,098</b>	<b>\$ 995,360</b>	<b>\$ 1,204,008</b>	<b>\$ 2,904,920</b>	<b>\$ 2,195,947</b>

**Notes:** In 2007, the General Fund unreserved fund balance increase was due to additional property tax revenues received due to reassessments.  
 In 2007, the Special Revenue fund balance increase was due to increased fines and forfeitures received from major case being solved.  
 Deficit in Capital Projects fund balance resulted from expenditures incurred prior to receipt of 2006 SPLOST funds.  
 In 2009, the debt service fund was closed.  
 The City implemented GASB 54 during 2011, prior years have not been restated.

# CITY OF PERRY, GEORGIA

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Revenues</b>										
Property taxes	\$ 5,292,733	\$ 5,633,582	\$ 5,941,516	\$ 5,958,216	\$ 6,059,085	\$ 6,246,778	\$ 6,387,352	\$ 6,614,288	\$ 6,763,330	\$ 7,213,971
Sales taxes	-	-	-	-	-	-	-	-	-	-
Other taxes	2,542,800	2,493,154	2,606,058	2,806,947	2,835,731	2,965,648	3,283,728	3,213,792	3,385,022	3,663,257
Licenses and permits	208,075	232,539	182,226	248,058	246,401	256,696	333,856	384,886	436,719	505,904
Impact fees	-	59,534	46,200	64,273	34,348	-	-	-	-	-
Charges for services	1,637,319	1,413,291	1,588,335	1,497,634	1,980,238	1,876,053	1,900,896	1,803,274	1,792,411	2,295,618
Administrative	629,966	407,827	476,623	493,474	531,459	722,681	804,700	877,878	956,976	922,600
Intergovernmental	1,713,841	1,399,561	2,072,920	2,262,764	3,293,411	1,484,509	1,942,175	2,001,930	1,651,939	1,918,171
Contributions from private sources	98,183	48,022	49,757	33,321	23,755	18,230	16,914	65,809	55,307	105,964
Fines and forfeitures	515,697	655,688	582,025	486,462	399,543	546,846	684,626	575,291	450,666	514,540
Fire protection fees	-	-	-	-	-	-	923,271	1,521,243	1,723,349	1,798,761
Investment earnings	30,823	9,426	7,127	7,888	6,583	5,881	7,225	11,743	23,307	55,525
Other revenues	590,401	536,518	946,235	1,315,754	869,530	407,027	411,953	256,538	895,507	1,339,648
<b>Total revenues</b>	<b>13,259,838</b>	<b>12,889,142</b>	<b>14,499,022</b>	<b>15,174,791</b>	<b>16,280,084</b>	<b>14,530,349</b>	<b>16,696,696</b>	<b>17,326,672</b>	<b>18,134,533</b>	<b>20,333,959</b>
<b>Expenditures</b>										
General government	4,881,075	4,850,229	4,113,182	4,703,862	5,325,293	4,789,974	5,036,319	4,340,561	5,407,291	6,927,031
Public Safety	4,746,345	4,401,840	4,758,653	4,598,028	4,842,018	5,271,581	7,394,161	6,850,865	7,335,149	9,294,930
Public Works	2,424,146	1,930,565	2,567,801	3,042,621	2,750,883	2,210,614	2,091,860	2,626,590	2,328,139	1,974,674
Recreation	667,007	1,117,245	672,863	626,369	457,770	556,432	628,057	789,014	883,515	781,032
Housing & Development	-	-	-	-	-	126,356	92,401	372,986	484,316	541,671
Debt service										
Principal	449,827	343,427	379,709	326,848	436,281	535,743	528,189	455,333	706,123	833,221
Interest	30,390	21,382	20,357	25,678	25,461	22,923	43,675	41,616	42,064	117,654
Capital outlay	1,011,443	784,545	1,710,093	1,871,249	4,123,862	1,960,218	1,765,356	2,045,997	2,380,051	3,494,122
Miscellaneous	-	-	-	-	-	-	-	-	109,741	-
<b>Total expenditures</b>	<b>14,210,233</b>	<b>13,449,233</b>	<b>14,222,658</b>	<b>15,194,655</b>	<b>17,961,568</b>	<b>15,473,841</b>	<b>17,580,018</b>	<b>17,522,962</b>	<b>19,676,389</b>	<b>23,964,335</b>
Excess (deficiency) of revenues over expenditures	(950,395)	(560,091)	276,364	(19,864)	(1,681,484)	(943,492)	(883,322)	(196,290)	(1,541,856)	(3,630,376)

## CITY OF PERRY, GEORGIA

### CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Other Financing Sources (Uses)</b>										
Transfers from other funds	\$ 441,767	\$ 430,262	\$ 317,264	\$ 501,294	\$ 325,380	\$ 290,901	\$ 1,362,669	\$ 401,991	\$ 1,014,934	\$ 2,588,982
Transfers to other funds	(269,333)	(292,135)	(15,364)	(47,683)	(130,463)	(32,400)	(753,062)	(98,058)	(674,525)	(2,149,437)
Sale of capital assets	16,475	10,260	15,168	26,390	26,823	11,444	17,464	16,762	14,052	74,919
Capital leases	216,195	19,107	389,275	428,631	630,661	1,182,782	448,077	550,569	751,058	1,545,084
Issuance of debt	-	500,000	-	-	-	-	-	-	2,318,472	-
Miscellaneous	-	-	-	-	-	-	-	-	75,408	-
<b>Total other financing sources (uses)</b>	<b>405,104</b>	<b>667,494</b>	<b>706,343</b>	<b>908,632</b>	<b>852,401</b>	<b>1,452,727</b>	<b>1,075,148</b>	<b>871,264</b>	<b>3,499,399</b>	<b>2,059,548</b>
<b>Net change in fund balances</b>	<b>\$ (545,291)</b>	<b>\$ 107,403</b>	<b>\$ 982,707</b>	<b>\$ 888,768</b>	<b>\$ (829,083)</b>	<b>\$ 509,235</b>	<b>\$ 191,826</b>	<b>\$ 674,974</b>	<b>\$ 1,957,543</b>	<b>\$ (1,570,828)</b>
Debt service as a percentage of noncapital expenditures	3.64%	2.88%	3.20%	2.65%	3.34%	4.13%	3.62%	3.21%	4.33%	5.03%

# 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	
2009	5,292,733	940,461	537,406	136,652	266,795	661,485	7,835,532
2010	5,633,582	898,714	532,365	130,721	255,007	676,347	8,126,736
2011	5,941,516	963,109	516,863	159,777	245,627	720,652	8,547,544
2012	5,958,216	1,016,175	649,107	172,437	257,945	711,283	8,765,163
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
Change 2009-2018	36.3%	41.9%	70.6%	44.3%	7.0%	40.5%	38.8%

**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
2009	338,403,541	80,328,285	12,700,789	406,031,037	13.01	1,046,829,565	38.787%
2010	352,257,662	77,828,489	17,061,821	413,024,330	13.01	1,075,215,378	38.413%
2011	350,456,427	76,679,917	18,216,629	408,919,715	13.81	1,067,840,860	38.294%
2012	345,088,679	87,961,380	22,187,782	410,862,277	14.13	1,082,625,148	37.951%
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%

**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			
	Basic Rate	General Obligation Debt Service	Total Direct Rate	State of Georgia	Houston County	School System	Total
2009	13.01	0.00	13.01	0.25	9.45	12.47	35.18
2010	13.01	0.00	13.01	0.25	10.45	13.34	37.05
2011	13.81	0.00	13.81	0.25	9.95	13.34	37.35
2012	14.13	0.00	14.13	0.25	9.95	13.34	37.94
2013	14.13	0.00	14.13	0.20	9.95	13.34	37.62
2014	14.08	0.00	14.08	0.15	9.95	13.34	37.52
2015	14.05	0.00	14.05	0.10	11.13	13.34	38.62
2016	14.05	0.00	14.05	0.05	11.13	13.34	38.57
2017	14.05	0.00	14.05	0.00	11.13	13.34	38.52
2018	14.05	0.00	14.05	0.00	11.11	13.32	38.48

**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	2009			2018		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation
Graphic Packaging, Inc	\$ 16,403,199	1	4.04%	\$ 19,442,353	1	4.299%
Houston Lake Apartments, LLC	7,864,560	2	1.94%			
American Real Estate Investments	6,017,080	3	1.48%			
Woodlamd Property Partners	5,051,440	4	1.24%			
Tolleson Lumber Company	5,010,239	5	1.23%			
Windstream Georgia Communications	4,304,660	6	1.06%			
Advanced Drainage Systems Inc	4,068,068	7	1.00%	3,990,126	5	0.882%
Galileo Apollo IV Sub LLC	3,014,491	8	0.74%			
Paradise Shopps of Perry LP	2,968,360	9	0.73%			
HT Perry WM. LLC	2,910,440	10	0.72%			
MFG Houston Lake Owner LLC	-		0.00%	7,054,560	3	1.560%
Guardian Centers of Georgia	-		0.00%	9,342,334	2	2.066%
Georgia Power Company	-		0.00%	5,155,718	4	1.140%
Strawser Construction Company	-		0.00%	3,250,720	7	0.719%
Valley Drive Development LLC	-		0.00%	3,547,160	6	0.784%
Interfor US Inc.	-		0.00%	3,166,401	8	0.700%
Cole M. Perry GA LLC				2,979,880	9	0.659%
01233 Perry LLC	-		0.00%	2,833,448	10	0.626%
<b>Total</b>	<b>\$ 57,612,537</b>		<b>14.18%</b>	<b>\$ 60,762,700</b>		<b>13.43%</b>

**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**

Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	\$ 5,282,265	\$ 5,054,162	95.68%	\$ 124,985	\$ 5,179,147	98.05%
2010	\$ 5,458,340	\$ 5,244,733	96.09%	\$ 178,526	\$ 5,423,259	99.36%
2011	\$ 5,673,974	\$ 5,645,733	99.50%	\$ 28,241	\$ 5,673,974	100.00%
2012	\$ 5,886,680	\$ 5,736,280	97.45%	\$ 11,427	\$ 5,747,707	97.64%
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%

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

## CITY OF PERRY, GEORGIA

### TAXABLE SALES BY CATEGORY LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Food/Bar	\$ 4,727,703	\$ 3,965,041	\$ 3,683,588	\$ 3,845,547	\$ 4,001,399	\$ 4,177,376	\$ 4,637,901	\$ 4,941,841	\$ 5,062,192	\$ 5,001,529
Apparel	495,419	235,240	-	-	-	-	-	-	-	-
General Merchandise	3,825,492	3,972,158	3,682,705	3,672,160	3,674,175	3,659,551	3,749,988	3,814,977	3,767,279	3,898,148
Accommodations	-	211,664	268,864	282,642	262,637	238,501	279,316	297,867	313,962	340,868
Automotive	3,755,849	2,803,430	2,640,637	2,839,526	2,385,052	500,137	501,373	529,188	531,451	618,493
Home	988,571	402,067	-	-	-	-	-	-	-	-
Home Furnishings	-	1,218,091	1,734,592	1,641,700	1,556,730	1,711,997	1,708,876	1,798,748	1,922,418	2,078,173
Lumber	1,605,587	537,436	-	-	-	-	-	-	-	-
Construction	-	61,701	92,418	47,097	97,736	108,684	148,069	129,106	128,686	121,998
Miscellaneous Service	947,422	1,708,119	1,320,676	1,327,266	1,367,688	1,453,489	1,505,708	1,501,110	1,524,966	1,539,413
Manufacturers	714,017	931,572	1,098,305	1,220,506	968,689	969,150	1,170,967	1,125,410	1,098,741	1,108,738
Utilities	2,636,011	2,380,863	1,945,292	1,867,826	1,848,610	1,894,010	2,079,355	1,885,208	1,832,618	2,199,104
Wholesale	-	878,678	1,618,654	1,967,526	2,083,892	2,188,118	2,316,101	2,228,598	2,014,592	2,298,952
Miscellaneous Other-Retail	1,449,586	1,793,066	3,337,212	3,603,710	3,900,181	3,942,872	3,825,100	4,034,164	4,056,649	4,752,635
<b>Total</b>	<b>\$21,145,657</b>	<b>\$21,099,126</b>	<b>\$21,422,943</b>	<b>\$22,315,505</b>	<b>\$22,146,787</b>	<b>\$ 20,843,885</b>	<b>\$21,922,754</b>	<b>\$22,286,217</b>	<b>\$22,253,554</b>	<b>\$23,958,051</b>

**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**

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Fiscal Year	City Direct Rate	Houston County
2009	0.00%	7.00%
2010	0.00%	7.00%
2011	0.00%	7.00%
2012	0.00%	7.00%
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%

**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 <sup>1</sup>	Per Capita <sup>1</sup>
	Revenue Bonds	Certificates of Participation	Capital Leases	Note Payable	Water/Sewer Revenue Bonds	Water/Sewer Georgia Revolving Loan	Capital Leases			
2009	\$ -	\$ -	\$ 774,316	\$ -	\$ 13,360,000	\$ 758,836	\$ 3,162,988	\$ 18,056,140	2.49%	782
2010	\$ -	\$ -	\$ 449,996	\$ 500,000	\$ 15,960,000	\$ 680,849	\$ 2,717,549	\$ 20,308,394	2.43%	826
2011	\$ -	\$ -	\$ 559,562	\$ 400,000	\$ 15,570,000	\$ 599,786	\$ 2,558,923	\$ 19,688,271	2.13%	705
2012	\$ -	\$ -	\$ 761,345	\$ 300,000	\$ 15,160,000	\$ 515,529	\$ 2,232,374	\$ 18,969,248	2.24%	749
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	\$ 493,390	\$ 19,122,580	2.91%	831

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

<sup>1</sup>See 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, 2018**

<u>Category of Debt</u>	<u>Amount of Outstanding Debt</u>	<u>Percentage Applicable to Government</u>
Direct		
Revenue Bonds	\$ 2,229,505	
Capital Leases	2,759,686	
Total Direct Debt	<u>4,989,191</u>	
Overlapping <sup>1</sup>		
Capital Leases	939,587	100%
General Obligation Debt	30,000,000	100%
Total Overlapping Debt	<u>30,939,587</u>	<u>100%</u>
Total Direct and Overlapping Debt	<u>\$ 35,928,778</u>	

<sup>1</sup> Houston County Board of Education

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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net Assessed Value	\$406,031,037	\$419,549,528	\$410,842,338	\$416,633,952	\$422,152,830	\$415,489,773	\$440,832,739	\$456,276,082	\$463,384,449	\$453,090,995
Debt Limit-10% of Assessed Value	40,603,104	41,954,953	41,084,234	41,663,395	42,215,283	41,548,977	44,083,274	45,627,608	46,338,445	45,309,100
Debt Applicable to Debt Limit:										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 40,603,104</u>	<u>\$ 41,954,953</u>	<u>\$ 41,084,234</u>	<u>\$ 41,663,395</u>	<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>
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**

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**Water and Sewerage System Revenue Bonds**

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<u>Year</u>	<u>Gross Revenue</u>	<u>Less: Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Debt Service</u>		<u>Total</u>	<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>		
2009	\$ 3,840,234	\$ 3,308,201	\$ 532,033	\$ 335,000	\$ 701,115	\$ 1,036,115	0.51
2010	\$ 4,748,904	\$ 3,267,378	\$ 1,481,526	\$ 400,000	\$ 687,327	\$ 1,087,327	1.36
2011	\$ 5,503,160	\$ 3,268,544	\$ 2,234,616	\$ 390,000	\$ 671,780	\$ 1,061,780	2.10
2012	\$ 5,381,152	\$ 3,383,602	\$ 1,997,550	\$ 410,000	\$ 655,250	\$ 1,065,250	1.88
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	\$ 7,193,325	\$ 4,947,635	\$ 2,245,690	\$ 575,000	\$ 393,994	\$ 968,994	2.32

**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**

<b>Fiscal Year</b>	<b>Population<sup>1</sup></b>	<b>Personal Income (amounts expressed in thousands)</b>	<b>Per Capita Personal Income<sup>2, 3, 7, 8</sup></b>	<b>Median Age<sup>3, 5</sup></b>	<b>School Enrollment<sup>6</sup></b>	<b>Unemployment Rate<sup>3, 4</sup></b>
2009	14,295	\$ 449,278	\$ 31,429	35.1	26,115	7.7%
2010	14,520	\$ 493,448	\$ 33,984	35.0	26,672	7.6%
2011	13,839	\$ 418,877	\$ 33,114	34.6	27,014	8.0%
2012	14,516	\$ 424,202	\$ 33,505	34.6	27,435	8.0%
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%

<sup>1</sup> Per 2000 Census and the City's estimate

<sup>2</sup> Middle Georgia Regional Commission

<sup>3</sup> Information available at the county level only (Houston County)

<sup>4</sup> Data obtained from Georgia Department of Labor

<sup>5</sup> Estimate per census taken every 10 years

<sup>6</sup> Houston County Board of Education

<sup>7</sup> BEA Regional Economic Analysis

<sup>8</sup> 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

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<b>2009 Employers</b>	<b>2018 Employers</b>
City of Warner Robins Frito Lay, Inc. Houston County Houston County School System Houston Hospitals, Inc. L3 Services, Inc. Perdue Farms, Inc. Robins Air Force Base Southeast Administrative Services 1 Walmart Associates, Inc.	Frito-Lay, Inc. Lighthouse Nursing Agency, Inc. Lowe's Home Centers, Inc. McDonalds Peachstate Hospitality, LLC Perdue Farms Inc. Publix Super Market, Inc. Synergy RI The Kroger Company Walmart

**Source:** Georgia Department of Labor

**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 county level only (Houston County).

## CITY OF PERRY, GEORGIA

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

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
City Manager	3	2.5	2.5	3	3	3	3	3	3	3
Administrative										
Finance	5	5	5	5	5	5	5	5	5	5
Human Resources	1	1	1	1	1	1	1	1	1	1
Information Technology	1	1	1	0	0	0	0	0	0	0
Purchasing/Bldg. Maintenance	4	4	4	4.5	3	4	4	4	4	4.5
Community Development	5	4	4	5	5	5	5	5	6	7
Economic Development	-	-	-	1	1.5	2	2	2	2.5	3.5
Public Safety										
Police										
Officers	38	37	37	35	35	35	35.5	38	42	44
Civilians	5	5	5	6	6.5	6.5	6.5	6.5	7.5	8
Fire Department										
Firefighters	21	21	21	20	20	24	45	45	45	45
Civilians	1	1	1	1	1	1	1	1	1	1
Public Works Department	20	16	16	15	14	14	14	14	17	17
Recreation Department	7	7	7	7	7	7	7	7	8	8

## CITY OF PERRY, GEORGIA

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

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Water Department										
Water Treatment	0	0	0	0	0	0	0	0	0	0
Water Administrative	4	5	5	3.5	4	4	4	4	4	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	8	7	7	7	7	6	7	7	7	9
Gas	5	4	4	0	0	0	0	0	0	0
<b>Total</b>	<b>128</b>	<b>120.5</b>	<b>120.5</b>	<b>114</b>	<b>113</b>	<b>117.5</b>	<b>140</b>	<b>142.5</b>	<b>153</b>	<b>161</b>

**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.  
 November 2008 Line Maintenance contracted out to ESG.  
 November 2011 Gas Operations contracted out of ESG.  
 June 26, 2012 Meter Readers contracted out to ESG.  
 In 2012, the city created an economic development department.

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

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Building permits issued-commercial	52	30	40	29	36	20	31	26	38	33
Building permits issued-residential	129	130	133	147	155	195	237	240	280	371
Police										
Physical arrests	1655	1965	1634	1249	1693	1484	1455	1205	834	692
Parking violations	85	25	24	13	16	19	48	29	15	35
Traffic violations	4090	2507	3194	2035	3751	2868	3710	4462	3390	6795
Fire										
Emergency responses	1546	1498	1430	1134	1778	1750	1890	2011	2025	1935
Fires extinguished	100	82	105	102	90	97	87	86	78	71
Public Works										
Streets resurfaced (miles)	1.03	1.233	0.47	2.4	2.11	2.31	2.31	1.68	1.83	3.59
Water										
Service connections	6000	5896	6408	6497	6883	7001	7571	7881	8329	9044
Water main breaks	12	9	23	16	9	9	10	5	5	2
Average daily consumption (million gallons)	2.39	2.33	2.134	2.02	1.8	1.71	1.77	1.92	2.04	2.13
Wastewater										
Average daily sewage treatment (million gallons)	2	3.04	1.987	1.748	2.1	2.946	2.28	2.3	1.81	1.6
Service Connections	4643	4790	4848	4974	5147	5230	5430	5629	5888	6489
Gas System										
Service Connections	2792	2792	3168	3203	2439	3209	2389	2380	2484	2398
Average daily consumption (MCF)	869	947	929	800	1531	1380	1271	2339	2509	3282

**Source:** Various City departments.

**Note:** The 2010 number of water and wastewater connections has been restated.

# CITY OF PERRY, GEORGIA

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol cars	30	29	27	28	41	39	29	36	28	30
Fire										
Stations	1	1	1	1	2	2	2	2	2	2
Trucks	4	4	4	4	4	4	4	4	4	6
Fire hydrants	917	923	923	923	923	950	950	964	978	989
Recreation										
Community Center	1	1	1	1	1	1	1	1	1	1
Parks	15	15	15	15	17	18	23	23	23	23
Park Acreage	97.14	97.14	97.14	97.14	99.81	100.4	124.53	124.53	124.53	124.53
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Tennis Courts	8	8	8	8	8	4	4	2	2	2
Public Works										
Streets (miles)	205.42	206.7	207.6	207.6	207.8	208.79	208.79	210.38	210.69	166.79
Sidewalks (miles)	34.55	34.55	34.55	34.55	34.55	34.55	34.55	37.73	37.73	38.06
Number of Streets	420	428	438	438	439	444	444	448	449	470
Number of Streets Lights	2220	2246	2277	2298	2301	2328	2344	2370	2374	2382
Water										
Miles of Water Mains	148	148.57	150.59	151.22	151.22	151.22	152.43	161	163	164.1
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	1.75	1.75	1.75
Wastewater										
Miles of Sewers	99.92	100.49	104.38	106	106.5	106.5	107.72	123	125	126
Treatment plants	1	1	1	1	1	1	1	1	1	1
Treatment capacity (million gal)	3.0	3.0	3.0	3.8	3.0	3.0	3.0	3.0	3.0	3.0
Gas System										
Miles of Gas Lines	77.1	77.1	80.4	81.1	81.1	81.4	81.4	84.1	73.3	73.3

**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**

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**Honorable Mayor and Members of City Council  
The City of 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, 2018, 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 31, 2018. 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 and the Perry Downtown Development Authority.

**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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Compliance and Other Matters**

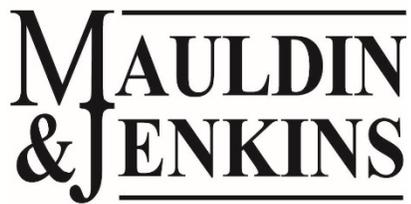
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect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

#### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *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 31, 2018

*Mauldin & Jenkins, LLC*



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

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

### Report on Compliance for Each Major Federal Program

We have audited the City of Perry, Georgia's (the "City") compliance with the types of compliance requirements described 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, 2018. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the City's major federal program. However, our audit does not provide a legal determination of the City's compliance.

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### ***Opinion on Each Major Federal Program***

In our opinion, the City of Perry, Georgia complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2018.

### **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

---

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 31, 2018

**CITY OF PERRY, GEORGIA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Federal Grantor/ Pass-Through Program Title	Federal CFDA Number	Grant ID Number	Federal Expenditures
<b>U.S. Department of Homeland Security</b>			
<b>Passed through State of Georgia Emergency Management Agency</b>			
Disaster Grants - Public Assistance	97.036	FEMA-4338-DR-GA	\$ 119,276
Total U.S. Department of Homeland Security			<u>119,276</u>
<b>Environmental Protection Agency</b>			
<b>Passed through Georgia Environmental Finance Authority</b>			
Capitalization Grants for Drinking Water State Revolving Loan Funds	66.468	DW2017006	<u>549,636</u>
Total Environmental Protection Agency			<u>549,636</u>
<b>U.S. Department of The Treasury</b>			
<b>Direct Awards</b>			
Equitable Sharing	21.016	15-6400-5-5-123	<u>19,427</u>
Total U.S. Department of the Treasury			<u>19,427</u>
<b>U.S. Department of Transportation</b>			
<b>Passed through Georgia Department of Transportation</b>			
Highway Planning and Construction	20.205	CSHPP000700549	<u>7,299</u>
Total U.S. Department of Transportation			<u>7,299</u>
<b>U.S. Department of Justice</b>			
<b>Direct Awards</b>			
Public Safety Partnership and Community Policing Grants	16.710	GRANT12439256	<u>5,933</u>
Total U.S. Department of Justice			<u>5,933</u>
<b>U.S. Department of Housing and Urban Development</b>			
<b>Passed through Georgia Department of Community Affairs</b>			
Georgia Community Development Block Grant Program	14.228	16-h-x-076-2-5875	333,291
Georgia Community Development Block Grant Program	14.228	17h-x-076-2-5952	<u>56,070</u>
			389,361
SFY 2016 Community HOME Investment Program	14.239	2016-112	<u>98,149</u>
Total U.S. Department of Housing and Urban Development			<u>487,510</u>
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 1,189,081</u></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, 2018

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### **NOTE 1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Perry, Georgia 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. NON-CASH ASSISTANCE AND LOANS**

There were no federal awards expended in the form of noncash assistance during the year. There were also no loans or loan guarantees outstanding at year end.

### **NOTE 3. DE MINIMIS INDIRECT COST RATE**

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

### **NOTE 4. SUBRECIPIENTS**

The City did not pass through any funds to subrecipients during the year ended June 30, 2018.

# CITY OF PERRY, GEORGIA

## SCHEDULE OF FINDINGS AND RESPONSES FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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### 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?

Yes  No

Identification of major programs:

CFDA Number

66.468

Name of Federal Program or Cluster

Capitalization Grants for Drinking  
Water State Revolving Loan Funds

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, 2018

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### SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported

# CITY OF PERRY, GEORGIA

## SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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None reported.