

CITY OF PERRY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

PREPARED BY:
Director of Administration

CITY OF PERRY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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INTRODUCTORY SECTION



December 30, 2019

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, 2019. 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, 2019. 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, 2019, 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 28.10 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. 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, Food Truck

Friday, 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 18,654, 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

As the City of Perry continues to grow, so does the economy. With a healthy business mix, advantageous location, vibrant downtown core, quality workforce, and burgeoning market, Perry continues to be a viable and competitive business location. According to current business license data, the City has over 780 businesses that account for the employment of over 11,000 persons. Robins Air Force Base, located in nearby Warner Robins, employs over 23,000 civilians and, with an estimated \$3.15 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.

The City is doing all it can to be as business-friendly as possible. In 2019 the City was able to ensure that there would be no increase in the property tax millage rate of 14.05 in Perry. The City has a number of programs available for business owners. Outlined below are some of the programs.

 **Workforce Assistance Programs**

The city of Perry has a strong relationship with Central Georgia Technical College. Companies seeking skilled labor and additional workforce can post jobs for free on the Employer portal or be connected directly to college staff for specific hiring needs.

Downtown Programs for Businesses include:

 **BOOST Grant Program:** The city of Perry Downtown Development Authority has established the BOOST Downtown Perry Investment Group to provide grant money to small business owners in the downtown development district.

 **Revolving Loan Fund:** The city of Perry DDA offers financial assistance to new and expanding businesses within Perry's downtown development district.

 **Natural Gas Incentive Program:** For attraction of new restaurants in our Historic Downtown, a natural gas incentive provides a 50% reimbursement on gas equipment and installation.

 **Façade Grant Program**

The Main Street Advisory Board offers a façade grant to current and active businesses located within the City of Perry's downtown district.

In 2019, 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) continues to be the City's largest attraction with over 1 million people per year visiting for a variety of events including, most of all, the Georgia National Fair. The GNFA is averaging 16.5 events per month with 83,816 visitors! Food Truck Friday during the summer has made a significant impact on Downtown Perry by attracting people from all over Middle Georgia..

The City of Perry issued 378 new single family residential and commercial structure permits with an estimated valuation of \$78,286,415.

Long-term Financial Planning

The City met or took into consideration the following fiscal challenges in developing the 2020 budget:

- No millage rate increase
- Increase funding for health and dental insurance charges.
- Increase water and sewerage rates for future debt service payments for new water treatment facility and well.
- Increase gas city gate cost.
- No increase in fire protection and stormwater utility fees.
- Upgrade high pressure gas main

Major Initiatives

Led by the Mayor and Council's directions, several tasks were undertaken this fiscal year 2019, which included:

- Phase II of Splashpad at Creekwood Park
- Purchased and install playground equipment at Rozar and Creekwood Parks
- Construction of Heritage Park and Legacy Park.
- Construction to upgrade pump stations.
- Improvements to Barbara Calhoun Park Tennis Courts
- Annexing 202.85 acres.

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**

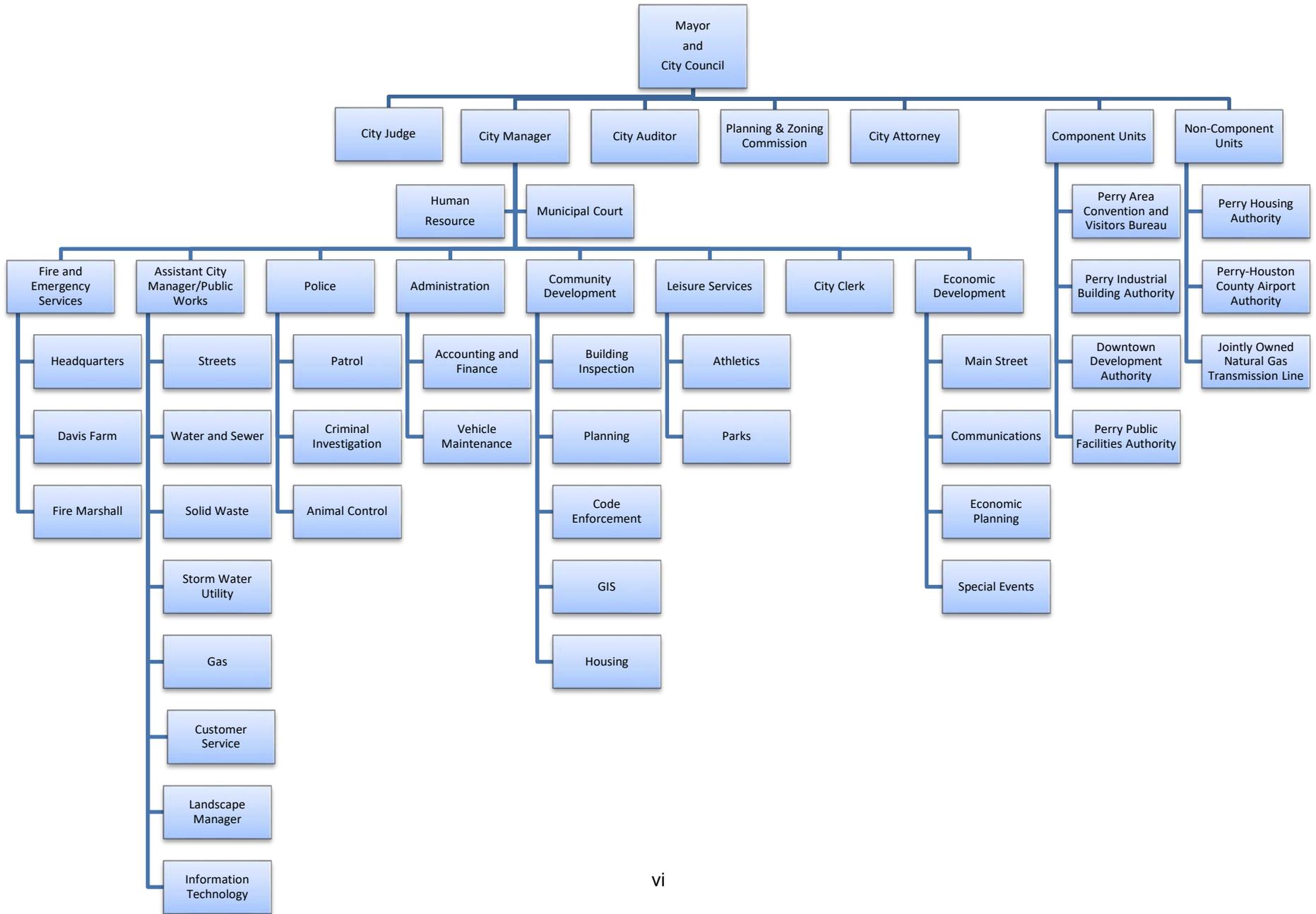
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

ORGANIZATION CHART



City of Perry, Georgia
List of Principal Officials
June 30, 2019

Mayor	VACANT
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	Brooke Newby
Assistant City Manager/Public Works Director	Robert Smith
Director of Administration	Brenda L. King
Director of Community Development	Bryan Wood
Director of Leisure Services	Vacant
Economic Development Director	Ashley Hardin
Fire Chief	Z. Lee Parker
Police Chief	Stephen D. Lynn

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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 as of June 30, 2019, 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 4 through 13) and the Schedule of Changes in the City's Net Pension (Asset) Liability and Related Ratios and the Schedule of City Contributions (on pages 60 and 61) 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'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. 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 Annotated §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.

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 30, 2019, 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's internal control over financial reporting and compliance.



Macon, Georgia
December 30, 2019

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CITY OF PERRY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2019

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, 2019. 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 and deferred outflows or resources of the City exceeded its liabilities and deferred inflows of resources at the close of 2019 by \$94,688,508 (net position). Of this amount \$11,163,718 (unrestricted net position) may be used to meet ongoing obligations to citizens and creditors.
- During the year ended June 30, 2019, the City's net position increased by \$716,839.
- As of June 30, 2019, the City's governmental funds reported combined fund balances of \$12,499,294, an increase of \$6,544,050 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$4,150,986, or 23% of total general fund expenditures.
- During fiscal year 2019, the City's capital assets increased by approximately \$2,899,852.

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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

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

The government-wide financial statements can be found on pages 14 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

The City maintains eleven 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, the SPLOST 2018 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiduciary Funds

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

The basic fiduciary fund financial statement can be found on page 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 59 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 60 and 61 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 62 through 65 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 \$94,688,508 at June 30, 2019.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table provides a summary of the City's net position for fiscal years 2018 and 2019.

City of Perry - Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current and Other Assets	\$ 15,787,911	\$ 8,818,373	\$ 10,076,757	\$ 8,669,464	\$ 25,864,668	\$ 17,487,837
Capital Assets	53,085,039	51,898,817	48,308,386	46,594,756	101,393,425	98,493,573
	68,872,950	60,717,190	58,385,143	55,264,220	127,258,093	115,981,410
Deferred Outflows of Resources						
Pension	21,118	19,940	-	-	21,118	19,940
Pension - Net difference in projected and actual investment earnings	-	-	-	-	-	-
Deferred charge on refunding	-	-	570,933	635,586	570,933	635,586
	21,118	19,940	570,933	635,586	592,051	655,526
Liabilities						
Current and Other Liabilities	2,778,455	2,526,581	2,302,187	1,603,888	5,080,642	4,130,469
Long-Term Liabilities	12,314,000	4,460,085	15,036,548	13,413,049	27,350,548	17,873,134
	15,092,455	6,986,666	17,338,735	15,016,937	32,431,190	22,003,603
Deferred Inflows of Resources						
Pension	730,446	661,664	-	-	730,446	661,664
	730,446	661,664	-	-	730,446	661,664
Net Position						
Net Investment in Capital Assets	47,501,166	48,360,389	33,155,834	31,825,781	80,657,000	80,186,170
Capital Outlay	442,659	217,470	-	-	442,659	217,470
Debt Service	-	-	1,667,799	1,654,399	1,667,799	1,654,399
Restricted	662,835	515,593	94,497	94,766	757,332	610,359
Unrestricted	4,464,507	3,995,348	6,699,211	7,307,923	11,163,718	11,303,271
	\$ 53,071,167	\$ 53,088,800	\$ 41,617,341	\$ 40,882,869	\$ 94,688,508	\$ 93,971,669

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 85.2% or \$80,657,000 of the City's total net position. Net investments in capital assets for governmental activities decreased by \$859,223 in fiscal year 2019. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt are expected to be provided from other sources, since there are no plans to liquidate these assets.

An additional portion of the City's net position (3.0% \$2,867,790) represents resources that are subject to external restrictions on how they may be used. The remaining balance (11.8% or \$11,163,718) of the City's net position is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

During the current fiscal year, the City's combined net position increased by \$716,839. Governmental activities net position decreased by \$17,633 in fiscal year 2019. Whereas, the net position of the business-type activities increased \$734,472.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

City of Perry - Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues						
Charges for services	\$ 7,619,677	\$ 6,873,969	\$ 15,258,827	\$ 14,144,017	\$ 22,878,504	\$ 21,017,986
Operating Grants and Contributions	800,597	599,635	-	-	800,597	599,635
Capital Grants and Contributions	1,844,311	1,912,159	-	-	1,844,311	1,912,159
General Revenues						
Property Taxes	7,601,113	7,198,490	-	-	7,601,113	7,198,490
Hotel/Motel Taxes	966,801	929,288	-	-	966,801	929,288
Franchise Taxes	1,441,279	1,334,000	-	-	1,441,279	1,334,000
Alcoholic Beverage Taxes	297,110	285,484	-	-	297,110	285,484
Insurance Premium Taxes	988,756	916,829	-	-	988,756	916,829
Occupational Taxes	201,852	197,256	-	-	201,852	197,256
Restricted Investment Earnings	-	-	858	1,048	858	1,048
Unrestricted Investment Earnings	86,888	55,376	72,091	70,915	158,979	126,291
Miscellaneous	-	15,592	-	-	-	15,592
	21,848,384	20,318,078	15,331,776	14,215,980	37,180,160	34,534,058
Expenses						
General Government	7,676,919	6,066,508	-	-	7,676,919	6,066,508
Public Safety	8,993,171	6,623,099	-	-	8,993,171	6,623,099
Public Works	2,969,069	3,903,278	-	-	2,969,069	3,903,278
Recreation	1,053,370	845,499	-	-	1,053,370	845,499
Housing and Development	866,191	565,247	-	-	866,191	565,247
Interest on Long-Term Debt	234,782	117,339	-	-	234,782	117,339
Issuance Cost	183,376	-	-	-	183,376	-
Water and Sewerage System	-	-	7,221,673	6,902,802	7,221,673	6,902,802
Stormwater Utility	-	-	724,686	565,824	724,686	565,824
Gas System	-	-	4,581,124	4,078,978	4,581,124	4,078,978
Solid Waste	-	-	1,957,833	1,565,354	1,957,833	1,565,354
Revolving Loan Fund	-	-	1,127	1,227	1,127	1,227
	21,976,878	18,120,970	14,486,443	13,114,185	36,463,321	31,235,155
Increase in Net Position, before transfers	(128,494)	2,197,108	845,333	1,101,795	716,839	3,298,903
Transfers	110,861	(594,396)	(110,861)	594,396	-	-
	110,861	(594,396)	(110,861)	594,396	-	-
Change in Net Position	(17,633)	(396,887)	734,472	1,696,191	716,839	1,299,304
Net Position - Beginning of year, as restated	53,088,800	53,485,687	40,882,869	39,186,678	93,971,669	92,672,365
Net Position - End of year	\$ 53,071,167	\$ 53,088,800	\$ 41,617,341	\$ 40,882,869	\$ 94,688,508	\$ 93,971,669

Governmental Activities

For 2019 governmental activities decreased the City's net position by \$17,633. Although both revenues and expenses increased for the year when compared with 2018, revenues increased as a result of an increase in general government charges for services and operating grants and contributions. However, total expenses out weighted total revenues in the following areas: general government, public safety and recreation. In general government, two additional positions were added and the final stages to install updated software were added to community development for inspections and code enforcement activities. The increase in recreation was due to the completion of Phase I of Splashpad at Creekwood Park and improvements in progress at Heritage and Barbara Calhoun Park. The increase in public safety was due

MANAGEMENT'S DISCUSSION AND ANALYSIS

to construction of Davis Farm Fire Station Annex, which will be used to house fire apparatuses and serve as a training center, and renovation and mold remediation of the public safety building. The housing rehabilitation and construction also increased as the City continued move forward with CHIP and CDBG projects.

Business-Type Activities

The business-type activities followed the same pattern as the previous year and increased the City's net position by \$734,472. In 2019, there was an increase in charges for services, particularly the storm water utility and fire protection funds as the rates were adjusted to operating and capital needs. 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, 2019, the City's governmental funds reported combined fund balances of \$12,499,294, an increase of \$6,544,050 from the prior year. Approximately 33% of the combined fund balances, (\$4,148,112) is classified as unassigned. The remaining amounts are classified as nonspendable (\$18,130), restricted (\$8,040,245) and assigned (\$292,807).

The general fund is the chief operating fund of the City. At June 30, 2019, the unassigned fund balance of the general fund was \$4,150,986, while total fund balance was \$4,444,326. 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 23% of total fund expenditures, while total fund balance represents 25% of the same amount.

During the current fiscal year, the fund balance of the general fund increased by \$685,029. Key factors in this increase are as follows:

- Property tax revenues increased by \$380,192 or 5%. The increase in property tax revenues is a result of an increase in the City's taxable digest.
- Charges for services also increased as a result of increase in business-type activities payment for services provided and increased cost for health and dental claims.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 \$6,699,211. Other factors concerning the finances of these funds have been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The difference between the original budget appropriations, including transfers out, and the final amended budget appropriation reflects an increase in expenditures and transfers out in an amount of \$3,296,000, which is an increase of 21.4%. Mid-year and final amendments were made to reflect the actual receipts of revenue sources such as property tax, gross insurance property tax, franchise tax, license and permits, health and dental insurance cost, Hurricane Michael debris and cleanup, CDBG and CHIP housing rehabilitation projects. Transfers out to the stormwater utility fund were increased by \$113,000 at year end to fund operations. This additional contribution was made possible mostly by a transfer in from the Perry Public Facility Authority of \$500,000. Significant budget amendments reflect increases in appropriations for administrative in the amount of \$1,297,900, debt service in the amount of \$825,500 and municipal court in the amount of \$149,400.

Capital Assets

The City's capital assets for its governmental and business-type activities as of June 30, 2019, total \$101,393,425 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, construction in progress, infrastructure, machinery and equipment, structures, equipment and lines, and furniture and fixtures.

The total increase in the City's investment in capital assets for the current period was \$2,899,852. Detailed information regarding the capital asset activity for 2019 can be found on pages 41 and 42 of this report.

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

- Various governmental capital asset projects, including land purchases, with a total value of \$4,494,521 were completed or acquired during the year. The total value of governmental capital assets of all types still under construction at year end as \$2,557,891. A variety of street and drainage construction projects with a total value of \$111,700 were completed or acquired during the year. Machinery and other rolling stock valued at \$700,953 was placed into service during the year. Buildings and other improvements valued at \$1,123,977 were completed during the year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Various business-type capital asset projects with a total value of \$2,879,794 were completed or acquired during the year. The total value of business-type capital assets of all types still under construction at year end was \$3,974,710.

The following table summarizes the City's governmental and business-type activity capital assets by major category as of the end of 2018 and 2019.

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

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 10,767,186	\$ 10,058,675	\$ 405,972	\$ 396,701	\$ 11,173,158	\$ 10,455,376
Land improvements	292,218	293,505	-	-	292,218	293,505
Buildings and Improvements	5,755,866	5,407,407	-	-	5,755,866	5,407,407
Infrastructure	31,670,671	32,030,235	-	-	31,670,671	32,030,235
Machinery and Equipment	2,906,229	3,208,537	-	-	2,906,229	3,208,537
Furniture & Fixtures	(12,644)	(7,675)	-	-	(12,644)	(7,675)
Structures, Equipment and Lines	-	-	43,927,704	45,297,576	43,927,704	45,297,576
Construction in Progress	1,705,513	908,133	3,974,710	900,479	5,680,223	1,808,612
	\$ 53,085,039	\$ 51,898,817	\$ 48,308,386	\$ 46,594,756	\$ 101,393,425	\$ 98,493,573

Long-Term Debt

At June 30, 2019, the City had total debt outstanding of \$28,481,247 as compared to \$19,122,580 at the end of the prior year. This amount is comprised of \$22,547,157 in revenue bonds, \$2,812,362 in loans payable, and \$3,121,728 in capital lease agreements.

City of Perry - Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenue Bonds	\$ 10,147,027	\$ 2,229,505	\$ 12,400,130	\$ 13,090,363	\$ 22,547,157	\$ 15,319,868
Loans	-	-	2,812,362	549,636	2,812,362	549,636
Capital Leases	2,910,735	2,759,686	210,993	493,390	3,121,728	3,253,076
	\$ 13,057,762	\$ 4,989,191	\$ 15,423,485	\$ 14,133,389	\$ 28,481,247	\$ 19,122,580

Debt issued in 2019 amounted to \$11,098,106 compared to \$2,477,316 in the previous year. The capital leases the City entered into were for machinery and equipment for the public works, water and sewer, recreation, community development and public safety. During 2019, the City issued \$7,710,000 in new revenue bonds through the Perry Public Facilities Authority. In 2018, the city utilized a low interest loan from Georgia Environmental Finance Authority to fund the construction of a new water treatment plant and well. As of June 30, 2019, the City had drawn \$2,812,362 against the total loan commitment of \$11,250,000.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 \$47,731,179.

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 368 residential and 10 commercial and accessory structures.

As of June 30, 2019, the unemployment rate for Houston County was 3.7% compared to the State of Georgia rate of 3.6%. Management has estimated the service population for the City to be 18,654 at June 30, 2019, 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 2019 programs and activities without reductions when preparing the Fiscal Year 2020 Budget. However, the following factors were considered in preparation of the City's budget for 2020:

- No millage rate increase
- Funding for health and dental claims increased by 22.24%
- Position upgrades in Department of Community Development
- Increase water and sewerage and gas system rates by 3.90%
- No rate increase for fire protection, stormwater utility and solid waste collection fees.

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 Department of Administration, P.O. Box 2030, Perry, Georgia 31069.

BASIC FINANCIAL STATEMENTS

CITY OF PERRY, GEORGIA

STATEMENT OF NET POSITION JUNE 30, 2019

ASSETS	Primary Government		
	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	\$ 9,229,207	\$ 3,606,311	\$ 12,835,518
Investments	4,030,163	1,807,907	5,838,070
Taxes receivable	107,203	-	107,203
Accounts receivable, net of allowances	457,332	2,086,470	2,543,802
Mortgage receivable	533	-	533
Other receivable	177,625	-	177,625
Due from other governments	1,098	-	1,098
Internal balances	3,687	(3,687)	-
Inventories	2,634	-	2,634
Prepaid expenses	17,597	35,653	53,250
Net pension asset	1,760,832	-	1,760,832
Restricted assets:			
Cash and cash equivalents	-	1,740,810	1,740,810
Loans receivable	-	34,600	34,600
Investment in Jointly-Owned Natural Gas Transmission Line	-	768,693	768,693
Capital assets:			
Nondepreciable	12,472,700	4,380,682	16,853,382
Depreciable, net of accumulated depreciation	40,612,339	43,927,704	84,540,043
Total assets	68,872,950	58,385,143	127,258,093
DEFERRED OUTFLOWS OF RESOURCES			
Pension contributions subsequent to measurement date	21,118	-	21,118
Deferred amount on refunding	-	570,933	570,933
Total deferred outflows of resources	21,118	570,933	592,051
LIABILITIES			
Accounts payable	1,051,893	1,117,021	2,168,914
Retainage payable	-	230,136	230,136
Accrued liabilities	465,601	172,652	638,253
Capital leases due within one year	851,155	136,970	988,125
Capital leases due in more than one year	2,059,580	374,023	2,433,603
Loans payable due in more than one year	-	2,812,362	2,812,362
Bonds payable due within one year	190,000	627,000	817,000
Bonds payable due in more than one year	9,957,027	11,773,130	21,730,157
Compensated absences due within one year	219,806	14,908	234,714
Compensated absences due in more than one year	297,393	19,969	317,362
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	-	57,064	57,064
Total liabilities	15,092,455	17,338,735	32,431,190
DEFERRED INFLOW OF RESOURCES			
Pension - net difference in projected and actual investment earnings	730,446	-	730,446
NET POSITION			
Net investment in capital assets	47,501,166	33,155,834	80,657,000
Restricted for:			
Capital outlay	442,659	-	442,659
Debt service	-	1,667,799	1,667,799
Capital projects	-	94,497	94,497
Public safety purposes	611,975	-	611,975
Culture and beautification	50,860	-	50,860
Other purposes	-	-	-
Unrestricted	4,464,507	6,699,211	11,163,718
Total net position	\$ 53,071,167	\$ 41,617,341	\$ 94,688,508

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

Component Units		
Perry Area Convention and Visitors Bureau	Perry Downtown Development Authority	Perry Industrial Building Authority
\$ 525,820	\$ 29,132	\$ 242,660
-	-	-
-	-	-
-	-	-
45,048	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
487,693	18,562	-
372,681	-	-
<u>1,431,242</u>	<u>47,694</u>	<u>242,660</u>
-	-	-
-	-	-
-	-	-
9,601	-	-
-	-	-
4,640	-	-
-	-	-
-	-	-
-	-	-
2,173	-	-
2,173	-	-
-	-	-
-	-	-
<u>18,587</u>	<u>-</u>	<u>-</u>
-	-	-
-	-	-
860,374	18,562	-
-	-	-
-	-	-
-	-	-
-	-	-
-	20,700	-
552,281	8,432	242,660
<u>\$ 1,412,655</u>	<u>\$ 47,694</u>	<u>\$ 242,660</u>

CITY OF PERRY, GEORGIA

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Functions/Programs	Expenses	Charges for Services	Program Revenues	
			Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 7,676,919	\$ 4,258,666	\$ 512,115	\$ 1,458,879
Public safety	8,993,171	2,818,072	2,000	159,329
Public works	2,969,069	-	-	226,103
Recreation	1,053,370	134,896	117,186	-
Housing and economic development	866,191	408,043	169,296	-
Interest on long-term debt	234,782	-	-	-
Issuance cost	183,376	-	-	-
Total governmental activities	<u>21,976,878</u>	<u>7,619,677</u>	<u>800,597</u>	<u>1,844,311</u>
Business-type activities:				
Water and sewerage system	7,221,673	7,505,989	-	-
Stormwater utility fund	724,686	644,859	-	-
Gas system	4,581,124	5,148,331	-	-
Solid waste	1,957,833	1,959,648	-	-
Revolving loan fund	1,127	-	-	-
Total business-type activities	<u>14,486,443</u>	<u>15,258,827</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 36,463,321</u>	<u>\$ 22,878,504</u>	<u>\$ 800,597</u>	<u>\$ 1,844,311</u>
Component units:				
Perry Area Convention and Visitors Bureau	\$ 458,389	\$ 5,362	\$ 396,796	\$ -
Perry Downtown Development Authority	13,858	-	13,500	-
Perry Industrial Building Authority	-	-	-	-
Total component units	<u>\$ 472,247</u>	<u>\$ 5,362</u>	<u>\$ 410,296</u>	<u>\$ -</u>

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

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

Net (Expenses) Revenues and Changes in Net Position			Component Units		
Governmental Activities	Business-type Activities	Total	Perry Area Convention and Visitors Bureau	Perry Downtown Development Authority	Perry Industrial Building Authority
\$ (1,447,259)	\$ -	\$ (1,447,259)	\$ -	\$ -	\$ -
(6,013,770)	-	(6,013,770)	-	-	-
(2,742,966)	-	(2,742,966)	-	-	-
(801,288)	-	(801,288)	-	-	-
(288,852)	-	(288,852)	-	-	-
(234,782)	-	(234,782)	-	-	-
(183,376)	-	(183,376)	-	-	-
<u>(11,712,293)</u>	<u>-</u>	<u>(11,712,293)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	284,316	284,316	-	-	-
-	(79,827)	(79,827)	-	-	-
-	567,207	567,207	-	-	-
-	1,815	1,815	-	-	-
-	(1,127)	(1,127)	-	-	-
<u>-</u>	<u>772,384</u>	<u>772,384</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(11,712,293)</u>	<u>772,384</u>	<u>(10,939,909)</u>	<u>-</u>	<u>-</u>	<u>-</u>
			(56,231)	-	-
			-	(358)	-
			-	-	-
			<u>\$ (56,231)</u>	<u>\$ (358)</u>	<u>\$ -</u>
7,601,113	-	7,601,113	-	-	-
1,441,279	-	1,441,279	-	-	-
988,756	-	988,756	-	-	-
201,852	-	201,852	-	-	-
297,110	-	297,110	-	-	-
966,801	-	966,801	-	-	-
-	858	858	-	-	-
86,888	72,091	158,979	97	275	1,331
110,861	(110,861)	-	-	-	-
<u>11,694,660</u>	<u>(37,912)</u>	<u>11,656,748</u>	<u>97</u>	<u>275</u>	<u>1,331</u>
<u>(17,633)</u>	<u>734,472</u>	<u>716,839</u>	<u>(56,134)</u>	<u>(83)</u>	<u>1,331</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>
<u>\$ 53,071,167</u>	<u>\$ 41,617,341</u>	<u>\$ 94,688,508</u>	<u>\$ 1,412,655</u>	<u>\$ 47,694</u>	<u>\$ 242,660</u>

CITY OF PERRY, GEORGIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019**

	Component Unit						Total Governmental Funds
	General Fund	Fire Protection Fund	SPLOST 2012 Fund	SPLOST 2018 Fund	Perry Public Facilities Authority	Nonmajor Governmental Funds	
ASSETS							
Cash and cash equivalents	\$ 808,261	\$ 315,942	\$ -	\$ 14,628	\$ 7,473,889	\$ 616,487	\$ 9,229,207
Investments	4,030,163	-	-	-	-	-	4,030,163
Taxes receivable, net	41,454	-	-	-	-	65,749	107,203
Accounts receivable, net	59,032	154,528	-	243,772	-	-	457,332
Due from other funds	200,754	5,168	-	5,000	-	796,633	1,007,555
Due from other governments	1,098	-	-	-	-	-	1,098
Mortgages receivable	533	-	-	-	-	-	533
Other receivables	177,625	-	-	-	-	-	177,625
Inventories	2,634	-	-	-	-	-	2,634
Prepaid expenditures	-	16,128	-	-	-	1,469	17,597
Total assets	\$ 5,321,554	\$ 491,766	\$ -	\$ 263,400	\$ 7,473,889	\$ 1,480,338	\$ 15,030,947
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 407,461	\$ 5,843	\$ -	\$ 14,484	\$ -	\$ 624,105	\$ 1,051,893
Accrued liabilities	313,336	41,128	-	-	-	503	354,967
Deposits	17,688	-	-	-	-	-	17,688
Due to other funds	35,506	13,242	-	26,234	539,138	389,748	1,003,868
Total liabilities	773,991	60,213	-	40,718	539,138	1,014,356	2,428,416
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	6,950	-	-	-	-	-	6,950
Unavailable revenue - intergovernmental	96,287	-	-	-	-	-	96,287
Total deferred inflows of resources	103,237	-	-	-	-	-	103,237
FUND BALANCES							
Nonspendable:							
Prepaid expenditures	-	16,128	-	-	-	1,469	17,597
Long-term receivables	533	-	-	-	-	-	533
Restricted for:							
Public safety	-	415,425	-	-	-	196,550	611,975
Culture and beautification	-	-	-	-	-	50,860	50,860
Capital outlay	-	-	-	222,682	6,934,751	219,977	7,377,410
Assigned:							
Culture and beautification	45,414	-	-	-	-	-	45,414
Administrative	5,127	-	-	-	-	-	5,127
Capital outlay	242,266	-	-	-	-	-	242,266
Unassigned:	4,150,986	-	-	-	-	(2,874)	4,148,112
Total fund balances	4,444,326	431,553	-	222,682	6,934,751	465,982	12,499,294
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,321,554	\$ 491,766	\$ -	\$ 263,400	\$ 7,473,889	\$ 1,480,338	\$ 15,030,947

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, 2019**

Total fund balances of governmental funds		\$ 12,499,294
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	\$ 87,269,896
	Accumulated depreciation	<u>(34,184,857)</u>
		53,085,039
Certain long-term assets are not available to pay for current-period expenditures		
	Unavailable revenue	103,237
	Net pension asset	<u>1,760,832</u>
		1,864,069
Deferred outflow of resources		
	Pension contributions	21,118
Deferred inflow of resources		
	Pension investment earnings	(730,446)
Long-term liabilities are not due and payable in the current period; therefore, they are not reported in governmental funds:		
	Accrued interest	(92,946)
	Compensated absences	(517,199)
	Bonds	(10,147,027)
	Capital leases	<u>(2,910,735)</u>
		<u>(13,667,907)</u>
Net position of governmental activities		<u>\$ 53,071,167</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, 2019**

	Component Unit						Total Governmental Funds
	General Fund	Fire Protection Fund	SPLOST 2012 Fund	SPLOST 2018 Fund	Perry Public Facilities Authority	Nonmajor Governmental Funds	
REVENUES							
Taxes:							
Property	\$ 7,594,163	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,594,163
Franchise	1,441,279	-	-	-	-	-	1,441,279
Insurance premium	988,756	-	-	-	-	-	988,756
Occupational	201,852	-	-	-	-	-	201,852
Alcoholic beverage	297,110	-	-	-	-	-	297,110
Hotel/motel	-	-	-	-	-	966,801	966,801
Licenses and permits	617,810	-	-	-	-	-	617,810
Intergovernmental	63,042	-	383,502	1,075,234	-	226,103	1,747,881
Fines and forfeitures	577,527	-	-	-	-	125,917	703,444
Fire protection fees	-	2,095,664	-	-	-	-	2,095,664
Charges for services	3,447,324	-	-	-	-	-	3,447,324
Contributions from private sources	119,186	-	-	-	-	-	119,186
Investment earnings	72,076	465	87	56	13,741	606	87,031
Miscellaneous	755,435	-	-	-	-	681,411	1,436,846
Total revenues	16,175,560	2,096,129	383,589	1,075,290	13,741	2,000,838	21,745,147
EXPENDITURES							
Current:							
General government	6,806,348	-	-	-	-	1,304,618	8,110,966
Public safety	6,368,722	1,866,637	-	-	-	31,928	8,267,287
Public works	2,246,498	-	-	67,765	-	-	2,314,263
Recreation	823,703	-	-	-	-	-	823,703
Housing and development	767,928	-	-	-	-	-	767,928
Capital outlay	-	-	600,559	784,843	-	2,034,296	3,419,698
Debt service:							
Principal	773,403	78,934	-	-	-	-	852,337
Interest and other fees	146,634	22,818	-	-	-	-	169,452
Issuance cost	-	-	-	-	183,376	-	183,376
Total expenditures	17,933,236	1,968,389	600,559	852,608	183,376	3,370,842	24,909,010
Excess (deficiency) of revenues over (under) expenditures	(1,757,676)	127,740	(216,970)	222,682	(169,635)	(1,370,004)	(3,163,863)
OTHER FINANCING SOURCES (USES)							
Transfers in	1,803,725	35,387	-	-	-	2,969,004	4,808,116
Transfers out	(259,954)	-	-	-	(2,353,725)	(1,425,603)	(4,039,282)
Capital lease	885,589	32,797	-	-	-	-	918,386
Sale of capital assets	13,345	-	-	-	-	-	13,345
Bond proceeds	-	-	-	-	8,007,348	-	8,007,348
Total other financing sources, net	2,442,705	68,184	-	-	5,653,623	1,543,401	9,707,913
Net change in fund balances	685,029	195,924	(216,970)	222,682	5,483,988	173,397	6,544,050
Fund balances, beginning of year	3,759,297	235,629	216,970	-	1,450,763	292,585	5,955,244
Fund balances, end of year	\$ 4,444,326	\$ 431,553	\$ -	\$ 222,682	\$ 6,934,751	\$ 465,982	\$ 12,499,294

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, 2019**

Net change in fund balances of total governmental funds as noted in the statement of revenues, expenditures and changes in fund balances. \$ 6,544,050

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	\$ 4,494,521	
Depreciation	<u>(2,650,326)</u>	1,844,195

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. (657,973)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. 103,237

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	\$ (918,386)	
Proceeds from revenue bonds	(8,007,348)	
Amortization of bond premium	4,826	
Payment of capital leases payable and bonds payable	<u>852,337</u>	(8,068,571)

The effect of changes in net pension asset and related deferred inflows and outflows of pension resources. 342,587

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	\$ (55,002)	
Change in accrued interest	<u>(70,156)</u>	<u>(125,158)</u>

Net change in net position of governmental activities as noted in the statement of activities \$ (17,633)

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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 7,148,200	\$ 7,593,700	\$ 7,594,163	\$ 463
Franchise	1,350,800	1,415,700	1,441,279	25,579
Insurance premium	916,800	988,700	988,756	56
Occupational	188,000	201,800	201,852	52
Alcoholic beverage	285,800	297,100	297,110	10
Licenses and permits	432,600	617,400	617,810	410
Intergovernmental	5,600	159,300	63,042	(96,258)
Fines and forfeitures	443,200	577,500	577,527	27
Charges for services	3,049,900	3,447,600	3,447,324	(276)
Contributions from private sources	-	119,100	119,186	86
Investment earnings	20,000	72,000	72,076	76
Miscellaneous	226,000	755,400	755,435	35
Total revenues	<u>14,066,900</u>	<u>16,245,300</u>	<u>16,175,560</u>	<u>(69,740)</u>
EXPENDITURES:				
Current:				
General government				
Mayor	80,900	79,900	79,830	70
City Council	105,800	114,000	113,966	34
City Attorney	58,800	48,200	48,164	36
Municipal Court	344,200	493,600	493,495	105
Administrative	2,702,600	4,000,500	4,000,056	444
City Manager	1,165,700	1,109,900	1,109,658	242
Community Development	811,200	959,000	958,471	529
Elections	400	2,700	2,708	(8)
Total general government	<u>5,269,600</u>	<u>6,807,800</u>	<u>6,806,348</u>	<u>1,452</u>
Public safety	6,245,200	6,370,000	6,368,722	1,278
Public works	1,978,300	2,220,800	2,246,498	(25,698)
Recreation	706,500	826,100	823,703	2,397
Housing and development	436,600	769,000	767,928	1,072
Debt service:				
Principal	652,700	1,385,700	773,403	612,297
Interest and other fees	55,900	148,400	146,634	1,766
Total expenditures	<u>15,344,800</u>	<u>18,527,800</u>	<u>17,933,236</u>	<u>594,564</u>
Deficiency of revenues over expenditures	<u>(1,277,900)</u>	<u>(2,282,500)</u>	<u>(1,757,676)</u>	<u>524,824</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	664,600	1,635,700	1,803,725	168,025
Transfers out	(63,000)	(176,000)	(259,954)	(83,954)
Capital leases	706,900	885,500	885,589	89
Sale of capital assets	3,000	13,300	13,345	45
Appropriation of fund balance	-	345,500	-	(345,500)
Total other financing sources, net	<u>1,311,500</u>	<u>2,704,000</u>	<u>2,442,705</u>	<u>(261,295)</u>
Net change in fund balances	<u>33,600</u>	<u>421,500</u>	<u>685,029</u>	<u>263,529</u>
Fund balances, beginning of year	<u>3,759,297</u>	<u>3,759,297</u>	<u>3,759,297</u>	<u>-</u>
Appropriation of fund balance	-	(345,500)	-	345,500
Fund balances, end of year	<u>\$ 3,792,897</u>	<u>\$ 3,835,297</u>	<u>\$ 4,444,326</u>	<u>\$ 609,029</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, 2019**

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Fire protection fees	\$ 2,095,600	\$ 2,095,664	\$ 64
Interest	400	465	65
Total revenues	<u>2,096,000</u>	<u>2,096,129</u>	<u>129</u>
EXPENDITURES			
Current:			
Public safety	1,866,900	1,866,637	263
Debt service:			
Principal	79,000	78,934	66
Interest	22,900	22,818	82
Total expenditures	<u>1,968,800</u>	<u>1,968,389</u>	<u>411</u>
Excess of revenues over expenditures	<u>127,200</u>	<u>127,740</u>	<u>540</u>
Other financing sources			
Transfers in	35,300	35,387	87
Capital leases	32,700	32,797	97
Total other financing sources	<u>68,000</u>	<u>68,184</u>	<u>184</u>
Net change in fund balance	<u>195,200</u>	<u>195,924</u>	<u>724</u>
FUND BALANCES , beginning of year	<u>235,629</u>	<u>235,629</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 430,829</u>	<u>\$ 431,553</u>	<u>\$ 724</u>

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

CITY OF PERRY, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2019

	Water and Sewerage System	Stormwater Utility Fund	Gas System	Solid Waste	Nonmajor Revolving Loan Fund	Totals
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 1,676,962	\$ 20,953	\$ 1,588,727	\$ 319,669	\$ -	\$ 3,606,311
Investments	1,282,340	-	525,567	-	-	1,807,907
Accounts receivable, net of allowances	1,429,742	92,134	322,172	242,422	-	2,086,470
Loans receivable, current portion	-	-	-	-	16,101	16,101
Due from other funds	15,006	1,982	6,675	20,103	-	43,766
Prepaid expenses	24,283	2,988	1,665	6,717	-	35,653
Total current assets	4,428,333	118,057	2,444,806	588,911	16,101	7,596,208
NONCURRENT ASSETS						
Restricted assets, cash	1,677,361	-	2,921	-	60,528	1,740,810
Loans receivable	-	-	-	-	18,499	18,499
Investment in Jointly-Owned Natural Gas Transmission Line	-	-	768,693	-	-	768,693
Capital assets:						
Land and easements	240,805	13,107	62,165	89,895	-	405,972
Structures, equipment and lines	66,644,366	955,491	3,875,330	519,399	-	71,994,586
Construction in progress	3,830,397	33,138	96,197	14,978	-	3,974,710
Less: accumulated depreciation	(25,289,508)	(234,979)	(2,206,043)	(336,352)	-	(28,066,882)
Total noncurrent assets	47,103,421	766,757	2,599,263	287,920	79,027	50,836,388
Total assets	51,531,754	884,814	5,044,069	876,831	95,128	58,432,596
DEFERRED OUTFLOWS OF RESOURCES						
Deferred amount on refunding	570,933	-	-	-	-	570,933
Total deferred outflows of resources	570,933	-	-	-	-	570,933
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable	753,963	6,666	251,277	105,115	-	1,117,021
Retainage payable	230,136	-	-	-	-	230,136
Salaries payable	-	7,474	-	13,327	-	20,801
Accrued interest payable	127,855	3,191	75	84	-	131,205
Due to other funds	33,089	305	13,428	-	631	47,453
Compensated absences	-	5,740	-	9,168	-	14,908
Customer deposits payable	17,327	-	3,319	-	-	20,646
Landfill post-closure care costs	-	-	-	3,500	-	3,500
Revenue bonds payable, current portion	627,000	-	-	-	-	627,000
Capital leases, current portion	47,364	63,492	13,049	13,065	-	136,970
Total current liabilities	1,836,734	86,868	281,148	144,259	631	2,349,640
NONCURRENT LIABILITIES						
Compensated absences, net of current portion	-	10,005	-	9,964	-	19,969
Revenue bonds	11,773,130	-	-	-	-	11,773,130
Loans payable	2,812,362	-	-	-	-	2,812,362
Capital leases	135,661	191,532	23,269	23,561	-	374,023
Landfill postclosure care costs	-	-	-	57,064	-	57,064
Total noncurrent liabilities	14,721,153	201,537	23,269	90,589	-	15,036,548
Total liabilities	16,557,887	288,405	304,417	234,848	631	17,386,188
NET POSITION						
Net investment in capital assets	30,601,476	511,733	1,791,331	251,294	-	33,155,834
Restricted for debt service	1,667,799	-	-	-	-	1,667,799
Restricted for loans receivable	-	-	-	-	94,497	94,497
Unrestricted	3,275,525	84,676	2,948,321	390,689	-	6,699,211
Total net position	\$ 35,544,800	\$ 596,409	\$ 4,739,652	\$ 641,983	\$ 94,497	41,617,341

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, 2019

	Water and Sewerage System	Stormwater Utility Fund	Gas System	Solid Waste	Nonmajor Revolving Loan Fund	Totals
OPERATING REVENUES						
Charges for services	\$ 7,478,763	\$ 644,859	\$ 5,147,981	\$ 1,959,648	\$ -	\$ 15,231,251
Miscellaneous	27,226	-	350	-	-	27,576
Total operating revenues	<u>7,505,989</u>	<u>644,859</u>	<u>5,148,331</u>	<u>1,959,648</u>	<u>-</u>	<u>15,258,827</u>
OPERATING EXPENSES						
Cost of sales and services	4,713,271	154,881	4,280,479	1,344,796	1,127	10,494,554
Salaries and benefits	13,603	367,764	-	423,413	-	804,780
Administration	536,530	87,271	208,116	133,889	-	965,806
Depreciation	1,571,741	106,118	91,418	54,653	-	1,823,930
Total operating expenses	<u>6,835,145</u>	<u>716,034</u>	<u>4,580,013</u>	<u>1,956,751</u>	<u>1,127</u>	<u>14,089,070</u>
Operating income (loss)	<u>670,844</u>	<u>(71,175)</u>	<u>568,318</u>	<u>2,897</u>	<u>(1,127)</u>	<u>1,169,757</u>
NON-OPERATING REVENUES (EXPENSES)						
Net income from joint venture	-	-	8,076	-	-	8,076
Interest income - nonrestricted assets	50,219	3	13,430	363	-	64,015
Interest income - restricted assets	-	-	-	-	858	858
Interest expense	(386,528)	(8,652)	(1,111)	(1,082)	-	(397,373)
Total non-operating revenues (expenses)	<u>(336,309)</u>	<u>(8,649)</u>	<u>20,395</u>	<u>(719)</u>	<u>858</u>	<u>(324,424)</u>
Income (loss) before capital contributions and transfers	<u>334,535</u>	<u>(79,824)</u>	<u>588,713</u>	<u>2,178</u>	<u>(269)</u>	<u>845,333</u>
CAPITAL CONTRIBUTIONS	<u>642,995</u>	<u>-</u>	<u>-</u>	<u>14,978</u>	<u>-</u>	<u>657,973</u>
TRANSFERS						
Transfers out	(477,370)	-	(516,031)	-	-	(993,401)
Transfers in	7,647	181,983	4,507	30,430	-	224,567
Total transfers	<u>(469,723)</u>	<u>181,983</u>	<u>(511,524)</u>	<u>30,430</u>	<u>-</u>	<u>(768,834)</u>
Change in net position	<u>507,807</u>	<u>102,159</u>	<u>77,189</u>	<u>47,586</u>	<u>(269)</u>	<u>734,472</u>
NET POSITION, beginning of year	<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>
NET POSITION, end of year	<u>\$ 35,544,800</u>	<u>\$ 596,409</u>	<u>\$ 4,739,652</u>	<u>\$ 641,983</u>	<u>\$ 94,497</u>	<u>\$ 41,617,341</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, 2019**

	Water and Sewerage System	Stormwater Utility Fund	Gas System	Solid Waste	Nonmajor Revolving Loan Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	\$ 6,728,173	\$ 594,905	\$ 5,137,205	\$ 1,918,614	\$ -	\$ 14,378,897
Payments to suppliers	(4,589,848)	(296,478)	(4,236,993)	(1,529,416)	(8,402)	(10,661,137)
Payments to employees	(13,603)	(362,635)	(208,116)	(420,367)	-	(1,004,721)
Net cash provided by (used in) operating activities	<u>2,124,722</u>	<u>(64,208)</u>	<u>692,096</u>	<u>(31,169)</u>	<u>(8,402)</u>	<u>2,713,039</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers in	7,647	181,983	4,507	30,430	-	224,567
Transfers out	(477,370)	-	(516,031)	-	-	(993,401)
Net cash provided by (used in) noncapital financing activities	<u>(469,723)</u>	<u>181,983</u>	<u>(511,524)</u>	<u>30,430</u>	<u>-</u>	<u>(768,834)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	(2,742,706)	(78,330)	(18,945)	(39,813)	-	(2,879,794)
Payments on bonds	(615,000)	-	-	-	-	(615,000)
Principal paid on notes payable and capital leases	(42,549)	(61,684)	(17,602)	(67,556)	-	(189,391)
Proceeds from notes payable and capital leases	2,429,525	-	-	40,195	-	2,469,720
Interest paid	(324,780)	(9,366)	(1,376)	(1,031)	-	(336,553)
Net cash used in capital and related financing activities	<u>(1,295,510)</u>	<u>(149,380)</u>	<u>(37,923)</u>	<u>(68,205)</u>	<u>-</u>	<u>(1,551,018)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds (purchase) of investments	(28,775)	-	(11,794)	-	-	(40,569)
Proceeds from revolving loans	-	-	-	-	31,811	31,811
Cash disbursed for new revolving loans	-	-	-	-	(12,374)	(12,374)
Interest received	50,219	3	13,430	363	858	64,873
Net cash provided by investing activities	<u>21,444</u>	<u>3</u>	<u>1,636</u>	<u>363</u>	<u>20,295</u>	<u>43,741</u>
Increase (decrease) in cash and cash equivalents	380,933	(31,602)	144,285	(68,581)	11,893	436,928
Cash and cash equivalents:						
Beginning of year	2,973,390	52,555	1,447,363	388,250	48,635	4,910,193
End of year	<u>\$ 3,354,323</u>	<u>\$ 20,953</u>	<u>\$ 1,591,648</u>	<u>\$ 319,669</u>	<u>\$ 60,528</u>	<u>\$ 5,347,121</u>
Classified as:						
Cash and cash equivalents	\$ 1,676,962	\$ 20,953	\$ 1,588,727	\$ 319,669	\$ -	\$ 3,606,311
Restricted assets, cash	1,677,361	-	2,921	-	60,528	1,740,810
Total cash and cash equivalents	<u>\$ 3,354,323</u>	<u>\$ 20,953</u>	<u>\$ 1,591,648</u>	<u>\$ 319,669</u>	<u>\$ 60,528</u>	<u>\$ 5,347,121</u>

(Continued)

CITY OF PERRY, GEORGIA

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Water and Sewerage System	Stormwater Utility Fund	Gas System	Solid Waste	Nonmajor Revolving Loan Fund	Totals
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ 670,844	\$ (71,175)	\$ 568,318	\$ 2,897	\$ (1,127)	\$ 1,169,757
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	1,571,741	106,118	91,418	54,653	-	1,823,930
Amortization of premium	(75,233)	-	-	-	-	(75,233)
Provision for landfill closure/post-closure care costs	-	-	-	(688)	-	(688)
Changes in assets and liabilities:						
(Increase) decrease in:						
Accounts receivable	(778,608)	(48,291)	(11,512)	(41,034)	-	(879,445)
Prepaid expenses	(6,909)	(1,401)	17	(385)	-	(8,678)
Due from other funds	(15,006)	(1,663)	(6,675)	(17,904)	-	(41,248)
Increase (decrease) in:						
Accounts payable	484,404	5,428	36,716	(31,754)	(7,325)	487,469
Retainage payable	224,602	-	-	-	-	224,602
Accrued liabilities	15,798	2,106	386	2,033	-	20,323
Compensated absences payable	-	3,023	-	1,013	-	4,036
Due to other funds	33,089	(58,353)	13,428	-	50	(11,786)
Net cash provided by (used in) operating activities	<u>\$ 2,124,722</u>	<u>\$ (64,208)</u>	<u>\$ 692,096</u>	<u>\$ (31,169)</u>	<u>\$ (8,402)</u>	<u>\$ 2,713,039</u>
Noncash capital and related financing activities:						
Contributions of capital assets	\$ 642,995	\$ -	\$ -	\$ 14,978	\$ -	\$ 657,973
Amortization of deferred loss from refunding	64,653	-	-	-	-	64,653
Noncash investing activities:						
Change in investment in JOTL	-	-	8,076	-	-	8,076

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

CITY OF PERRY, GEORGIA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2019**

	<u>Agency Fund</u>
ASSETS	
Cash	\$ <u>4</u>
Total assets	\$ <u><u>4</u></u>
LIABILITIES	
Payable from assets	
Confiscated assets pending disposition	\$ <u>4</u>
Total liabilities	\$ <u><u>4</u></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, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Financial Reporting Entity

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

City government is conducted by a 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 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 (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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Discretely Presented Component Units

The Perry Area Convention and Visitors Bureau (the “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

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

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.

SPLOST 2018 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.

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

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Deposits and Investments (Continued)

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

F. Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received including property taxes, 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 ("FIFO") basis and are expensed when used (i.e. the consumption method). In the fund financial statements, inventories of governmental funds are stated at cost. Cost is determined on a FIFO 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 \$1,667,799 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.

NOTES TO FINANCIAL STATEMENTS

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

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 two sources, property taxes and intergovernmental revenues. 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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Equity (Continued)

Fund Balance (Continued)

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

Fund Balance Flow Assumptions

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

- Committed
- Assigned
- Unassigned

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

Net Position

Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets 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

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, 2019, the City did not have any such agreements, either entered into by the City or by other governments that exceeded the quantitative threshold for disclosure.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

An annual appropriated budget is adopted by ordinance for all fund types except fiduciary funds, which are not budgeted and capital projects funds, which have project length budgets. The budgets are prepared on the modified accrual basis for governmental fund types and on the accrual basis for proprietary fund types and are consistent with generally accepted accounting principles. All annual appropriations lapse at the end of the fiscal year with the exception of the capital projects funds.

On or before the last day of February each year, all departments of the City submit requests for appropriations to the city manager so that a budget may be prepared. Appropriated budgets are compiled by the city manager, finance officer and department heads. Before the first day of May, the proposed budget is presented to the Mayor and Council for review. After holding a public hearing, a final budget is prepared and adopted not later than June 30th.

Budgetary control is maintained at the department level. Department heads, with the approval of the city manager, may transfer appropriations within their department. Interdepartmental transfers require the approval of City Council.

For fiscal year ended June 30, 2019, expenditures exceeded final amended budgets in the Hotel/Motel Tax Fund in the amount of \$979. Expenditures also exceeded final amended budgets for the public works activities in the General Fund in the amount of \$25,698.

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 Official Code of Georgia Annotated (“O.C.G.A.”) §36-83-4 and §36-82-7) limit investments of the City. The City has no investment policy that would further limit its investment choices. State statute authorizes the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the local government investment pool (“Georgia Fund 1”). As of June 30, 2019, the City’s investment in the Georgia Fund 1 was rated AAAf 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, 2019, 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, 2019, the City had the following investments:

<u>Investment Type</u>	<u>Maturities (Days)</u>	<u>Fair Value</u>
Georgia Fund 1	39	<u>\$ 5,838,070</u>
Total Fair Value		<u>\$ 5,838,070</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, 2019, 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, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets, not being depreciated:					
Land and land improvements	\$ 10,058,675	\$ 708,511	\$ -	\$ -	\$ 10,767,186
Construction in progress	908,133	2,557,891	-	(1,760,510)	1,705,514
Total capital assets, not being depreciated	<u>10,966,808</u>	<u>3,266,402</u>	<u>-</u>	<u>(1,760,510)</u>	<u>12,472,700</u>
Capital assets, being depreciated:					
Buildings and improvements	7,921,007	415,466	-	196,255	8,532,728
Land improvements	1,307,191	-	-	-	1,307,191
Furnitures and fixtures	33,866	-	(1,316)	-	32,550
Machinery and equipment	8,232,312	700,953	(255,206)	-	8,678,059
Infrastructure	55,277,583	111,700	(48,898)	906,282	56,246,667
Total capital assets, being depreciated	<u>72,771,959</u>	<u>1,228,119</u>	<u>(305,420)</u>	<u>1,102,537</u>	<u>74,797,195</u>
Less accumulated depreciation for:					
Buildings and improvements	(2,513,600)	(263,262)	-	-	(2,776,862)
Land improvements	(1,013,686)	(50,185)	48,898	-	(1,014,973)
Furnitures and fixtures	(41,541)	(3,653)	-	-	(45,194)
Machinery and equipment	(5,023,775)	(1,003,262)	255,206	-	(5,771,831)
Infrastructure	(23,247,348)	(1,329,964)	1,316	-	(24,575,996)
Total accumulated depreciation	<u>(31,839,950)</u>	<u>(2,650,326)</u>	<u>305,420</u>	<u>-</u>	<u>(34,184,856)</u>
Total capital assets, being depreciated, net	<u>40,932,009</u>	<u>(1,422,207)</u>	<u>-</u>	<u>1,102,537</u>	<u>40,612,339</u>
Governmental activities capital assets, net	<u>\$ 51,898,817</u>	<u>\$ 1,844,195</u>	<u>\$ -</u>	<u>\$ (657,973)</u>	<u>\$ 53,085,039</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital Assets, not being depreciated:					
Land and easements	\$ 396,701	\$ 9,271	\$ -	\$ -	\$ 405,972
Construction in progress	900,479	2,575,907	-	498,324	3,974,710
Total capital assets, not being depreciated	<u>1,297,180</u>	<u>2,585,178</u>	<u>-</u>	<u>498,324</u>	<u>4,380,682</u>
Capital assets, being depreciated:					
Structures, equipment and lines	71,562,638	294,616	(22,317)	159,649	71,994,586
Less accumulated depreciation for:					
Structures, equipment and lines	<u>(26,265,062)</u>	<u>(1,823,930)</u>	<u>22,110</u>	<u>-</u>	<u>(28,066,882)</u>
Total capital assets, being depreciated, net	<u>45,297,576</u>	<u>(1,529,314)</u>	<u>(207)</u>	<u>159,649</u>	<u>43,927,704</u>
Business-type activities capital assets, net	<u>\$ 46,594,756</u>	<u>\$ 1,055,864</u>	<u>\$ (207)</u>	<u>\$ 657,973</u>	<u>\$ 48,308,386</u>

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

Governmental activities:	
General government	\$ 98,880
Public safety	944,559
Public works	1,382,173
Parks and recreation	185,420
Housing and development	39,294
Total depreciation expense - governmental activities	<u>\$ 2,650,326</u>
Business-type activities:	
Water and sewerage system	\$ 1,571,741
Stormwater utility fund	106,118
Gas system	91,418
Solid waste	54,653
Total depreciation expense - business-type activities	<u>\$ 1,823,930</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2019, is as follows:

	Receivable Fund:								Total
	Governmental Funds				Enterprise Funds				
	General	Fire Protection	2018 SPLOST	Nonmajor Governmental	Water and Sewerage	Solid Waste	Gas System	Stormwater Utility Fund	
Payable Fund:									
General	\$ -	\$ 5,168	\$ -	\$ -	\$ 1,578	\$ 20,103	\$ 6,675	\$ 1,982	\$ 35,506
Fire Protection Fund	13,242	-	-	-	-	-	-	-	13,242
SPLOST 2018 Fund	26,234	-	-	-	-	-	-	-	26,234
Nonmajor Governmental	127,253	-	5,000	257,495	-	-	-	-	389,748
Water and Sewerage System	33,089	-	-	-	-	-	-	-	33,089
Stormwater Utility Fund	305	-	-	-	-	-	-	-	305
Gas System	-	-	-	-	13,428	-	-	-	13,428
Nonmajor Enterprise	631	-	-	-	-	-	-	-	631
PPFA - Component Unit	-	-	-	539,138	-	-	-	-	539,138
	\$ 200,754	\$ 5,168	\$ 5,000	\$ 796,633	\$ 15,006	\$ 20,103	\$ 6,675	\$ 1,982	\$ 1,051,321

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, 2019, is as follows:

	Fund Transfers Out:					Total
	General Fund	Water and Sewerage System	Perry Public Facilities Authority	Gas System	Nonmajor Governmental	
Fund Transfers In:						
General	\$ -	\$ 477,370	\$ 167,871	\$ 232,881	\$ 925,603	\$ 1,803,725
Fire Protection	35,387	-	-	-	-	35,387
Water and Sewerage System	7,647	-	-	-	-	7,647
Gas System	4,507	-	-	-	-	4,507
Stormwater Fund	181,983	-	-	-	-	181,983
Solid Waste Fund	30,430	-	-	-	-	30,430
Nonmajor Governmental	-	-	2,185,854	283,150	500,000	2,969,004
	\$ 259,954	\$ 477,370	\$ 2,353,725	\$ 516,031	\$ 1,425,603	\$ 5,032,683

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 \$60,564 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 2019, the City increased/adjusted these closure costs for inflation by \$77.

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 2.44% to 3.74%. Total cost of assets acquired under these capital leases, governmental activities and business-type activities, as of June 30, 2019, is \$11,487,200. Total accumulated depreciation on assets acquired under capital lease as of June 30, 2019 is \$7,411,149. Cost of equipment included in the governmental activities statement of net position is \$1,123,327, which includes \$4,806,903 of accumulated depreciation. Cost of equipment and system expansion and refunding included in the business-type activities statement of net position is \$2,952,724, which includes \$2,604,246 of accumulated depreciation. Depreciation expense on assets acquired under capital lease for the year ending June 30, 2019 is \$1,331,361 for governmental activities and \$410,088 for business-type activities.

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

Fiscal Year Ending June 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 851,155	\$ 80,796	\$ 931,951	\$ 136,970	\$ 15,200	\$ 152,170
2021	680,724	57,284	738,008	131,607	10,975	142,582
2022	401,365	38,877	440,242	125,442	6,816	132,258
2023	220,911	28,728	249,639	96,963	3,171	100,134
2024	201,840	21,667	223,507	20,011	359	20,370
2025 – 2028	554,740	32,061	586,801	-	-	-
Total	<u>\$ 2,910,735</u>	<u>\$ 259,413</u>	<u>\$ 3,170,148</u>	<u>\$ 510,993</u>	<u>\$ 36,521</u>	<u>\$ 547,514</u>

NOTES TO FINANCIAL STATEMENTS

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 note is as follows at June 30, 2019:

<u>Original Amount</u>	<u>Interest Rate</u>	<u>Term</u>	<u>Outstanding Balance</u>
\$ 11,250,000	1.89%	20 years	\$ 2,812,362

The loan is to be paid 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. This loan is still in the drawdown phase so no maturity schedule will be presented. The City covenants and agrees that it shall, to the extent necessary, levy an annual ad valorem tax on all taxable property within the City as necessary to produce revenues that will be sufficient to fulfill the City's obligations of this note. The outstanding note from direct borrowings contains a provision that in an event of default, the lender may declare the outstanding principal and accrued interest immediately due and may terminate its remaining commitment (if any) to make further advances of the loan.

Revenue Bonds

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

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 in the following paragraph.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Revenue Bonds (Continued)

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

On August 2, 2016, The City issued \$8,595,000 in Revenue Bonds with interest rates ranging from 2.00% to 5.00%. The proceeds were used to advance refund \$9,155,000 of the 2007 Revenue Bonds and prepay in full \$173,263 of the loan from 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 \$8,985,000 while the outstanding refunding debt totaled \$8,475,000, 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%.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Revenue Bonds (Continued)

Fiscal Year Ending June 30,	2013 Revenue Bonds		2016 Revenue Bonds		2017 Revenue Bonds		2019 Revenues		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 562,000	\$ 55,949	\$ 65,000	\$ 315,788	\$ 90,000	\$ 67,388	100,000	\$ 291,776	\$ 817,000	\$ 730,901
2021	574,000	45,158	65,000	314,288	90,000	64,688	100,000	290,406	829,000	714,540
2022	582,000	34,138	70,000	312,988	95,000	61,988	100,000	287,406	847,000	696,520
2023	593,000	22,963	70,000	311,688	95,000	59,138	100,000	284,406	858,000	678,195
2024	603,000	11,578	75,000	310,288	100,000	56,288	100,000	281,406	878,000	659,560
2025 – 2029	-	-	3,680,000	1,387,564	545,000	234,490	570,000	1,348,031	4,795,000	2,970,085
2030 – 2034	-	-	4,450,000	706,000	635,000	125,546	1,025,000	1,226,631	6,110,000	2,058,177
2035 – 2039	-	-	-	31,100	435,000	56,818	1,480,000	946,031	1,915,000	1,033,949
2040 – 2044	-	-	-	-	-	-	1,875,000	632,631	1,875,000	632,631
2045 – 2049	-	-	-	-	-	-	2,260,000	251,938	2,260,000	251,938
Total	\$ 2,914,000	\$ 169,786	\$ 8,475,000	\$ 3,689,704	\$ 2,085,000	\$ 726,344	\$ 7,710,000	\$ 5,840,664	\$ 21,184,000	\$ 10,426,498

Changes in Long-term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2019, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Revenue bonds	\$ 2,170,000	\$ 7,710,000	\$ (85,000)	\$ 9,795,000	\$ 190,000
Plus unamortized premium	59,505	297,348	(4,826)	352,027	-
Revenue bonds, net	2,229,505	8,007,348	(89,826)	10,147,027	190,000
Capital leases payable	2,759,686	918,386	(767,337)	2,910,735	851,155
Compensated absences	462,197	215,319	(160,317)	517,199	219,806
	<u>\$ 5,451,388</u>	<u>\$ 9,141,053</u>	<u>\$ (1,017,480)</u>	<u>\$ 13,574,961</u>	<u>\$ 1,070,961</u>
Business-type activities:					
Revenue bonds	\$ 12,004,000	\$ -	\$ (615,000)	\$ 11,389,000	\$ 627,000
Plus unamortized premium	1,086,363	-	(75,233)	1,011,130	-
Revenue bonds, net	13,090,363	-	(690,233)	12,400,130	627,000
Notes from direct borrowings	549,636	2,262,726	-	2,812,362	-
Capital lease payable	493,390	206,994	(189,391)	510,993	136,970
Compensated absences	30,841	11,803	(7,767)	34,877	14,908
Landfill postclosure care costs	61,252	-	(688)	60,564	3,500
	<u>\$ 14,225,482</u>	<u>\$ 2,481,523</u>	<u>\$ (888,079)</u>	<u>\$ 15,818,926</u>	<u>\$ 782,378</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.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. 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:

	Real/Personal Property (Excluding Vehicles)	Motor Vehicles
Assessment date	January 1	January 1
Levy date	October 10	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 8. 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, 2019, is as follows:

<u>Expenditure by Purpose</u>	<u>Expenditures</u>	<u>Tax Receipts</u>	<u>Percentage</u>
Perry Area Convention and Visitors Bureau	\$ 396,796	\$ 396,796	41%
General Fund	704,686	570,005	59%
Total	<u>\$ 1,101,482</u>	<u>\$ 966,801</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 9. 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 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, 2019, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	112
Inactive plan members entitled to, but not receiving benefits	<u>163</u>
Total	<u><u>275</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. 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, 2019, 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 \$37,038 for the year ended June 30, 2019.

Net Pension Asset of the City

The City's net pension asset was measured as of September 30, 2018. The total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018 with update procedures performed by the actuary to roll forward to the total pension asset measured as of September 30, 2018.

Actuarial Assumptions – The total pension liability in the January 1, 2019 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 9. PENSION PLAN (CONTINUED)

Net Pension Asset of the City (Continued)

The actuarial assumptions used in the January 1, 2019 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, 2018, are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.40%
International equity	20%	7.40%
Fixed income	25%	4.78%
Real estate	10%	5.10%
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 9. 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, 2019, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset) Liability (a) - (b)
Balances at June 30, 2018	\$ 11,017,072	\$ 12,367,713	\$ (1,350,641)
Changes for the year:			
Interest	800,351	-	800,351
Differences between expected and actual experience	(9,551)	-	(9,551)
Contributions - employer	-	37,038	(37,038)
Net investment income	-	1,202,270	(1,202,270)
Benefit payments, including refunds of employee contributions	(691,444)	(691,444)	-
Administrative expenses	-	(38,317)	38,317
Other	-	-	-
Net changes	<u>99,356</u>	<u>509,547</u>	<u>(410,191)</u>
Balances at June 30, 2019	<u>\$ 11,116,428</u>	<u>\$ 12,877,260</u>	<u>\$ (1,760,832)</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:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's net pension asset	\$ (578,506)	\$ (1,760,832)	\$ (2,757,355)

NOTES TO FINANCIAL STATEMENTS

NOTE 9. 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, 2018, 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, 2019, the City recognized pension income of \$304,371. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (730,446)
City contributions subsequent to the measurement date	21,118	-
Total	\$ 21,118	\$ (730,446)

City contributions subsequent to the measurement date of \$21,118 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, 2020. The deferred inflow of resources related to the net difference between projected and actual earnings on pension plan investment of \$730,446 will be recognized in pension expense as follows:

Year ending June 30,	
2020	\$ (154,578)
2021	(294,149)
2022	(221,585)
2023	(60,134)
Total	\$ (730,446)

NOTES TO FINANCIAL STATEMENTS

NOTE 10. 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, 2019, were \$137,111.

Section 457 Plan

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

NOTE 11. RISK MANAGEMENT

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

The City provides a self-insurance health and dental plan for its employees. This plan is accounted for in the General Fund and funded accordingly to the historical cost of health and dental benefits provided to city employees. The City purchases specific and aggregate stop loss insurance to protect itself in unusual circumstances. Claims payable consist of claims incurred but not yet paid as of June 30, 2019, 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 11. RISK MANAGEMENT

Changes in claims payable are as follows:

	Year Ended		
	June 30,		
	2019	2018	2017
Beginning	\$ 56,276	\$ 321,749	\$ 182,162
Claims incurred	2,158,790	1,665,480	1,452,519
Claims paid	(2,144,497)	(1,930,953)	(1,312,932)
Ending	\$ 70,569	\$ 56,276	\$ 321,749

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

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

NOTE 12. CONTRACTS

The City has a contract with the 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

NOTE 13. CONTINGENT LIABILITIES

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

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

NOTE 14. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities and counties in the 11 county middle Georgia area, is a member of the Middle Georgia Regional Commission ("RC") and is required to pay annual dues thereto. During the fiscal year ended June 30, 2019, the City paid \$21,689 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, 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

NOTE 14. JOINT VENTURES (CONTINUED)

The following is a summary schedule of the JOTL's basic financial statements for the year ended September 30, 2018:

Cash and cash equivalents	\$ 105,241
Other assets	449,135
Property and equipment, net	<u>5,234,798</u>
Total assets	<u>\$ 5,789,174</u>
Liabilities	\$ 1,282,388
Net position - unrestricted	<u>4,506,786</u>
Total liabilities and net position	<u>\$ 5,789,174</u>

As of June 30, 2019, 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 17.1%. 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, 2019, the City contributed \$44,604 relative to this support.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. RELATED ORGANIZATIONS

The Mayor of the City is responsible for appointing the members of the Perry Housing Authority. The Perry Housing Authority has a 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 16. COMMITMENTS

As of June 30, 2019, the City has commitments relative to various construction projects as follows:

- The City of Perry is committed to fund its portion of operating expenses and capital outlay for the Jointly-Owned Transmission Line System. This cost is not determined at this time.
- The City of Perry is committed to fund construction in progress for Legacy and Heritage Park. The contract price is \$625,186.00 and \$1,133,972.00 respectively.
- The City of Perry is committed to fund construction of high pressure gas main extension. The contract price is \$734,207.50.
- The City of Perry is committed to fund renovations of 741 Main Street, Perry GA to serve as the location for Community Development offices. The remaining cost of the contract at year end was approximately \$162,892.00.
- The City of Perry is committed to fund construction Water Treatment plant and well. The remaining cost of the contract at year end was approximately \$7,937,829.98
- The City of Perry is committed to fund upgrades to pump stations. The remaining cost of the contract at year end was approximately \$129,262.00.
- The City of Perry is committed to fund improvements to Barbara Calhoun Park. The remaining cost of the contract at year end was approximately \$95,113.91.
- The City of Perry is committed to fund the construction of a new City Hall Building. The cost is not determined at this time.
- The City of Perry is committed to fund the construction of a parking lot at New City Park located at 1020 Country Club Road, Perry GA. The project is currently being reviewed and designed by engineer. The cost is not determined at this time.
- The City of Perry is committed to fund installation of sidewalk to Matt Arthur Elementary School connecting Wingfield Way and Hawks Landing. At the close of the fiscal year, design was complete and project in bidding phase.
- The City of Perry is committed to fund additional equipment at Creekwood Park Splashpad. The contract price is \$122,121.30.

NOTES TO FINANCIAL STATEMENTS

NOTE 17. NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets on the Government-wide statement of net position as of June 30, 2019, is as follows:

	Governmental Activities	Business-type Activities
Cost of capital assets	\$ 87,269,895	\$ 76,375,268
Less accumulated depreciation	<u>(34,184,856)</u>	<u>(28,066,882)</u>
Book value	53,085,039	48,308,386
Less all capital related debt	(13,057,762)	(15,723,485)
Add unspent bond proceeds	7,473,889	-
Add deferred amount on refunding	-	570,933
Net investment in capital assets	<u>\$ 47,501,166</u>	<u>\$ 33,155,834</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PERRY, GEORGIA

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

	2019	2018	2017	2016	2015
Total pension liability					
Interest on total pension liability	\$ 800,351	\$ 829,027	\$ 832,499	\$ 820,697	\$ 829,065
Differences between expected and actual experience	(9,551)	(65,738)	(253,951)	(59,743)	(169,961)
Changes of assumptions	-	-	-	-	(193,507)
Benefit payments, including refunds of employee contributions	(691,444)	(621,851)	(624,837)	(592,489)	(554,664)
Other	-	(132,420)	-	-	-
Net change in total pension liability	99,356	9,018	(46,289)	168,465	(89,067)
Total pension liability - beginning	11,017,072	11,008,054	11,054,343	10,885,878	10,974,945
Total pension liability - ending (a)	\$ 11,116,428	\$ 11,017,072	\$ 11,008,054	\$ 11,054,343	\$ 10,885,878
Plan fiduciary net position					
Contributions - employer	\$ 37,038	\$ 39,896	\$ 40,590	\$ 100,850	\$ 134,631
Net investment income	1,202,270	1,661,181	1,173,604	145,516	1,176,223
Benefit payments, including refunds of employee contributions	(691,444)	(621,851)	(624,837)	(592,489)	(554,664)
Administrative expenses	(38,317)	(41,761)	(25,879)	(30,265)	(24,707)
Net change in plan fiduciary net position	509,547	1,037,465	563,478	(376,388)	731,483
Plan fiduciary net position - beginning	12,367,713	11,330,248	10,766,770	11,143,158	10,411,675
Plan fiduciary net position - ending (b)	\$ 12,877,260	\$ 12,367,713	\$ 11,330,248	\$ 10,766,770	\$ 11,143,158
City's net pension (asset) liability - ending (a) - (b)	\$ (1,760,832)	\$ (1,350,641)	\$ (322,194)	\$ 287,573	\$ (257,280)
Plan fiduciary net position as a percentage of the total pension liability	115.8%	112.3%	102.9%	97.4%	102.4%
Covered-employee payroll	N/A	N/A	N/A	N/A	N/A
City's net pension (asset) liability as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A

Notes to the Schedule

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

CITY OF PERRY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CITY CONTRIBUTIONS

	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 37,038	\$ 39,896	\$ 40,590	100,850	117,216
Contributions in relation to the actuarially determined contribution	37,038	39,896	40,590	100,850	117,216
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A

Notes to the Schedule

Valuation date	January 1, 2019
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 ten years of information once it is accumulated.

SUPPLEMENTARY INFORMATION

CITY OF PERRY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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, 2019

	<u>Special Revenue Funds</u>				
	<u>Confiscated Assets</u>	<u>CHIP</u>	<u>CDBG</u>	<u>Hotel/Motel Tax</u>	<u>Total</u>
ASSETS					
Cash and cash equivalents	\$ 196,550	\$ 13,944	\$ 100	\$ 140,219	\$ 350,813
Taxes receivable	-	-	-	65,749	65,749
Prepaid expenditures	-	-	-	1,469	1,469
Due from other funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 196,550</u>	<u>\$ 13,944</u>	<u>\$ 100</u>	<u>\$ 207,437</u>	<u>\$ 418,031</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	\$ 13,944	\$ -	\$ 50,335	\$ 64,279
Accrued liabilities	-	-	-	503	503
Due to other funds	-	40	100	104,270	104,410
	<u>-</u>	<u>40</u>	<u>100</u>	<u>104,270</u>	<u>104,410</u>
Total liabilities	<u>-</u>	<u>13,984</u>	<u>100</u>	<u>155,108</u>	<u>169,192</u>
FUND BALANCES (DEFICIT)					
Nonspendable:					
Prepaid expenditures	-	-	-	1,469	1,469
Restricted for:					
Public safety - police services	196,550	-	-	-	196,550
Culture and beautification	-	-	-	50,860	50,860
Capital outlay	-	-	-	-	-
Unassigned:	<u>-</u>	<u>(40)</u>	<u>-</u>	<u>-</u>	<u>(40)</u>
Total fund balances (deficits)	<u>196,550</u>	<u>(40)</u>	<u>-</u>	<u>52,329</u>	<u>248,839</u>
Total liabilities and fund balances	<u>\$ 196,550</u>	<u>\$ 13,944</u>	<u>\$ 100</u>	<u>\$ 207,437</u>	<u>\$ 418,031</u>

Capital Projects Funds				Total Nonmajor Governmental Funds
Capital Projects	PPFA Capital Projects	LMIG Program	Total	
\$ 265,674	\$ -	\$ -	\$ 265,674	\$ 616,487
-	-	-	-	65,749
-	-	-	-	1,469
<u>14,675</u>	<u>539,138</u>	<u>242,820</u>	<u>796,633</u>	<u>796,633</u>
<u>\$ 280,349</u>	<u>\$ 539,138</u>	<u>\$ 242,820</u>	<u>\$ 1,062,307</u>	<u>\$ 1,480,338</u>
\$ 35,363	\$ 524,463	\$ -	\$ 559,826	\$ 624,105
-	-	-	-	503
<u>247,820</u>	<u>14,675</u>	<u>22,843</u>	<u>285,338</u>	<u>389,748</u>
<u>283,183</u>	<u>539,138</u>	<u>22,843</u>	<u>845,164</u>	<u>1,014,356</u>
-	-	-	-	1,469
-	-	-	-	196,550
-	-	-	-	50,860
-	-	219,977	219,977	219,977
<u>(2,834)</u>	<u>-</u>	<u>-</u>	<u>(2,834)</u>	<u>(2,874)</u>
<u>(2,834)</u>	<u>-</u>	<u>219,977</u>	<u>217,143</u>	<u>465,982</u>
<u>\$ 280,349</u>	<u>\$ 539,138</u>	<u>\$ 242,820</u>	<u>\$ 1,062,307</u>	<u>\$ 1,480,338</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, 2019**

	Special Revenue Funds				
	Confiscated Assets	CHIP	CDBG	Hotel/Motel Tax	Total
Revenues:					
Hotel/motel taxes	\$ -	-	\$ -	\$ 966,801	\$ 966,801
Fines and forfeitures	125,917	-	-	-	125,917
Intergovernmental	-	-	-	-	-
Interest revenue	179	-	-	182	361
Other revenues	-	153,546	527,865	-	681,411
Total revenues	<u>126,096</u>	<u>153,546</u>	<u>527,865</u>	<u>966,983</u>	<u>1,774,490</u>
Expenditures:					
General government	-	154,676	528,365	621,577	1,304,618
Public safety	31,928	-	-	-	31,928
Capital outlay	8,000	-	-	54,302	62,302
Total expenditures	<u>39,928</u>	<u>154,676</u>	<u>528,365</u>	<u>675,879</u>	<u>1,398,848</u>
Excess (deficiency) of revenues over (under) expenditures	<u>86,168</u>	<u>(1,130)</u>	<u>(500)</u>	<u>291,104</u>	<u>375,642</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(425,603)	(425,603)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(425,603)</u>	<u>(425,603)</u>
Net change in fund balances	86,168	(1,130)	(500)	(134,499)	(49,961)
Fund balances (deficits), beginning of year	<u>110,382</u>	<u>1,090</u>	<u>500</u>	<u>186,828</u>	<u>298,800</u>
Fund balances (deficits), end of year	<u>\$ 196,550</u>	<u>\$ (40)</u>	<u>\$ -</u>	<u>\$ 52,329</u>	<u>\$ 248,839</u>

Capital Project Funds				Total Nonmajor Governmental Funds
Capital Projects	PPFA Capital Projects	LMIG Program	Total	
\$ -	\$ -	\$ -	-	\$ 966,801
-	-	-	-	125,917
-	-	226,103	226,103	226,103
156	-	89	245	606
-	-	-	-	681,411
<u>156</u>	<u>-</u>	<u>226,192</u>	<u>226,348</u>	<u>2,000,838</u>
-	-	-	-	1,304,618
-	-	-	-	31,928
286,140	1,685,854	-	1,971,994	2,034,296
<u>286,140</u>	<u>1,685,854</u>	<u>-</u>	<u>1,971,994</u>	<u>3,370,842</u>
<u>(285,984)</u>	<u>(1,685,854)</u>	<u>226,192</u>	<u>(1,745,646)</u>	<u>(1,370,004)</u>
783,150	2,185,854	-	2,969,004	2,969,004
(500,000)	(500,000)	-	(1,000,000)	(1,425,603)
<u>283,150</u>	<u>1,685,854</u>	<u>-</u>	<u>1,969,004</u>	<u>1,543,401</u>
(2,834)	-	226,192	223,358	173,397
-	-	(6,215)	(6,215)	292,585
<u>\$ (2,834)</u>	<u>\$ -</u>	<u>\$ 219,977</u>	<u>\$ 217,143</u>	<u>\$ 465,982</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, 2019**

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Fines and forfeitures	\$ 125,900	\$ 125,917	\$ 17
Interest revenue	100	179	79
Total revenues	<u>126,000</u>	<u>126,096</u>	<u>96</u>
 EXPENDITURES			
Current:			
Public safety	32,000	31,928	72
Capital outlay	8,000	8,000	-
Total expenditures	<u>40,000</u>	<u>39,928</u>	<u>72</u>
 Net change in fund balance	<u>86,000</u>	<u>86,168</u>	<u>168</u>
 FUND BALANCES, beginning of year	<u>110,382</u>	<u>110,382</u>	<u>-</u>
 FUND BALANCES, end of year	<u><u>\$ 196,382</u></u>	<u><u>\$ 196,550</u></u>	<u><u>\$ 168</u></u>

CITY OF PERRY, GEORGIA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Taxes	\$ 966,800	\$ 966,801	\$ 1
Interest	100	182	82
Total revenues	<u>966,900</u>	<u>966,983</u>	<u>83</u>
EXPENDITURES			
Current:			
General government	621,100	621,577	(477)
Capital outlay	<u>53,800</u>	<u>54,302</u>	<u>(502)</u>
Total expenditures	<u>674,900</u>	<u>675,879</u>	<u>(979)</u>
Excess of revenues over expenditures	<u>292,000</u>	<u>291,104</u>	<u>(896)</u>
Other financing uses			
Transfers out	<u>(425,600)</u>	<u>(425,603)</u>	<u>(3)</u>
Total other financing uses	<u>(425,600)</u>	<u>(425,603)</u>	<u>(3)</u>
Net change in fund balance	(133,600)	(134,499)	(899)
FUND BALANCES, beginning of year	<u>186,828</u>	<u>186,828</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 53,228</u>	<u>\$ 52,329</u>	<u>\$ (899)</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, 2019**

	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Grants	\$ 153,500	\$ 153,546	\$ 46
Total revenues	<u>153,500</u>	<u>153,546</u>	<u>46</u>
 EXPENDITURES			
Current:			
Housing and Development	<u>154,700</u>	<u>154,676</u>	<u>24</u>
Total expenditures	<u>154,700</u>	<u>154,676</u>	<u>24</u>
 Net change in fund balance	(1,200)	(1,130)	70
 FUND BALANCES, beginning of year	<u>1,090</u>	<u>1,090</u>	<u>-</u>
 FUND DEFICIT, end of year	<u>\$ (110)</u>	<u>\$ (40)</u>	<u>\$ 70</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, 2019**

	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Grants	\$ 527,800	\$ 527,865	\$ 65
Total revenues	<u>527,800</u>	<u>527,865</u>	<u>65</u>
 EXPENDITURES			
Current:			
Housing and Development	<u>528,400</u>	<u>528,365</u>	<u>35</u>
Total expenditures	<u>528,400</u>	<u>528,365</u>	<u>35</u>
 Net change in fund balance	(600)	(500)	100
 FUND BALANCES, beginning of year	<u>500</u>	<u>500</u>	<u>-</u>
 FUND BALANCES, end of year	<u>\$ (100)</u>	<u>\$ -</u>	<u>\$ 100</u>

CITY OF PERRY, GEORGIA

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
POLICE PRE-CONFISCATION ASSETS FUND
AGENCY FUND
JUNE 30, 2019**

	<u>Balance July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2019</u>
ASSETS				
Cash	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>
LIABILITIES				
Payable from assets				
Confiscated assets pending disposition	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>

CITY OF PERRY, GEORGIA
BALANCE SHEET
COMPONENT UNIT
PERRY INDUSTRIAL BUILDING AUTHORITY
JUNE 30, 2019

	<u>General Fund</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 242,660
Total assets	<u>\$ 242,660</u>
<u>FUND BALANCE</u>	
Fund balance:	
Unassigned	<u>\$ 242,660</u>
Total fund balance	<u>\$ 242,660</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, 2019

	<u>General Fund</u>
<u>REVENUES</u>	
Interest earnings	\$ 1,331
Total revenues	<u>\$ 1,331</u>
Net change in fund balance	\$ 1,331
FUND BALANCE, beginning of year	<u>241,329</u>
FUND BALANCE, end of year	<u>\$ 242,660</u>

CITY OF PERRY, GEORGIA

**SCHEDULE OF EXPENDITURES OF
2012 SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2019**

<u>Project Description</u>	<u>Original Estimated Cost</u>	<u>Expenditures</u>		
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Road, Street and Bridge and Sidewalk Projects	\$ 3,000,000	\$ 2,922,565	\$ 122,363	\$ 3,044,928
Public Safety Facilities and Equipment	-	-	-	-
Facilities	1,800,000	1,205,628	306,559	1,512,187
Water and Sewer System Improvements and Debt Retirement	4,100,000	3,247,520	70,061	3,317,581
Recreation Facilities and Equipment	900,000	474,589	101,576	576,165
	<u>\$ 9,800,000</u>	<u>\$ 7,850,302</u>	<u>\$ 600,559</u>	<u>\$ 8,450,861</u>

CITY OF PERRY, GEORGIA

**SCHEDULE OF EXPENDITURES OF
2018 SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2019**

<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	\$ 3,500,000	\$ -	\$ 79,805	\$ 79,805
Public Safety Facilities and Equipment	621,653	-	694,191	694,191
Water and Sewer System Improvements	2,500,000	-	5,341	5,341
Recreation Facilities and Equipment	1,200,000	-	73,271	73,271
	<u>\$ 7,821,653</u>	<u>\$ -</u>	<u>\$ 852,608</u>	<u>\$ 852,608</u>

STATISTICAL SECTION

CITY OF PERRY, GEORGIA

STATISTICAL SECTION

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>
Financial Trends	75 – 82
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	83 – 89
<i>These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales tax.</i>	
Debt Capacity	90 – 93
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	94 – 97
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.</i>	
Operating Information	98 and 99
<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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Invested in capital assets, net of related debt	\$ 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	\$ 47,501,166
Restricted	1,250,369	1,782,171	2,018,810	902,235	432,514	888,137	1,013,179	2,599,658	733,063	566,317
Unrestricted	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	5,003,684
Total governmental activities net position	<u>\$ 42,729,689</u>	<u>\$ 44,322,733</u>	<u>\$ 47,707,354</u>	<u>\$ 49,516,278</u>	<u>\$ 49,456,302</u>	<u>\$ 51,462,324</u>	<u>\$ 52,737,913</u>	<u>\$ 53,485,687</u>	<u>\$ 53,088,800</u>	<u>\$ 53,071,167</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 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	\$ 33,155,834
Restricted	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	1,762,296
Unrestricted	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	6,699,211
Total business-type activities net position	<u>\$ 27,693,011</u>	<u>\$ 30,182,611</u>	<u>\$ 31,661,442</u>	<u>\$ 32,428,644</u>	<u>\$ 34,143,981</u>	<u>\$ 35,521,637</u>	<u>\$ 37,373,261</u>	<u>\$ 39,186,678</u>	<u>\$ 40,923,519</u>	<u>\$ 41,617,341</u>
Primary government										
Net investment in capital assets	\$ 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	\$ 80,657,000
Restricted	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	2,328,613
Unrestricted	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	11,702,895
Total primary government net position	<u>\$ 70,422,700</u>	<u>\$ 74,505,344</u>	<u>\$ 79,368,796</u>	<u>\$ 81,944,922</u>	<u>\$ 83,600,283</u>	<u>\$ 86,983,961</u>	<u>\$ 90,111,174</u>	<u>\$ 92,672,365</u>	<u>\$ 94,012,319</u>	<u>\$ 94,688,508</u>

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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses:										
Governmental activities:										
General government	\$ 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	\$ 7,681,726
Fire	-	-	-	-	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-	-	-	-	-
Public safety	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	8,993,169
Public works	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	2,969,069
Recreation	1,214,175	754,375	628,819	591,901	673,069	757,513	671,304	558,570	845,498	1,053,370
Housing and Development	-	-	98,417	92,998	164,912	133,169	409,351	521,248	565,247	861,386
Issuance cost	-	-	-	-	-	-	-	109,741	-	183,376
Interest on long-term debt	24,206	26,979	24,824	18,431	25,337	43,804	43,227	55,486	117,339	234,782
Total governmental activities expenses	<u>13,893,190</u>	<u>13,942,562</u>	<u>14,840,328</u>	<u>15,148,896</u>	<u>14,989,813</u>	<u>15,010,377</u>	<u>16,357,534</u>	<u>17,247,022</u>	<u>20,120,969</u>	<u>21,976,878</u>
Business-type activities:										
Water and sewerage system	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	7,221,673
Storm Water Utility	-	-	-	29,818	110,590	177,743	216,692	449,532	565,824	724,686
Gas system	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	4,581,124
Solid Waste	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	1,957,833
Revolving Loan Fund	-	1,505	764	2,631	3,117	676	3,177	1,354	1,227	1,127
Total business-type activities expense	<u>8,756,252</u>	<u>8,841,615</u>	<u>8,926,979</u>	<u>9,953,268</u>	<u>9,764,455</u>	<u>10,337,287</u>	<u>10,465,581</u>	<u>11,998,916</u>	<u>13,114,185</u>	<u>14,486,443</u>
Total primary government expenses	<u>\$ 22,649,442</u>	<u>\$ 22,784,177</u>	<u>\$ 23,767,307</u>	<u>\$ 25,102,164</u>	<u>\$ 24,754,268</u>	<u>\$ 25,347,664</u>	<u>\$ 26,823,115</u>	<u>\$ 29,245,938</u>	<u>\$ 33,235,154</u>	<u>\$ 36,463,321</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 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	\$ 4,258,665
Public safety	832,034	745,912	679,303	567,396	608,906	1,681,058	2,107,076	2,191,225	2,331,480	2,818,073
Public works	36,589	727,413	12,748	-	91,613	39,255	8,126	4,448	-	-
Recreation	71,595	84,496	79,323	80,223	274,263	287,624	153,418	145,881	118,344	134,896
Housing & Development	-	-	-	-	212,096	258,377	314,989	389,411	413,186	408,043
Operating grants and contributions	59,660	353,326	511,899	250,710	27,094	21,917	67,861	265,745	599,635	800,597
Capital grants and contributions	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	1,844,344
Total governmental activities program revenues	<u>5,939,494</u>	<u>6,762,821</u>	<u>8,954,873</u>	<u>7,899,857</u>	<u>5,312,042</u>	<u>7,018,776</u>	<u>7,487,147</u>	<u>7,963,022</u>	<u>9,385,763</u>	<u>10,264,618</u>

CITY OF PERRY, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Business-type activities:										
Charges for services:										
Water and sewerage	\$ 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	\$ 7,505,989
Stormwater Utility	-	-	-	80,474	204,290	265,005	268,663	380,181	449,973	644,859
Gas	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	5,143,331
Solid waste	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	1,959,648
Operating grants and contributions	-	76,228	37,462	-	-	-	-	-	-	-
Capital grants and contributions	365,288	1,347,008	1,500,298	1,000,465	1,152,368	755,661	856,682	347,380	-	-
Total business-type activities program revenues	<u>10,129,943</u>	<u>11,594,019</u>	<u>10,825,263</u>	<u>11,114,331</u>	<u>12,075,946</u>	<u>12,268,459</u>	<u>12,582,792</u>	<u>13,538,341</u>	<u>14,184,667</u>	<u>15,253,827</u>
Total primary government program revenues	<u>\$ 16,069,437</u>	<u>\$ 18,356,840</u>	<u>\$ 19,780,136</u>	<u>\$ 19,014,188</u>	<u>\$ 17,387,988</u>	<u>\$ 19,287,235</u>	<u>\$ 20,069,939</u>	<u>\$ 21,501,363</u>	<u>\$ 23,570,430</u>	<u>\$ 25,518,445</u>
Net (Expenses)/Revenue										
Governmental activities	\$ (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)	\$ (11,712,260)
Business-type activities	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	767,384
Total primary government net (expense)/revenue	<u>\$ (6,580,005)</u>	<u>\$ (4,427,337)</u>	<u>\$ (3,987,171)</u>	<u>\$ (6,087,976)</u>	<u>\$ (7,366,280)</u>	<u>\$ (6,060,429)</u>	<u>\$ (6,753,176)</u>	<u>\$ (7,744,575)</u>	<u>\$ (9,664,724)</u>	<u>\$ (10,944,876)</u>
General Revenue and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes	\$ 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	\$ 7,601,113
Occupational taxes	130,721	159,777	172,437	186,884	179,117	190,072	183,722	188,133	197,256	201,852
Franchise taxes	898,714	963,109	1,016,175	974,874	1,035,669	1,141,340	1,130,978	1,181,007	1,334,400	1,441,279
Insurance premium taxes	532,365	516,893	649,107	689,460	713,871	745,918	796,833	860,753	916,829	988,756
Hotel/motel taxes	676,347	720,652	711,283	723,017	777,462	943,752	831,837	879,193	929,288	966,801
Alcoholic beverage taxes	255,007	245,627	257,945	261,496	259,529	262,646	270,422	275,936	285,484	297,110
Interest revenue	9,426	6,269	6,067	5,148	5,881	6,840	11,445	23,159	55,376	86,888
Miscellaneous	-	-	-	-	-	-	-	75,408	15,592	-
Transfers	138,127	301,900	453,611	194,917	258,501	609,607	303,933	(219,124)	(594,396)	110,861
Total governmental activities	<u>8,194,073</u>	<u>8,772,785</u>	<u>9,270,077</u>	<u>9,057,963</u>	<u>9,491,560</u>	<u>10,254,182</u>	<u>10,145,976</u>	<u>10,031,774</u>	<u>10,338,319</u>	<u>11,694,660</u>

CITY OF PERRY, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Business-type activities:										
Interest revenue	\$ 66,493	\$ 39,096	\$ 34,158	\$ 16,213	\$ 30,297	\$ 38,901	\$ 38,346	\$ 54,868	\$ 71,963	\$ 72,949
Transfers	(138,127)	(301,900)	(453,611)	(194,917)	(258,501)	(609,607)	(303,933)	219,124	594,396	(110,861)
Total business-type activities	<u>(71,634)</u>	<u>(262,804)</u>	<u>(419,453)</u>	<u>(178,704)</u>	<u>(228,204)</u>	<u>(570,706)</u>	<u>(265,587)</u>	<u>273,992</u>	<u>666,359</u>	<u>(37,912)</u>
Total primary government	<u>\$ 8,122,439</u>	<u>\$ 8,509,981</u>	<u>\$ 8,850,624</u>	<u>\$ 8,879,259</u>	<u>\$ 9,263,356</u>	<u>\$ 9,683,476</u>	<u>\$ 9,880,389</u>	<u>\$ 10,305,766</u>	<u>\$ 11,004,678</u>	<u>\$ 11,656,748</u>
Change in Net Assets										
Governmental activities	\$ 240,377	\$ 1,593,044	\$ 3,384,622	\$ 1,808,924	\$ (186,211)	\$ 2,262,581	\$ 1,275,589	\$ 747,774	\$ (396,887)	\$ (17,633)
Business-type activities	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	734,472
Total primary government	<u>\$ 1,542,434</u>	<u>\$ 4,082,644</u>	<u>\$ 4,863,453</u>	<u>\$ 2,791,283</u>	<u>\$ 1,897,076</u>	<u>\$ 3,623,047</u>	<u>\$ 3,127,213</u>	<u>\$ 2,561,191</u>	<u>\$ 1,339,954</u>	<u>\$ 716,839</u>

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 develop
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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities:										
General government	\$ 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	\$ 6,229,659
Public safety	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	2,979,402
Public works	2,003,189	2,212,991	3,822,039	2,403,338	91,613	582,812	609,545	245,697	236,280	226,103
Recreation	193,452	200,931	221,752	142,695	292,493	304,438	202,151	204,383	222,308	252,082
Housing & Development	-	-	-	-	212,096	258,377	314,989	593,743	844,626	577,339
Subtotal governmental activities	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	10,264,585
Business-type activities:										
Water and Sewerage system	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	7,505,989
Stormwater Utility	-	-	-	117,974	204,290	265,005	302,771	380,181	449,973	644,859
Gas system	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	5,148,331
Solid Waste	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	1,959,648
Revolving Loan Fund	-	63,928	35,072	-	-	-	-	-	-	-
Subtotal business-type activities	10,129,943	11,594,019	10,825,263	11,114,331	12,075,946	12,268,459	12,582,792	13,538,341	14,184,667	15,258,827
Total primary government	\$ 16,069,437	\$ 18,356,840	\$ 19,780,136	\$ 19,014,188	\$ 17,387,988	\$ 19,287,235	\$ 20,069,939	\$ 21,501,363	\$ 23,570,430	\$ 25,523,412

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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 21,165	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	1,787,001	-	-	-	-	-	-	-	-	-
Nonspendable	-	27,462	22,224	22,324	5,626	5,134	4,642	4,150	3,659	533
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	292,807
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	4,444,325
Total General Fund	\$ 1,808,166	\$ 2,233,684	\$ 2,918,159	\$ 3,168,237	\$ 4,064,629	\$ 3,898,193	\$ 4,364,519	\$ 4,621,152	\$ 3,759,297	\$ 4,737,665
All Other Governmental Funds										
Reserved	\$ 1,229,204	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved:										
Special Revenue Funds	(13,504)	-	-	-	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Debt Service Fund	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	21,317	22,674	18,336	17,597
Restricted	-	1,732,185	1,883,548	775,153	433,789	888,137	1,013,179	2,599,658	2,183,826	7,666,306
Assigned	-	40,703	93,633	122,867	203,309	150,703	171,026	28,389	-	-
Unassigned	-	-	-	-	-	(43,480)	(1,514)	254,199	(6,215)	(2,834)
Total All Other Governmental Funds	\$ 1,215,700	\$ 1,772,888	\$ 1,977,181	\$ 898,020	\$ 637,098	\$ 995,360	\$ 1,204,008	\$ 2,904,920	\$ 2,195,947	\$ 7,681,069

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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Property taxes	\$ 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	\$ 7,594,163
Sales taxes	-	-	-	-	-	-	-	-	-	-
Other taxes	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	3,895,798
Licenses and permits	232,539	182,226	248,058	246,401	256,696	333,856	384,886	436,719	505,904	617,810
Impact fees	59,534	46,200	64,273	34,348	-	-	-	-	-	-
Charges for services	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	2,357,805
Administrative	407,827	476,623	493,474	531,459	722,681	804,700	877,878	956,976	922,600	1,089,519
Intergovernmental	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	1,747,881
Contributions from private sources	48,022	49,757	33,321	23,755	18,230	16,914	65,809	55,307	105,964	119,186
Fines and forfeitures	655,688	582,025	486,462	399,543	546,846	684,626	575,291	450,666	514,540	703,445
Fire protection fees	-	-	-	-	-	923,271	1,521,243	1,723,349	1,798,761	2,095,664
Investment earnings	9,426	7,127	7,888	6,583	5,881	7,225	11,743	23,307	55,525	87,031
Other revenues	536,518	946,235	1,315,754	869,530	407,027	411,953	256,538	895,507	1,339,648	1,436,845
Total revenues	12,889,142	14,499,022	15,174,791	16,280,084	14,530,349	16,696,696	17,326,672	18,134,533	20,333,959	21,745,147
Expenditures										
General government	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	8,115,770
Public Safety	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	8,267,288
Public Works	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	2,314,263
Recreation	1,117,245	672,863	626,369	457,770	556,432	628,057	789,014	883,515	781,032	823,703
Housing & Development	-	-	-	-	126,356	92,401	372,986	484,316	541,671	763,123
Debt service										
Principal	343,427	379,709	326,848	436,281	535,743	528,189	455,333	706,123	833,221	852,337
Interest	21,382	20,357	25,678	25,461	22,923	43,675	41,616	42,064	117,654	169,452
Capital outlay	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	3,419,698
Miscellaneous	-	-	-	-	-	-	-	109,741	-	183,376
Total expenditures	13,449,233	14,222,658	15,194,655	17,961,568	15,473,841	17,580,018	17,522,962	19,676,389	23,964,335	24,909,010

CITY OF PERRY, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Excess (deficiency) of revenues over expenditures	(560,091)	276,364	(19,864)	(1,681,484)	(943,492)	(883,322)	(196,290)	(1,541,856)	(3,630,376)	(3,163,863)
Other Financing Sources (Uses)										
Transfers from other funds	\$ 430,262	\$ 317,264	\$ 501,294	\$ 325,380	\$ 290,901	\$ 1,362,669	\$ 401,991	\$ 1,014,934	\$ 2,588,982	\$ 4,808,116
Transfers to other funds	(292,135)	(15,364)	(47,683)	(130,463)	(32,400)	(753,062)	(98,058)	(674,525)	(2,149,437)	(4,039,282)
Sale of capital assets	10,260	15,168	26,390	26,823	11,444	17,464	16,762	14,052	74,919	13,345
Capital leases	19,107	389,275	428,631	630,661	1,182,782	448,077	550,569	751,058	1,545,084	918,386
Bonds Proceeds	-	-	-	-	-	-	-	-	-	8,007,348
Issuance of debt	500,000	-	-	-	-	-	-	2,318,472	-	-
Miscellaneous	-	-	-	-	-	-	-	75,408	-	-
Total other financing sources (uses)	667,494	706,343	908,632	852,401	1,452,727	1,075,148	871,264	3,499,399	2,059,548	9,707,913
Net change in fund balances	<u>\$ 107,403</u>	<u>\$ 982,707</u>	<u>\$ 888,768</u>	<u>\$ (829,083)</u>	<u>\$ 509,235</u>	<u>\$ 191,826</u>	<u>\$ 674,974</u>	<u>\$ 1,957,543</u>	<u>\$ (1,570,828)</u>	<u>\$ 6,544,050</u>
Debt service as a percentage of noncapital expenditures	2.88%	3.20%	2.65%	3.34%	4.13%	3.62%	3.21%	4.33%	5.03%	4.75%

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	
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
2019	7,594,163	1,441,279	988,756	201,852	297,110	966,801	11,489,961
Change 2010-2019	34.8%	60.4%	85.7%	54.4%	16.5%	42.9%	41.4%

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
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%
2019	426,737,358	77,881,440	27,307,011	477,311,787	14.05	1,261,546,995	37.835%

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 re

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
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
2019	14.05	0.00	14.05	0.00	11.11	13.30	38.46

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	2010			2019		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation
Graphic Packaging, Inc	\$ 13,219,694	1	3.20%	\$ 11,955,696	3	2.505%
Houston Lake Apartments, LLC	7,864,560	2	1.90%			
American Real Estate Investments	6,769,174	3	1.64%			
HT Perry WM. LLC	5,146,112	4	1.25%			
Woodland Property Partners Inc	5,051,440	5	1.22%	5,870,501	9	1.230%
Windstream Georgia Communications	4,087,190	6	0.99%			
Advanced Drainage Systems Inc	4,068,068	7	0.98%			0.000%
Tolleson Lumber Co.	3,963,222	8	0.96%			
McGlamry Properties	3,332,834	9	0.81%			
Mullins, Kim	3,218,539	10	0.78%			
MFG Houston Lake Owner LLC	-		0.00%	17,636,400	2	3.695%
Guardian Centers of Georgia	-		0.00%	25,461,442	1	5.334%
Perry Marketplace LLC			0.00%	7,160,101	7	1.500%
SPMK XVI Hampton LLC	-		0.00%	7,004,100	8	1.467%
Valley Drive Development LLC	-		0.00%	8,867,900	4	1.858%
Cole M. Perry GA LLC	-		0.00%	7,449,700	5	1.561%
01233 Perry LLC				7,399,700	6	1.550%
Coastal Health Centers Inc.	-		0.00%	5,471,700	10	1.146%
Total	\$ 56,720,833		13.73%	\$ 104,277,240		21.85%

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
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%
2019	\$ 7,220,244	\$ 7,137,432	98.85%	\$ 66,864	\$ 7,204,296	99.78%

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

CITY OF PERRY, GEORGIA

TAXABLE SALES BY CATEGORY LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Food/Bar	\$ 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	\$ 4,259,823
Apparel	235,240	-	-	-	-	-	-	-	-	-
General Merchandise	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	3,479,756
Accommodations	211,664	268,864	282,642	262,637	238,501	279,316	297,867	313,962	340,868	328,563
Automotive	2,803,430	2,640,637	2,839,526	2,385,052	500,137	501,373	529,188	531,451	618,493	591,329
Home	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	1,864,698
Lumber	537,436	-	-	-	-	-	-	-	-	-
Construction	61,701	92,418	47,097	97,736	108,684	148,069	129,106	128,686	121,998	98,125
Miscellaneous Service	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	1,428,816
Manufacturers	931,572	1,098,305	1,220,506	968,689	969,150	1,170,967	1,125,410	1,098,741	1,108,738	1,053,414
Utilities	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	1,752,819
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	2,665,499
Miscellaneous Other-Retail	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	4,147,579
Total	\$ 21,099,126	\$ 21,422,943	\$ 22,315,505	\$ 22,146,787	\$ 20,843,885	\$ 21,922,754	\$ 22,286,217	\$ 22,253,554	\$ 23,958,051	\$ 21,670,421

Source: Georgia Dept of Revenue, Local Government Services Division

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

Category reporting format changed in May 2010.

CITY OF PERRY, GEORGIA

DIRECT AND OVERLAPPING SALES TAX RATES LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Houston County</u>
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%
2019	0.00%	7.00%

Source:

Local sales tax is imposed countywide (Houston County).

Notes:

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

CITY OF PERRY, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Business-type Activities			Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	Revenue Bonds	Certificates of Participation	Capital Leases	Note Payable	Water/Sewer Revenue Bonds	Water/Sewer Georgia Revolving Loan	Capital Leases			
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
2019	\$ 10,147,027	\$ -	\$ 2,910,735	\$ -	\$ 12,400,130	\$ 2,812,362	\$ 510,993	\$ 28,781,247	2.14%	636

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

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

CITY OF PERRY, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF JUNE 30, 2019

<u>Category of Debt</u>	<u>Amount of Outstanding Debt</u>	<u>Percentage Applicable to Government</u>
Direct		
Revenue Bonds	\$ 10,147,027	
Capital Leases	2,910,375	
Total Direct Debt	13,057,402	
Overlapping ¹		
Capital Leases	292,117	100%
General Obligation Debt	24,500,000	100%
Total Overlapping Debt	24,792,117	100%
Total Direct and Overlapping Debt	\$ 37,849,519	

¹ 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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net Assessed Value	\$ 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	\$ 477,311,788
Debt Limit-10% of Assessed Value	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	47,731,179
Debt Applicable to Debt Limit:										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<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>	<u>\$ 47,731,179</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

PLEDGED-REVENUE COVERAGE LAST TEN FISCAL YEARS

Water and Sewerage System Revenue Bonds

Year	Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Total	Coverage
				Principal	Interest		
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
2019	\$ 7,556,208	\$ 5,263,404	\$ 2,292,804	\$ 615,000	\$ 386,528	\$ 1,001,528	2.29

Notes:

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

CITY OF PERRY, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Year	Population ¹	Personal Income (amounts expressed in thousands)	Per Capita Personal Income ^{2, 3, 7, 8}	Median Age ^{3, 5}	School Enrollment ⁶	Unemployment Rate ^{3, 4}
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%
2019	18,654	\$ 614,842	\$ 29,791	38.6	29,770	3.9%

¹ Per 2000 Census and the City's estimate

² Middle Georgia Regional Commission

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

⁴ Data obtained from Georgia Department of Labor

⁵ Estimate per census taken every 10 years

⁶ Houston County Board of Education

⁷ BEA Regional Economic Analysis

⁸ 2013 data provided for the City of Perry

Note: Personal income information is a total for the year

CITY OF PERRY, GEORGIA

PRINCIPAL EMPLOYERS CURRENT AND NINE YEARS AGO

2010 Employers	2019 Employers
Department of Defense Frito Lay, Inc. Houston County Houston County School System HQ AFRC - Robins AFB - P Kroger Perdue Farms, Inc. Perry Hospital Wal-Mart City of Warner Robins	City of Perry Frito Lay, Inc. Graphic Packaging Houston County Board of Commissioners Houston County Board of Education Houston Healthcare - Perry Hospital Interfor Perdue Farms Summerhill Senior Living 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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
City Manager	2.5	2.5	3	3	3	3	3	3	3	4
Municipal Court	0	0	0	0	0	0	0	0	0	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	0	0	0	0	0	0	0	0
Purchasing/Bldg. Maintenance	4	4	4.5	3	4	4	4	4	4.5	5.5
Community Development	4	4	5	5	5	5	5	6	7	9
Economic Development	-	-	1	1.5	2	2	2	2.5	3.5	4
Public Safety										
Police										
Officers	37	37	35	35	35	35.5	38	42	44	46
Civilians	5	5	6	6.5	6.5	6.5	6.5	7.5	8	8
Fire Department										
Firefighters	21	21	20	20	24	45	45	45	45	45
Civilians	1	1	1	1	1	1	1	1	1	1
Public Works Department	16	16	15	14	14	14	14	17	17	18
Recreation Department	7	7	7	7	7	7	7	8	8	8

CITY OF PERRY, GEORGIA

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

Function/Program	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Water Department										
Water Treatment	0	0	0	0	0	0	0	0	0	0
Water Administrative	5	5	3.5	4	4	4	4	4	5	3
Line Maintenance	0	0	0	0	0	0	0	0	0	0
Sewer Department	0	0	0	0	0	0	0	0	0	0
Solid Waste	7	7	7	7	6	7	7	7	9	8
Gas	4	4	0	0	0	0	0	0	0	0
Total	120.5	120.5	114	113	117.5	140	142.5	153	161	168.5

Source: Payroll records.

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).

Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

November 2008 Line Maintenance contracted out to ESG.

November 2011 Gas Operations contracted out to ESG.

June 26, 2012 Meter Readers contracted out to ESG.

In 2012, the city created an economic development department.

Prior to 2019, the Municipal Court was previously included with public safety.

CITY OF PERRY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Building permits issued-commercial	30	40	29	36	20	31	26	38	33	16
Building permits issued-residential	130	133	147	155	195	237	240	280	371	366
Police										
Physical arrests	1965	1634	1249	1693	1484	1455	1205	834	692	1035
Parking violations	25	24	13	16	19	48	29	15	35	14
Traffic violations	2507	3194	2035	3751	2868	3710	4462	3390	6795	7108
Fire										
Emergency responses	1498	1430	1134	1778	1750	1890	2011	2025	1935	1854
Fires extinguished	82	105	102	90	97	87	86	78	71	66
Public Works										
Streets resurfaced (miles)	1.233	0.47	2.4	2.11	2.31	2.31	1.68	1.83	3.59	3.24
Water										
Service connections	5896	6408	6497	6883	7001	7571	7881	8329	9044	10320
Water main breaks	9	23	16	9	9	10	5	5	2	11
Average daily consumption (million gallons)	2.33	2.134	2.02	1.8	1.71	1.77	1.92	2.04	2.13	1.84
Wastewater										
Average daily sewage treatment (million gallons)	3.04	1.987	1.748	2.1	2.946	2.28	2.3	1.81	1.6	2.44
Service Connections	4790	4848	4974	5147	5230	5430	5629	5888	6489	7883
Gas System										
Service Connections	2792	3168	3203	2439	3209	2389	2380	2484	2398	2568
Average daily consumption (MCF)	947	929	800	1531	1380	1271	2339	2509	3282	1783

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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol cars	29	27	28	41	39	29	36	28	30	37
Fire										
Stations	1	1	1	2	2	2	2	2	2	2
Trucks	4	4	4	4	4	4	4	4	6	6
Fire hydrants	923	923	923	923	950	950	964	978	989	998
Recreation										
Community Center	1	1	1	1	1	1	1	1	1	1
Parks	15	15	15	17	18	23	23	23	23	26
Park Acreage	97.14	97.14	97.14	99.81	100.4	124.53	124.53	124.53	124.53	188.76
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Tennis Courts	8	8	8	8	4	4	2	2	2	4
Public Works										
Streets (miles)	206.7	207.6	207.6	207.8	208.79	208.79	210.38	210.69	166.79	167.35
Sidewalks (miles)	34.55	34.55	34.55	34.55	34.55	34.55	37.73	37.73	38.06	40.47
Number of Streets	428	438	438	439	444	444	448	449	470	472
Number of Streets Lights	2246	2277	2298	2301	2328	2344	2370	2374	2382	2393
Water										
Miles of Water Mains	148.57	150.59	151.22	151.22	151.22	152.43	161	163	164.1	164.61
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	100.49	104.38	106	106.5	106.5	107.72	123	125	126	126.55
Treatment plants	1	1	1	1	1	1	1	1	1	1
Treatment capacity (million gal)	3.0	3.0	3.8	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Gas System										
Miles of Gas Lines	77.1	80.4	81.1	81.1	81.4	81.4	84.1	73.3	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

**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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 30, 2019. This report does not include the results of our testing of internal control over financial reporting or compliance and other matters that have been reported in the separately issued financial statements and reports of the discretely presented component units, the Perry Area Convention and Visitors Bureau (the "Visitors Bureau") and the Perry Downtown Development Authority (the "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 have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2019-001 that we consider to be a material weakness.

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*.

City of Perry, Georgia's Response to Findings

The City of Perry, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Perry, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Macon, Georgia
December 30, 2019

Mauldin & Jenkins, LLC



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

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

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, 2019. 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.

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, 2019.

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 30, 2019

CITY OF PERRY, GEORGIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Federal Grantor/ Pass-Through Program Title	Federal CFDA Number	Grant ID Number	Federal Expenditures
U.S. Department of Homeland Security			
Passed through State of Georgia Emergency Management Agency			
Disaster Grants - Public Assistance	97.036	FEMA-4338-DR-GA	\$ 96,287
Total U.S. Department of Homeland Security			<u>96,287</u>
U.S. Environmental Protection Agency			
Direct Awards			
Brownfield Grant	66.818	BF000D71518	32,594
Passed through Georgia Environmental Finance Authority			
Capitalization Grants for Drinking Water State Revolving Loan Funds	66.468	DW2017006	<u>2,262,727</u>
Total U.S. Environmental Protection Agency			<u>2,295,321</u>
U.S. Department of The Treasury			
Direct Awards			
Equitable Sharing	21.016	15-6400-5-5-123	<u>22,084</u>
Total U.S. Department of the Treasury			<u>22,084</u>
U.S. Department of Justice			
Direct Awards			
Bulletproof Vest Partnership Program	16.607	2018BUBX18095129	<u>2,199</u>
Total U.S. Department of Justice			<u>2,199</u>
U.S. Department of Housing and Urban Development			
Passed through Georgia Department of Community Affairs			
Georgia Community Development Block Grant Program	14.228	16-h-x-076-2-5875	16,250
Georgia Community Development Block Grant Program	14.228	17h-x-076-2-5952	<u>512,115</u>
			528,365
SFY 2016 Community HOME Investment Program	14.239	2016-112	<u>154,676</u>
Total U.S. Department of Housing and Urban Development			<u>683,041</u>
Total Expenditures of Federal Awards			<u><u>\$ 3,098,932</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, 2019

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. 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, 2019.

CITY OF PERRY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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 program:

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, 2019

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

2019 – 001. Revenue/Receivables Cycle

Criteria: Generally accepted accounting principles require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. As part of these processes, the City should review all revenue transactions to determine reporting in the proper period.

Condition: The City did not properly record revenues, receivables, and unavailable revenue as of and for the year ended June 30, 2019. Consequently, the respective revenues, receivables, and unavailable revenue of various funds were not properly stated and reflected as of and for the year ended June 30, 2019, and audit adjustments were required to correct such amounts and balances.

Context: See above condition.

Effect: The City did not record a receivable for the June SPLOST allocation that was received by the City in August. Sales tax collected by the Georgia Department of Revenue is remitted to local governments in the month following collection. The County then remits the City's share of the sales tax in the following month. An adjustment was required in the 2018 SPLOST Fund to increase revenue and sales tax receivable by \$243,772.

The City did not record a receivable for 2019 franchise fees that were received after year-end. An adjustment was required in the General Fund to increase franchise revenues and to record a franchise fee receivable in the amount of \$25,506.

The City also recorded a grant receivable and an intergovernmental revenue for a FEMA grant for Hurricane Matthew. This revenue is not considered available because the receipts for this grant were not received within 60 days of June 30, 2019. An adjustment in the amount of \$96,287 was required in the General Fund to reduce this grant revenue and to defer it to a future period when it is received.

An additional adjustment was also made to the General Fund in the amount of \$13,900 to defer property taxes that were not received within 60 days of June 30, 2019.

Cause: The City did not review all revenue transactions after year-end to determine reporting in the proper period.

Recommendation: We recommend the City review all revenue transactions subsequent to year-end to determine reporting in the proper period.

Views of Responsible Officials and Planned Corrective Actions: We concur. We will take appropriate measures to ensure all receivables are appropriately recorded at year-end.

CITY OF PERRY, GEORGIA

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

None reported.



Where Georgia comes together.

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2019

2019-001. Revenue/Receivable Cycle

Name of Contact Person Responsible for the Corrective Action Plan: Brenda King, Director of Administration

Corrective Action Plan: We concur with the finding. We will continue to review and improve policies and procedures in an effort to eliminate error and identify deficiencies from both operational and financial perspectives.

Anticipated Completion Date: Fiscal year 2020.