CITY OF ADEL, GEORGIA
Annual Financial Report
For The Fiscal Year Ended
September 30, 2021

ECKLER CPA, LLC
Certified Public Accountants
& Advisors

CITY OF ADEL, GEORGIA
Annual Financial Report
For The Fiscal Year Ended September 30, 2021

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ECKLER CPA, LLC
Certified Public Accountants & Advisors

105 Ocilla Highway, Suite C
Fitzgerald, GA 31750
(229) 922-0081

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Adel, 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 City of Adel, Georgia as of and for the year ended September 30, 2021, 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 of Adel, Georgia, as of September 30, 2021, and the respective changes in financial position,

and, where applicable, cash flows thereof 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 the management's discussion and analysis, budgetary comparisons, and historical pension information 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.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Adel, Georgia's basic financial statements. The combining and individual fund financial statements and schedules and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and supplemental schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2023, on our consideration of the City of Adel, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit

performed in accordance with *Government Auditing Standards* in considering City of Adel, Georgia's internal control over financial reporting and compliance.

ECKLER CPA, LLC

Fitzgerald, Georgia
March 28, 2023

BASIC FINANCIAL STATEMENTS

CITY OF ADEL, GEORGIA
Statement of Net Position
September 30, 2021

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Primary Government	Economic Development Commission	Industrial Development Authority	Downtown Development Authority
ASSETS						
Cash and Cash Equivalents	$ 15,749,086	$ 5,259,481	$ 21,008,567	$ 315,369	$ 808,288	$ 8,632
Investments	--	9,886,611	9,886,611	--	--	--
Receivables (Net of Allowance for Uncollectibles)	1,094,531	3,684,055	4,778,586	10,147	40,938	--
Due From Component Units	743,360	--	743,360	--	--	--
Inventories	--	671,598	671,598	--	--	--
Property Held for Resale	--	--	--	--	4,047,270	115,191
Prepaid Items	94,215	30,158	124,373	--	--	--
Other Current Assets	--	15,504	15,504	60	--	--
Restricted Assets						
Cash and Cash Equivalents	68,834	--	68,834	--	--	--
Net Pension Asset	145,438	66,682	212,120	--	--	--
Capital Assets Not Being Depreciated	635,029	896,191	1,531,220	--	104,612	--
Capital Assets Net of Accumulated Depreciation	4,270,952	11,728,705	15,999,657	--	50,646	--
Total Assets	22,801,445	32,238,985	55,040,430	325,576	5,051,754	123,823
DEFERRED OUTFLOWS OF RESOURCES						
Pension	1,017,394	479,662	1,497,056	--	--	--
Total Deferred Outflows of Resources	1,017,394	479,662	1,497,056	--	--	--
LIABILITIES						
Accounts Payable	1,498,235	1,826,189	3,324,424	2,160	--	--
Accrued Liabilities	125,004	51,686	176,690	3,523	--	--
Intergovernmental Payable	1,839	229,924	231,763	--	--	--
Accrued Interest Payable	--	--	--	--	28,169	--
Unearned Revenue	996,328	10,845	1,007,173	--	--	--
Internal Balances	3,668,925	(3,668,925)	--	--	--	--
Due To Primary Government	--	--	--	--	600,000	115,191
Customer Deposits	1,500	1,520,734	1,522,234	--	50,000	--
Noncurrent Liabilities						
Due Within One Year	293,158	42,113	335,271	--	--	--
Due in More than One Year	1,051,186	801,990	1,853,176	--	--	--
Total Liabilities	7,636,175	814,556	8,450,731	5,683	678,169	115,191
DEFERRED INFLOWS OF RESOURCES						
Pension	420,306	192,702	613,008	--	--	--
Total Deferred Inflows of Resources	420,306	192,702	613,008	--	--	--
NET POSITION						
Net Investment in Capital Assets	4,064,916	11,841,322	15,906,238	--	155,258	--
Restricted						
Public Safety	64,470	--	64,470	--	--	--
Public Works	326,215	--	326,215	--	--	--
Capital Outlay	1,417,162	--	1,417,162	--	--	--
Unrestricted	9,889,595	19,870,067	29,759,662	319,893	4,218,327	8,632
Total Net Position	$ 15,762,358	$ 31,711,389	$ 47,473,747	$ 319,893	$ 4,373,585	$ 8,632

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Statement of Activities
For the Year Ended September 30, 2021

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES: Charges For Services	PROGRAM REVENUES: Operating Grants & Contributions	PROGRAM REVENUES: Capital Grants & Contributions
Primary Government				
Governmental Activities				
General Government	$ 595,692	$ 19,091	$ 3,363	$ --
Judicial	20,969	403,680	--	--
Public Safety	3,292,545	6,904	--	--
Public Works	3,350,991	1,042,753	61,438	693,587
Culture and Recreation	1,567,412	95,670	469,423	--
Housing and Development	726,498	--	177,960	--
Interest on Long-Term Debt	25,936	--	--	--
Total Governmental Activities	9,580,043	1,568,098	712,184	693,587
Business-type Activities				
Electric	13,717,114	16,655,853	--	--
Gas	1,218,017	1,215,914	--	--
Sewer	1,028,958	1,379,553	--	--
Water	658,496	891,126	--	--
Total Business-Type Activities	16,622,585	20,142,446	--	--
Total Primary Government	$ 26,202,628	$ 21,710,544	$ 712,184	$ 693,587
Component Units				
Economic Development Commission	$ 302,605	$ --	$ 308,093	$ --
Industrial Development Authority	751,589	501,260	--	--
Downtown Development Authority	--	--	4,000	--
Total Component Units	$ 1,054,194	$ 501,260	$ 312,093	$ --
General Revenues				
Taxes				
Property				
Franchise				
General Sales and Use				
Selective Sales and Use				
Business				
Penalties and Interest on Delinquent Taxes				
Investment Earnings				
Miscellaneous				
Gain on Disposition of Capital Assets				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position - Beginning				
Net Position - Ending				

The notes to the financial statements are an integral part of this statement.

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION					
Primary Government			Component Units		
Governmental Activities	Business-type Activities	Total	Economic Development Commission	Industrial Development Authority	Downtown Development Authority
$ (573,238)	$ --	$ (573,238)			
382,711	--	382,711			
(3,285,641)	--	(3,285,641)			
(1,553,213)	--	(1,553,213)			
(1,002,319)	--	(1,002,319)			
(548,538)	--	(548,538)			
(25,936)	--	(25,936)			
(6,606,174)	--	(6,606,174)			
--	2,938,739	2,938,739			
--	(2,103)	(2,103)			
--	350,595	350,595			
--	232,630	232,630			
--	3,519,861	3,519,861			
(6,606,174)	3,519,861	(3,086,313)			
			$ 5,488	$ --	$ --
			--	(250,329)	--
			--	--	4,000
			5,488	(250,329)	4,000
1,090,551	--	1,090,551	--	--	--
55,263	--	55,263	--	--	--
263,391	--	263,391	--	--	--
160,647	--	160,647	--	--	--
523,358	--	523,358	--	--	--
11,571	--	11,571	--	--	--
21,285	(6,880)	14,405	1,240	898	15
30,571	--	30,571	1,225	23	--
3,600	--	3,600	--	--	--
1,848,176	(1,848,176)	--	--	--	--
4,008,413	(1,855,056)	2,153,357	2,465	921	15
(2,597,761)	1,664,805	(932,956)	7,953	(249,408)	4,015
18,360,119	30,046,584	48,406,703	311,940	4,622,993	4,617
$ 15,762,358	$ 31,711,389	$ 47,473,747	$ 319,893	$ 4,373,585	$ 8,632

CITY OF ADEL, GEORGIA
Balance Sheet
Governmental Funds
September 30, 2021

	General	ARPA	GTIB Resurfacing	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 14,057,970	$ --	$ --	$ 1,691,116	$ 15,749,086
Restricted Assets					
Cash and Cash Equivalents	4,364	--	--	64,470	68,834
Receivables (Net of Allowance for Uncollectibles)	502,508	--	61,437	530,586	1,094,531
Due From Other Funds	66,780	996,328	154,694	--	1,217,802
Due From Component Units	743,360	--	--	--	743,360
Total Assets	$ 15,374,982	$ 996,328	$ 216,131	$ 2,286,172	$ 18,873,613
LIABILITIES					
Accounts Payable	$ 212,488	$ --	$ 1,269,569	$ 16,178	$ 1,498,235
Accrued Liabilities	125,004	--	--	--	125,004
Intergovernmental Payable	1,839	--	--	--	1,839
Due To Other Funds	4,819,962	--	--	66,765	4,886,727
Unearned Revenue	--	996,328	--	--	996,328
Customer Deposits	1,500	--	--	--	1,500
Total Liabilities	5,160,793	996,328	1,269,569	82,943	7,509,633
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue					
Property Taxes	66,630	--	--	--	66,630
Charges for Services	71,729	--	--	--	71,729
Intergovernmental	--	--	--	437,995	437,995
Total Deferred Inflows of Resources	138,359	--	--	437,995	576,354
FUND BALANCES					
Nonspendable	589,452	--	--	--	589,452
Restricted	--	--	--	1,807,847	1,807,847
Unassigned	9,486,378	--	(1,053,438)	(42,613)	8,390,327
Total Fund Balances	10,075,830	--	(1,053,438)	1,765,234	10,787,626
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 15,374,982	$ 996,328	$ 216,131	$ 2,286,172	$ 18,873,613

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
September 30, 2021

Amounts reported for governmental activities in the statement of net position are different because:	
Total Fund Balances - Governmental Funds	$ 10,787,626
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	4,905,981
Net pension assets are not financial resources and, therefore, are not reported in the funds.	145,438
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	576,354
Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as expenditures in the funds.	94,215
Pension deferred outflows of resources are not due and payable in the current period and will be recognized as components of pension related expenses and contributions in future periods and therefore are not reported in the funds.	1,017,394
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Capital Leases	(351,565)
Notes Payable	(765,513)
Compensated Absences	(227,266)
Total long-term liabilities	(1,344,344)
Pension deferred inflows of resources are not available to pay for current expenditures and will be recognized as components of pension related expenses in future periods and therefore are not reported in the funds.	(420,306)
Net Position of Governmental Activities	$ 15,762,358

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2021

	General	ARPA	GTIB Resurfacing	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 1,963,206	$ --	$ --	$ 119,772	$ 2,082,978
Licenses and Permits	17,200	--	--	--	17,200
Intergovernmental	103,729	--	61,437	898,356	1,063,522
Charges for Services	977,935	--	--	95,670	1,073,605
Fines and Forfeitures	403,680	--	--	1,884	405,564
Investment Income	19,043	--	--	2,340	21,383
Contributions and Donations	--	--	--	--	--
Miscellaneous	30,571	--	--	--	30,571
Total Revenues	3,515,364	--	61,437	1,118,022	4,694,823
EXPENDITURES					
Current					
General Government	580,903	--	--	--	580,903
Judicial	20,969	--	--	--	20,969
Public Safety	3,255,181	--	--	8,706	3,263,887
Public Works	1,928,949	--	--	--	1,928,949
Culture and Recreation	42,181	--	--	1,521,847	1,564,028
Housing and Development	563,242	--	--	174,402	737,644
Capital Outlay	--	--	1,269,569	221,588	1,491,157
Debt Service	270,116	--	--	--	270,116
Total Expenditures	6,661,541	--	1,269,569	1,926,543	9,857,653
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,146,177)	--	(1,208,132)	(808,521)	(5,162,830)
OTHER FINANCING SOURCES (USES)					
Transfers In	2,468,650	--	154,694	110,519	2,733,863
Transfers Out	(265,213)	--	--	--	(265,213)
Proceeds of Capital Asset Dispositions	4,126	--	--	--	4,126
Notes Payable	--	--	--	--	--
Capital Leases	109,475	--	--	--	109,475
Total Other Financing Sources (Uses)	2,317,038	--	154,694	110,519	2,582,251
Net Change in Fund Balances	(829,139)	--	(1,053,438)	(698,002)	(2,580,579)
Fund Balances - Beginning	10,904,969	--	--	2,463,236	13,368,205
Fund Balances - Ending	$ 10,075,830	$ --	$ (1,053,438)	$ 1,765,234	$ 10,787,626

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2021

Amounts reported for governmental activities in the *Statement of Activities* are different because:

Net change in fund balances - total governmental funds reported in the *Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds*	$ (2,580,579)
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.	
Capital Outlay	486,934
Depreciation Expense	(503,272)
	(16,338)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) increases (decreases) net position.	
Cost of Capital Assets Sold/Disposed	(320,477)
Accumulated Depreciation	131,505
Capital Assets Reassigned to Enterprise Funds	(620,474)
	(809,446)
Revenues in the *Statement of Activities* that do not provide current financial resources are not reported as revenues in the funds while revenues reported in the *Statement of Revenues, Expenditures and Changes in Fund Balances* are recognized as revenue of the previous period in the *Statement of Activities* and included in beginning net position.	
Taxes	21,803
Charges for Services	71,729
Intergovernmental	342,151
	435,683
The issuance of long-term debt (e.g., bonds, leases, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the *Statement of Activities*.	
Debt Issued or Incurred	
Capital Lease Financing	(109,475)
Principal Repayments	
Capital Leases	192,427
Notes Payable	51,753
	134,705
Expenses reported in the *Statement of Activities* that do not require the use of current financial resources are not reported as expenditures in governmental funds while expenditures reported in the *Statement of Revenues, Expenditures and Changes in Fund Balances* are recognized as expenses of the previous period in the *Statement of Activities* and included in beginning net position.	
Compensated Absences	27,292
Pensions	210,498
Prepaid Items	424
	238,214
Change in net position of governmental activities reported in the *Statement of Activities*	$ (2,597,761)

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Statement of Net Position
Proprietary Funds
September 30, 2021

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
ASSETS						
Current Assets						
Cash and Cash Equivalents	$ 1,052,431	$ --	$ 227,153	$ 109,111	$ 3,870,786	$ 5,259,481
Investments	9,886,611	--	--	--	--	9,886,611
Receivables (Net of Allowance for Uncollectibles)	3,369,680	124,331	64,331	125,013	700	3,684,055
Due From Other Funds	2,192,302	97,720	734,802	1,268,414	64,584	4,357,822
Inventories	559,466	35,061	63,080	13,991	--	671,598
Prepaid Items	8,998	3,645	6,896	10,619	--	30,158
Other Current Assets	--	--	--	15,504	--	15,504
Total Current Assets	17,069,488	260,757	1,096,262	1,542,652	3,936,070	23,905,229
Noncurrent Assets						
Net Pension Asset	33,555	12,486	8,496	12,145	--	66,682
Capital Assets Not Being Depreciated	39,979	--	5,175	851,037	--	896,191
Capital Assets Net of Accumulated Depreciation	1,880,782	2,271,141	3,795,910	3,780,872	--	11,728,705
Total Noncurrent Assets	1,954,316	2,283,627	3,809,581	4,644,054	--	12,691,578
Total Assets	19,023,804	2,544,384	4,905,843	6,186,706	3,936,070	36,596,807
DEFERRED OUTFLOWS OF RESOURCES						
Pension	236,734	88,142	63,382	91,404	--	479,662
Total Deferred Outflows of Resources	236,734	88,142	63,382	91,404	--	479,662
LIABILITIES						
Current Liabilities						
Accounts Payable	1,702,467	108,719	10,050	4,953	--	1,826,189
Accrued Liabilities	27,825	8,281	5,966	9,614	--	51,686
Intergovernmental Payable	215,316	14,608	--	--	--	229,924
Due To Other Funds	41,891	75,575	64,584	506,557	290	688,897
Unearned Revenue	10,845	--	--	--	--	10,845
Customer Deposits	1,466,470	37,585	16,679	--	--	1,520,734
Notes Payable	--	--	42,113	--	--	42,113
Total Current Liabilities	3,464,814	244,768	139,392	521,124	290	4,370,388
Noncurrent Liabilities						
Compensated Absences	39,214	7,527	5,639	8,149	--	60,529
Notes Payable	--	--	741,461	--	--	741,461
Total Noncurrent Liabilities	39,214	7,527	747,100	8,149	--	801,990
Total Liabilities	3,504,028	252,295	886,492	529,273	290	5,172,378
DEFERRED INFLOWS OF RESOURCES						
Pension	96,970	36,083	24,552	35,097	--	192,702
Total Deferred Inflows of Resources	96,970	36,083	24,552	35,097	--	192,702
NET POSITION						
Net Investment in Capital Assets	1,920,761	2,271,141	3,017,511	4,631,909	--	11,841,322
Unrestricted	13,738,779	73,007	1,040,670	1,081,831	3,935,780	19,870,067
Total Net Position	$ 15,659,540	$ 2,344,148	$ 4,058,181	$ 5,713,740	$ 3,935,780	$ 31,711,389

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2021

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
OPERATING REVENUES						
Charges for Services	$ 16,655,853	$ 1,215,914	$ 891,126	$ 1,379,553	$ --	$ 20,142,446
Total Operating Revenues	16,655,853	1,215,914	891,126	1,379,553	--	20,142,446
OPERATING EXPENSES						
Personal Services and Employee Benefits	859,882	315,518	257,957	370,667	--	1,804,024
Purchased/Contracted Services	312,449	81,513	72,204	184,933	--	651,099
Supplies	12,404,166	737,901	157,155	212,538	7	13,511,767
Depreciation	140,610	83,085	160,620	232,550	--	616,865
Total Operating Expenses	13,717,107	1,218,017	647,936	1,000,688	7	16,583,755
Operating Income (Loss)	2,938,746	(2,103)	243,190	378,865	(7)	3,558,691
NONOPERATING REVENUES (EXPENSES)						
Interest Revenue	3,543	--	--	--	8,125	11,668
Investment Earnings	(18,548)	--	--	--	--	(18,548)
Interest	--	--	(10,560)	--	--	(10,560)
Gain (Loss) on Disposition of Capital Asset	--	--	--	(28,270)	--	(28,270)
Total Nonoperating Revenues (Expenses)	(15,005)	--	(10,560)	(28,270)	8,125	(45,710)
Income (Loss) Before Contributions and Transfers	2,923,741	(2,103)	232,630	350,595	8,118	3,512,981
Capital Contributions	--	--	620,474	--	--	620,474
Transfers Out	(1,955,075)	(129,000)	(104,475)	(280,100)	--	(2,468,650)
Changes in Net Position	968,666	(131,103)	748,629	70,495	8,118	1,664,805
Net Position - Beginning	14,690,874	2,475,251	3,309,552	5,643,245	3,927,662	30,046,584
Net Position - Ending	$ 15,659,540	$ 2,344,148	$ 4,058,181	$ 5,713,740	$ 3,935,780	$ 31,711,389

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2021

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Customers and Users	$ 14,289,867	$ 1,115,280	$ 871,566	$ 1,310,888	$ --	$ 17,587,601
Payments to Suppliers	(11,988,917)	(771,294)	(236,278)	(466,268)	(7)	(13,462,764)
Payments to Employees	(905,629)	(339,400)	(265,576)	(386,482)	--	(1,897,087)
Net Cash Provided (Used) by Operating Activities	1,395,321	4,586	369,712	458,138	(7)	2,227,750
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers To Other Funds	(1,955,075)	(129,000)	(104,475)	(280,100)	--	(2,468,650)
Due From Other Funds	985,388	74,321	(269,430)	(297,293)	(64,557)	428,429
Due To Other Funds	(34,890)	(12,250)	64,584	161,647	15	179,106
Net Cash Provided (Used) by Noncapital Financing Activities	(1,004,577)	(66,929)	(309,321)	(415,746)	(64,542)	(1,861,115)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and Construction of Capital Assets	(129,286)	(38,121)	(64,583)	--	--	(231,990)
Principal Paid on Capital Debt	--	--	(41,567)	--	--	(41,567)
Interest Paid on Capital Debt	--	--	(10,560)	--	--	(10,560)
Net Cash Provided (Used) by Capital and Related Financing Activities	(129,286)	(38,121)	(116,710)	--	--	(284,117)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of Investments	(626,157)	--	--	--	--	(626,157)
Interest Received	3,375	--	--	--	11,714	15,089
Dividends Received	74,345	--	--	--	--	74,345
Net Cash Provided (Used) by Investing Activities	(548,437)	--	--	--	11,714	(536,723)
Net Increase (Decrease) in Cash and Cash Equivalents	(286,979)	(100,464)	(56,319)	42,392	(52,835)	(454,205)
Cash and Cash Equivalents - Beginning of Year	1,339,410	100,464	283,472	66,719	3,923,621	5,713,686
Cash and Cash Equivalents - End of Year	$ 1,052,431	$ --	$ 227,153	$ 109,111	$ 3,870,786	$ 5,259,481

CITY OF ADEL, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2021

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	$ 2,938,746	$ (2,103)	$ 243,190	$ 378,865	$ (7)	$ 3,558,691
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities						
Depreciation Expense	140,610	83,085	160,620	232,550	--	616,865
(Increase) Decrease in Accounts Receivable	(2,514,557)	(106,832)	(20,315)	(68,665)	--	(2,710,369)
(Increase) Decrease in Other Current Assets	--	--	--	(15,504)	--	(15,504)
(Increase) Decrease in Inventories	30,198	1,932	12,234	3,725	--	48,089
(Increase) Decrease in Prepaid Items	705	(500)	397	(1,519)	--	(917)
(Increase) Decrease in Net Pension Asset	13,945	5,351	5,264	7,354	--	31,914
(Increase) Decrease in Deferred Outflows of Resources	(49,895)	(18,142)	(8,110)	(12,040)	--	(88,187)
Increase (Decrease) in Accounts Payable	696,795	46,688	(19,550)	(55,499)	--	668,434
Increase (Decrease) in Accrued Liabilities	3,964	710	2,130	(1,099)	--	5,705
Increase (Decrease) in Unearned Revenue	749	--	--	--	--	749
Increase (Decrease) in Compensated Absences Payable	(974)	(6,669)	340	(71)	--	(7,374)
Increase (Decrease) in Intergovernmental Payables	125,839	5,693	--	--	--	131,532
Increase (Decrease) in Customer Deposits	21,983	505	755	--	--	23,243
Increase (Decrease) in Deferred Inflows of Resources	(12,787)	(5,132)	(7,243)	(9,959)	--	(35,121)
Net Cash Provided (Used) by Operating Activities	$ 1,395,321	$ 4,586	$ 369,712	$ 458,138	$ (7)	$ 2,227,750
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES						
Contributions of Capital Assets from Governmental Funds	$ --	$ --	$ 5,207	$ --	$ --	$ 5,207
Net Increase (Decrease) in Fair Value of Investments	$ (92,893)	$ --	$ --	$ --	$ --	$ (92,893)

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
September 30, 2021

	Custodial Funds
ASSETS	
Cash & Cash Equivalents	$ 60,453
Total Assets	$ 60,453
LIABILITIES	
Due To Others	$ 60,453
Total Liabilities	$ 60,453

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
September 30, 2021

	Custodial Funds
ADDITIONS	
Fines and Fees	$ 193,391
Total Additions	193,391
DEDUCTIONS	
Fines and Fees	193,391
Total Deductions	193,391
Changes In Net Position	--
Net Position - Beginning	--
NET POSITION - ENDING	$ --

The notes to the financial statements are an integral part of this statement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Adel, Georgia was incorporated in 1889 by an act of the General Assembly of Georgia. The City operates under the Mayor and Council-City Manager form of government. The City provides the following services: general administrative, public safety (police, fire, and inspections), public works (streets and sanitation), and utilities (electric, gas, water, and sewer).

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Discretely Presented Component Units

The Cook County Economic Development Commission was established to provide economic development services for the benefit of the citizens of Cook County. Separate financial statements of the Economic Development Commission are not issued.

The Adel Industrial Development Authority was established to promote industrial development through the purchase and sale of land. Separate financial statements of the Industrial Development Authority are not issued.

The Downtown Development Authority of the City of Adel was established to revitalize and redevelop the downtown area of the City. Separate financial statements of the Downtown Development Authority are not issued.

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 component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate component units for which the primary government is financially accountable.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the City's enterprise funds. 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. The discretely presented component units are shown in separate columns in the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category — governmental, proprietary, and fiduciary — are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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.

The *ARPA Fund* accounts for the Local Fiscal Recovery Funds received by the City through the American Rescue Plan Act of 2021.

The *GTIB Resurfacing Fund* accounts for a capital resurfacing program financed by a loan from the Georgia Transportation Infrastructure Bank by and through the State Road and Tollway Authority.

The City reports the following major proprietary funds:

The *Electric Fund* accounts for electricity provided by the City to residents and businesses.

The *Gas Fund* accounts for natural gas provided by the City to residents and businesses.

The *Water Fund* accounts for water provided by the City to residents and businesses.

The *Sewer Fund* accounts for the sewer services provided by the City to residents and businesses.

The *Combined Public Utility System Fund* was used to account for electricity, natural gas, water and sewer services provided to City residents and businesses during the period revenue bonds were outstanding. All activities necessary to provide such services, including financing and related debt service, were included in this fund.

Additionally, the City reports the following fund types:

Custodial Funds account for resources held by the City in a purely custodial capacity.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources or economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is

incurred, regardless of the timing of 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.

The 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. 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Agency funds have no measurement focus but utilize the *accrual basis of accounting* for reporting assets and liabilities.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

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

2. Investments

State statutes authorize the City to invest in obligations of the State of Georgia or other states, obligations issued by the U.S. Government, obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States, obligations of any corporation of the U.S. Government, prime bankers' acceptances, the local government investment pool, repurchase agreements, and obligations of other political subdivisions of Georgia.

Investments for the City, as well as for its component units, are reported at fair value.

3. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method in the proprietary fund. Inventories of governmental funds are recorded as expenditures when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the proprietary funds and as expenditures when paid in the governmental funds.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost which exceeds certain capitalization thresholds and an estimated useful life in excess of two years. 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. As the City constructs or acquires 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 increase its estimated useful life. Donated capital assets are recorded at their estimated fair value at the date of donation. Land and construction in progress are not depreciated. The property, plant, equipment, and infrastructure of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Assets	Capitalization Thresholds	Estimated Service Life
Buildings	$ 15,000	30-40
Machinery and Equipment	$ 10,000	5-20
Improvements	$ 10,000	10-20
Roads	$ 25,000	15-40
Bridges	$ 25,000	15-40
Sidewalks	$ 25,000	15-40
Electric System	$ 25,000	15-50
Gas System	$ 15,000	30
Water System	$ 15,000	30-40
Sewer System	$ 15,000	30-40

5. 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. Premiums and discounts are deferred and amortized over the life of the debt using the effective interest method. Debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. 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.

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The City has one type of item that qualifies for reporting in this category. It is the deferred outflows related to pensions reported in the government-wide and proprietary fund type statements of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category. The item, unavailable revenue, which arises only under a modified accrual basis of accounting, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and intergovernmental revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other item is the deferred inflows related to pensions reported in the government-wide and proprietary fund type statements of net position.

7. Net Position Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

8. Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

9. Fund Balances Policies

Fund balance of governmental funds is reported in various classifications based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). The fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance includes amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority.

Assigned fund balance includes amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned fund balance is the residual classification for the General Fund. The classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by board approval, commit fund balance. Once approved, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council has authorized the Finance Director, City Manager, and Mayor to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as *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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property taxes were levied on September 21, 2020, payable December 15, 2020, and attached as an enforceable lien on property as of January 1, 2020. The billings are considered past due after December 15, 2020, at which time the applicable property is subject to lien, and penalties and interest are assessed.

3. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which are eligible for payment upon separation from City service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

4. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* 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 proprietary funds are charges to customers for sales and services. Operating expenses for proprietary 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 nonoperating revenues and expenses.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the capital projects funds, which adopt project-length budgets. All annual appropriations lapse at fiscal year-end.

All departments of the City submit requests for appropriations to the City Manager so that a budget may be prepared. The proposed budget is presented to the Council for review. The Council holds public hearings and a final budget must be prepared and adopted no later than September 30. The appropriated budget is prepared by fund, department and expenditure category. The City Manager may make transfers of appropriations within any fund. The adopted budget may be amended by formal action of the Mayor and Council when unexpected modifications are required in estimated revenues and appropriations. The legal level of budgetary control is the department level.

The Official Code of Georgia Annotated section 36-81-3(b) requires an annual balanced budget for the General fund, each special revenue fund, and each debt service fund and requires a project-length budget for each capital project fund. For the year ended September 30, 2021, the County did not adopt annual budgets for the ARPA and 2018 CHIP Grant special revenue funds.

B. Excess of Expenditures Over Appropriations

Excess of expenditures over appropriations at the department level (the legal level of control) is presented below:

	Budget	Actual	Excess
General Fund			
Administration	$ 607,400	$ 878,838	$ (271,438)
Street	$ 737,950	$ 778,454	$ (40,504)
Sanitation	$ 1,072,850	$ 1,084,862	$ (12,012)

C. Deficit Fund Equity

The following funds had deficit fund equity at September 30, 2021:

GTIB Resurfacing Capital Projects Fund	$ 1,053,438
Adel-Cook County Recreation Special Revenu	$ 8,523
CDBG Housing Special Revenue Fund	$ 546
2018 CHIP Grant Special Revenue Fund	$ 8,288
CDBG MIT Capital Projects Fund	$ 25,256

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash Deposits with Financial Institutions

As of September 30, 2021, the $64,737 of the City's bank balance was uninsured or uncollateralized. As of September 30, 2021, $54,956 of Adel Industrial Development Authority's bank balance was uninsured or uncollateralized. As of September 30, 2021, $65,661 of Cook County Economic Development Commission's bank balance was uninsured or uncollateralized. As of September 30, 2021, the Downtown Development Authority's entire bank balance was insured or collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name.

B. Investments

According to the City's Investment and Cash Management policy, the City shall seek to maximize safety through the following strategies:

1. All City investments shall be federally-insured or fully collateralized to protect investment principal and accrued interest. Emphasis shall be given to Category 1 collateralization (collateral securities held by the City or its agent in the City's name), which is preferable, or Category 2 (collateral securities held by the counter party's trust department or agent in the City's name). Category 3 (collateral not in the City's name) shall be avoided due to higher degree of risk.

2. Market risk shall be avoided by limiting investments to a maximum one-year maturity, except for special circumstances where an interest rate differential and certainty of ability to hold the investment to maturity would justify a longer maturity. The City Manager shall approve any exceptions to the one-year maturity limit, and such exceptions will be disclosed to the City Council.

3. Undue credit risk shall be avoided by monitoring the financial condition of financial institutions participating in the City's investment program. Financial institutions shall provide a consolidated report of condition annually and the City shall review credit-worthiness at least annually.

The City is a beneficiary of the Municipal Competitive Trust created in 1999 by the Municipal Electric Authority of Georgia (MEAG) and its member municipalities. The Trust provides a means for participants to deposit funds to be invested at the best prudent rates of return. The trustee has complete authority for management, investment and disbursement of the trust estate. The trustee may invest in all types of investments, which, under the laws of the State of Georgia, is legal for trust beneficiaries or MEAG to invest funds. The Trust accounts are held in Intermediate Tax Restricted, Intermediate Extended Maturity, Intermediate, and Short-Term portfolios. Investments in each of the portfolios consist primarily of U.S. Treasury securities, U.S. Government agency and agency-backed securities, and municipal bonds. The funds in the Flexible Operating accounts of the Trust are invested in securities that are not typically held to maturity. The City does not have any unfunded commitments related to its share of funds in the Flexible Operating account and has the right to withdraw part, or all, of its share of funds in this account at any time. The City's share of this account represents a current unrestricted asset of the City and is reported as a current asset of the Electric fund. The restrictive requirements of the City's share of funds in the other Trust accounts negate the recognition of those accounts until such time as the funds are disbursed for the direct benefit of the City. Any investment into or withdrawal from those accounts are reported as part of the operating expenses of the City in the year incurred. The Trust reports its portfolios at market value, using net asset value (unit price per share) to determine the account balance per beneficiary. The City reports its investment in the Flexible Operating account at fair value based on the net asset values determined by the trustee. The City's position in the accounts is the same as the value of the account shares.

At September 30, 2021 the City had the following investments measured at net asset value:

	# of Shares	Fair Value	Weighted Average Maturity (Months)
Municipal Competitive Trust			
Flexible Operating Account			
Short-term Portfolio	28,772.530	$ 2,882,145	5.39
Intermediate Portfolio	19,186.580	1,898,320	40.09
Intermediate Extended Portfolio	49,593.500	5,106,146	51.76
		$ 9,886,611	

C. Receivables

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. Below is the detail of receivables for the major funds and the nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts:

	General	GTIB Resurfacing	Nonmajor Governmental Funds	Total Governmental Funds
Receivables:				
Interest	$ 1,273	$ --	$ --	$ 1,273
Taxes	84,407	--	--	84,407
Accounts	294,101	--	--	294,101
Intergovernmental	319,822	61,437	530,586	911,845
Gross Receivables	699,603	61,437	530,586	1,291,626
Less: Allowance for Uncollectibles	(197,095)	--	--	(197,095)
	$ 502,508	$ 61,437	$ 530,586	$ 1,094,531

	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
Receivables:						
Interest	$ 168	$ --	$ --	$ --	$ 700	$ 868
Accounts	4,419,787	174,231	181,081	293,138	--	5,068,237
Gross Receivables	4,419,955	174,231	181,081	293,138	700	5,069,105
Less: Allowance for Uncollectibles	(1,050,275)	(49,900)	(116,750)	(168,125)	--	(1,385,050)
	$ 3,369,680	$ 124,331	$ 64,331	#######	$ 700	$ 3,684,055

The City executed a note with the United States Department of Agriculture under the Rural Economic Development Loan and Grant Program for a loan in the amount of $495,961. Through the program the City of Adel made a no-interest

loan in the same amount to the City of Nashville, Georgia to finance expansion of their gas utility lines to promote economic development in the area. The loan is without interest and is to be repaid in monthly payments of $4,313. The balance at September 30, 2021 was $276,013 and is reported as an intergovernmental receivable. Based on the payment schedule for intergovernmental receivables, $224,261 of the amount reported in the General Fund is not expected to be collected within the next year.

D. Capital Assets

Capital asset activity for the year ended September 30, 2021, was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	$ 443,188	$ --	$ --	$ 443,188
Construction in Progress	729,906	271,381	(809,446)	191,841
Total Capital Assets, Not Being Depreciated	1,173,094	271,381	(809,446)	635,029
Capital Assets, Being Depreciated				
Buildings	2,047,217	40,309	--	2,087,526
Infrastructure	12,169,877	--	--	12,169,877
Improvements Other Than Buildings	1,409,051	--	--	1,409,051
Machinery and Equipment	5,711,110	197,244	(131,505)	5,776,849
Total Capital Assets, Being Depreciated	21,337,255	237,553	(131,505)	21,443,303
Less Accumulated Depreciation For				
Buildings	(1,512,596)	(42,042)	--	(1,554,638)
Infrastructure	(9,989,503)	(78,768)	--	(10,068,271)
Improvements Other Than Buildings	(1,104,596)	(27,933)	--	(1,132,529)
Machinery and Equipment	(4,171,889)	(376,529)	131,505	(4,416,913)
Total Accumulated Depreciation	(16,778,584)	(525,272)	131,505	(17,172,351)
Total Capital Assets, Being Depreciated, Net	4,558,671	(287,719)	--	4,270,952
Governmental Activities Capital Assets, Net	$ 5,731,765	$ (16,338)	$ (809,446)	$ 4,905,981

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital Assets, Not Being Depreciated				
Land	$ 896,191	$ --	$ --	$ 896,191
Construction in Progress	28,270	--	(28,270)	--
Total Capital Assets, Not Being Depreciated	924,461	--	(28,270)	896,191
Capital Assets, Being Depreciated				
Buildings and System	28,094,546	685,057	(30,000)	28,749,603
Improvements Other Than Buildings	122,694	--	--	122,694
Machinery and Equipment	2,020,519	167,407	(23,754)	2,164,172
Total Capital Assets, Being Depreciated	30,237,759	852,464	(53,754)	31,036,469
Less Accumulated Depreciation For				
Buildings and System	(16,908,569)	(544,684)	30,000	(17,423,253)
Improvements Other Than Buildings	(93,106)	(3,078)	--	(96,184)
Machinery and Equipment	(1,742,978)	(69,103)	23,754	(1,788,327)
Total Accumulated Depreciation	(18,744,653)	(616,865)	53,754	(19,307,764)
Total Capital Assets, Being Depreciated, Net	11,493,106	235,599	--	11,728,705
Business-Type Activities Capital Assets, Net	$ 12,417,567	$ 235,599	$ (28,270)	$ 12,624,896

Capital assets of $620,474 were reassigned from Governmental Activities to the Water Fund. The Sewer Fund transferred capital assets with a historical cost of $22,000 and accumulated depreciation of $22,000 to Governmental Activities.

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

Governmental Activities	
General Government	$ 23,138
Public Safety	280,639
Public Works	181,608
Culture and Recreation	17,887
Total Depreciation Expense	$ 503,272
Business-type Activities	
Electric	$ 140,610
Gas	83,085
Water	160,620
Sewer	232,550
Total Depreciation Expense	$ 616,865

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of September 30, 2021 was as follows:

Due From / To Other Funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	$ 66,765
General Fund	Combined Public Utility System Enterprise Fund	15
ARPA Special Revenue Fund	General Fund	996,328
GTIB Resurfacing Capital Projects Fund	General Fund	154,694
Electric Enterprise Fund	General Fund	2,192,027
Electric Enterprise Fund	Combined Public Utility System Enterprise Fund	275
Gas Enterprise Fund	General Fund	20,461
Gas Enterprise Fund	Electric Enterprise Fund	41,876
Gas Enterprise Fund	Sewer Enterprise Fund	35,383
Water Enterprise Fund	General Fund	188,038
Water Enterprise Fund	Electric Enterprise Fund	15
Water Enterprise Fund	Gas Enterprise Fund	75,575
Water Enterprise Fund	Sewer Enterprise Fund	471,174
Sewer Enterprise Fund	General Fund	1,268,414
Combined Public Utility System Enterprise Fund	Water Enterprise Fund	64,584
		$ 5,575,624

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The General Fund owes the ARPA Fund $996,328 in unspent grant proceeds accounted for in the fund. The General Fund owes the GTIB Resurfacing Fund $154,694 in transfers to finance project expenditures accounted for in the fund. The General Fund payables to the Enterprise Funds totaling $3,668,940 primarily consist of unreimbursed collections of payments on utility customer accounts.

The composition of interfund transfers for the year ended September 30, 2021 was as follows:

Interfund Transfers:

Transfer In	Transfer Out	Amount
General Fund	Electric Enterprise Fund	$ 1,955,075
General Fund	Gas Enterprise Fund	129,000
General Fund	Water Enterprise Fund	104,475
General Fund	Sewer Enterprise Fund	280,100
GTIB Resurfacing Capital Projects Fund	General Fund	154,694
Nonmajor Governmental Funds	General Fund	110,519
		$ 2,733,863

The General Fund received annually budgeted transfers of $2,468,650 from Enterprise Funds. The General Fund transferred $154,694 to the GTIB Resurfacing Fund to finance project expenditures. The General Fund transferred $8,186 to a Nonmajor Governmental Fund to finance police technology expenditures. The General Fund transferred $102,206 to a Nonmajor Governmental Fund to finance water system improvements.

Capital assets of $620,474 were reassigned from Governmental Activities to the Water Fund. The Sewer Fund transferred capital assets with a historical cost of $22,000 and accumulated depreciation of $22,000 to Governmental Activities.

F. Due From Component Units

On December 2, 2016, the City loaned the Adel Industrial Development Authority $750,000, payable in 6 annual installments of $125,000 plus interest at 1%. The 1% interest rate floor will be adjusted annually at ½% higher than the average interest rate of return on the City's investments. The balance outstanding at September 30, 2021 was $600,000 plus accrued interest of $28,169.

The City has made loans to the Downtown Development Authority of the City of Adel to finance property acquisitions and to finance loans made to local businesses in the downtown area of the City. The loan balances outstanding, less a provision for an uncollectible amount of $51,000, at September 30, 2021 were $115,191.

Based on the payment schedules for the component unit receivables, $365,191 is not expected to be collected within the next year.

G. Lease Obligations

The City has entered into lease agreements as lessee for financing the acquisition of capital assets. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Amortization for the period is included in depreciation.

Capital assets subject to lease obligations at September 30, 2021 were as follows:

	Governmental Activities
Machinery and Equipment	$ 668,082
Less: Accumulated Depreciation	(239,963)
Total	$ 428,119

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2021, were as follows:

Year Ending September 30	Governmental Activities
2022	$ 194,313
2023	152,231
2024	17,896
Total Minimum Lease Payments	364,440
Less: Amounts Representing Interest	(12,875)
Present Value of Minimum Lease Payments	$ 351,565

H. Long-Term Debt

Notes Payable

On February 27, 2017, the City executed a note with the United States Department of Agriculture under the Rural Economic Development Loan and Grant Program for a loan in the amount of $495,961. Through the program, the City of Adel made a no-interest loan in the same amount to the City of Nashville, Georgia to finance expansion of their gas

utility lines to promote economic development in the area. The loan is without interest and repaid in monthly payments of $4,313. The balance at September 30, 2021 was $276,013.

On September 4, 2020, the City executed a note with the United States Department of Agriculture under the Rural Economic Development Loan and Grant Program for a loan in the amount of $489,500 with interest at 2.25% for the purchase of a pumper fire truck. The note is payable is payable in 15 annual payments of $38,813. The balance at September 30, 2021 was $489,500.

On March 18, 2015, the City executed a promissory note with the Georgia Environmental Finance Authority, Drinking Water State Revolving Fund, to finance a meter replacement project and other improvements. The City had drawn $916,697 at September 30, 2018 and payments began July of 2018 at $4,344 per month for 20 years at 1.31%. At September 30, 2021, the balance outstanding was $783,574.

Debt service requirements to maturity for the notes payable as of September 30, 2021 were as follows:

Year Ending	Governmental Activities			Business-type Activities		
September 30	Principal	Interest	Total	Principal	Interest	Total
2022	$ 107,976	$ 21,364	$ 129,340	$ 42,113	$ 10,013	$ 52,126
2023	80,817	9,749	90,566	42,668	9,458	52,126
2024	81,446	9,120	90,566	43,231	8,895	52,126
2025	82,139	8,427	90,566	43,800	8,326	52,126
2026	82,822	7,743	90,565	44,378	7,748	52,126
2027 - 2031	183,389	27,927	211,316	230,817	29,813	260,630
2032 - 2036	146,924	8,368	155,292	246,433	14,197	260,630
2037 - 2041	--	--	--	90,134	1,086	91,220
Total	$ 765,513	$ 92,698	$ 858,211	$ 783,574	$ 89,536	$ 873,110

I. Changes in General Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2021, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	$ 254,558	$ --	$ (27,292)	$ 227,266	$ --
Capital Leases	434,517	109,475	(192,427)	351,565	185,182
Notes Payable	817,266	--	(51,753)	765,513	107,976
	$ 1,506,341	$ 109,475	$ (271,472)	$ 1,344,344	$ 293,158
Business-type Activities					
Compensated Absences	$ 67,903	$ --	$ (7,374)	$ 60,529	$ --
Notes Payable	825,141	--	(41,567)	783,574	42,113
	$ 893,044	$ --	$ (48,941)	$ 844,103	$ 42,113

For Governmental activities, claims and judgments, compensated absences, and pension liabilities are generally liquidated by the General Fund.

J. Pensions

Defined Benefit Plan

The City sponsors a defined benefit pension plan which provides retirement and death benefits to plan participants and beneficiaries. The plan, through execution of the adoption agreement, is an agent multiple-employer pension plan, administered by the Georgia Municipal Employees Benefit System (GMEBS). GMEBS, in its role as the Plan Sponsor, has the authority to amend the provisions of the GMEBS Master Plan and the elective provisions of the adoption agreement, as provided in Article XVIII, Section 2, of the GMEBS Master Defined Benefit Plan Document. The City has the authority to amend the adoption agreement, which defines the specific benefit provisions of the plan, as provided in Article XVIII, Section 1, of the GMEBS Master Defined Benefit Plan Document. The City's participation in the plan, benefit provisions, and other requirements are established by City ordinance. GMEBS issues a financial report that may be obtained by writing to Georgia Municipal Employees Benefit System, 201 Pryor Street SW, Atlanta, Georgia 30303.

Retirement benefits for regular employees are calculated as 2% of the employee's final average earnings (annual average of earnings for the 5 consecutive years of credited service preceding the participant's most recent termination in which participants earnings were the highest) multiplied by years of total credit service as an eligible regular employee. Regular employees are eligible for normal retirement benefits at age 65 with 5 years of total credited service or at age 55 with 30 years of total credited service. Normal retirement benefits for elected or appointed members of the City Council are calculated as $22 per month for each year of total credited service or major fraction thereof. Pre-retirement death benefits are payable monthly and are equal to the decreased monthly retirement benefit that would have otherwise been payable to the participant as if the 100% joint and survivor benefit had been elected.

Benefit terms provide for a variable annual cost-of-living adjustment, not to exceed 2%, in the amount of benefits being received by retired participants and beneficiaries, which shall be calculated and paid in accordance with the terms of the master plan.

At January 1, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	33
Inactive employees entitled to but not yet receiving benefits	18
Active employees	124
	175

City employees are required to contribute 6.2% of their covered pay. The Board of Trustees of GMEBS has adopted an actuarial funding policy for determination of annual required contributions to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the plan. The Plan is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). Annual contributions made in accordance with the funding policy, which requires a different funding level, will meet the minimum funding standards. The contribution requirements of employees and the City are established by City ordinance. For the year ended September 30, 2021, the City's actuarially determined contribution was $210,556.

The City's net pension liability was measured as of September 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021.

The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.375%
Inflation	2.25%
Salary increases	2.25% plus service based merit increases
Cost-of-living adjustment	2.25%

Mortality rates were based on the Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

The actuarial assumptions used in the January 1, 2021 valuation were based on an experience study conducted in November and December 2019.

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 expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation 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 %	7.05 %
Domestic Fixed Income	20 %	1.15 %
Real Estate	10 %	4.50 %
Global Fixed Income	5 %	1.25 %
Cash	0 %	0.00 %

The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that employee 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 contributions rates and the employee rate. The long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The changes in net pension liability were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances - Beginning	$ 16,372,124	$ 16,677,180	$ (305,056)
Changes for the Year			
Service Cost	316,584	--	316,584
Interest	1,198,877	--	1,198,877
Differences Between Expected and Actual Experience	777,490	--	777,490
Changes of Assumptions	--	--	--
Contributions - Employer	--	398,229	(398,229)
Contributions - Employee	--	242,049	(242,049)
Net Investement Income	--	1,596,512	(1,596,512)
Benefit Payments	(865,501)	(865,501)	--
Administrative Expense	--	(36,775)	36,775
Net Changes	1,427,450	1,334,514	92,936
Balances - Ending	$ 17,799,574	$ 18,011,694	$ (212,120)

The following presents the City's net pension liability calculated using the discount rate of 7.375%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.375%) or 1-percentage-point higher (8.375%) than the current rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
Net Pension Liability (Asset)	$ 1,861,558	$ (212,120)	$ (1,940,870)

For the year ended September 30, 2021, the City recognized pension expense of $100,168. At September 30, 2021, 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
Differences between expected and actual experience	$ 679,928	$ 414,966
Changes in assumptions	415,076	--
Net difference between projected and actual earnings on pension plan investments	--	198,042
Contributions subsequent to the measurement date	402,052	--
	$ 1,497,056	$ 613,008

Contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the subsequent year. The other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30	
2022	$ (111,727)
2023	158,980
2024	223,764
2025	81,397
2026	129,582
Thereafter	--
	$ 481,996

Deferred Compensation Plan

The City sponsors a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457. The plan is administered by Nationwide Retirement Solutions. Employees are eligible to participate immediately upon becoming employed. An employee may elect to become a participant by executing a participation agreement and consenting to defer a portion of compensation by a reduction of salary of the annual deferral amount specified in the participation agreement. The administrator may establish a minimum deferral amount, currently 5% of compensation, and change such minimum deferral amounts from time to time. The City is not required to make employer contributions. All contribution and other requirements are established by City ordinance. For the year ended September 30, 2021, the City did not contribute to the plan and employee deferrals were $53,740.

K. Restricted Assets

The balances of the restricted asset accounts in the governmental and enterprise funds were as follows:

	Governmental Activities
USDA Note Reserve	$ 4,364
Confiscated Funds	25,586
Technology Account	38,884
	$ 68,834

L. Fund Balances

The classifications of fund balances of governmental funds at September 30, 2021 were as follows:

	General	GTIB Resurfacing	Other Governmental Funds	Total Governmental Funds
Nonspendable				
Notes Receivable	$ 224,261	$ --	$ --	$ 224,261
Due From Component Units	365,191	--	--	365,191
	589,452	--	--	589,452
Restricted				
Public Safety	--	--	64,470	64,470
Public Works	--	--	326,215	326,215
Capital Outlay	--	--	1,417,162	1,417,162
	--	--	1,807,847	1,807,847
	--	--	--	--
Unassigned, Reported In				
General Fund	9,486,378	--	--	9,486,378
Special Revenue Funds	--	--	(17,357)	(17,357)
Capital Projects Funds	--	(1,053,438)	(25,256)	(1,078,694)
	9,486,378	(1,053,438)	(42,613)	8,390,327
Total Fund Balances	$ 10,075,830	$ (1,053,438)	$ 1,765,234	$ 10,787,626

M. Tax Abatements

City property tax revenues were reduced by $97,994 under agreements entered into by the Adel Industrial Development Authority.

N. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. For workers compensation, the City carries commercial insurance. For other risks, the City is a member of the Georgia Interlocal Risk Management Agency. The agency operates under the authority of O.C.G.A. 36-85-1 et Seq. and administers group self-insurance funds which receive contributions from its members in order to pool the risks of general liability, motor vehicle liability, and property damage. Through participation in the agency, members jointly purchase insurance with other municipalities participating in and belonging to the agency and are coinsured under master policies with the total premium apportioned among the participants. The City is jointly and severally liable for all legal obligations of the funds which arise out of an event that occurs while the City is a member of the fund. The City's deductibles for insurance coverage start at $1,000 with various limits of liability up to $5,000,000 for liability and $20,311,075 for property.

O. Commitments and Contingencies

Amounts received or receivable from grantor agencies, federal and state, are subject to audit and adjustment by those agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. In the opinion of City management, such disallowances, if any, will not be significant to the City’s financial statements.

Intergovernmental Contracts - The City of Adel and the Tift County Hospital Authority (Hospital Authority) entered into a contract whereas the City of Adel will provide financial support to the Hospital Authority for the planning, development, construction, equipping and operation of a new facility consisting of an acute care hospital, long-term care beds, and a rural health clinic. Under the agreement, (1) the City shall pay to the Hospital Authority 360 equal monthly installments that, when discounted by a discount rate equal to the higher of (a) 3.376% or (b) the interest rate of any USDA Loan obtained by the Hospital Authority for the facility, equals the net contribution for $4,000,000. In connection with the restructuring of the Hospital Authority, the Hospital Authority executed an agreement assigning the contract to Tift Regional Health System, Inc. The payments are $17,408 per month and the total commitment outstanding at September 30, 2021 was $5,849,172.

Electric Power Service Contract & Intergovernmental Agreement - On October 31, 2018, the City entered into a contract with a prospective electric customer to provide electrical power at an extra-large high load factor rate. The contract requires the customer to pay the City for its investment in the primary distribution infrastructure, which amounted to $257,050, and a cash deposit of $240,000 for each substation feeder required to provide a total of 40 MW. For any usage above 40 MW that requires the construction of another substation, the customer will design, construct, own and operate such substation at its expense. The customer will pay its monthly bill in advance based on estimated electric usage provided by the City and it will be payable on the first business day of the actual usage month. The contract will remain in effect for an initial term of 5 years. If the customer, for any reason, ceases to take electric service from the City during the initial term or an event of default occurs, the electric delivery infrastructure component will be immediately due and payable to the City. The electric load required by the customer is extremely large, and, as phased in, is expected to exceed 40 MW on the premises. The City has entered into an intergovernmental agreement with six other municipal participants to share in the costs and risks of serving the customer and to alleviate or eliminate excess energy and capacity that each have contracted for relating to their respective electric distribution systems. Through the agreement, the participants will provide the electricity necessary to serve the premises up to a specified maximum MW through the Municipal Electric Authority of Georgia.

Electrical Power Contract - In March 1976, the City of Adel and the Municipal Electric Authority of Georgia (MEAG) entered into a contract under which MEAG is to provide bulk electrical power to the City. In return, the City agreed to pay its participant share of MEAG's cost of generating and transmitting power. The term of the contract will continue in full force until such time, not exceeding 50 years, as all of MEAG's bonds have been paid or until such time as MEAG is retired from service, whichever is later. Each member participant is responsible for their pro-rata share of MEAG's bonds until paid. MEAG is obligated to periodically review the rates it charges member cities for power purchases. MEAG Power is also required to determine at the end of each power supply year, the sufficiency of the amounts paid by participants to recover MEAG Power's applicable costs for the year. Recent year-end settlements have resulted in net billings to participants exceeding actual costs, reserve requirements, and other assessments. These settlements are finalized after the fiscal year-end and the amounts received in the current year are for the previous fiscal years settlement and are reported as part of the operating expenses of the City in the year the settlement is received.

Distribution and Marketing Business Unit Contracts - In November 1998, the City agreed to enter into a contract with MEAG in furtherance of its power sales contract. Continuing changes in the electric industry, such as deregulation of wholesale electric supply, and changes in retail structure created a need for a business unit to function as a division of MEAG to facilitate the delivery of distribution, marketing, and related services to member cities needing such services. Under the services contract with MEAG, the City received services related to electrical distribution such as training and safety, technical support, meter testing, and services related to marketing, such as pricing and sales support, energy services, major account support, and local economic development. In March 2009, the City entered into an agreement with Electric Cities of Georgia, Inc. to provide such services until June 30, 2012 and automatically extending for additional twelve-month periods on each successive anniversary date of the contract.

Municipal Competitive Trust - On May 3, 1999, the City adopted Resolution 99-7 approving its execution of a trust agreement with MEAG and other member cities creating the Municipal Competitive Trust. The Competitive Trust was established to accumulate and grow, through common investment, a substantial fund to be utilized by the participants to mitigate the high fixed cost related to Plant Vogtle Unit Nos. 1 and 2 and the impacts that may result from the

deregulation of the electric industry in Georgia. It was initially funded with certain rate stabilization and debt service reserve funds and was comprised of the Reserve Funded Debt, Credit Support Operating and Flexible Operating accounts. Participants currently contribute funds into the Flexible Operating, as well as the New Generation and Capacity Funding (discussed below) accounts on an elective basis. With the exception of the Flexible Operating account and the New Generation and Capacity Funding account, the funds in the Competitive Trust have been retained and invested in securities typically held to maturity. Changes impacting the balance in the Competitive Trust result from investment earnings and additional participants' contributions, which are offset by scheduled distributions to participants.

During 2008 and 2009, several amendments to the terms of the Competitive Trust authorized MEAG Power, on behalf of the participants executing such amendments to, among other things:

Apply funds from certain Competitive Trust accounts for the purpose of lowering the participants' annual generation billings from MEAG Power during the period 2009 through 2018 (Trust Transfers); and

Establish the New Generation and Capacity Funding account to permit the participants to fund their share of the acquisition and construction costs of any future MEAG Power generation project joined by such participants (including the Vogtle Units 3&4 Projects), as well as funding of capacity purchases proposed by MEAG Power, purchase of additional entitlement shares or obligation shares of existing MEAG Power projects and for mitigation of certain bulk power supply cost increases.

If not otherwise expended, funds in the Credit Support Operating account and Reserve Funded Debt account may be withdrawn on or after December 31, 2018 and 2025, respectively, and funds in the New Generation and Capacity Funding Account may be withdrawn after January 1, 2037. An external trustee holds the funds in the Competitive Trust and maintains balances on an individual participant basis.

No beneficiary shall have any interest in the account of any other beneficiary. The City has the right to withdraw part, or all, of its share of funds in the Flexible Operating account at any time. Since the funds in this account represent a current unrestricted asset of the City, the balance is reported as a current asset in the balance sheet of the Electric fund. The restrictive requirements for use of the funds in the other accounts negate the recognition of those accounts until such time as the funds are disbursed for the direct benefit of the City. Any investment into or withdrawal from these accounts are reported as part of the operating expenses of the City in the year incurred.

Municipal Gas Authority of Georgia Contract - According to the terms of a contract, as amended, with Municipal Gas Authority of Georgia (MGAG), the City is committed to purchase gas supplies from MGAG through December 31, 2050. Pursuant to the agreement in order to finance project costs, MGAG is authorized to issue bonds in series through the close of business on December 31, 2030, with a maximum principal amount outstanding at any one time of $831,500,000 and a final maturity not to exceed 30 years from the date of issuance of each series. In the event that at any time project costs payable by MGAG are in excess of the revenues of the Authority available for the purpose of paying the same or reserve funds, the City is obligated to pay its share of such excess. The obligation of the City to make payments to the Authority under these contracts constitutes a general obligation of the City.

Telecommunications Project - In 1996, the City entered into an agreement as a participant in a Telecommunications Project with the Municipal Electric Authority of Georgia (MEAG) to construct a telecommunications system. MEAG owns, operates and maintains the Telecommunications Project. The Telecommunications Project consists of telecommunications facilities, fibers and other equipment acquired, constructed and installed by MEAG for the purpose of providing telecommunications capabilities to participants, and to Project One for the operation of the transmission facilities, and to others in order to achieve economies of scale and improve the economics of the Telecommunications Project. As a participant, the City's obligation share in the project is 3.6167%. Under the agreement, as amended, the City elected to prepay the amount it owed for Debt Service attributable to its interest in the Telecommunications Project.

P. Subsequent Events

On April 1, 2021, the City entered into a loan agreement with the Georgia Transportation Infrastructure Bank, by and through the State Road and Tollway Authority to finance a capital resurfacing with through a promissory note between the City and the Georgia Transportation Infrastructure Bank in the amount of $1,200,000. The City incurred $1,269,569 in expenditures for the project in fiscal year 2021 and drew down $1,200,000 on the loan in fiscal year 2022 to finance the expenditures.

Q. Related Organizations

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. Related organizations are described as follows:

Housing Authority of the City of Adel - The Authority administers Federal funding and/or other financing for improvement of housing conditions in the City. The five members of the governing board are appointed by the Mayor and Council. The City has no significant influence over management, budget, or policies of the Authority. The Authority reports independently.

R. Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the South Georgia area, is a member of the Southern Georgia Regional Commission and is required to pay annual dues thereto. During its year ended September 30, 2021, the City paid $10,794 in such dues. Membership in a regional commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the regional commission in Georgia. The regional commission board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that member governments are liable for any debts or obligations of a Regional Commission. Separate financial statements may be obtained from:

Southern Georgia Regional Commission
327 West Savannah Avenue
Valdosta, Georgia 31601

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ADEL, GEORGIA
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance With Final
	Original	Final	Amounts	Budget
REVENUES				
Taxes	$ 1,875,975	$ 2,052,775	$ 1,963,206	$ (89,569)
Licenses and Permits	20,000	20,000	17,200	(2,800)
Intergovernmental	94,025	103,700	103,729	29
Charges for Services	991,875	1,050,975	977,935	(73,040)
Fines and Forfeitures	900,000	900,000	560,634	(339,366)
Interest Revenue	35,000	43,525	19,043	(24,482)
Miscellaneous	5,800	16,525	30,571	14,046
Total Revenues	3,922,675	4,187,500	3,672,318	(515,182)
EXPENDITURES				
Mayor and Council	182,100	150,675	150,557	118
Elections	500	250	239	11
Administration	706,400	607,400	878,838	(271,438)
Attorney	6,600	6,500	6,500	--
Judge	26,900	20,975	20,969	6
Police	2,400,175	2,207,000	2,205,573	1,427
Fire	1,348,000	1,234,500	1,234,178	322
Volunteer Fire	75,800	58,350	58,275	75
Animal Control	74,850	70,050	69,718	332
Street	2,259,025	737,950	778,454	(40,504)
Sanitation	1,317,450	1,072,850	1,084,862	(12,012)
Maintenance	151,275	131,250	131,022	228
Parks	6,500	4,850	4,781	69
Inspection	89,300	74,025	73,814	211
Community Development Director	104,550	69,150	68,932	218
Downtown Development Director	113,725	108,400	108,097	303
Special Appropriations	208,900	208,900	208,899	1
Total Expenditures	9,072,050	6,763,075	7,083,708	(320,633)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,149,375)	(2,575,575)	(3,411,390)	(835,815)
OTHER FINANCING SOURCES (USES)				
Transfers In	2,468,650	2,468,650	2,468,650	--
Proceeds of Capital Asset Dispositions	--	4,125	4,126	1
Capital Leases	267,000	267,000	109,475	(157,525)
Other Sources	1,500,000	1,500,000	--	(1,500,000)
Total Other Financing Sources (Uses)	4,235,650	4,239,775	2,582,251	(1,657,524)
Net Change in Fund Balances	(913,725)	1,664,200	(829,139)	(2,493,339)
Fund Balances - Beginning	10,904,969	10,904,969	10,904,969	--
Fund Balances - Ending	$ 9,991,244	$ 12,569,169	$ 10,075,830	$ (2,493,339)

CITY OF ADEL, GEORGIA
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

The presentation of expenditures reported in the General Fund *Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual* differs from the *Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds*. The following schedule presents a reconciliation of those amounts.

	Budget Schedule	Reconciliation	Governmental Fund Statement
REVENUES			
Taxes	$ 1,963,206	$ --	$ 1,963,206
Licenses and Permits	17,200	--	17,200
Intergovernmental	103,729	--	103,729
Charges for Services	977,935	--	977,935
Fines and Forfeitures	560,634	(156,954)	403,680
Interest Revenue	19,043	--	19,043
Miscellaneous	30,571	--	30,571
	$ 3,672,318	$ (156,954)	$ 3,515,364
EXPENDITURES			
Current			
General Government			
Mayor and Council	$ 150,557	$ --	$ 150,557
Elections	239	--	239
Administration	878,838	(455,231)	423,607
Attorney	6,500	--	6,500
	1,036,134	(455,231)	580,903
Judicial	20,969	--	20,969
Public Safety			
Police	2,205,573	(312,525)	1,893,048
Fire	1,234,178	(38)	1,234,140
Volunteer Fire	58,275	--	58,275
Animal Control	69,718	--	69,718
	3,567,744	(312,563)	3,255,181
Public Works			
Street	778,454	(12,001)	766,453
Sanitation	1,084,862	(58,938)	1,025,924
Maintenance	131,022	--	131,022
Other Public Works	--	5,550	5,550
	1,994,338	(65,389)	1,928,949
Culture and Recreation			
Parks	4,781	--	4,781
Other Culture and Recreation	--	37,400	37,400
	4,781	37,400	42,181
Housing and Development			
Inspection	73,814	--	73,814
Community Development Director	68,932	--	68,932
Downtown Development Director	108,097	--	108,097
Other Housing and Development	--	312,399	312,399
	250,843	312,399	563,242
Debt Service	--	270,116	270,116
Special Appropriations	208,899	(208,899)	--
Total Expenditures	7,083,708	(422,167)	6,661,541
OTHER FINANCING USES			
Transfers Out	--	265,213	265,213
Total	$ 7,083,708	$ (156,954)	$ 6,926,754

CITY OF ADEL, GEORGIA
Pension Plan
Schedule of Changes in the City's Net Pension Liability and Related Ratios
September 30, 2021

	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability							
Service Cost	$ 316,584	$ 303,458	$ 287,885	$ 302,844	$ 305,219	$ 588,059	$ 591,133
Interest on Total Pension Liability	1,198,877	1,149,729	1,109,756	1,030,283	1,011,616	843,056	802,428
Changes of Benefit Terms	--	--	--	--	--	--	--
Differences Between Expected and Actual Experience	777,490	(283,575)	(344,262)	96,053	(529,258)	319,708	2,990
Changes of Assumptions	--	445,945	--	353,337	--	877,732	(490,645)
Benefit Payments	(865,501)	(539,382)	(532,594)	(602,658)	(490,754)	(416,440)	(346,903)
Net Change in Total Pension Liability	1,427,450	1,076,175	520,785	1,179,859	296,823	2,212,115	559,003
Total Pension Liability - Beginning	16,372,124	15,295,949	14,775,164	13,595,305	13,298,482	11,086,367	10,527,364
Total Pension Liability - Ending (a)	$ 17,799,574	$ 16,372,124	$ 15,295,949	$ 14,775,164	$ 13,595,305	$ 13,298,482	$ 11,086,367
Plan Fiduciary Net Position							
Contributions - Employer	$ 398,229	$ 405,272	$ 395,107	$ 380,702	$ 361,690	$ 381,714	$ 571,236
Contributions - Employee	242,049	245,643	232,816	305,519	226,569	231,993	374,429
Net Investment Income	1,596,512	498,691	1,450,777	1,894,830	1,267,315	123,989	1,055,047
Benefit Payments, Including Refunds of Employee Contributions	(865,501)	(539,382)	(532,594)	(602,658)	(490,754)	(416,440)	(346,903)
Administrative Expense	(36,775)	(35,197)	(35,879)	(40,227)	(18,781)	(21,513)	(16,530)
Other	--	--	--	--	--	--	--
Net Change in Plan Fiduciary Net Position	1,334,514	575,027	1,510,227	1,938,166	1,346,039	299,743	1,637,279
Plan Fiduciary Net Position - Beginning	16,677,180	16,102,153	14,591,926	12,653,760	11,307,721	11,007,978	9,370,699
Plan Fiduciary Net Position - Ending (b)	$ 18,011,694	$ 16,677,180	$ 16,102,153	$ 14,591,926	$ 12,653,760	$ 11,307,721	$ 11,007,978
City's Net Pension Liability - Ending (a) - (b)	$ (212,120)	$ (305,056)	$ (806,204)	$ 183,238	$ 941,545	$ 1,990,761	$ 78,389
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.19%	101.86%	105.27%	98.76%	93.07%	85.03%	99.29%
Covered-Employee Payroll	$ 3,613,600	$ 3,672,019	$ 3,734,803	$ 3,658,216	$ 3,563,770	$ 3,552,948	$ 3,436,256
City's Net Pension Liability as a Percentage of Covered-Employee Payroll	-5.87%	-8.31%	-21.59%	5.01%	26.42%	56.03%	2.28%

CITY OF ADEL, GEORGIA
Pension Plan
Schedule of Changes in the City's Net Pension Liability and Related Ratios
September 30, 2021

Notes to Schedule

In 2020 the following changes in assumptions were made:

The mortality table for healthy retirees and beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

The mortality table for disabled participants was changed from the sex-distinct RP-2000 Disabled Retiree Mortality Table to the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.

The mortality table for active participants, terminated vested participants, and deferred beneficiaries was changed from the sex- distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex- distinct Pri-2012 head-count weighted Employee Mortality Table.

Future mortality improvement is based on projecting generationally from 2012 using 60% of the sex-distinct Scale SSA2019. Previously future mortality improvements were not explicitly projected.

The prior retirement assumption was based on the Plan's normal retirement eligibility. If normal retirement eligibility was only available on or after age 65, the prior assumption was 60% at ages 65 to 69 and 100% at age 70 and older. If normal retirement eligibility was available prior to age 65, the rates were 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70 and older as long as a participant was at least eligible for early retirement.

The new assumption relates to when a given participant is eligible for normal retirement (either regular normal retirement or alternative normal retirement). Retirement rates do not apply if a participant is not eligible for either early or normal retirement. The retirement rates where normal retirement is available on or after age 65 are 5% at ages 55 to 59, 7% at ages 60 and 61, 20% at age 62, 10% at ages 63 and 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older.

Where normal retirement is available to a given participant at age 62, 63, or 64, the new retirement rates are 3% when first eligible for early retirement through age 60, 10% at ages 61 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 30%.

Where normal retirement is available at age 60 or 61, the new retirement rates are 3% when first eligible for early retirement through age 59, 10% at ages 60 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 20%.

Where normal retirement is available prior to age 60, the new retirement rates are 3% when first eligible for early retirement through the year prior to normal retirement eligibility, 10% from normal retirement eligibility through age 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 10%.

The turnover rates were changed from the greater of age-based rates and select rates for the first five years of service followed by age-based rates thereafter to service-based rates only.

The disability rates were changed to 50% of the rates in the prior age-based table.

The inflation assumption was decreased from 2.75% to 2.25%.

The salary increase assumption was changed from a service-based salary scale starting at 8.25% for the first two years of service with an ultimate rate of 3.25% at ten years of service to a service-based scale starting at 8.50% for the first two years of service with an ultimate rate of 3.00% at 15 years of service.

The investment return assumption was decreased from 7.50% to 7.375%.

The cost-of-living assumption was decreased from 2.00% to 1.70%.

In 2018 the following changes in assumptions were made:

The investment return assumption was reduced from 7.75% to 7.50%.

The inflation assumption was reduced from 3.25% to 2.75%.

The Social Security wage base increase assumption was reduced from 3.25% to 2.75% (if applicable).

The salary increase rates were reduced by 0.50% for all years of service, consistent with the reduction in the inflation assumption.

CITY OF ADEL, GEORGIA
Pension Plan
Schedule of City Contributions
September 30, 2021

	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	$ 210,556	$ 208,045	$ 256,390	$ 243,810	$ 322,042	$ 302,393	$ 376,573
Contributions in Relation to the Actuarially Determined Contribution	402,052	398,222	404,122	381,103	379,772	361,690	381,714
Contribution Deficiency (Excess)	$ (191,496)	$ (190,177)	$ (147,732)	$ (137,293)	$ (57,730)	$ (59,297)	$ (5,141)
Covered-Employee Payroll	$ 3,613,600	$ 3,672,019	$ 3,734,803	$ 3,658,216	$ 3,563,770	$ 3,552,948	$ 3,436,256
Contributions as a Percentage of Covered-Employee Payroll	11.13%	10.84%	10.82%	10.42%	10.66%	10.18%	11.11%

Notes to Schedule

Valuation date	January 1, 2020
Actuarial cost method	Projected unit credit
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Net effective period of 30 years
Asset valuation method	Sum of actuarial value at the beginning of the year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Investment rate of return	7.375%
Inflation	2.25%
Salary increases	2.25% plus service based merit increases
Cost-of-living adjustment	1.70%
Retirement age	Earlier of 65 with 5 years of service or 55 with 30 years of service
Mortality	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25; sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Major Governmental Funds

General Fund

The General Fund is the City's primary operating fund. It is used to account for and report all financial resources of the general government, except those required to be accounted for and reported in another fund.

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

ARPA Fund - This fund is used to account for the Local Fiscal Recovery Funds received by the City through the American Rescue Plan Act of 2021.

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 funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

GTIB Resurfacing Fund - This fund is used to account for a capital resurfacing program financed by a loan from the Georgia Transportation Infrastructure Bank by and through the State Road and Tollway Authority.

CITY OF ADEL, GEORGIA
General Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
ASSETS		
Cash and Cash Equivalents	$ 14,057,970	$ 14,234,855
Restricted Assets		
Cash and Cash Equivalents	4,364	--
Receivables (Net of Allowance for Uncollectibles)		
Interest	1,273	8,424
Taxes	71,414	54,209
Accounts	109,999	127,969
Intergovernmental	319,822	360,349
Due From Other Funds		
Adel-Cook County Recreation Special Revenue Fund	48,853	63,209
2018 CDBG Housing	546	--
2018 CHIP Grant Special Revenue Fund	5,957	2,167
2018 CDBG Water Capital Projects Fund	--	82,585
CDBG MIT Capital Projects Fund	11,409	--
Combined Public Utility System Enterprise Fund	15	--
Due From Component Units	743,360	744,142
Total Assets	$ 15,374,982	$ 15,677,909
LIABILITIES		
Accounts Payable	$ 212,488	$ 341,179
Accrued Liabilities	125,004	107,962
Intergovernmental Payable	1,839	1,512
Due To Other Funds		
ARPA Special Revenue Fund	996,328	--
GTIB Resurfacing Capital Projects Fund	154,694	--
Electric Enterprise Fund	2,192,027	3,177,415
Gas Enterprise Fund	20,461	72,139
Water Enterprise Fund	188,038	55,758
Sewer Enterprise Fund	1,268,414	971,121
Combined Public Utility System Enterprise Fund	--	27
Customer Deposits	1,500	1,000
Total Liabilities	5,160,793	4,728,113
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Property Taxes	66,630	44,827
Charges for Services	71,729	--
Total Deferred Inflows of Resources	138,359	44,827
FUND BALANCES		
Nonspendable	589,452	766,204
Unassigned	9,486,378	10,138,765
Total Fund Balances	10,075,830	10,904,969
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 15,374,982	$ 15,677,909

CITY OF ADEL, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
REVENUES		
Taxes	$ 1,963,206	$ 1,783,755
Licenses and Permits	17,200	19,600
Intergovernmental	103,729	464,916
Charges for Services	977,935	1,004,778
Fines and Forfeitures	403,680	630,853
Interest Revenue	19,043	71,351
Contributions and Donations	--	2,000
Miscellaneous	30,571	9,426
Total Revenues	3,515,364	3,986,679
EXPENDITURES		
Current		
General Government	580,903	586,125
Judicial	20,969	20,732
Public Safety	3,255,181	4,046,301
Public Works	1,928,949	1,826,756
Culture and Recreation	42,181	42,569
Housing and Development	563,242	721,663
Debt Service	270,116	241,550
Total Expenditures	6,661,541	7,485,696
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,146,177)	(3,499,017)
OTHER FINANCING SOURCES (USES)		
Transfers In		
Electric Enterprise Fund	1,955,075	1,955,075
Gas Enterprise Fund	129,000	129,000
Water Enterprise Fund	104,475	143,600
Sewer Enterprise Fund	280,100	240,950
Transfers Out		
Technology Special Revenue Fund	(8,186)	(9,409)
CDBG EIP Hospital Capital Projects Fund	(127)	--
2018 CDBG Water Capital Projects Fund	(102,206)	--
GTIB Resurfacing Capital Projects Fund	(154,694)	--
Proceeds of Capital Asset Dispositions	4,126	5,416
Notes Payable	--	489,500
Capital Leases	109,475	169,188
Total Other Financing Sources (Uses)	2,317,038	3,123,320
Net Change in Fund Balances	(829,139)	(375,697)
Fund Balances - Beginning	10,904,969	11,280,666
Fund Balances - Ending	$ 10,075,830	$ 10,904,969

CITY OF ADEL, GEORGIA
ARPA Special Revenue Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
ASSETS		
Due From Other Funds		
General Fund	$ 996,328	$ --
Total Assets	$ 996,328	$ --
LIABILITIES		
Unearned Revenue	$ 996,328	$ --
Total Liabilities	996,328	--
FUND BALANCES		
Total Fund Balances	$ 996,328	$ --

CITY OF ADEL, GEORGIA
GTIB Resurfacing Capital Projects Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
ASSETS		
Receivables		
Intergovernmental	$ 61,437	$ --
Due From Other Funds		
General Fund	154,694	--
Total Assets	$ 216,131	$ --
LIABILITIES		
Accounts Payable	$ 1,269,569	$ --
Total Liabilities	1,269,569	--
FUND BALANCES		
Unassigned	(1,053,438)	--
Total Fund Balances	(1,053,438)	--
Total Liabilities and Fund Balances	$ 216,131	$ --

CITY OF ADEL, GEORGIA
GTIB Resurfacing Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
REVENUES		
Intergovernmental	$ 61,437	$ --
Total Revenues	61,437	--
EXPENDITURES		
Capital Outlay	1,269,569	--
Total Expenditures	1,269,569	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,208,132)	--
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	154,694	--
Total Other Financing Sources (Uses)	154,694	--
Net Change in Fund Balances	(1,053,438)	--
Fund Balances - Beginning	--	--
Fund Balances - Ending	$ (1,053,438)	$ --

CITY OF ADEL, GEORGIA

GTIB Resurfacing Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2021

	Project Authorization	Prior Years	Current Year	Total To Date
REVENUES				
Intergovernmental	$ 61,437	$ --	$ 61,437	$ 61,437
Total Revenues	61,437	--	61,437	61,437
EXPENDITURES				
Capital Outlay	1,383,038	--	1,269,569	1,269,569
Total Expenditures	1,383,038	--	1,269,569	1,269,569
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,321,601)	--	(1,208,132)	(1,208,132)
OTHER FINANCING SOURCES (USES)				
Transfers In				
General Fund	121,601	--	154,694	154,694
Notes Payable	1,200,000	--	--	--
Total Other Financing Sources (Uses)	1,321,601	--	154,694	154,694
Net Change in Fund Balances	$ --	$ --	(1,053,438)	$ (1,053,438)
Fund Balances - Beginning			--	
Fund Balances - Ending			$ (1,053,438)	

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Confiscated Assets Fund - This fund is used to account for the funds received from cash confiscations and sales of capital assets acquired from drug raids.
Technology Fund - This fund is used to account for fines collected through the imposition of a technology surcharge.
TSPLOST Fund - This fund is used to account for the collection of the discretionary portion of the Transportation Special District Local Option Sales and Use Tax proceeds and expenditures for transportation projects that are not capital projects.
Adel-Cook County Recreation Fund - This fund is used to account for the funds used to provide the parks and recreation program of the Cook County Countywide Recreation Board.
CDBG Housing Fund - This fund is used to account for the proceeds of a community development block grant used to finance rehabilitation and reconstruction of private properties principally for persons of low-and moderate-income.
2018 CHIP Grant Fund - This fund is used to account for the proceeds of a Community Home Investment Proceeds grant to provide safe, decent, and affordable housing in the City and to rehabilitate owner-occupied homes and build and renovate affordable single family homes for sale to eligible homebuyers.

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 funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

1% Special Purpose Local Option Sales Tax (SPLOST) Fund - This fund is used to account for proceeds of the 1% special purpose local option sales tax used to finance capital projects.
1% Special Purpose Local Option Sales Tax (SPLOST) 2010 Fund - This fund is used to account for proceeds of the 1% special purpose local option sales tax used to finance capital projects, effective October 1, 2011 through September 30, 2017.
1% Special Purpose Local Option Sales Tax (SPLOST) 2016 Fund - This fund is used to account for proceeds of the 1% special purpose local option sales tax used to finance capital projects, effective October 1, 2017 through September 30, 2023.
CDBG EIP Hospital Fund - This fund is used to account for the proceeds of a community development block grant used to finance water and sewer extension at he new hospital exit.
2018 CDBG Water Fund - This fund is used to account for the proceeds of a community development block grant used to finance water improvements.
CDBG MIT Fund - This fund is used to account for the proceeds of a community development block grant used to finance an emergency services radio tower communication system improvements project.
Recreation Project Fund - This fund is used to account for the financial resources to be used to finance a major recreation facilities project.

CITY OF ADEL, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2021

	Special Revenue Funds						
	Confiscated Assets	Technology	TSPLOST	Adel-Cook County Recreation	CDBG Housing	2018 CHIP Grant	Total
ASSETS							
Cash and Cash Equivalents	$ --	$ --	$ 316,187	$ 40,330	$ --	$ --	$ 356,517
Restricted Assets							
Cash and Cash Equivalents	25,586	38,884	--	--	--	--	64,470
Receivables	--	--	10,028	437,995	--	--	448,023
Total Assets	$ 25,586	$ 38,884	$ 326,215	$ 478,325	$ --	$ --	$ 869,010
LIABILITIES							
Accounts Payable	$ --	$ --	$ --	$ --	$ --	$ 2,331	$ 2,331
Due To Other Funds	--	--	--	48,853	546	5,957	55,356
Total Liabilities	--	--	--	48,853	546	8,288	57,687
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue							
Intergovernmental	--	--	--	437,995	--	--	437,995
Total Deferred Inflows Of Resources	--	--	--	437,995	--	--	437,995
FUND BALANCES							
Restricted	25,586	38,884	326,215	--	--	--	390,685
Unassigned	--	--	--	(8,523)	(546)	(8,288)	(17,357)
Total Fund Balances	25,586	38,884	326,215	(8,523)	(546)	(8,288)	373,328
Total Liabilities, Deferred Inflows of Resc	$ 25,586	$ 38,884	$ 326,215	$ 478,325	$ --	$ --	$ 869,010

CITY OF ADEL, GEORGIA
Combining Balance Sheet (continued)
Nonmajor Governmental Funds
September 30, 2021
(Continued)

	Capital Projects Funds								Total Nonmajor Governmental Funds
	SPLOST	SPLOST 2010	SPLOST 2016	CDBG EIP Hospital	2018 CDBG Water	CDBG MIT	Recreation Project	Total	
ASSETS									
Cash and Cash Equivalents	$ --	$ --	$ 1,334,599	$ --	$ --	$ --	$ --	$ 1,334,599	$ 1,691,116
Restricted Assets									
Cash and Cash Equivalents	--	--	--	--	--	--	--	--	64,470
Receivables	--	--	82,563	--	--	--	--	82,563	530,586
Total Assets	$ --	$ --	$ 1,417,162	$ --	$ --	$ --	$ --	$ 1,417,162	$ 2,286,172
LIABILITIES									
Accounts Payable	$ --	$ --	$ --	$ --	$ --	$ 13,847	$ --	$ 13,847	$ 16,178
Due To Other Funds	--	--	--	--	--	11,409	--	11,409	66,765
Total Liabilities	--	--	--	--	--	25,256	--	25,256	82,943
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue									
Intergovernmental	--	--	--	--	--	--	--	--	437,995
Total Deferred Inflows Of Resources	--	--	--	--	--	--	--	--	437,995
FUND BALANCES									
Restricted	--	--	1,417,162	--	--	--	--	1,417,162	1,807,847
Unassigned	--	--	--	--	--	(25,256)	--	(25,256)	(42,613)
Total Fund Balances	--	--	1,417,162	--	--	(25,256)	--	1,391,906	1,765,234
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ --	$ --	$ 1,417,162	$ --	$ --	$ --	$ --	$ 1,417,162	$ 2,286,172

CITY OF ADEL, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2021

	Special Revenue Funds						
	Confiscated Assets	Technology	TSPLOST	Adel-Cook County Recreation	CDBG Housing	2018 CHIP Grant	Total
REVENUES							
Taxes	$ --	$ --	$ 119,772	$ --	$ --	$ --	$ 119,772
Intergovernmental	--	--	--	89,432	--	168,625	258,057
Charges for Services	--	--	--	95,670	--	--	95,670
Fines and Forfeitures	1,884	--	--	--	--	--	1,884
Interest Revenue	2	--	20	258	--	--	280
Total Revenues	1,886	--	119,792	185,360	--	168,625	475,663
EXPENDITURES							
Current							
Public Safety	381	8,325	--	--	--	--	8,706
Culture and Recreation	--	--	--	469,423	--	--	469,423
Housing and Development	--	--	--	--	546	173,856	174,402
Capital Outlay	--	--	--	--	--	--	--
Total Expenditures	381	8,325	--	469,423	546	173,856	652,531
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,505	(8,325)	119,792	(284,063)	(546)	(5,231)	(176,868)
OTHER FINANCING SOURCES (USES)							
Transfers In	--	8,186	--	--	--	--	8,186
Total Other Financing Sources (Uses)	--	8,186	--	--	--	--	8,186
Net Change in Fund Balances	1,505	(139)	119,792	(284,063)	(546)	(5,231)	(168,682)
Fund Balances - Beginning	24,081	39,023	206,423	275,540	--	(3,057)	542,010
Fund Balances - Ending	$ 25,586	$ 38,884	$ 326,215	$ (8,523)	$ (546)	$ (8,288)	$ 373,328

CITY OF ADEL, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)
Nonmajor Governmental Funds
September 30, 2021
(Continued)

	Capital Projects Funds								Total Nonmajor Governmental Funds
	SPLOST	SPLOST 2010	SPLOST 2016	CDBG EIP Hospital	2018 CDBG Water	CDBG MIT	Recreation Project	Total	
REVENUES									
Taxes	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ 119,772
Intergovernmental	--	--	440,084	--	200,215	--	--	640,299	898,356
Charges for Services	--	--	--	--	--	--	--	--	95,670
Fines and Forfeitures	--	--	--	--	--	--	--	--	1,884
Interest Revenue	--	3	95	--	--	--	1,962	2,060	2,340
Total Revenues	--	3	440,179	--	200,215	--	1,962	642,359	1,118,022
EXPENDITURES									
Current									
Public Safety	--	--	--	--	--	--	--	--	8,706
Culture and Recreation	--	--	--	--	--	--	1,052,424	1,052,424	1,521,847
Housing and Development	--	--	--	--	--	--	--	--	174,402
Capital Outlay	7	27,399	--	127	168,799	25,256	--	221,588	221,588
Total Expenditures	7	27,399	--	127	168,799	25,256	1,052,424	1,274,012	1,926,543
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7)	(27,396)	440,179	(127)	31,416	(25,256)	(1,050,462)	(631,653)	(808,521)
OTHER FINANCING SOURCES (USES)									
Transfers In	--	--	--	127	102,206	--	--	102,333	110,519
Total Other Financing Sources (Uses)	--	--	--	127	102,206	--	--	102,333	110,519
Net Change in Fund Balances	(7)	(27,396)	440,179	--	133,622	(25,256)	(1,050,462)	(529,320)	(698,002)
Fund Balances - Beginning	7	27,396	976,983	--	(133,622)	--	1,050,462	1,921,226	2,463,236
Fund Balances - Ending	$ --	$ --	$ 1,417,162	$ --	$ --	$ (25,256)	$ --	$ 1,391,906	$ 1,765,234

CITY OF ADEL, GEORGIA
Confiscated Assets Special Revenue Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
ASSETS		
Restricted Assets		
Cash and Cash Equivalents	$ 25,586	$ 24,081
Total Assets	$ 25,586	$ 24,081
FUND BALANCES		
Restricted	$ 25,586	$ 24,081
Total Fund Balances	$ 25,586	$ 24,081

CITY OF ADEL, GEORGIA
Confiscated Assets Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
REVENUES		
Fines and Forfeitures	$ 1,884	$ 25,342
Interest Revenue	2	28
Total Revenues	1,886	25,370
EXPENDITURES		
Current		
Public Safety	381	13,756
Capital Outlay	--	32,330
Total Expenditures	381	46,086
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,505	(20,716)
Net Change in Fund Balances	1,505	(20,716)
Fund Balances - Beginning	24,081	44,797
Fund Balances - Ending	$ 25,586	$ 24,081

CITY OF ADEL, GEORGIA
Confiscated Assets Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	Budget	Actual	Variance
REVENUES			
Fines and Forfeitures	$ 1,800	$ 1,884	$ 84
Interest Revenue	--	2	2
Total Revenues	1,800	1,886	86
EXPENDITURES			
Current			
Public Safety	1,800	381	1,419
Total Expenditures	1,800	381	1,419
Excess (Deficiency) of Revenues Over (Under) Expenditures	--	1,505	1,505
Net Change in Fund Balances	--	1,505	1,505
Fund Balances - Beginning	24,081	24,081	--
Fund Balances - Ending	$ 24,081	$ 25,586	$ 1,505

CITY OF ADEL, GEORGIA
Technology Special Revenue Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
ASSETS		
Restricted Assets		
Cash and Cash Equivalents	$ 38,884	$ 39,023
Total Assets	$ 38,884	$ 39,023
FUND BALANCES		
Restricted	$ 38,884	$ 39,023
Total Fund Balances	$ 38,884	$ 39,023

CITY OF ADEL, GEORGIA
Technology Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
EXPENDITURES		
Current		
Public Safety	$ 8,325	$ 11,594
Total Expenditures	8,325	11,594
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,325)	(11,594)
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	8,186	9,409
Total Other Financing Sources (Uses)	8,186	9,409
Net Change in Fund Balances	(139)	(2,185)
Fund Balances - Beginning	39,023	41,208
Fund Balances - Ending	$ 38,884	$ 39,023

CITY OF ADEL, GEORGIA
Technology Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	Budget	Actual	Variance
EXPENDITURES			
Current			
Public Safety	$ 15,000	$ 8,325	$ 6,675
Total Expenditures	15,000	8,325	6,675
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,000)	(8,325)	6,675
OTHER FINANCING SOURCES (USES)			
Transfers In			
General Fund	15,000	8,186	(6,814)
Total Other Financing Sources (Uses)	15,000	8,186	(6,814)
Net Change in Fund Balances	--	(139)	(139)
Fund Balances - Beginning	39,023	39,023	--
Fund Balances - Ending	$ 39,023	$ 38,884	$ (139)

CITY OF ADEL, GEORGIA
TSPLOST Special Revenue Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
ASSETS		
Cash and Cash Equivalents	$ 316,187	$ 197,490
Receivables		
Intergovernmental	10,028	8,933
Total Assets	$ 326,215	$ 206,423
FUND BALANCES		
Restricted	$ 326,215	$ 206,423
Total Fund Balances	$ 326,215	$ 206,423

CITY OF ADEL, GEORGIA
TSPLOST Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
REVENUES		
Taxes	$ 119,772	$ 104,009
Interest Revenue	20	170
Total Revenues	119,792	104,179
Excess (Deficiency) of Revenues Over (Under) Expenditures	119,792	104,179
Net Change in Fund Balances	119,792	104,179
Fund Balances - Beginning	206,423	102,244
Fund Balances - Ending	$ 326,215	$ 206,423

CITY OF ADEL, GEORGIA
TSPLOST Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	Budget	Actual	Variance
REVENUES			
Taxes	$ 82,000	$ 119,772	$ 37,772
Interest Revenue	100	20	(80)
Total Revenues	82,100	119,792	37,692
EXPENDITURES			
Capital Outlay	82,100	--	82,100
Total Expenditures	82,100	--	82,100
Excess (Deficiency) of Revenues Over (Under) Expenditures	--	119,792	119,792
Net Change in Fund Balances	--	119,792	119,792
Fund Balances - Beginning	206,423	206,423	--
Fund Balances - Ending	$ 206,423	$ 326,215	$ 119,792

CITY OF ADEL, GEORGIA
Adel-Cook County Recreation Special Revenue Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
ASSETS		
Cash and Cash Equivalents	$ 40,330	$ 279,678
Receivables		
Intergovernmental	437,995	117,075
Total Assets	$ 478,325	$ 396,753
LIABILITIES		
Due To Other Funds		
General Fund	$ 48,853	$ 63,209
Total Liabilities	48,853	63,209
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Intergovernmental	437,995	58,004
Total Deferred Inflows of Resources	437,995	58,004
FUND BALANCES		
Assigned	--	275,540
Unassigned	(8,523)	--
Total Fund Balances	(8,523)	275,540
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 478,325	$ 396,753

CITY OF ADEL, GEORGIA
Adel-Cook County Recreation Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
REVENUES		
Intergovernmental	$ 89,432	$ 486,090
Charges for Services	95,670	26,037
Interest Revenue	258	575
Total Revenues	185,360	512,702
EXPENDITURES		
Current		
Culture and Recreation	469,423	416,375
Total Expenditures	469,423	416,375
Excess (Deficiency) of Revenues Over (Under) Expenditures	(284,063)	96,327
OTHER FINANCING SOURCES (USES)		
Transfers Out		
Recreation Project Capital Projects Fund	--	(700,000)
Total Other Financing Sources (Uses)	--	(700,000)
Net Change in Fund Balances	(284,063)	(603,673)
Fund Balances - Beginning	275,540	879,213
Fund Balances - Ending	$ (8,523)	$ 275,540

CITY OF ADEL, GEORGIA
Adel-Cook County Recreation Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	Budget	Actual	Variance
REVENUES			
Intergovernmental	$ 722,600	$ 89,432	$ (633,168)
Charges for Services	100,000	95,670	(4,330)
Interest Revenue	--	258	258
Total Revenues	822,600	185,360	(637,240)
EXPENDITURES			
Current			
Culture and Recreation	822,600	469,423	353,177
Total Expenditures	822,600	469,423	353,177
Excess (Deficiency) of Revenues Over (Under) Expenditures	--	(284,063)	(284,063)
Net Change in Fund Balances	--	(284,063)	(284,063)
Fund Balances - Beginning	275,540	275,540	--
Fund Balances - Ending	$ 275,540	$ (8,523)	$ (284,063)

CITY OF ADEL, GEORGIA
CDBG Housing Special Revenue Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
LIABILITIES		
Due To Other Funds		
General Fund	$ 546	$ --
Total Liabilities	546	--
FUND BALANCES		
Unassigned	(546)	--
Total Liabilities and Fund Balances	$ --	$ --

CITY OF ADEL, GEORGIA
CDBG Housing Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
EXPENDITURES		
Current		
Housing and Development	$ 546	$ --
Total Expenditures	546	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	(546)	--
Net Change in Fund Balances	(546)	--
Fund Balances - Beginning	--	--
Fund Balances - Ending	$ (546)	$ --

CITY OF ADEL, GEORGIA
2018 CHIP Grant Special Revenue Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
LIABILITIES		
Accounts Payable	$ 2,331	$ 890
Due To Other Funds		
General Fund	5,957	2,167
Total Liabilities	8,288	3,057
FUND BALANCES		
Unassigned	(8,288)	(3,057)
Total Liabilities and Fund Balances	$ --	$ --

CITY OF ADEL, GEORGIA
2018 CHIP Grant Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
REVENUES		
Intergovernmental	$ 168,625	$ --
Total Revenues	168,625	--
EXPENDITURES		
Current		
Housing and Development	173,856	2,670
Total Expenditures	173,856	2,670
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,231)	(2,670)
Net Change in Fund Balances	(5,231)	(2,670)
Fund Balances - Beginning	(3,057)	(387)
Fund Balances - Ending	$ (8,288)	$ (3,057)

CITY OF ADEL, GEORGIA
SPLOST Capital Projects Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
ASSETS		
Cash and Cash Equivalents	$ --	$ 7
Total Assets	$ --	$ 7
FUND BALANCES		
Restricted	$ --	$ 7
Total Fund Balances	$ --	$ 7

CITY OF ADEL, GEORGIA
SPLOST Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
EXPENDITURES		
Capital Outlay	$ 7	$ --
Total Expenditures	7	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7)	--
Net Change in Fund Balances	(7)	--
Fund Balances - Beginning	7	7
Fund Balances - Ending	$ --	$ 7

CITY OF ADEL, GEORGIA
SPLOST 2010 Capital Projects Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
ASSETS		
Cash and Cash Equivalents	$ --	$ 27,396
Total Assets	$ --	$ 27,396
FUND BALANCES		
Restricted	$ --	$ 27,396
Total Fund Balances	$ --	$ 27,396

CITY OF ADEL, GEORGIA
SPLOST 2010 Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
REVENUES		
Interest Revenue	$ 3	$ 59
Total Revenues	3	59
EXPENDITURES		
Capital Outlay	27,399	24,731
Total Expenditures	27,399	24,731
Excess (Deficiency) of Revenues Over (Under) Expenditures	(27,396)	(24,672)
Net Change in Fund Balances	(27,396)	(24,672)
Fund Balances - Beginning	27,396	52,068
Fund Balances - Ending	$ --	$ 27,396

CITY OF ADEL, GEORGIA
SPLOST 2016 Capital Projects Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
ASSETS		
Cash and Cash Equivalents	$ 1,334,599	$ 879,588
Receivables		
Intergovernmental	82,563	97,395
Total Assets	$ 1,417,162	$ 976,983
FUND BALANCES		
Restricted	$ 1,417,162	$ 976,983
Total Fund Balances	$ 1,417,162	$ 976,983

CITY OF ADEL, GEORGIA
SPLOST 2016 Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
REVENUES		
Intergovernmental	$ 440,084	$ 424,664
Interest Revenue	95	871
Total Revenues	440,179	425,535
Excess (Deficiency) of Revenues Over (Under) Expenditures	440,179	425,535
Net Change in Fund Balances	440,179	425,535
Fund Balances - Beginning	976,983	551,448
Fund Balances - Ending	$ 1,417,162	$ 976,983

CITY OF ADEL, GEORGIA
CDBG EIP Hospital Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
REVENUES		
Intergovernmental	$ --	$ 80,489
Total Revenues	--	80,489
EXPENDITURES		
Capital Outlay	127	12,500
Total Expenditures	127	12,500
Excess (Deficiency) of Revenues Over (Under) Expenditures	(127)	67,989
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	127	--
Total Other Financing Sources (Uses)	127	--
Net Change in Fund Balances	--	67,989
Fund Balances - Beginning	--	(67,989)
Fund Balances - Ending	$ --	$ --

CITY OF ADEL, GEORGIA
2018 CDBG Water Capital Projects Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
ASSETS		
Receivables		
Intergovernmental	$ --	$ 37,840
Total Assets	$ --	$ 37,840
LIABILITIES		
Accounts Payable	$ --	$ 51,037
Due To Other Funds		
General Fund	--	82,585
Total Liabilities	--	133,622
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Intergovernmental	--	37,840
Total Deferred Inflows of Resources	--	37,840
FUND BALANCES		
Unassigned	--	(133,622)
Total Fund Balances	--	(133,622)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ --	$ 37,840

CITY OF ADEL, GEORGIA
2018 CDBG Water Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
REVENUES		
Intergovernmental	$ 200,215	$ 444,105
Total Revenues	200,215	444,105
EXPENDITURES		
Capital Outlay	168,799	537,834
Total Expenditures	168,799	537,834
Excess (Deficiency) of Revenues Over (Under) Expenditures	31,416	(93,729)
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	102,206	--
Total Other Financing Sources (Uses)	102,206	--
Net Change in Fund Balances	133,622	(93,729)
Fund Balances - Beginning	(133,622)	(39,893)
Fund Balances - Ending	$ --	$ (133,622)

CITY OF ADEL, GEORGIA
CDBG MIT Capital Projects Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
LIABILITIES		
Accounts Payable	$ 13,847	$ --
Due To Other Funds		
General Fund	11,409	--
Total Liabilities	25,256	--
FUND BALANCES		
Unassigned	(25,256)	--
Total Fund Balances	(25,256)	--
Total Liabilities and Fund Balances	$ --	$ --

CITY OF ADEL, GEORGIA
CDBG MIT Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
EXPENDITURES		
Capital Outlay	$ 25,256	$ --
Total Expenditures	25,256	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,256)	--
Net Change in Fund Balances	(25,256)	--
Fund Balances - Beginning	--	--
Fund Balances - Ending	$ (25,256)	$ --

CITY OF ADEL, GEORGIA
Recreation Project Capital Projects Fund
Balance Sheet
September 30, 2021 and 2020

	2021	2020
ASSETS		
Cash and Cash Equivalents	$ --	$ 1,048,986
Receivables		
Interest	--	1,476
Total Assets	$ --	$ 1,050,462
FUND BALANCES		
Assigned	$ --	$ 1,050,462
Total Fund Balances	$ --	$ 1,050,462

CITY OF ADEL, GEORGIA
Recreation Project Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2021 and 2020

	2021	2020
REVENUES		
Interest Revenue	$ 1,962	$ 14,600
Total Revenues	1,962	14,600
EXPENDITURES		
Current		
Culture and Recreation	1,052,424	--
Total Expenditures	1,052,424	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,050,462)	14,600
OTHER FINANCING SOURCES (USES)		
Transfers In		
Adel-Cook County Recreation Special Revenue Fund	--	700,000
Total Other Financing Sources (Uses)	--	700,000
Net Change in Fund Balances	(1,050,462)	714,600
Fund Balances - Beginning	1,050,462	335,862
Fund Balances - Ending	$ --	$ 1,050,462

Major Proprietary Funds

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City's Council is that costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City's Council has decided that periodic determination of net income is appropriate for accountability purposes.

Electric Fund - This fund is used to account for electricity provided to City residents and businesses.

Gas Fund - This fund is used to account for natural gas provided to City residents and businesses.

Water Fund - This fund is used to account for water provided to City residents and businesses.

Sewer Fund - This fund is used to account for sewer services provided to City residents and businesses.

Combined Public Utility System Authority Fund - This fund was originally used to account for electricity, natural gas, water and sewer services provided to City residents and businesses during the period revenue bonds were outstanding. All activities necessary to provide such services, including financing and related debt service, were included in this fund.

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Net Position
September 30, 2021 and 2020

	2021	2020
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 1,052,431	$ 1,339,410
Investments	9,886,611	9,353,347
Receivables (Net of Allowance for Uncollectibles)		
Interest	168	--
Accounts	3,369,512	854,955
Due From Other Funds		
General Fund	2,192,027	3,177,415
Combined Public Utility System Enterprise Fund	275	275
Inventories	559,466	589,664
Prepaid Items	8,998	9,703
Total Current Assets	17,069,488	15,324,769
Noncurrent Assets		
Net Pension Asset	33,555	47,500
Capital Assets Not Being Depreciated		
Land	39,979	39,979
Capital Assets Net of Accumulated Depreciation		
Buildings and System	5,277,693	5,277,693
Improvements Other than Buildings	60,306	60,306
Machinery and Equipment	1,208,921	1,079,635
Accumulated Depreciation	(4,666,138)	(4,525,528)
Total Capital Assets Net of Accumulated Depreciation	1,920,761	1,932,085
Total Noncurrent Assets	1,954,316	1,979,585
Total Assets	19,023,804	17,304,354
DEFERRED OUTFLOWS OF RESOURCES		
Pension	236,734	186,839
Total Deferred Outflows of Resources	236,734	186,839

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Net Position
September 30, 2021 and 2020

	2021	2020
LIABILITIES		
Current Liabilities		
Accounts Payable	1,702,467	1,005,672
Accrued Liabilities	27,825	23,861
Intergovernmental Payable	215,316	89,477
Due To Other Funds		
Gas Enterprise Fund	41,876	76,769
Water Enterprise Fund	15	12
Unearned Revenue	10,845	10,096
Customer Deposits	1,466,470	1,444,487
Total Current Liabilities	3,464,814	2,650,374
Noncurrent Liabilities		
Compensated Absences	39,214	40,188
Total Noncurrent Liabilities	39,214	40,188
Total Liabilities	3,504,028	2,690,562
DEFERRED INFLOWS OF RESOURCES		
Pension	96,970	109,757
Total Deferred Inflows of Resources	96,970	109,757
NET POSITION		
Investment In Capital Assets	1,920,761	1,932,085
Unrestricted	13,738,779	12,758,789
Total Net Position	$ 15,659,540	$ 14,690,874

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2021 and 2020

	2021	2020
OPERATING REVENUES		
Charges for Services	$ 16,655,853	$ 15,143,208
Total Operating Revenues	16,655,853	15,143,208
OPERATING EXPENSES		
Personal Services and Employee Benefits	859,882	789,376
Purchased/Contracted Services	312,449	327,150
Supplies	12,404,166	10,309,218
Depreciation	140,610	130,233
Total Operating Expenses	13,717,107	11,555,977
Operating Income (Loss)	2,938,746	3,587,231
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	3,543	21,326
Investment Earnings	(18,548)	189,936
Total Nonoperating Revenues (Expenses)	(15,005)	211,262
Income (Loss) Before Contributions and Transfers	2,923,741	3,798,493
Transfers Out		
General Fund	(1,955,075)	(1,955,075)
Changes in Net Position	968,666	1,843,418
Net Position - Beginning	14,690,874	12,847,456
Net Position - Ending	$ 15,659,540	$ 14,690,874

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 14,289,867	$ 16,019,235
Payments to Suppliers	(11,988,917)	(10,821,272)
Payments to Employees	(905,629)	(851,931)
Net Cash Provided (Used) by Operating Activities	1,395,321	4,346,032
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers To Other Funds	(1,955,075)	(1,955,075)
Due From Other Funds	985,388	(2,167,019)
Due To Other Funds	(34,890)	12,173
Net Cash Provided (Used) by Noncapital Financing Activities	(1,004,577)	(4,109,921)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(129,286)	(24,702)
Net Cash Provided (Used) by Capital and Related Financing Activities	(129,286)	(24,702)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(626,157)	(514,511)
Interest Received	3,375	21,326
Dividends Received	74,345	120,393
Net Cash Provided (Used) by Investing Activities	(548,437)	(372,792)
Net Increase (Decrease) in Cash and Cash Equivalents	(286,979)	(161,383)
Cash and Cash Equivalents - Beginning of Year	1,339,410	1,500,793
Cash and Cash Equivalents - End of Year	$ 1,052,431	$ 1,339,410

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2021 and 2020

	2021	2020
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 2,938,746	$ 3,587,231
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	140,610	130,233
(Increase) Decrease in Accounts Receivable	(2,514,557)	850,481
(Increase) Decrease in Inventories	30,198	26,303
(Increase) Decrease in Prepaid Items	705	313
(Increase) Decrease in Net Pension Asset	13,945	76,469
(Increase) Decrease in Deferred Outflows of Resources	(49,895)	(15,307)
Increase (Decrease) in Accounts Payable	696,795	(211,520)
Increase (Decrease) in Accrued Liabilities	3,964	4,425
Increase (Decrease) in Unearned Revenue	749	10,096
Increase (Decrease) in Compensated Absences Payable	(974)	(13,304)
Increase (Decrease) in Intergovernmental Payables	125,839	(16,698)
Increase (Decrease) in Customer Deposits	21,983	32,148
Increase (Decrease) in Deferred Inflows of Resources	(12,787)	(114,838)
Net Cash Provided (Used) by Operating Activities	$ 1,395,321	$ 4,346,032
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Net Increase (Decrease) in Fair Value of Investments	$ (92,893)	$ 69,543

CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Net Position
September 30, 2021 and 2020

	2021	2020
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ --	$ 100,464
Receivables (Net of Allowance for Uncollectibles)		
Accounts	124,331	17,499
Due From Other Funds		
General Fund	20,461	72,139
Electric Enterprise Fund	41,876	76,769
Sewer Enterprise Fund	35,383	23,133
Inventories	35,061	36,993
Prepaid Items	3,645	3,145
Total Current Assets	260,757	330,142
Noncurrent Assets		
Net Pension Asset	12,486	17,837
Capital Assets Net of Accumulated Depreciation		
Buildings and System	3,423,794	3,423,794
Machinery and Equipment	223,043	184,922
Accumulated Depreciation	(1,375,696)	(1,292,611)
Total Capital Assets Net of Accumulated Depreciation	2,271,141	2,316,105
Total Noncurrent Assets	2,283,627	2,333,942
Total Assets	2,544,384	2,664,084
DEFERRED OUTFLOWS OF RESOURCES		
Pension	88,142	70,000
Total Deferred Outflows of Resources	88,142	70,000

CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Net Position
September 30, 2021 and 2020

	2021	2020
LIABILITIES		
Current Liabilities		
Accounts Payable	108,719	62,031
Accrued Liabilities	8,281	7,571
Intergovernmental Payable	14,608	8,915
Due To Other Funds		
Water Enterprise Fund	75,575	87,825
Customer Deposits	37,585	37,080
Total Current Liabilities	244,768	203,422
Noncurrent Liabilities		
Compensated Absences	7,527	14,196
Total Noncurrent Liabilities	7,527	14,196
Total Liabilities	252,295	217,618
DEFERRED INFLOWS OF RESOURCES		
Pension	36,083	41,215
Total Deferred Inflows of Resources	36,083	41,215
NET POSITION		
Investment In Capital Assets	2,271,141	2,316,105
Unrestricted	73,007	159,146
Total Net Position	$ 2,344,148	$ 2,475,251

CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2021 and 2020

	2021	2020
OPERATING REVENUES		
Charges for Services	$ 1,215,914	$ 979,259
Total Operating Revenues	1,215,914	979,259
OPERATING EXPENSES		
Personal Services and Employee Benefits	315,518	296,348
Purchased/Contracted Services	81,513	79,831
Supplies	737,901	537,286
Depreciation	83,085	83,584
Total Operating Expenses	1,218,017	997,049
Operating Income (Loss)	(2,103)	(17,790)
NONOPERATING REVENUES (EXPENSES)		
Gain (Loss) on Disposition of Capital Assets	--	(2,363)
Total Nonoperating Revenues (Expenses)	--	(2,363)
Income (Loss) Before Contributions and Transfers	(2,103)	(20,153)
Transfers Out		
General Fund	(129,000)	(129,000)
Changes in Net Position	(131,103)	(149,153)
Net Position - Beginning	2,475,251	2,624,404
Net Position - Ending	$ 2,344,148	$ 2,475,251

CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 1,115,280	$ 996,646
Payments to Suppliers	(771,294)	(595,755)
Payments to Employees	(339,400)	(314,629)
Net Cash Provided (Used) by Operating Activities	4,586	86,262
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers To Other Funds	(129,000)	(129,000)
Due From Other Funds	74,321	(96,487)
Due To Other Funds	(12,250)	70,072
Net Cash Provided (Used) by Noncapital Financing Activities	(66,929)	(155,415)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(38,121)	(20,583)
Net Cash Provided (Used) by Capital and Related Financing Activities	(38,121)	(20,583)
Net Increase (Decrease) in Cash and Cash Equivalents	(100,464)	(89,736)
Cash and Cash Equivalents - Beginning of Year	100,464	190,200
Cash and Cash Equivalents - End of Year	$ --	$ 100,464
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ (2,103)	$ (17,790)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	83,085	83,584
(Increase) Decrease in Accounts Receivable	(106,832)	13,132
(Increase) Decrease in Inventories	1,932	2,603
(Increase) Decrease in Prepaid Items	(500)	45
(Increase) Decrease in Net Pension Asset	5,351	28,213
(Increase) Decrease in Deferred Outflows of Resources	(18,142)	(6,184)
Increase (Decrease) in Accounts Payable	46,688	18,714
Increase (Decrease) in Accrued Liabilities	710	1,294
Increase (Decrease) in Compensated Absences Payable	(6,669)	609
Increase (Decrease) in Intergovernmental Payables	5,693	400
Increase (Decrease) in Customer Deposits	505	3,855
Increase (Decrease) in Deferred Inflows of Resources	(5,132)	(42,213)
Net Cash Provided (Used) by Operating Activities	$ 4,586	$ 86,262

CITY OF ADEL, GEORGIA
Water Enterprise Fund
Statement of Net Position
September 30, 2021 and 2020

	2021	2020
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 227,153	$ 283,472
Receivables (Net of Allowance for Uncollectibles)		
Accounts	64,331	44,016
Due From Other Funds		
General Fund	188,038	55,758
Electric Enterprise Fund	15	12
Gas Enterprise Fund	75,575	87,825
Sewer Enterprise Fund	471,174	321,777
Inventories	63,080	75,314
Prepaid Items	6,896	7,293
Total Current Assets	1,096,262	875,467
Noncurrent Assets		
Net Pension Asset	8,496	13,760
Capital Assets Not Being Depreciated		
Land	5,175	5,175
Capital Assets Net of Accumulated Depreciation		
Buildings and System	8,576,961	7,891,904
Improvements Other than Buildings	9,553	9,553
Machinery and Equipment	300,795	300,795
Accumulated Depreciation	(5,091,399)	(4,930,779)
Total Capital Assets Net of Accumulated Depreciation	3,801,085	3,276,648
Total Noncurrent Assets	3,809,581	3,290,408
Total Assets	4,905,843	4,165,875
DEFERRED OUTFLOWS OF RESOURCES		
Pension	63,382	55,272
Total Deferred Outflows of Resources	63,382	55,272

CITY OF ADEL, GEORGIA
Water Enterprise Fund
Statement of Net Position
September 30, 2021 and 2020

	2021	2020
LIABILITIES		
Current Liabilities		
Accounts Payable	10,050	29,600
Accrued Liabilities	5,966	3,836
Due To Other Funds		
Combined Public Utility System Enterprise Fund	64,584	--
Customer Deposits	16,679	15,924
Notes Payable	42,113	41,566
Total Current Liabilities	139,392	90,926
Noncurrent Liabilities		
Compensated Absences	5,639	5,299
Notes Payable	741,461	783,575
Total Noncurrent Liabilities	747,100	788,874
Total Liabilities	886,492	879,800
DEFERRED INFLOWS OF RESOURCES		
Pension	24,552	31,795
Total Deferred Inflows of Resources	24,552	31,795
NET POSITION		
Net Investment in Capital Assets	3,017,511	2,451,507
Unrestricted	1,040,670	858,045
Total Net Position	$ 4,058,181	$ 3,309,552

CITY OF ADEL, GEORGIA
Water Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2021 and 2020

	2021	2020
OPERATING REVENUES		
Charges for Services	$ 891,126	$ 912,312
Total Operating Revenues	891,126	912,312
OPERATING EXPENSES		
Personal Services and Employee Benefits	257,957	265,266
Purchased/Contracted Services	72,204	100,656
Supplies	157,155	198,348
Depreciation	160,620	147,552
Total Operating Expenses	647,936	711,822
Operating Income (Loss)	243,190	200,490
NONOPERATING REVENUES (EXPENSES)		
Interest	(10,560)	(11,101)
Total Nonoperating Revenues (Expenses)	(10,560)	(11,101)
Income (Loss) Before Contributions and Transfers	232,630	189,389
Capital Contributions	620,474	5,207
Transfers Out		
General Fund	(104,475)	(143,600)
Changes in Net Position	748,629	50,996
Net Position - Beginning	3,309,552	3,258,556
Net Position - Ending	$ 4,058,181	$ 3,309,552

CITY OF ADEL, GEORGIA
Water Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 871,566	$ 916,533
Payments to Suppliers	(236,278)	(259,785)
Payments to Employees	(265,576)	(278,845)
Net Cash Provided (Used) by Operating Activities	369,712	377,903
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers To Other Funds	(104,475)	(143,600)
Due From Other Funds	(269,430)	(288,744)
Due To Other Funds	64,584	(40,064)
Net Cash Provided (Used) by Noncapital Financing Activities	(309,321)	(472,408)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(64,583)	(6,052)
Principal Paid on Capital Debt	(41,567)	(41,024)
Interest Paid on Capital Debt	(10,560)	(11,101)
Net Cash Provided (Used) by Capital and Related Financing Activities	(116,710)	(58,177)
Net Increase (Decrease) in Cash and Cash Equivalents	(56,319)	(152,682)
Cash and Cash Equivalents - Beginning of Year	283,472	436,154
Cash and Cash Equivalents - End of Year	$ 227,153	$ 283,472
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 243,190	$ 200,490
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	160,620	147,552
(Increase) Decrease in Accounts Receivable	(20,315)	3,671
(Increase) Decrease in Inventories	12,234	30,163
(Increase) Decrease in Prepaid Items	397	(945)
(Increase) Decrease in Net Pension Asset	5,264	22,389
(Increase) Decrease in Deferred Outflows of Resources	(8,110)	(4,229)
Increase (Decrease) in Accounts Payable	(19,550)	10,001
Increase (Decrease) in Accrued Liabilities	2,130	1,249
Increase (Decrease) in Compensated Absences Payable	340	708
Increase (Decrease) in Customer Deposits	755	550
Increase (Decrease) in Deferred Inflows of Resources	(7,243)	(33,696)
Net Cash Provided (Used) by Operating Activities	$ 369,712	$ 377,903
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Contributions of Capital Assets from Governmental Funds	$ 5,207	$ 5,207

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Net Position
September 30, 2021 and 2020

	2021	2020
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 109,111	$ 66,719
Receivables (Net of Allowance for Uncollectibles)		
Accounts	125,013	56,348
Due From Other Funds		
General Fund	1,268,414	971,121
Inventories	13,991	17,716
Prepaid Items	10,619	9,100
Other Current Assets	15,504	--
Total Current Assets	1,542,652	1,121,004
Noncurrent Assets		
Net Pension Asset	12,145	19,499
Capital Assets Not Being Depreciated		
Land	851,037	851,037
Construction in Progress	--	28,270
Capital Assets Net of Accumulated Depreciation		
Buildings and System	11,471,155	11,501,155
Improvements Other than Buildings	52,835	52,835
Machinery and Equipment	431,413	455,167
Accumulated Depreciation	(8,174,531)	(7,995,735)
Total Capital Assets Net of Accumulated Depreciation	4,631,909	4,892,729
Total Noncurrent Assets	4,644,054	4,912,228
Total Assets	6,186,706	6,033,232
DEFERRED OUTFLOWS OF RESOURCES		
Pension	91,404	79,364
Total Deferred Outflows of Resources	91,404	79,364

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Net Position
September 30, 2021 and 2020

	2021	2020
LIABILITIES		
Current Liabilities		
Accounts Payable	4,953	60,452
Accrued Liabilities	9,614	10,713
Due To Other Funds		
Gas Enterprise Fund	35,383	23,133
Water Enterprise Fund	471,174	321,777
Total Current Liabilities	521,124	416,075
Noncurrent Liabilities		
Compensated Absences	8,149	8,220
Total Noncurrent Liabilities	8,149	8,220
Total Liabilities	529,273	424,295
DEFERRED INFLOWS OF RESOURCES		
Pension	35,097	45,056
Total Deferred Inflows of Resources	35,097	45,056
NET POSITION		
Investment In Capital Assets	4,631,909	4,892,729
Unrestricted	1,081,831	750,516
Total Net Position	$ 5,713,740	$ 5,643,245

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2021 and 2020

	2021	2020
OPERATING REVENUES		
Charges for Services	$ 1,379,553	$ 1,441,911
Total Operating Revenues	1,379,553	1,441,911
OPERATING EXPENSES		
Personal Services and Employee Benefits	370,667	370,978
Purchased/Contracted Services	184,933	143,651
Supplies	212,538	160,825
Depreciation	232,550	249,478
Total Operating Expenses	1,000,688	924,932
Operating Income (Loss)	378,865	516,979
NONOPERATING REVENUES (EXPENSES)		
Interest	--	(224)
Gain (Loss) on Disposition of Capital Assets	(28,270)	--
Total Nonoperating Revenues (Expenses)	(28,270)	(224)
Income (Loss) Before Contributions and Transfers	350,595	516,755
Capital Contributions	--	7,293
Transfers Out		
General Fund	(280,100)	(240,950)
Changes in Net Position	70,495	283,098
Net Position - Beginning	5,643,245	5,360,147
Net Position - Ending	$ 5,713,740	$ 5,643,245

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 1,310,888	$ 1,428,401
Payments to Suppliers	(466,268)	(264,589)
Payments to Employees	(386,482)	(388,998)
Net Cash Provided (Used) by Operating Activities	458,138	774,814
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers To Other Funds	(280,100)	(240,950)
Due From Other Funds	(297,293)	(555,671)
Due To Other Funds	161,647	157,336
Net Cash Provided (Used) by Noncapital Financing Activities	(415,746)	(639,285)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	--	(61,746)
Principal Paid on Capital Debt	--	(17,554)
Interest Paid on Capital Debt	--	(224)
Net Cash Provided (Used) by Capital and Related Financing Activities	--	(79,524)
Net Increase (Decrease) in Cash and Cash Equivalents	42,392	56,005
Cash and Cash Equivalents - Beginning of Year	66,719	10,714
Cash and Cash Equivalents - End of Year	$ 109,111	$ 66,719
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 378,865	$ 516,979
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	232,550	249,478
(Increase) Decrease in Accounts Receivable	(68,665)	(13,510)
(Increase) Decrease in Other Current Assets	(15,504)	--
(Increase) Decrease in Inventories	3,725	(3,865)
(Increase) Decrease in Prepaid Items	(1,519)	(2,504)
(Increase) Decrease in Net Pension Asset	7,354	35,022
(Increase) Decrease in Deferred Outflows of Resources	(12,040)	(3,135)
Increase (Decrease) in Accounts Payable	(55,499)	46,256
Increase (Decrease) in Accrued Liabilities	(1,099)	4,217
Increase (Decrease) in Compensated Absences Payable	(71)	(404)
Increase (Decrease) in Deferred Inflows of Resources	(9,959)	(53,720)
Net Cash Provided (Used) by Operating Activities	$ 458,138	$ 774,814
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Contributions of Capital Assets from Governmental Funds	$ --	$ 7,293

CITY OF ADEL, GEORGIA
Combined Public Utility System Enterprise Fund
Statement of Net Position
September 30, 2021 and 2020

	2021	2020
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 3,870,786	$ 3,923,621
Receivables (Net of Allowance for Uncollectibles)		
Interest	700	4,289
Due From Other Funds		
General Fund	--	27
Water Enterprise Fund	64,584	--
Total Current Assets	3,936,070	3,927,937
Total Assets	3,936,070	3,927,937
LIABILITIES		
Current Liabilities		
Due To Other Funds		
General Fund	15	--
Electric Enterprise Fund	275	275
Total Current Liabilities	290	275
Total Liabilities	290	275
NET POSITION		
Unrestricted	3,935,780	3,927,662
Total Net Position	$ 3,935,780	$ 3,927,662

CITY OF ADEL, GEORGIA
Combined Public Utility System Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2021 and 2020

	2021	2020
OPERATING EXPENSES		
Supplies	$ 7	$ --
Total Operating Expenses	7	--
Operating Income (Loss)	(7)	--
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	8,125	34,408
Total Nonoperating Revenues (Expenses)	8,125	34,408
Changes in Net Position	8,118	34,408
Net Position - Beginning	3,927,662	3,893,254
Net Position - Ending	$ 3,935,780	$ 3,927,662

CITY OF ADEL, GEORGIA
Combined Public Utility System Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to Suppliers	$ (7)	$ --
Net Cash Provided (Used) by Operating Activities	(7)	--
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Due From Other Funds	(64,557)	--
Due To Other Funds	15	--
Net Cash Provided (Used) by Noncapital Financing Activities	(64,542)	--
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	11,714	41,225
Net Cash Provided (Used) by Investing Activities	11,714	41,225
Net Increase (Decrease) in Cash and Cash Equivalents	(52,835)	41,225
Cash and Cash Equivalents - Beginning of Year	3,923,621	3,882,396
Cash and Cash Equivalents - End of Year	$ 3,870,786	$ 3,923,621
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ (7)	$ --
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Net Cash Provided (Used) by Operating Activities	$ (7)	$ --

SUPPLEMENTAL SCHEDULES

CITY OF ADEL, GEORGIA
General Fund
Schedule of Revenues
For the Years Ended September 30, 2021 and 2020

	2021	2020
REVENUES		
Taxes		
Real Property	$ 888,263	$ 767,466
Personal Property	177,247	104,854
Real Estate Transfer (Intangible)	3,238	2,986
Franchise	55,263	77,978
General Sales and Use	143,619	148,982
Selective Sales and Use	160,647	159,691
Business		
Business and Occupation	78,858	86,752
Insurance Premium	428,863	406,103
Financial Institution	15,637	21,784
Penalties and Interest on Delinquent Taxes	11,571	7,159
	1,963,206	1,783,755
Licenses and Permits		
Business	17,200	19,600
	17,200	19,600
Intergovernmental	103,729	464,916
Charges for Services		
General Government	1,891	2,768
Public Safety	5,020	5,336
Public Works	971,024	996,674
	977,935	1,004,778
Fines and Forfeitures	403,680	630,853
Interest Revenue	19,043	71,351
Contributions and Donations	--	2,000
Miscellaneous	30,571	9,426
Total Revenues	$ 3,515,364	$ 3,986,679

CITY OF ADEL, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended September 30, 2021 and 2020

	2021	2020
EXPENDITURES		
Current		
General Government		
Mayor and Council		
Personal Services and Employee Benefits	$ 93,204	$ 97,084
Purchased/Contracted Services	53,330	59,344
Supplies	4,023	1,296
Total Mayor and Council	150,557	157,724
Elections		
Purchased/Contracted Services	239	239
Supplies	--	525
Total Elections	239	764
Administration		
Personal Services and Employee Benefits	235,698	243,797
Purchased/Contracted Services	137,372	130,771
Supplies	42,840	39,542
Other Costs	7,697	7,527
Total Administration	423,607	421,637
Attorney		
Purchased/Contracted Services	6,500	6,000
Total Attorney	6,500	6,000
Total General Government	580,903	586,125
Judicial		
Judge		
Purchased/Contracted Services	20,969	20,732
Total Judge	20,969	20,732
Total Judicial	20,969	20,732
Public Safety		
Police		
Personal Services and Employee Benefits	1,534,070	1,489,832
Purchased/Contracted Services	122,142	112,403
Supplies	149,259	99,481
Capital Outlay	75,170	220,282
Other Costs	12,407	179,868
Total Police	1,893,048	2,101,866
Fire		
Personal Services and Employee Benefits	1,043,725	1,112,241
Purchased/Contracted Services	44,657	45,117
Supplies	36,050	37,633
Capital Outlay	109,708	597,218
Total Fire	1,234,140	1,792,209

CITY OF ADEL, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended September 30, 2021 and 2020

	2021	2020
Volunteer Fire		
Personal Services and Employee Benefits	56,490	58,682
Purchased/Contracted Services	840	912
Supplies	945	1,475
Total Volunteer Fire	58,275	61,069
Animal Control		
Personal Services and Employee Benefits	35,121	38,787
Purchased/Contracted Services	14,085	14,228
Supplies	20,512	38,142
Total Animal Control	69,718	91,157
Total Public Safety	3,255,181	4,046,301
Public Works		
Street		
Personal Services and Employee Benefits	345,030	321,013
Purchased/Contracted Services	171,663	97,509
Supplies	199,840	189,361
Capital Outlay	49,920	192,394
Total Street	766,453	800,277
Sanitation		
Personal Services and Employee Benefits	467,673	405,222
Purchased/Contracted Services	383,052	396,440
Supplies	73,524	53,080
Capital Outlay	89,377	33,018
Other Costs	12,298	5,000
Total Sanitation	1,025,924	892,760
Maintenance		
Personal Services and Employee Benefits	111,783	113,955
Purchased/Contracted Services	5,834	6,483
Supplies	13,405	9,081
Total Maintenance	131,022	129,519
Other Public Works		
Other Costs	5,550	4,200
Total Other Public Works	5,550	4,200
Total Public Works	1,928,949	1,826,756

CITY OF ADEL, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended September 30, 2021 and 2020

	2021	2020
Culture and Recreation		
Parks		
Personal Services and Employee Benefits	--	670
Purchased/Contracted Services	773	658
Supplies	4,008	3,841
Total Parks	4,781	5,169
Other Culture and Recreation		
Other Costs	37,400	37,400
Total Other Culture and Recreation	37,400	37,400
Total Culture and Recreation	42,181	42,569
Housing and Development		
Inspection		
Personal Services and Employee Benefits	46,122	43,631
Purchased/Contracted Services	11,602	12,030
Supplies	3,840	4,377
Other Costs	12,250	12,250
Total Inspection	73,814	72,288
Community Development Director		
Personal Services and Employee Benefits	52,585	50,700
Purchased/Contracted Services	11,803	41,251
Supplies	4,544	5,957
Capital Outlay	--	126,696
Total Community Development Director	68,932	224,604
Downtown Development Director		
Personal Services and Employee Benefits	81,331	77,882
Purchased/Contracted Services	15,671	23,415
Supplies	11,095	6,513
Total Downtown Development Director	108,097	107,810
Other Housing and Development		
Other Costs	312,399	316,961
Total Other Housing and Development	312,399	316,961
Total Housing and Development	563,242	721,663
Debt Service	270,116	241,550
Total Expenditures	$ 6,661,541	$ 7,485,696

CITY OF ADEL, GEORGIA
Schedule of Projects Constructed with Special Sales Tax Proceeds
For the Year Ended September 30, 2021

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
2005 SPLOST - 10/1/2005 - 9/30/2011	$ 1,431,823	$ 1,457,650				110%
Water, Sewer and Natural Gas			$ 670,800	$ --	$ 670,800	
Road, Streets and Bridges			931,365	7	931,372	
Administrative Facilities			--	--	--	
Public Safety Facilities			--	--	--	
	$ 1,431,823	$ 1,457,650	$ 1,602,165	$ 7	$ 1,602,172	
SPLOST Capital Projects Fund						
Total Expenditures				$ 7		
				$ 7		
2010 SPLOST - 10/1/2011 - 9/30/2017	$ 1,400,000	$ 1,400,000				100%
Road, Streets and Bridges			$ 1,151,432	$ --	$ 1,151,432	
Water, Sewer and Natural Gas			214,442	27,399	241,841	
Public Safety Facilities			--	--	--	
Administrative Facilities			--	--	--	
	$ 1,400,000	$ 1,400,000	$ 1,365,874	$ 27,399	$ 1,393,273	
SPLOST 2010 Capital Projects Fund						
Total Expenditures				$ 27,399		
				$ 27,399		
2016 SPLOST - 10/1/2017 - 9/30/2023	$ 1,935,000	$ 1,935,000				8%
Road, Streets and Bridges			$ --	$ --	$ --	
Water, Sewer and Natural Gas			151,982	--	151,982	
General Capital Outlay			--	--	--	
	$ 1,935,000	$ 1,935,000	$ 151,982	$ --	$ 151,982	
SPLOST 2016 Capital Projects Fund						
Total Expenditures				$ --		
				$ --		

CITY OF ADEL, GEORGIA
Community Development Block Grant
Project Cost Schedule
Grant Award Number 18p-x-037-2-5983
From Inception and for the Year Ended September 30, 2021

Program Activity	CDBG Activity Number	Project Authorization	Revised Project Authorization	Prior Years	Current Year	Total To Date	Questioned Costs (If Applicable)
Water Facilities	P-03J-01	$ 442,600	$ 442,600	$ 406,925	$ 35,675	$ 442,600	$ --
Street Improvements	P-03K-01	108,000	108,000	19,680	143,380	163,060	--
Contingencies	C-022-00	55,060	55,060	--	--	--	--
Administration	A-21A-00	38,660	38,660	17,500	21,160	38,660	--
		$ 644,320	$ 644,320	$ 444,105	$ 200,215	$ 644,320	$ --

CITY OF ADEL, GEORGIA
Community Development Block Grant
Source & Application of Funds Schedule
Grant Award Number 18p-x-037-2-5983
From Inception and for the Year Ended September 30, 2021

I.	Total Fiscal Year 2018 CDBG Funds Awarded to Recipient:	$	644,320
II.	Total Amount Drawdown by Recipient from DCA:	$	644,320
III.	Less: CDBG Funds Expended by Recipient:	$	644,320
IV.	Amount of Fiscal Year 2018 CDBG Funds held by Recipient:	$	--

ECKLER CPA, LLC
Certified Public Accountants & Advisors

105 Ocilla Highway, Suite C
Fitzgerald, GA 31750
(229) 922-0081

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

To the Honorable Mayor and City Council
City of Adel, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Adel, Georgia, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise City of Adel, Georgia's basic financial statements, and have issued our report thereon dated March 28, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Adel, Georgia'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 City of Adel, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Adel, Georgia's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weakness or significant deficiencies may exist that have not been identified. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2021-001 and 2021 -002 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Adel, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2021-003.

City of Adel, Georgia's Response to Findings

City of Adel, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. City of Adel, 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 *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

ECKLER CPA, LLC

Fitzgerald, Georgia
March 28, 2023

CITY OF ADEL, GEORGIA
Schedule of Findings and Responses
For the Year Ended September 30, 2021

2021-001

Criteria

Application and system software is acquired or developed that effectively supports processing and reporting requirements.

Condition

Utility billing activity for 9/2021 was not processed timely and customers were not billed timely for the services provided. Software development for a new utility billing system was not complete and the existing system used for utility billing was no longer accessible. Utility billing could not be processed until the new system was placed into operation.

Recommendation

The City should develop an acquisition and planning process that aligns with its overall strategic direction and needs; management should ensure that users and/or consultants are appropriately involved in the design of applications, selection of software, and the testing thereof; and postimplementation reviews should be performed to verify controls are operating effectively.

Views of Responsible Officials and Planned Corrective Action

Southern Georgia Regional Commission (SGRC) provided financial software and information technology services to the City for many years. The City entered into a new contract with SGRC for a financial software package, Local Government Financial Software (LGFS), to include a rewrite of financial systems being provided. The rewrite of their core financial software package consisting of general ledger, payroll, and account payable was then underway. Eventually, business licensing, utility billing and other systems would be rebuilt and included in their total Local Government Financial Software Suite. The City was later informed by SGRC that they would not continue providing the financial software package. The rewrite of utility billing had not been completed. SGRC had worked to migrate the LGFS to an SGRC partner. SGRC was providing hosting and support of the utility billing system while the successor SGRC partner was providing financial software and services including, new development, hosting and technical support for the existing LGFS (GL/AP/PR), utility billing and business license, offered by SGRC with the ultimate goal to transition all software programs from the AS400 to a windows-based application being utilized by other SGRC members. SGRC terminated the City's access to the AS400 system and dismantled it before the windows-based system for utility billing was completely developed and tested by the successor provider. The City will closely monitor the application and system software it uses to ensure that program development is undertaken and program changes are made to effectively support future processing and reporting requirements of the City without interruption. The City also believes that the windows-based platform will allow for more efficient updates to the system, use of available technologies, and conversion and transition to other applications and systems.

2021-002

Criteria

Adequate separation exists between programming and access to production programs and live data files. Information technology systems are appropriately tested and validated before being placed into production so that processes and associated controls operate as intended..

Condition

City personnel could not access adequate reports from within the utility billing system after 8/2021 and utility billing activity for 9/2021 was not reconciled to the general ledger control accounts. The utility billing accounts receivable subsidiary ledger in 9/2021 included incorrect balances for some customer accounts. The incorrect balances originated from the conversion of data to a new application and system for utility billing deployed to process utility billing for activity starting with 9/2021. Changes were required after deployment and programming had simultaneous access to production programs and live date files.

Recommendation

The City should validate the testing of all significant changes in applications to ensure that deployed systems operate as intended before being placed into production. The City should validate tests of conversion of data between its origin and its destination to confirm that it is complete, accurate, and valid. The City should not implement new or significant changes in applications prior to validation in order to limit the access of programmers to active production programs and live data files.

Views of Responsible Officials and Planned Corrective Action

Southern Georgia Regional Commission (SGRC) terminated the City's access to the AS400 system and dismantled it before the windows-based system for utility billing was completely developed by the successor SGRC partner and tested. The final copy of data SGRC provided to the successor included incomplete data tables. Urgent requests were made and additional data was provided by SGRC at a later time. The successor provider recompiled the data available and incorrect balances resulted from the conversion and transition. The new system was deployed as soon as it was operational enough to process utility billing activity and before complete reporting functions had been built in. The City intends to validate the testing of all significant changes in applications to ensure that deployed systems operate as intended and appropriate reporting functions are accessible. The City will work with the provider to ensure that new or significant changes in applications are not implemented prior to validation in order to limit the access of programmers to active production programs and live data files.

2021-003

Criteria

The Official Code of Georgia Annotated section 36-81-3(b) requires an annual balanced budget for the general fund, each special revenue fund, and each debt service fund and requires a project-length budget for each capital project fund.

Condition

For the fiscal year ending September 30, 2021, the City did not adopt annual budgets for the ARPA and 2018 CHIP Grant special revenue funds.

Recommendation

The City should adopt an annual balanced budget for the funds.

Views of Responsible Officials and Planned Corrective Action

City officials agree with the finding and intend to adopt an annual balanced budget for all funds required by Georgia law.