CITY OF EATONTON, GEORGIA

REPORT OF AUDIT

FOR THE YEAR ENDED

AUGUST 31, 2021

DAVID GIDDENS
CERTIFIED PUBLIC ACCOUNTANT
EATONTON, GEORGIA

CITY OF EATONTON, GEORGIA

REPORT OF AUDIT

AUGUST 31, 2021

CITY OF EATONTON, GEORGIA
Annual Financial Report
For The Year Ended August 31, 2021

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
City of Eatonton, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the fiduciary fund and the aggregate remaining fund information, as well as the related notes to the financial statements, of the City of Eatonton, Georgia, as of and for the year ended August 31, 2021. These collectively comprise the City's basic financial statements, as listed in the table of contents. The prior year comparative information has been derived from the City's August 31, 2020 financial statements; in our report dated February 17, 2021, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment. They include 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 City's preparation and fair presentation of the financial statements, in order to design audit procedures that

are appropriate in the circumstances. These procedures are not performed for the purpose of expressing an opinion on the effectiveness of the internal controls. 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 that 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 fiduciary fund; the discretely presented component unit; each major fund; the aggregate remaining fund information; and the respective budgetary comparison for the General Fund, the American Rescue Fund and the Capital Reserve Fund of the City of Eatonton, Georgia, as of August 31, 2021. In addition, the respective changes in financial position and, where applicable, the cash flows thereof, for the year then ended, are fairly presented in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information (RSI). Accounting principles generally accepted in the United States of America require the presentation of additional information to supplement the basic financial statements. This information includes the Management's Discussion and Analysis (MD&A); as well as the Schedule of Changes in Net Pension Liability and Related Ratios; and the Schedule of Contributions. The MD&A may be found on the pages immediately following this report. Pension RSI schedules may be found immediately following the Notes to the Financial Statements. Although not a part of the basic financial statements, this information is required by the Governmental Accounting Standards Board (GASB). GASB considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic and/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. The procedures included inquiries of management about the methods of preparing the information. In addition, we compared the information contained in the RSI, for consistency, with the basic financial statements, with management's responses to our inquiries, and with other knowledge we obtained during our audit. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Eatonton's basic financial statements. In addition to the required elements of the basic financial statements, individual and combining, nonmajor fund financial statements are presented to support additional analysis. These are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 18, 2022, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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. It is not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Eatonton's internal control over financial reporting and compliance.

Respectfully submitted,



David Giddens
Certified Public Accountant
Eatonton, Georgia

February 18, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City of Eatonton, Georgia (the City) annual financial report, the City's management is pleased to provide this narrative discussion and analysis of the City's financial activities for the fiscal year ended August 31, 2021. This information should be read and considered in conjunction with the financial statements and their disclosures which follow.

Economic Conditions Affecting the City

An audit report focuses, primarily, on financial issues. Prior to the entry of any transactions into the financial accounting system, the leadership of the city council and the mayor provides the impetus for these transactions. Some of the circumstances, decisions, accomplishments and challenges of the 2021 fiscal year are described in this discussion.

The City's net tax digest increased by 4.5% for fy 2021, achieving a comeback of almost 12% (since 2017) after a decade of decline. Local Option Sales Tax (LOST) collections experienced a significant year-over-year increase of just over 16%. While sharply down from former levels, the substantial uptick of LOST revenue coupled with a rebounding tax digest has benefitted the general fund. The ad valorem tax rate was rolled back to 9.973 mills for 2020. The City continues to evaluate its current operations, to identify core services, and to consider additional cuts to general fund expenditures.

Continued developments in the industrial, commercial, and downtown districts offer tremendous potential for an economic boost to the City. Several new businesses opened in and around downtown, including All Southern Industrial & Supply, Eat-A-Ton Café, Happy Nails, Oconee Property Management Group, Flawless Apparel & Customs, 12 Threads Boutique, Ashley's Tanning and Boutique, and Regia Servicios.

Interfor, a lumber manufacturer/sawmill, broke ground on its $87 million equipment upgrade project at its Eatonton location. This project is the largest company expansion in Putnam County's history. Bluestem Brands, a business operating multiple national e-commerce retail brands, announced that they will expand their distribution center in Putnam County, more than doubling their presence in the state and delivering over 130 full-time jobs to Eatonton.

Tytan Pictures, a film company and production studio operator, continues to utilize the old Putnam State Prison and old Aluminum Plant as film locations for multiple projects. Tytan promotes the City as a filming location with industry insiders, helping land, among other things, the major motion picture *Vendetta* starring Bruce Willis, Mike Tyson, Clive Standen, Theo Rossi, and Thomas Jane.

The City was awarded a $750,000 Community Development Block Grant for street and drainage improvements. The project, with a total budget of just under $1,000,000, will benefit 104 persons in the South Jefferson Avenue neighborhood. Efforts have also been devoted to blight remediation through two key initiatives: 1) blight tax program; and 2) demolition program. The blight tax is a tax incentive program to encourage property owners to remediate or redevelop blighted properties by increasing property taxes on blighted properties and subsequently decreases them for a period of time once the property is remediated or redeveloped. The first phase of the tax was applied to seven tax bills due December 1, 2020. Future rounds of the program are planned. The City also demolished four dilapidated structures using SPLOST funds. The goal is to return these properties to the tax rolls by disposing of the property and returning the properties to private ownership.

Phase II of the sidewalk improvements project (approx. $500,000 investment) along N. Jefferson Avenue, between W. Marion St. and W. Harris St continues after breaking ground in June 2020. This project will

expand upon efforts to improve the safety, aesthetics, and accessibility of the streetscape, to revitalize the downtown area, and to enhance the marketability of an entire City block.

Development of the South Industrial Park development continues. Funded in part by a OneGeorgia Grant, the Putnam Development Authority is developing the 50-acre GRAD (Georgia Ready for Accelerated Development) certified site in the City's South Industrial Park. Work includes the installation of storm water, water, and sewer systems and roadway paving.

The Eatonton Downtown Development Authority (EDDA) acquired the Historic Pex Theatre located at the heart of the downtown business district, leveraging funds from an Emergency Acquisition Grant from The Fox Theatre Institute for the $95,000 purchase. Since the acquisition, the EDDA has invested additional funds for interior demolition and façade renovation. The intent of the EDDA is to preserve the building as a theatre, improve the exterior appearance, renovate the facility with modern comforts and cinematic technology, and operate as a single screen theatre with the ability to play movies both new and old. The EDDA has found that theaters can be lead actors in community renewal and revitalization efforts. They bring in patrons in concentrated doses and feed them out to ancillary businesses during hours that would otherwise be unproductive economically.

The City of Eatonton continues to market its Rural Zone designation, which is a five-year designation by the Georgia Department of Community Affairs. A maximum of only ten communities per year receive this designation. The Rural Zone program targets rural downtown areas that have been adversely impacted by local economic conditions and offers economic development incentives by providing tax credits to individuals creating jobs and making qualifying investments. The program's three tax incentives include a Job Tax Credit ($2,000 per new full-time equivalent job created), an Investment Credit (25% of the purchase price of the building), and the Rehabilitation Credit (30% of qualified rehabilitation costs). At least two net, new full-time equivalent jobs must be created and maintained to qualify for these credits.

Financial Highlights

- The City's assets exceeded its liabilities by $20,041,247 (net position) at fiscal year end. Total net position is composed of $13,334,583 for all governmental activities and $6,706,664 for all business-type activities.

- Over the course of this year, total net position increased by $3,922,828. This is the result of increases in the net positions of governmental activities, $3,824,532 and $98,296 of business-type activities.

- Total net position is comprised of the following:

    1. Capital assets of $10,153,279 are presented net of accumulated depreciation and related debt. They include property; buildings and improvements; utility systems; furniture, fixtures, machinery and equipment.

    2. Components of net position, totaling $5,479,748 are restricted by constraints imposed by sources outside the city government. Restrictions on spending these amounts are required by grantors, laws and regulations.

    3. The remaining amount of net position, $4,408,220 is classified as unrestricted. It represents the portion available to maintain the City's ongoing services.

These highlights are examined in more detail in the "financial analysis" section of this document. In addition to the information contained in this report, evaluation of the City's overall financial health extends to other factors such as the stability of the tax base and the condition of infrastructure.

Overview of the Financial Statements

The City's basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. In addition to the basic financial statements, this report includes financial statements for each individual fund, along with a combining statements of nonmajor funds.

Government-wide Financial Statements

This annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination of activities between funds.

The first of these government-wide statements is the *Statement of Net Position.* This reports the government-wide financial position, including all of the City's assets and liabilities, with the difference reported as *net position.* Over time, increases or decreases in net assets may serve as a useful indicator of whether financial position, as a whole, is improving or deteriorating.

The second government-wide statement is the *Statement of Activities,* which reports how the City's net position changed during the current fiscal year. All current year revenues and expenses are included, regardless of when cash is received or paid. The statement of activities is designed to show the financing sources for the City's distinct activities and functions.

Both government-wide financial statements distinguish between governmental activities, which are principally supported by taxes, and business-type activities, which are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, municipal court, public safety, public works, health and welfare, culture and recreation, and housing and development. Business-type activities include providing natural gas services and providing financing to promote local employment.

The government-wide financial statements are presented on pages 2 and 3 of this report.

Fund Financial Statements

A fund is a separate accounting entity used to segregate specific activities or objectives and their related financial transactions. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, the fund financial statements focus on the City's most significant funds rather than on the government as a whole. Major funds are separately reported while all others are aggregated into a single presentation. Individual fund financial statements for all funds, including nonmajor funds, are provided in latter sections of this report.

The City has three kinds of funds:

Governmental funds, as reported in the fund financial statements, encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus of fund financial

statements is very different from that of the government-wide statements. Fund statements report short-term fiscal accountability focusing on the balances and uses of spendable resources. Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide a more complete picture of financial activity and financial position. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

Governmental funds include the General Fund, all special revenue funds and all capital projects funds. A budget comparison statement for the General Fund, the American Rescue Plan Act Fund and the Capital Reserve Fund is presented as a basic financial statement. The basic governmental fund financial statements are presented on pages 5 – 10 of this report.

Proprietary funds are used to account for activities which are financed, in whole or in part, with user fees charged to external customers for services provided. These funds encompass the same functions reported as business-type activities in the government-wide statements. At both the government-wide and fund reporting levels, proprietary funds present changes in total net position. Proprietary funds include the Natural Gas Fund and the Revolving Loan Fund. The basic proprietary fund financial statements are presented on pages 11 – 13 of this report.

The Municipal Court Custodial Fund, a *Fiduciary Fund,* is used to account for those portions of Municipal Court fines that are collected for and disbursed to other agencies. The financial statements may be found on pages 14 and 15 of this report. Because the collections are disbursed in the month in which they were collected, end of period financial statements show a net position of zero.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 16 of this report.

Other Supplementary Information

The notes are followed by *Required Supplementary Information* for pension reporting, beginning on page 42.

In addition to the basic financial statements and accompanying notes, this report also presents individual and nonmajor funds combining financial statements. These may be found beginning on page 46. Budgetary comparison schedules for the General Fund and each, individual special revenue fund are found in this section of the report. In addition to financial position and activity, these schedules depict compliance with the City's budget.

Financial Analysis of the City as a Whole

The table on page MD&A 7, the ***Summary of Net Position,*** presents summarized components of net position at the current and previous years' end. From year to year, analyzing changes in net position is useful for analyzing the changing financial position of the City as a whole. The variables which impact net position are summarized in the ***Summary of Revenues, Expenses and Changes in Net Position,*** presented on page MD&A 8. Each schedule presents information for governmental activities and business-type activities. Governmental Activities include the activities of nine governmental funds. Business-type activities represent two funds. The totals for governmental and business-type activities encompass all City operations. Greater analysis is provided for major individual funds following the analysis of the City as a whole.

Summary of Net Position

At the bottom line, the total net position increased by 19.6%, in fiscal year 2021. The growth occurred in the restricted and unrestricted allocations of net position.

Current assets provide the funds needed to meet current liabilities. Current assets include unrestricted cash and certificates of deposits and receivables, net of allowances for estimated uncollectable accounts. The adequacy of current assets may be evaluated by examining the current ratio. This ratio compares current assets to current liabilities. **Current liabilities** include routine obligations such as accounts and wages payable, customer deposits and estimates of current unused annual leave. Any surplus in excess of current liabilities is available to pay for on going operations.

At the end of the 2021 fiscal year, the **current ratio** of **governmental activities** was 13.1. Comparatively, the fy20 ratio was 8.1, and the fy19 ratio was 9.5. The current ratio of business activities continues to strengthen, increasing to 47.9, following 45.6 at fiscal year 2020, and 43.4 at fy19 year's end.

There was little change in **total liabilities**. Current liabilities increased while long term liabilities decreased. More information regarding annual changes to long-term debt is discussed in detail in a latter part of this analysis. Entity wide the ratio of current assets to total liabilities is 7.1, increasing from 4.3 in the prior year.

In reviewing the Summary of Net Position, it is clear that **capital assets** comprise the bulk, 51%, of the City's assets and net position. More information regarding annual changes to capital assets is discussed in detail in a latter part of this analysis. The activity that stimulated increases to restricted and unrestricted net position are noted in the following discussion of changes in net position

With the exception of deferred inflows of property taxes in the amount of $32,264, all **deferred outflows and inflows of resources** are derived from accounting for net pension liability. These elements are discussed in greater detail in Notes 3-D and 3-G.

Summary of Revenues, Expenses and Changes in Net Position

Changes in net position are generated by various City activities. Five major funds exert the most influence on the government-wide ***Statement of Activities.*** They are the General Fund, the American Rescue Act Fund, the SPLOST Fund No. 9, the TSPLOST Fund and the Natural Gas Fund. The activity in these funds is discussed in greater detail in following sections of this analysis.

Intergovernmental revenues and taxes are the greatest sources of revenues in governmental activities. In fy21 intergovernmental revenues increased 122% over the prior year. Largely, this resulted from the proceeds of federal grants designed to relieve the burdens of the covid-19 pandemic. Further, the City benefited from increased local and county special sales tax collections. Through intergovernmental agreements the City participates with the county in the local referendums authorizing these taxes. These revenues flowed through the General Fund, the American Rescue Act Fund, the SPLOST Fund No. 9, and the TSPLOST Fund.

Overall, the revenues and transfers of governmental activities exceeded expenditures by $3,824,532, increasing net position by 40%.

Business-type program revenues and expenses largely reflect the activities of the Natural Gas Fund. With offsetting increased revenues and expenses, the net position increased by a modest 1.5%. The activities of this fund are discussed in a following section of this analysis. The activities of the other proprietary fund, the Revolving Loan Fund, are also summarized, immediately following the discussion of the Gas Fund.

Summary of Net Position

	For the Year Ended August 31, 2021				For the Year Ended August 31, 2020			
	Governmental Activities	Business-type Activities	Total	% of Total	Governmental Activities	Business-type Activities	Total	% of Total
Assets:								
Current Assets	7,215,453.85	2,899,470.98	10,114,924.83	46.9%	3,356,901.01	2,696,649.92	6,053,550.93	34.4%
Restricted Assets	852,690.61	0.00	852,690.61	4.0%	852,388.81	0.00	852,388.81	4.8%
Capital Assets, Net of Accumulated Depreciation	6,411,592.92	3,937,153.88	10,348,746.80	48.0%	6,400,425.93	4,043,557.30	10,443,983.23	59.4%
Total Assets	14,479,737.38	6,836,624.86	21,316,362.24	98.9%	10,609,715.75	6,740,207.22	17,349,922.97	98.6%
Deferred Outflows of Resources	215,098.63	25,315.62	240,414.25	1.1%	228,078.55	24,892.33	252,970.88	1.4%
Total Assets and Deferred Outflows of Resources	14,694,836.01	6,861,940.48	21,556,776.49	100.0%	10,837,794.30	6,765,099.55	17,602,893.85	100.0%
Liabilities:								
Current Liabilities	552,337.63	60,456.22	612,793.85	40.4%	414,727.24	59,116.33	473,843.57	31.9%
Long-term Liabilities	727,941.47	89,205.12	817,146.59	54.0%	834,329.58	94,540.37	928,869.95	62.6%
Total Liabilities	1,280,279.10	149,661.34	1,429,940.44	94.4%	1,249,056.82	153,656.70	1,402,713.52	94.5%
Deferred Inflows of Resources	79,973.51	5,615.12	85,588.63	5.6%	78,686.41	3,074.41	81,760.82	5.5%
Total Liabilities and Deferred Inflows of Resources	1,360,252.61	155,276.46	1,515,529.07	100.0%	1,327,743.23	156,731.11	1,484,474.34	100.0%
Net Position:								
Invested in Capital Assets, Net of Related Debt	6,216,124.65	3,937,153.88	10,153,278.53	50.7%	6,234,412.58	4,043,557.30	10,277,969.88	63.8%
Restricted	5,473,597.45	6,151.06	5,479,748.51	27.3%	2,522,977.42	7,005.06	2,529,982.48	15.7%
Unrestricted	1,644,861.30	2,763,359.08	4,408,220.38	22.0%	752,661.07	2,557,806.08	3,310,467.15	20.5%
Total Net Position	13,334,583.40	6,706,664.02	20,041,247.42	100.0%	9,510,051.07	6,608,368.44	16,118,419.51	100.0%

Summary of Revenues, Expenses and Changes in Net Position

	For the Year Ended August 31, 2021				For the Year Ended August 31, 2020			
	Governmental Activities	Business-type Activities	Total	% of Total	Governmental Activities	Business-type Activities	Total	% of Total
Revenues								
Program:								
Charges for Services	610,333.27	1,409,298.43	2,019,631.70	19.72%	521,506.80	1,299,089.33	1,820,596.13	24.46%
Operating Grants	549,914.40	0.00	549,914.40	5.37%	264,740.55	0.00	264,740.55	3.56%
Capital Grants	3,633,968.50	0.00	3,633,968.50	35.48%	1,617,452.25	0.00	1,617,452.25	21.73%
General:								
Taxes	4,009,212.29	0.00	4,009,212.29	39.15%	3,716,258.76	0.00	3,716,258.76	49.92%
Other	25,188.62	3,155.08	28,343.70	0.28%	20,193.10	4,615.86	24,808.96	0.33%
Total Revenues	8,828,617.08	1,412,453.51	10,241,070.59	100.00%	6,140,151.46	1,303,705.19	7,443,856.65	100.00%
Program Expenses								
General Government	876,534.96	0.00	876,534.96	13.90%	867,084.85	0.00	867,084.85	14.40%
Judicial	34,830.69	0.00	34,830.69	0.54%	29,950.00	0.00	29,950.00	0.50%
Public Safety	1,840,781.65	0.00	1,840,781.65	29.19%	1,817,602.14	0.00	1,817,602.14	30.18%
Public Works	1,779,066.22	0.00	1,779,066.22	28.21%	1,673,948.97	0.00	1,673,948.97	27.80%
Culture and Recreation	171,364.94	0.00	171,364.94	2.72%	158,881.60	0.00	158,881.60	2.64%
Health and Welfare	180,443.57	0.00	180,443.57	2.86%	209,989.15	0.00	209,989.15	3.49%
Housing and Development	198,653.02	0.00	198,653.02	3.15%	129,834.21	0.00	129,834.21	2.16%
Natural Gas Service	0.00	1,225,259.39	1,225,259.39	19.43%	0.00	1,134,224.63	1,134,224.63	18.83%
Total Expenses	5,081,675.05	1,225,259.39	6,306,934.44	100.00%	4,887,290.92	1,134,224.63	6,021,515.55	100.00%
Excess (Deficiency) of Revenues over Expenses	3,746,942.03	187,194.12	3,934,136.15		1,252,860.54	169,480.56	1,422,341.10	
Interest Expenditure	(10,454.24)	0.00	(10,454.24)		0.00	0.00	0.00	
Transfer	88,044.54	(88,044.54)	0.00		54,367.04	(54,367.04)	0.00	
Return of Capital	0.00	(854.00)	(854.00)		0.00	(23,982.28)	(23,982.28)	
Change in Net Position	3,824,532.33	98,295.58	3,922,827.91		1,307,227.58	91,131.24	1,398,358.82	
Beginning Net Position	9,510,051.07	6,608,368.44	16,118,419.51		8,202,823.49	6,517,237.20	14,720,060.69	
Ending Net Position	13,334,583.40	6,706,664.02	20,041,247.42		9,510,051.07	6,608,368.44	16,118,419.51	

Financial Analysis of Individual City Funds

The greatest financial influence that can be exercised by elected officials and administrators is on the operations of the General Fund and the Natural Gas (enterprise) Fund. In contrast, special revenue funds and capital project funds, by definition, must adhere to specific mandates regarding their sources of revenue and purposes of expenditures. Thus, to a large extent, management of these funds is guided by these mandates.

In addition to analysis, tables summarizing activity and changes in fund balance are presented for the General Fund and the Natural Gas Fund on the following pages.

Governmental Funds

During fiscal year 2021, the City's governmental funds included the General Fund, four special revenue funds and four capital projects funds. As previously noted, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available in anticipation of upcoming financing requirements.

The General Fund

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. A summary of 2021 activity with comparison to 2020 is presented below. For more detail, complete financial statements of the General Fund may be found beginning on page 48.

Summary of General Fund Activity and Changes in Fund Balance - Budget and Actual

	2021				2020
	Original Budget	Final Budget	Actual	Over (Under) Budget	Actual
Total Revenues	4,461,172.00	4,701,172.00	5,145,723.12	444,551.12	4,490,308.86
Total Expenditures	4,717,172.00	4,957,172.00	4,408,680.09	(548,491.91)	4,259,387.55
Revenues Excess (Deficiency)	(256,000.00)	(256,000.00)	737,043.03	993,043.03	230,921.31
Operating Transfers In (Out)	256,000.00	256,000.00	108,911.10	(147,088.90)	106,498.20
Net Change in Fund Balance	0.00	0.00	845,954.13	845,954.13	337,419.51
Beginning Fund Balance			785,283.73		447,864.22
Ending Fund Balance			1,631,237.86		785,283.73

After a long decline, with the total fund balance eventually falling into deficit territory, steady recovery began in fiscal year 2018, continuing through fiscal year 2021. Fy21 produced strong increases in revenues; the rate of increase in total revenues was 14.6%. These increases were distributed across the board –in the categories of taxes, licenses and permits, intergovernmental grants, charges for services, and fines and forfeitures.

Combined tax collections provide 77% of General Fund revenues. Of these, property taxes remained the single greatest source of revenues. As in previous years, local option sales taxes provided the second greatest source of revenues. Combined, these two sources provided 55% of General Fund Revenues. Also significant to revenues was receipt of the second installment of Cares Act funding. Other increases were more modest. Additionally, inflows from operating transfers augmented the total fund balance increase of $845,954. The amount of this increase more than doubled the prior year's fund balance.

Concurrently, the rate of increase in total expenditures was 3.5%. As in years past, the greatest General Fund expenditures support the functions of Public Safety, followed by Public Works and, the General Government. Together these services consumed 89% of total General Fund expenditures. They are followed by (in order) expenditures for Housing and Development, Health and Welfare, Culture and Recreation, and the Judicial System.

The result of activities was an increase to fund balance of $845,954. This increased the prior year's fund balance by 107.7% to $1,631,238. 42% of the total fund balance, $683,329, is unassigned. The remaining 58% is committed by action of council for capital outlay, $352,691; and stabilization, $595,218.

The General Fund's fy21 budget was amended one time to reflect changing circumstances. The budget was increased to recognize proceeds from the federal Cares Act funding. This increase was allocated to expenditures among service functions. As may be expected, variations occurred between budget amounts and actual results. Expenditures fell within the final budgeted amounts in all departments, functions and at the fund level.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City utilizes four special revenue funds. Of these, the American Rescue Plan Fund and Capital Reserve Fund are major funds. Summary descriptions of each fund follows.

The **American Rescue Plan Act Fund** – A newly created major fund, the ARPA Fund will be used to account for the proceeds and expenditures of U. S. Treasury Coronavirus State and Local Fiscal Recovery Funds allocated to the City of Eatonton. These funds may be used to:

- Respond to or mitigate the public health emergency with respect to COVID-19 or its negative economic impacts
- Provide government services to the extent of reduction in revenue
- Make necessary investments in water, sewer or broadband infrastructure
- Respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers

The first tranche of funding was received in July 2021. A budget amendment, specifically for this fund, recognized this revenue and estimated expenditures. Additional funding is anticipated in 2022.

Financial Statements may be found beginning on page 57.

The **Capital Reserve Fund** – A major fund, the Capital Reserve Fund, as the name implies, serves to preserve capital and to expend investment earnings, according to ordinance. The corpus of this fund was established by preserving the initial 12 months' proceeds of local option sales tax collections. Those proceeds remain invested in bank certificates of deposit. All revenue is derived from interest earned by these certificates.

The Capital Reserve Fund, fund balance is reserved for program purposes. Specifically, a City Council resolution reserves a portion of these funds for emergencies, as defined in the resolution. Further, expenditure of the final $500,000.00 requires a local referendum. Interest earnings may be expended for cemetery care; to support local, non-profit, civic organizations; and to support other operations of City government.

For several years, as the corpus certificates of deposit matured, they have renewed at lower interest rates. Thus, revenues have declined for a number of years. For fiscal year 2021, no revenues or expenditures were budgeted in this fund. Consistently, no expenditures were made through this fund. The Capital Reserve Fund Financial Statements may be found beginning on page 59.

Nonmajor Special Revenue Funds – These funds serve citizenry in very specific ways. Collectively, their financial proportion is small as compared to the government as a whole. The combined fund balances of the nonmajor special revenue funds, $26,485.05, comprise less than 1% of total governmental fund balances. Combining and individual fund financial statements begin on page 61.

- The **Hotel / Motel Tax Fund** serves to account for taxes collected on overnight lodging rentals. These taxes are collected and expended in accordance with Georgia law. The tax rate is 8%. Consequently, a minimum of 62.5% of tax proceeds must be committed to promoting tourism. For this percentage of collections, the City contracts with the Chamber of Commerce to enhance tourism opportunities. The balance of 37.5% of tax proceeds is transferred to the General Fund. Financial statements of the Hotel / Motel Tax Fund begin on page 63.

- The **Police Condemnation Fund** serves to account for net proceeds derived from confiscated items which were seized in drug related crimes. Expenditures are legally restricted to purchases of law enforcement materials and equipment. The Police Condemnation Fund financial statements begin on page 65.

Capital Project Funds

Capital Project Funds are used to account for financial resources that are dedicated to the acquisition or construction of capital facilities (other than those financed by proprietary funds). These funds appear in the financial statements, for limited periods, during the funding, acquisition and/or construction of their project(s). Capital Projects Funds utilize project based (rather than annual) budgets. Their fund balances are restricted in accordance with sales tax or grant agreements. The proceeds of these funds are the predominate source of funding for City capital expenditures.

During this fiscal year, the City had four capital projects funds to account for intergovernmental revenues. Of these, the **Special Purpose Local Option Sales Tax (SPLOST) Fund No. 9** and the **Transportation Special Local Option Sales Tax (TSPLOST) Fund** are major funds. Nonmajor funds are the **Special Purpose Local Option Sales Tax (SPLOST) Fund No. 8** and the newly formed **Community Development Block Grant (CDBG) Fund**.

The **SPLOST Fund No. 9**, a major fund, is used to account for the proceeds of sales tax collections approved by county voters in November 2018. Collections began in 2019. The levy will continue for six years. As agreed by City and County leaders, a portion of these proceeds is allocated to the City for specified municipal projects. The fund balance is reserved for these projects. Capital expenditures are authorized for:

- roads improvements
- public safety equipment
- public works equipment
- building and grounds renovations and equipment
- natural gas infrastructure and equipment
- economic development

During fy 2021, proceeds were expended for renewals to buildings, for the acquisition of police vehicles and fire fighting equipment, and for road improvements. Greater detail is offered in the SPLOST Fund No. 9 financial statements, which may be found beginning on page 68. Further, a comprehensive Schedule of Projects Constructed with Special Sales Tax Proceeds may be found on page 91, and summary information may be found in the notes to the financial statements, note 3-J.

The **Transportation Special Local Option Sales Tax Fund (TSLOST)**, a major fund, is used to account for proceeds from a special district mass transportation sales and use tax. In 2017 Putnam County voters approved this one percent sales tax for five years. An intergovernmental agreement awards 25% of County TSPLOST

proceeds to the City. Proceeds are to be used exclusively for transportation purposes. In accordance with the referendum, these tax proceeds will fund resurfacing and safety improvements; culvert rehabilitation or replacement; intersection improvements and pedestrian facilities. The fund balance is restricted for these projects. The City began receiving proceeds in July 2018. During fiscal year 2021, proceeds from this tax were used for resurfacing and safety improvements.

TSPLOST Fund financial statements may be found beginning on page 70 of this report. In addition, cumulative expenditures for these projects are included on the comprehensive schedule of projects constructed with special sales tax proceeds. This schedule may be found on page 91, and summary information may be found in the note 3-J to the financial statements.

The **SPLOST Fund No. 8**, a nonmajor fund, is used to account for the proceeds of sales tax collections approved by county voters in November 2015. Collections began in fiscal year 2017, ceasing in fiscal year 2019. As agreed by City and County leaders, a portion of these proceeds was allocated to the City for specified municipal projects. Expenditures are made in accordance with a county/city intergovernmental agreement, and the fund balance is reserved for these projects. Capital expenditures are authorized for:

- roads, bridges, sidewalks and culverts
- public works equipment
- public safety equipment
- building renovations
- natural gas infrastructure

During fy 2021, proceeds were expended for a used police car, a road renewal project, a streetscape project and natural gas infrastructure.

In addition to the SPLOST Fund No. 8 financial statements, which may be found beginning on page 74, a comprehensive schedule of projects constructed with special sales tax proceeds may be found on page 91, and summary information may be found in the notes to the financial statements, note 3-J.

The newly created **Community Development Block Grant (C.D.B.G.) Fund** will be used to account for proceeds and expenditures of a U. S. Department of Housing and Urban Development grant, which is awarded by the Georgia Department of Community Affairs. This is a non-major fund. The $750,000 C.D.B.G. award will fund a street flood and drainage renewal project. The City will participate with cash and in-kind services valuing at least $208,602. Although no grant funds had been drawn down at the date of this report, the City expended $72,611 for engineering services during fy21. Construction is expected to commence in fy22. Financial statements may be found beginning on page 76.

The **SPLOST Fund No. 7** was fully expended and closed in fy20. Thus, those statements no longer appear as part of this report.

Proprietary Funds

Proprietary funds are used to account for activities which are financed, in whole or in part, with user fees charged to external customers for services provided. Two City operations utilize proprietary fund accounting. They are the Natural Gas Fund, a major fund, and the Revolving Loan Fund, a nonmajor fund.

The **Natural Gas Fund** is used to account for the delivery of natural gas to consumers. The City does this by constructing and maintaining infrastructure, purchasing natural gas for distribution and by managing customer accounts. Financial statements may be found beginning on page 81. The following table summarizes Natural Gas Fund activity and changes in net position.

Summary of Natural Gas Fund Activity and Changes in Net Position

	2021	2020
Operating Revenues	1,409,298.43	1,299,089.33
Operating Expenses	(1,225,259.39)	(1,134,224.63)
Operating Income (Loss)	184,039.04	164,864.70
Non-operating Revenues (Expenses)	3,155.08	4,588.90
Transfer from the SPLOST Fund No. 8	11,955.46	45,632.96
Transfer to the General Fund	(100,000.00)	(100,000.00)
Change in Net Position	99,149.58	115,086.56
Net Position at Beginning of Year	6,601,363.38	6,486,276.82
Net Position at End of Year	6,700,512.96	6,601,363.38

During fiscal year 2021, natural gas sales generated over 98% of Gas Fund operating revenues. Because gas usage is largely determined by residential and commercial heating needs, sales fluctuate with the weather. In addition, wholesale fuel costs determine the costs that are passed along to the City's natural gas customers. For the year ended August 31, 2021, operating revenues increased by 8.5%. Concurrently, operating expenses increased by 8.0%. The resulting increase in operating income was 11.6%.

Funds for expansion of natural gas infrastructure are provided through the SPLOST No. 8 Fund. During fy21, SPLOST Fund expenditures for gas line construction in process, of $11,955.46, were transferred to the Gas Fund.

Each year, for administrative services provided by the general government, the Gas Fund makes a cash transfer to the General Fund. The amount of the 2021 transfer was $100,000.

A stabilization funds policy designates 10% of total budgeted operating expenses for stabilization. Thus, $166,546 of net position is committed at the fund reporting level.

For many years the **Revolving Loan Fund** was used to account for monies provided through a Community Development Block Grant Employment Incentive Program. This fund is now in the process of closing. In April 2020, the City returned all of this fund's available cash on hand to the Georgia Department of Community Affairs, thus concluding any further activity in this fund. The City continues to hold collateral for one loan that has been written off due to bankruptcy. The value of the collateral held for that loan is estimated at $6,146. Upon sale, the proceeds will be remitted to the Georgia Department of Community Affairs. At that time, the Revolving Loan Fund will be closed.

Revolving Loan Fund financial statements may be found beginning on page 84. In addition, details on loan activity may be found in the notes to the financial statements, note 4-I.

Capital Assets

The schedule on the following page summarizes capital assets used in both governmental and business activities at the current and previous years end.

Capital Assets	Governmental Activities		Business Activities		Total	
	8/31/2021	8/31/2020	8/31/2021	8/31/2020	8/31/2021	8/31/2020
Non-depreciable Assets	544,038.94	1,311,879.69	133,027.42	121,071.96	677,066.36	1,432,951.65
Depreciable Assets	12,551,462.54	11,071,509.07	7,228,777.64	7,228,777.64	19,780,240.18	18,300,286.71
Less Accumulated Depreciation	6,683,908.56	5,982,962.83	3,424,651.18	3,306,292.30	10,108,559.74	9,289,255.13
Book Value - Depreciable Assets	5,867,553.98	5,088,546.24	3,804,126.46	3,922,485.34	9,671,680.44	9,011,031.58
Percentage Depreciated	53.3%	54.0%	47.4%	45.7%	51.1%	50.8%
Total Book Value	6,411,592.92	6,400,425.93	3,937,153.88	4,043,557.30	10,348,746.80	10,443,983.23

51% of the City's total net position is composed of investments in capital assets. These assets include land, improvements, buildings, furniture, fixtures, machinery, equipment, roads, bridges, sidewalks and natural gas delivery infrastructure. General infrastructure assets include roads and bridges acquired after September 1, 2003.

The straight line depreciation method is applied to all depreciable assets over their estimated useful lives. During fiscal year 2021, the book value of governmental capital assets increased slightly because expenditures for acquisitions exceeded reductions for asset disposals and depreciation recognition. Conversely, the book value of business activity capital assets declined, because depreciation expense and asset disposals exceeded the cost of acquisitions.

$866,770 were expended for **governmental capital assets** in fiscal year 2021. This amount was drawn from the General Fund, two SPLOST Funds and the TSPLOST Fund.

Non-depreciable Asset Capital Asset Acquisitions. In order to improve blighted properties, $32,500 was expended to clear deteriorating structures. Meanwhile, construction continued on a streetscape project, $26,564, and on restorations to the historic Plaza Arts Center, $20,678. Additionally, design costs, $72,611, were incurred for upcoming street and drainage improvements.

Depreciable Asset Capital Asset Acquisitions. Construction projects including the resurfacing of five roads were completed and capitalized in fy21, for total costs of $920,194. Additional infrastructure upgrades, costing $283,435, consisted of renewals to eight street and drainage projects. Collectively, these completions were funded through the General Fund, SPLOST Funds numbers 8 and 9, and the TSPLOST Fund.

City buildings also benefited from improvements. Upgrades, totaling $64,300, were made to the building housing the police and fire departments and to the City community rental space known as the Hut. These costs were paid through the General Fund.

Overall, the greatest expenditures were made for purchases of equipment and vehicles. These costs were paid through the General Fund and the SPLOST Funds numbers 8 and 9. Equipment included a new office copier and a vehicle for the general government, costing $26,964. The Police Department placed five vehicles, costing $177,696, in service. Four of the police vehicles were new; these cars were partially financed for two years. Details of the financing arrangements may be found in Note 3-F. Additionally, three pieces of firefighting equipment were acquired for $27,022. Lastly, a used street sweeper vehicle was acquired for $135,000.

Business capital assets are entirely the assets of the Natural Gas Fund. During this year, acquisitions were modest. They consisted entirely of a $11,955 transfer from the SPLOST No. 8 Fund. A portion of SPLOST No. 8 and No. 9 funds are designated for gas service line extension. Construction of the extension is in process.

Additional information on changes in capital assets is presented in the notes to the financial statements (Note 3-C).

Long-term Debt

The City's long-term liabilities consist of estimates of future benefits to employees in the form of compensated absences payable and net pension liability, and of contractual financing for police cars.

- Compensated absences payable is the cumulative amount of employees' earned and unused leave (vacation) time. An estimated 20% of total compensated absences payable is considered to be current liabilities. Thus, the remaining 80% is reported as non-current or long-term. When employment is terminated, the value of any unused leave is paid to the employee.
- The net pension liability is the actuarially calculated amount that is required to fully fund employee retirement benefits. The amount of this obligation varies from year to year as a result of economic and investment market conditions.
- Of the ten police cars, financed through Ford Motor Credit Company LLC, six were delivered in August 2020; these were financed under agreement No. 1. In November 2020, in fiscal year 2021, four additional cars were delivered; these were financed under agreement No. 2.

The following schedule summarizes the City's long-term debt at the current and previous year ends.

	Long-term Debt		
	8/31/2021	8/31/2020	8/31/2019
Compensated Absences Payable	98,859.67	106,654.86	96,051.65
Net Pension Liability	661,777.00	737,541.00	479,052.00
Financing Agreement No. 1	0.00	84,674.09	0.00
Financing Agreement No. 2	56,509.92	0.00	0.00
	817,146.59	928,869.95	575,103.65

More information about annual changes in these obligations may be found in the notes to the financial statements (Note 3-F).

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City of Eatonton's finances; comply with finance-related laws and regulations; and demonstrate the City's commitment to public accountability. If you have questions about any of the information provided in this report or would like to request additional information, contact the City Administrator, City of Eatonton, P.O. Box 3820, Eatonton, Georgia 31024.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF EATONTON, GEORGIA

STATEMENT OF NET POSITION

AUGUST 31, 2021

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Unit
Assets and Deferred Outflows of Resources				
Current Assets:				
Cash	6,197,607.99	2,049,654.50	8,247,262.49	117,867.74
Receivables:				
Accounts, Net of Allowance for Doubtful Accounts	16,454.58	50,516.15	66,970.73	0.00
Taxes	51,850.42	0.00	51,850.42	0.00
Note	0.00	6,146.00	6,146.00	0.00
Intergovernmental	246,058.95	0.00	246,058.95	0.00
Time Certificates of Deposit	703,481.91	793,154.33	1,496,636.24	0.00
Restricted Assets	852,690.61	0.00	852,690.61	0.00
Capital Assets:				
Nondepreciable Capital Assets	544,038.94	133,027.42	677,066.36	224,376.27
Depreciable Capital Assets, Net Accumulated Depreciation	5,867,553.98	3,804,126.46	9,671,680.44	310,773.78
Total Assets	14,479,737.38	6,836,624.86	21,316,362.24	653,017.79
Deferred Outflows of Resources	215,098.63	25,315.62	240,414.25	0.00
Total Assets and Deferred Outflows of Resources	14,694,836.01	6,861,940.48	21,556,776.49	653,017.79
Liabilities and Deferred Inflows of Resources				
Current Liabilities:				
Cash Overdraft	1,972.82	0.00	1,972.82	0.00
Accounts Payable	237,197.68	4,652.38	241,850.06	0.00
Accrued Wages	108,828.38	0.00	108,828.38	0.00
Accrued Interest	3,647.85	0.00	3,647.85	0.00
Deposits	41,897.63	50,923.84	92,821.47	0.00
Financing Agreement	138,958.35	0.00	138,958.35	0.00
Compensated Absences Payable	19,834.92	4,880.00	24,714.92	0.00
Non-current Liabilities				
Financing Agreement	56,509.92	0.00	56,509.92	0.00
Compensated Absences Payable	79,339.67	19,520.00	98,859.67	0.00
Net Pension Liability	592,091.88	69,685.12	661,777.00	0.00
Total Liabilities	1,280,279.10	149,661.34	1,429,940.44	0.00
Deferred Inflows of Resources	79,973.51	5,615.12	85,588.63	0.00
Total Liabilities and Deferred Inflows of Resources	1,360,252.61	155,276.46	1,515,529.07	0.00
Net Position				
Invested in Capital Assets, Net Related Debt	6,216,124.65	3,937,153.88	10,153,278.53	535,150.05
Restricted for Capital Outlay	3,693,070.19	0.00	3,693,070.19	0.00
Restricted for Emergencies	500,000.00	0.00	500,000.00	0.00
Restricted for Program Purposes	1,280,527.26	6,151.06	1,286,678.32	0.00
Unrestricted	1,644,861.30	2,763,359.08	4,408,220.38	117,867.74
Total Net Position	13,334,583.40	6,706,664.02	20,041,247.42	653,017.79

The accompanying Notes are an integral part of this statement.

CITY OF EATONTON, GEORGIA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED AUGUST 31, 2021

Function / Program	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total	Component Unit
Governmental Activities:								
General Government	876,534.96	5,198.28	0.00	174,440.91	(696,895.77)	0.00	(696,895.77)	0.00
Judicial	34,830.69	0.00	0.00	0.00	(34,830.69)	0.00	(34,830.69)	0.00
Public Safety	1,840,781.65	213,496.17	0.00	211,623.64	(1,415,661.84)	0.00	(1,415,661.84)	0.00
Public Works	1,779,066.22	295,828.29	97,170.15	3,176,441.23	1,790,373.45	0.00	1,790,373.45	0.00
Health and Welfare	180,443.57	1,035.00	452,744.25	0.00	273,335.68	0.00	273,335.68	0.00
Culture and Recreation	171,364.94	4,950.00	0.00	0.00	(166,414.94)	0.00	(166,414.94)	0.00
Housing and Development	198,653.02	89,825.53	0.00	71,462.72	(37,364.77)	0.00	(37,364.77)	0.00
Total Governmental Activities	5,081,675.05	610,333.27	549,914.40	3,633,968.50	(287,458.88)	0.00	(287,458.88)	0.00
Business-Type Activities:								
Natural Gas Service	1,225,259.39	1,409,298.43	0.00	0.00	0.00	184,039.04	184,039.04	0.00
Employment Incentive Financing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Business-Type Activities	1,225,259.39	1,409,298.43	0.00	0.00	0.00	184,039.04	184,039.04	0.00
Total Activities	6,306,934.44	2,019,631.70	549,914.40	3,633,968.50	(287,458.88)	184,039.04	(103,419.84)	0.00
Component Unit	64,158.65	0.00	16,030.00	0.00	0.00	0.00	0.00	(48,128.65)
General Revenues								
Sales Taxes					1,388,266.84	0.00	1,388,266.84	0.00
Property Taxes					1,439,456.26	0.00	1,439,456.26	0.00
Other Taxes					1,181,489.19	0.00	1,181,489.19	0.00
Investment Income					25,188.62	3,155.08	28,343.70	0.00
Total General Revenues					4,034,400.91	3,155.08	4,037,555.99	0.00
Interest Expenditure					(10,454.24)	0.00	(10,454.24)	0.00
Transfers					88,044.54	(88,044.54)	0.00	0.00
Return of Capital					0.00	(854.00)	(854.00)	0.00
Total General Revenues and Transfer					4,111,991.21	(85,743.46)	4,026,247.75	0.00
Change in Net Position					3,824,532.33	98,295.58	3,922,827.91	(48,128.65)
Net Position at Beginning of Year					9,510,051.07	6,608,368.44	16,118,419.51	701,146.44
Net Position at End of Year					13,334,583.40	6,706,664.02	20,041,247.42	653,017.79

The accompanying Notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

CITY OF EATONTON, GEORGIA

GOVERNMENTAL FUNDS

BALANCE SHEET

AUGUST 31, 2021

	General Fund	American Rescue Act Fund	Capital Reserve Fund	Special Local Option Sales Tax Fund No. 9	Transportation Special Local Option Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Current Assets:							
Cash	1,172,430.37	1,255,679.50	51,580.17	1,528,020.57	1,659,593.66	530,303.72	6,197,607.99
Receivables:							
Accounts, Net of Allowance for Doubtful Accounts	16,454.58	0.00	0.00	0.00	0.00	0.00	16,454.58
Taxes, Net of Allowance for Doubtful Accounts	48,240.31	0.00	0.00	0.00	0.00	3,610.11	51,850.42
Intergovernmental	246,058.95	0.00	0.00	0.00	0.00	0.00	246,058.95
Time Certificates of Deposit	215,550.36	0.00	487,931.55	0.00	0.00	0.00	703,481.91
Restricted Assets:							
Time Certificates of Deposit	352,690.61	0.00	500,000.00	0.00	0.00	0.00	852,690.61
Total Assets	2,051,425.18	1,255,679.50	1,039,511.72	1,528,020.57	1,659,593.66	533,913.83	8,068,144.46
Liabilities and Fund Balances							
Liabilities:							
Cash Overdraft	0.00	0.00	0.00	0.00	0.00	1,972.82	1,972.82
Accounts Payable	237,197.68	0.00	0.00	0.00	0.00	0.00	237,197.68
Accrued Wages	108,828.38	0.00	0.00	0.00	0.00	0.00	108,828.38
Deposit	41,897.63	0.00	0.00	0.00	0.00	0.00	41,897.63
Total Liabilities	387,923.69	0.00	0.00	0.00	0.00	1,972.82	389,896.51
Deferred Inflow of Property Taxes	32,263.63	0.00	0.00	0.00	0.00	0.00	32,263.63
Total Liabilities and Deferred Inflows of Resources	420,187.32	0.00	0.00	0.00	0.00	1,972.82	422,160.14
Fund Balance:							
Restricted	0.00	1,255,679.50	500,000.00	1,528,020.57	1,659,593.66	530,303.72	5,473,597.45
Committed	947,909.01	0.00	539,511.72	0.00	0.00	0.00	1,487,420.73
Assigned	0.00	0.00	0.00	0.00	0.00	1,637.29	1,637.29
Unassigned	683,328.85	0.00	0.00	0.00	0.00	0.00	683,328.85
Total Fund Balance	1,631,237.86	1,255,679.50	1,039,511.72	1,528,020.57	1,659,593.66	531,941.01	7,645,984.32
Total Liabilities and Fund Balance	2,051,425.18	1,255,679.50	1,039,511.72	1,528,020.57	1,659,593.66	533,913.83	8,068,144.46

The accompanying Notes are an integral part of this statement.

CITY OF EATONTON, GEORGIA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS

TO THE GOVERNMENT WIDE STATEMENT OF NET POSITION

AUGUST 31, 2021

Total Governmental Fund Balances			7,645,984.32
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. However, in the statement of net position the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.			
	Cost of capital assets	13,095,501.48	
	Less accumulated depreciation	(6,683,908.56)	6,411,592.92
Compensated absences are not due and payable in the current period and therefore are not reported in the funds:			(99,174.59)
Financing agreements extending beyond the current period are not reported in the funds:			(195,468.27)
Accrued interest for financing agreements are not reported in the funds:			(3,647.85)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.			
The following are related to the measurement of net pension liability:			
	Net pension liability	(592,091.88)	
	Deferred outflows of resources	215,098.63	
	Deferred inflows of resources	(47,709.88)	(424,703.13)
Net Position of Governmental Activities			13,334,583.40

The accompanying Notes are an integral part of this statement.

CITY OF EATONTON, GEORGIA

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED AUGUST 31, 2021

	General Fund	American Rescue Act Fund	Capital Reserve Fund	Special Local Option Sales Tax Fund No. 9	Transportation Special Local Option Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	3,985,449.35	0.00	0.00	0.00	0.00	23,762.94	4,009,212.29
Licenses and Permits	88,225.53	0.00	0.00	0.00	0.00	0.00	88,225.53
Intergovernmental	549,914.40	1,255,679.50	0.00	1,382,257.63	996,030.37	0.00	4,183,881.90
Charges for Services	309,627.81	0.00	0.00	0.00	0.00	0.00	309,627.81
Fines and Forfeitures	184,589.24	0.00	0.00	0.00	0.00	12,122.00	196,711.24
Other	27,916.79	0.00	2,853.01	3,929.77	4,312.43	1,946.31	40,958.31
Total Revenues	5,145,723.12	1,255,679.50	2,853.01	1,386,187.40	1,000,342.80	37,831.25	8,828,617.08
Expenditures							
Current:							
General Government	857,158.94	0.00	0.00	0.00	0.00	0.00	857,158.94
Judicial	34,830.69	0.00	0.00	0.00	0.00	0.00	34,830.69
Public Safety	1,709,154.24	0.00	0.00	0.00	0.00	3,910.10	1,713,064.34
Public Works	1,163,997.78	0.00	0.00	0.00	0.00	0.00	1,163,997.78
Health and Welfare	179,575.76	0.00	0.00	0.00	0.00	0.00	179,575.76
Culture and Recreation	99,581.35	0.00	0.00	0.00	0.00	0.00	99,581.35
Housing and Development	183,801.18	0.00	0.00	0.00	0.00	14,851.84	198,653.02
Capital Outlay	180,580.15	0.00	0.00	492,128.32	149,644.85	59,974.71	882,328.03
Total Expenditures	4,408,680.09	0.00	0.00	492,128.32	149,644.85	78,736.65	5,129,189.91
Excess (Deficiency) of Revenues	737,043.03	1,255,679.50	2,853.01	894,059.08	850,697.95	(40,905.40)	3,699,427.17
Other Financing Sources (Uses)							
Transfers In (Out)	108,911.10	0.00	0.00	0.00	0.00	(8,911.10)	100,000.00
Total Other Financing Sources (Uses)	108,911.10	0.00	0.00	0.00	0.00	(8,911.10)	100,000.00
Net Change in Fund Balance	845,954.13	1,255,679.50	2,853.01	894,059.08	850,697.95	(49,816.50)	3,799,427.17
Fund Balance at Beginning of Year	785,283.73	0.00	1,036,658.71	633,961.49	808,895.71	581,757.51	3,846,557.15
Fund Balance at End of Year	1,631,237.86	1,255,679.50	1,039,511.72	1,528,020.57	1,659,593.66	531,941.01	7,645,984.32

The accompanying Notes are an integral part of this statement.

CITY OF EATONTON, 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 AUGUST 31, 2021

Net Changes In Fund Balances - Total Governmental Funds		3,799,427.17
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is a summary of the amount that capital outlay exceeded capital asset activity in the current period.		
Capital Asset Acquisitions	866,770.10	
Depreciation expense	(855,603.11)	11,166.99
Compensated absences reported in the statement of activities, do not require the use of current financial resources; therefore they are not reported as expenditures in governmental funds.		
Liability at 8/31/20	105,860.65	
Liability at 8/31/21	(99,174.59)	6,686.06
Long term liabilities are not recognized in governmental funds. Consequently, associated increases and decreases in expenditures are not recognized either.		
Decreases to pension expense	40,354.88	
Increases to financing agreements	(29,454.92)	10,899.96
Interest accrual for financing agreements is not recognized in the funds.		(3,647.85)
Change In Net Position of Governmental Activities		3,824,532.33

The accompanying notes are an integral part of this statement.

CITY OF EATONTON, GEORGIA

MAJOR GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED AUGUST 31, 2021

	General Fund			
	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues				
Taxes	3,656,854.00	3,656,854.00	3,985,449.35	328,595.35
Licenses and Permits	80,000.00	80,000.00	88,225.53	8,225.53
Intergovernmental Revenues	176,409.00	416,409.00	549,914.40	133,505.40
Charges for Services	265,112.00	265,112.00	309,627.81	44,515.81
Fines and Forfeitures	250,000.00	250,000.00	184,589.24	(65,410.76)
Other	32,797.00	32,797.00	27,916.79	(4,880.21)
Total Revenues	4,461,172.00	4,701,172.00	5,145,723.12	444,551.12
Expenditures				
General Government	914,012.00	995,012.00	940,568.94	(54,443.06)
Judicial	32,000.00	40,000.00	34,830.69	(5,169.31)
Public Safety	1,978,666.00	1,999,666.00	1,709,154.24	(290,511.76)
Public Works	1,292,763.00	1,389,763.00	1,261,167.93	(128,595.07)
Health and Welfare	198,079.00	201,079.00	179,575.76	(21,503.24)
Culture and Recreation	110,850.00	122,850.00	99,581.35	(23,268.65)
Housing and Development	190,802.00	208,802.00	183,801.18	(25,000.82)
Total Expenditures	4,717,172.00	4,957,172.00	4,408,680.09	(548,491.91)
Excess (Deficiency) of Revenues over Expenditures	(256,000.00)	(256,000.00)	737,043.03	993,043.03
Other Financing Sources (Uses)				
Transfers In	256,000.00	256,000.00	108,911.10	(147,088.90)
Net Other Financing Sources (Uses)	256,000.00	256,000.00	108,911.10	(147,088.90)
Net Change in Fund Balance	0.00	0.00	845,954.13	845,954.13
Fund Balance at Beginning of Year			785,283.73	
Fund Balance at End of Year			1,631,237.86	

The accompanying notes are an integral part of this statement.

CITY OF EATONTON, GEORGIA

MAJOR GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL, CONTINUED

FOR THE YEAR ENDED AUGUST 31, 2021

	American Rescue Act Fund				Capital Reserve Fund			
	Original Budget	Final Budget	Actual	Over (Under) Budget	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues								
Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Licenses and Permits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Intergovernmental Revenues	0.00	1,255,680.00	1,255,679.50	(0.50)	0.00	0.00	0.00	0.00
Charges for Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fines and Forfeitures	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	2,853.01	2,853.01
Total Revenues	0.00	1,255,680.00	1,255,679.50	(0.50)	0.00	0.00	2,853.01	2,853.01
Expenditures								
General Government	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Judicial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Public Safety	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Public Works	0.00	1,255,680.00	0.00	(1,255,680.00)	0.00	0.00	0.00	0.00
Health and Welfare	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Culture and Recreation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Housing and Development	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expenditures	0.00	1,255,680.00	0.00	(1,255,680.00)	0.00	0.00	0.00	0.00
Net Change in Fund Balance	0.00	0.00	1,255,679.50	1,255,679.50	0.00	0.00	2,853.01	2,853.01
Fund Balance at Beginning of Year			0.00				1,036,658.71	
Fund Balance at End of Year			1,255,679.50				1,039,511.72	

The accompanying notes are an integral part of this statement.

CITY OF EATONTON, GEORGIA

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

AUGUST 31, 2021

	Business-type Activities: Enterprise Funds		
	Major Fund	Nonmajor Fund	
	Natural Gas Fund	Revolving Loan Fund	Total
Assets and Deferred Outflows of Resources			
Current Assets			
Cash	2,048,795.44	859.06	2,049,654.50
Time Certificates of Deposit	399,781.98	0.00	399,781.98
Accounts Receivable, Net of Allowance for Doubtful Accounts	50,516.15	0.00	50,516.15
Note Receivable	0.00	6,146.00	6,146.00
Time Certificates of Deposit, Customer Deposits	393,372.35	0.00	393,372.35
Total Current Assets	2,892,465.92	7,005.06	2,899,470.98
Noncurrent Assets			
Capital Assets:			
Nondepreciable	133,027.42	0.00	133,027.42
Depreciable, Net Accumulated Depreciation	3,804,126.46	0.00	3,804,126.46
Total Noncurrent Assets	3,937,153.88	0.00	3,937,153.88
Total Assets	6,829,619.80	7,005.06	6,836,624.86
Deferred Outflows of Resources	25,315.62	0.00	25,315.62
Total Assets and Deferred Outflows of Resources	6,854,935.42	7,005.06	6,861,940.48
Liabilities and Deferred Inflows of Resources			
Current Liabilities			
Accounts Payable	3,798.38	854.00	4,652.38
Customer Deposits	50,923.84	0.00	50,923.84
Current Portion of Compensated Absences Payable	4,880.00	0.00	4,880.00
Total Current Liabilities	59,602.22	854.00	60,456.22
Long-Term Liabilities (Net of Current Portion)			
Compensated Absences Payable	19,520.00	0.00	19,520.00
Net Pension Liability	69,685.12	0.00	69,685.12
Total Long-Term Liabilities	89,205.12	0.00	89,205.12
Total Liabilities	148,807.34	854.00	149,661.34
Deferred Inflows of Resources	5,615.12	0.00	5,615.12
Total Liabilities and Deferred Inflows of Resources	154,422.46	854.00	155,276.46
Net Position			
Investment in Capital Assets	3,937,153.88	0.00	3,937,153.88
Restricted for Program Purposes	0.00	6,151.06	6,151.06
Unrestricted	2,763,359.08	0.00	2,763,359.08
Total Net Position	6,700,512.96	6,151.06	6,706,664.02

The accompanying Notes are an integral part of this statement.

CITY OF EATONTON, GEORGIA

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED AUGUST 31, 2021

	Business-type Activities: Enterprise Funds		
	Major Fund	Nonmajor Fund	
	Natural Gas Fund	Revolving Loan Fund	Total
Operating Revenues			
Charges for Sales and Services	1,406,902.90	0.00	1,406,902.90
Miscellaneous	2,395.53	0.00	2,395.53
Total Operating Revenues	1,409,298.43	0.00	1,409,298.43
Operating Expenses			
Cost of Natural Gas	520,168.73	0.00	520,168.73
Personal Services and Employee Benefits	358,324.98	0.00	358,324.98
Professional and Technical Services	34,030.21	0.00	34,030.21
Maintenance and Repairs	49,179.01	0.00	49,179.01
Depreciation Expense	118,358.88	0.00	118,358.88
Insurance	8,402.94	0.00	8,402.94
Communications	18,567.71	0.00	18,567.71
Supplies, Hardware and Small Equipment	68,509.68	0.00	68,509.68
Gasoline	9,941.11	0.00	9,941.11
Utilities	12,557.44	0.00	12,557.44
Taxes	21,267.70	0.00	21,267.70
Other	5,951.00	0.00	5,951.00
Total Operating Expenses	1,225,259.39	0.00	1,225,259.39
Operating Income (Loss)	184,039.04	0.00	184,039.04
Non-Operating Revenues (Expenses)			
Investment Income	3,155.08	0.00	3,155.08
Net Income Before Transfers	187,194.12	0.00	187,194.12
Transfer to the General Fund	(100,000.00)	0.00	(100,000.00)
Capital Contribution from the SPLOST No. 8 Fund	11,955.46	0.00	11,955.46
Special Item			
Collateral Liquidation	0.00	(854.00)	(854.00)
Change in Net Position	99,149.58	(854.00)	98,295.58
Net Position at Beginning of Year	6,601,363.38	7,005.06	6,608,368.44
Net Position at End of Year	6,700,512.96	6,151.06	6,706,664.02

The accompanying Notes are an integral part of this statement.

CITY OF EATONTON, GEORGIA

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED AUGUST 31, 2021

	Business-type Activities: Enterprise Funds		
	Major Fund Natural Gas Fund	Nonmajor Fund Revolving Loan Fund	Total
Cash Flows from Operating Activities			
Cash Received from Customers	1,391,914.20	0.00	1,391,914.20
Cash Payments for Personnel Services	(362,154.40)	0.00	(362,154.40)
Cash Payments for Goods and Services	(746,308.69)	0.00	(746,308.69)
Net Cash Provided (Used) by Operating Activities	283,451.11	0.00	283,451.11
Cash Flows from Noncapital Financing Activities			
Transfer to the General Fund	(100,000.00)	0.00	(100,000.00)
Collateral Liquidation	0.00	854.00	854.00
Net Cash Provided (Used) by Noncapital Financing Activities	(100,000.00)	854.00	(99,146.00)
Cash Flows from Capital and Related Financing Activities			
Acquisition and Construction of Capital Assets	(11,955.46)	0.00	(11,955.46)
Transfer In of Capital Asset	11,955.46	0.00	11,955.46
Net Cash Provided (Used) by Capital and Related Financing Activities	0.00	0.00	0.00
Cash Flows from Investing Activities			
Earnings On Investments	3,155.08	0.00	3,155.08
(Increase) Decrease in Investments	(2,612.23)	0.00	(2,612.23)
Return of Capital	0.00	0.00	0.00
Net Cash Flows From Investing Activities	542.85	0.00	542.85
Net Increase (Decrease) in Cash	183,993.96	854.00	184,847.96
Cash at Beginning of Year	1,864,801.48	5.06	1,864,806.54
Cash at End of Year	2,048,795.44	859.06	2,049,654.50
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	184,039.04	0.00	184,039.04
Adjustments:			
Depreciation	118,358.88	0.00	118,358.88
(Increase) Decrease in Assets:			
Accounts / Notes Receivable	(16,214.87)	0.00	(16,214.87)
Increase (Decrease) in Liabilities:			
Accounts Payable	2,266.84	0.00	2,266.84
Customer Deposits	(1,169.36)	0.00	(1,169.36)
Accrued Liabilities	(3,057.93)	0.00	(3,057.93)
Net Change in Pension Liability and Deferrals	(771.49)	0.00	(771.49)
Net Cash Provided by (Used in) Operating Activities	283,451.11	0.00	283,451.11

The accompanying Notes are an integral part of this statement.

CITY OF EATONTON, GEORGIA

MUNICIPAL COURT CUSTODIAL FUND

STATEMENT OF FIDUCIARY FUND NET POSITION

AUGUST 31, 2021

	2021
Assets	
Cash	0.00
Liabilities	
Accounts Payable	0.00
Net Position	
Restricted for Program Purposes	0.00

The accompanying Notes are an integral part of this statement.

CITY OF EATONTON, GEORGIA

MUNICIPAL COURT CUSTODIAL FUND

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED AUGUST 31, 2021

	2021
Additions to Net Position	86,183.52
Less Deductions to Net Position	86,183.52
Change in Net Position	0.00
Net Position at Beginning of Year	0.00
Net Position at End of Year	0.00

The accompanying Notes are an integral part of this statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

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The City of Eatonton, Georgia (the City) operates under a Council / Mayor form of government and provides the following services: public safety, municipal court, highways and streets, sanitation, culture and recreation, public improvements, economic development and general administrative services.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the City's accounting policies are described below.

1-A. Reporting Entity

A municipal governmental reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City.

Component units are legally separate organizations for which a local government is financially accountable. The City is financially accountable for an organization if it appoints a voting majority of the organization's governing board and (1) it is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the City in that the City approves their budget, levies their taxes or issues their debt.

The City of Eatonton has one outside component unit: the Eatonton Downtown Development Authority (DDA). Downtown Development Authorities were created in and for each municipal corporation in Georgia through state legislation. Eatonton's DDA was activated by resolution of the City Council. Within this report, financial information for the DDA is presented discreetly, along side the City's financial information. In accordance with Georgia law, the Eatonton DDA is organized for the redevelopment of the downtown development area, as defined by the City of Eatonton. The seven member board of directors is the policy-making body and may exercise all the powers and authority granted by law. The Authority may be contacted via Post Office Box 4384, Eatonton, GA 31024.

1-B. Basis of Presentation

The City's basic financial statements consist of government-wide statements, fund financial statements and the notes to the financial statements. In addition to the basic financial statements, combining and individual fund presentations are provided.

Note 1 - Summary of Significant Accounting Policies (continued)

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. The primary government and the discretely presented component unit are presented separately within these statements, with the focus on the primary government. Individual funds are aggregated as governmental and business-type activities. Governmental activities are those which are supported by taxes, grants and general revenues. Whereas, business-type activities are those which are financed in whole or in part with user fees charged to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the City, and it's discretely presented component unit, at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of governmental activities, for each identifiable activity of business-type activities and for the component unit. To provide this comparison, the statement of activities reports the expenses of a given function, offset by those revenues directly connected with the same, functional program.

A function is an assembly of similar activities. Portions of a fund or summaries of more than one fund may be included to express the expenses and program revenues associated with a distinct functional activity. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function a program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted.*

Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the City. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements - A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City segregates transactions related to certain functions or activities in separate funds. Organizing transactions in this way aids financial management and insures compliance with appropriate accounting, funding and legal requirements.

Fund financial statements are designed to present financial information at a more detailed level than government-wide presentation. Separate fund financial statements are provided for governmental funds, proprietary funds and a fiduciary fund. In these statements major individual funds are reported in separate columns.

- ***Governmental Funds*** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between governmental fund assets and liabilities as fund balance. The following are the City's major governmental funds:

Note 1 – Summary of Significant Accounting Policies (continued)

- ***The General Fund*** accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the City for any purpose, provided it is expended or transferred according to the general laws of Georgia.
- ***The American Recovery Act Fund,*** a special revenue fund, is used to account for grant proceeds that were received from the United States Treasury for corona virus fiscal recovery, and to account for the subsequent expenditures of those proceeds.
- ***The Capital Reserve Fund,*** a special revenue fund, was formed for capital preservation and to provide a buffer against emergencies. Restricted and committed funds are invested in bank certificates of deposits. The interest generated by these investments provides operating revenues. Expenditures are limited, by ordinance, for emergencies, grants to non-profit organizations, cemetery care and for other operations of city government.
- ***The Special Local Option Sales Tax Fund No. 8,*** a capital projects fund, accounts for the City's portion of collections of a one percent County sales tax, according to the terms agreed upon by the City and County legislators. Proceeds are expended according to the terms of the referendum which authorized the tax.
- ***The Special Local Option Sales Tax Fund No. 9,*** a capital projects fund, accounts for the City's portion of collections of a one percent County sales tax, according to the terms agreed upon by the City and County legislators. Proceeds are expended according to the terms of the referendum which authorized the tax.
- ***Transportation Special Local Option Sales Tax Fund,*** a capital projects fund, accounts for the City's portion of collections of a special district mass transportation sales and use tax. Proceeds are used exclusively for transportation projects. They are allocated and are expended in accordance with the terms of an intergovernmental agreement between the City and Putnam County.

- ***Proprietary Funds*** - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary funds are classified as enterprise funds. The following is the single, major enterprise fund:
  - ***The Natural Gas Fund*** – accounts for the operation of the City's natural gas system.
- ***Fiduciary Fund*** – The Municipal Court Custodial Fund is used to account for funds collected by the court on behalf of other agencies. The City acts as a custodian, collecting and then disbursing these monies to the appropriate agencies. This fund is not a major fund.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the *statement of net position*. The *statement of activities* reports revenues and expenses.

Fund Financial Statements – include two distinct measurement focuses, which are applied based on fund type:

All **governmental funds** are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Therefore, governmental fund financial statements provide reconciliations to the

Note 1 - Summary of Significant Accounting Policies (continued)

government-wide statements. The reconciliations include brief explanations of the differences between the two formats.

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

Like proprietary funds, the **fiduciary fund** uses the economic resources measurement focus. All assets (cash collected for others) and all liabilities (amounts due to outside agencies) are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (collections) and decreases (disbursements) in net total position.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. The fiduciary fund uses the accrual basis. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase "available for exchange transactions" means expected to be received within 60 days of year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the City receives value without directly giving equal value in return, include taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: sales taxes and property taxes.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Note 1 – Summary of Significant Accounting Policies (continued)

1-E. Assets, Liabilities and Fund Equity

1-E-1 Cash, Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

Investments are stated at fair value based on quoted market prices. Georgia law authorizes the City to invest in the following type of obligations:

- Obligations of the State of Georgia or of other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or Government agency
- Obligations of any corporation of the United States Government
- Prime bankers' acceptances
- The State of Georgia local government investment pool established by Georgia Code Section 36-83-8.
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

1-E-2 Receivables

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

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4 Prepaid Items

When applicable, payments made to vendors for services that will benefit periods beyond the fiscal year end, are recorded as prepaid items. The consumption method is used by recording an asset for the prepaid amount and by recording the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is denoted as nonspendable, because this amount is not available for general appropriation.

1-E-5 Consumable Inventories

Consumable inventories of supplies and small tools and hardware are recorded as expenditures/expenses when acquired.

Note 1 – Summary of Significant Accounting Policies (continued)

1-E-6 Restricted Assets

Through commitment of the City Council, specific deposits are designated for various purposes. The deposits are held in the General Fund and are reported as restricted assets. In addition, a local resolution restricts a portion of Capital Reserve Fund assets for capital preservation.

1-E-7 Capital Assets

General capital assets are those capital assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The City reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the governmental fund financial statements. Capital assets utilized by proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the proprietary funds' statement of net position.

All capital assets are recorded at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received.

Improvements to capital assets are capitalized. The costs of normal maintenance and repairs, that do not add to the value of the asset or materially extend an asset's life, are expensed. Interest incurred during the construction of capital assets utilized by enterprise funds is capitalized. The current capitalization threshold for newly acquired assets is $5,000; all acquisitions of land and titled vehicles or equipment are capitalized, even if the cost is less than $5,000. General infrastructure assets acquired prior to September 1, 2003 are not reported in the basic financial statements.

All reported capital assets are depreciated with the exceptions of land, construction in progress and right-of-ways. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives of infrastructure are estimated based on the City's experience with necessary improvements and replacements.

Depreciation is computed using the straight-line method. Useful lives are determined in accordance with the following schedule.

	Estimated Lives	
Asset Class	Governmental Activities	Business-type Activities
Buildings and improvements	10-30 Years	10 Years
Machinery and equipment	3-12 Years	3-12 Years
Vehicles	3-5 Years	3-5 Years
Infrastructure	10-50 Years	10-50 Years

1-E-8 Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned. City employees may accumulate between 6 and 18 days of vacation annually, up to a maximum of 30 days. The resulting liability includes salary-related payments (the City's portion of social security and Medicare). It is calculated using current pay rates.

Note 1 – Summary of Significant Accounting Policies (continued)

Employees may also accumulate sick leave. No liability has been recorded for accumulated sick pay benefits because payment is made only upon the illness of an employee. As such, the amount of payments cannot be reasonably estimated.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report this liability at the fund reporting level. Governmental funds do not include this at the fund reporting level.

1-E-9 Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds.

1-E-10 Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." This applies to all individual and combining governmental financial statements. Fund equity for all other reporting is classified as "net position."

Governmental Funds ***Fund Balance*** – Generally, fund balance represents the difference between the current assets and current liabilities. In the governmental fund financial statements, this balance is classified according to constraints regarding the specific purposes for which the fund balance may be spent. The classifications are presented in a hierarchy, which is based primarily on the extent to which the City is bound to observe the constraints imposed upon the use of resources. The City utilizes the following fund balance classifications.

- *Nonspendable* – This describes fund balance amounts which cannot be spent because (1) they are non-cash assets, or (2) because they are legally or contractually required to be maintained intact.
- *Restricted* - Fund balances are reported as restricted when there are limitations imposed on their use either by (1) enabling legislation adopted by the City, or by (2) external restrictions imposed by creditors and grantors, or by the laws or regulations of other governments.
- *Committed* – When, as the result of a vote by the City Council (the government's highest level of decision making authority), monies may be used only for specific purposes, the fund balance is committed. Only a council vote may subsequently modify or rescind the commitment.
- *Assigned* – Through resolution, the City Council may authorize management or the finance committee to constrain balances for specific purposes. Such amounts are neither restricted nor committed; they are assigned.
- *Unassigned* – Residual amounts, which do not meet any of the above criteria, are reported as unassigned. Due to the nature of the City's governmental funds, a positive, unassigned fund balance would be presented only in the General Fund. Negative unassigned fund balances may be reported in all funds.

The components of all fund balances are detailed in Note 3-I-2.

Flow Assumptions - The City applies restricted resources first, when an expenditure or expense is incurred for purposes for which both restricted and unrestricted fund balance or net position are available. Further, when an expenditure is incurred for purposes of unrestricted, constrained fund balance, the City uses fund balance in the following order: (1) committed, (2) assigned, (3) unassigned.

Note 1 – Summary of Significant Accounting Policies (continued)

Proprietary Funds Net Position - Net position represents the difference between assets and liabilities. Net position is reported as restricted for the amount so designated by action of the City Council or by an outside funding agency. Any remaining amount of net position is reported as unrestricted.

Net investment in capital assets, consists of capital assets, less accumulated depreciation, further reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. When applicable, net position is adjusted by any bond issuance deferral amounts.

Stabilization commitments, designated through action of the City Council, are based on budgeted expenditures. Commitments may be revised by action of the City Council.

1-E-11 Contributions of Capital

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

1-F. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. These revenues are charges for utility services provided through the Natural Gas Fund and for interest revenues generated by loans extended through the Revolving Loan Fund. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of each fund. In contrast, all other revenues and expenditures, which are unrelated to the primary activity, are classified as non-operating.

1-G. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and the after non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are eliminated.

1-H. Estimates

The preparation of the financial statements, in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information

The City adopts annual operating budgets for the general fund and each special revenue fund. Original and final budgets are presented for these funds. A project budget is adopted for each capital projects fund, with budget presentation for the entire project period rather than an annual period. All budgets are adopted on a basis consistent with GAAP.

The legal level of control for each adopted annual operating budget, generally, is the department level within each individual fund. Accordingly, the budget resolution reflects the total of each department's appropriation within each fund. Any change in total to a fund or departmental appropriation within a fund requires approval of the City Council. Department directors are authorized to transfer line item appropriations within a single department. Only action of Council may authorize the employment of additional personnel. The City does not use encumbrance accounting; all unexpended annual appropriations lapse at year-end.

2-B. Excess of Expenditures over Appropriations

Expenditures did not exceed the final budget at the fund or function level.

2-C. Report Classifications

Comparative data for the prior year is presented in the individual fund financial statements which follow these notes. This information is presented in order to provide an understanding of the changes in the financial position and the results of operations. Certain previously reported amounts have been reclassified in order to be consistent with the current year's presentation.

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

The City does not have a policy regarding management of risk for deposits or investments.

Deposits - Custodial risk for deposits is the risk that, in the event of financial institution failure, a depositor will not be able to recover deposits or collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

At August 31, 2021, all City deposits were entirely insured or collateralized with securities held by the City or by its agent in the City's name. This is true of the component unit as well.

Investments – Custodial risk for investments is the risk that, in the event of the failure of the counterparty, an investor will not be able to recover the value of investments or collateral securities that are in the possession of an outside party. All investments held by the City at August 31, 2021 are in the form of bank certificates of deposit. Certificates with maturity periods greater than 90 days are classified as investments.

At August 31, 2021, all City investments were entirely insured or collateralized with securities held by the City or by its agent in the City's name.

Note 3 – Detailed Notes on All Funds (continued)

3-B. Receivables

Receivables at August 31, 2021, consisted of taxes, accounts, notes and intergovernmental receivables arising from hotel/motel tax collections, property tax collections, sales tax collections, utility service accounts and notes receivable. Receivables and payables are recorded on the City's financial statements to the extent that the amounts are determined to be material and are substantiated. These are substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

3-C. Capital Assets

Capital asset activity for the year ended August 31, 2021 for governmental activities, business-type activities and the component unit is presented in the following tables.

City of Eatonton
Changes in Governmental Capital Assets

Governmental activities:	8/31/2020	Additions	Deductions	8/31/2021
Capital assets not being depreciated:				
Land	285,047.90	32,500.00	0.00	317,547.90
Construction in process	1,026,831.79	119,852.85	920,193.60	226,491.04
Total non-depreciable capital assets	1,311,879.69	152,352.85	920,193.60	544,038.94
Depreciable capital assets:				
Buildings and improvements	2,804,782.84	64,300.00	0.00	2,869,082.84
Furniture, fixtures, machinery and equipment	1,971,200.63	366,682.25	154,657.38	2,183,225.50
Infrastructure	6,295,525.60	1,203,628.60	0.00	7,499,154.20
Total depreciable capital assets	11,071,509.07	1,634,610.85	154,657.38	12,551,462.54
Total capital assets	12,383,388.76	1,786,963.70	1,074,850.98	13,095,501.48
Accumulated depreciation:				
Buildings and improvements	1,484,041.18	100,163.00	0.00	1,584,204.18
Furniture, fixtures, machinery and equipment	1,164,081.43	213,951.36	154,657.38	1,223,375.41
Infrastructure	3,334,840.22	541,488.75	0.00	3,876,328.97
Total accumulated depreciation	5,982,962.83	855,603.11	154,657.38	6,683,908.56
Governmental activities capital assets, net	6,400,425.93	931,360.59	920,193.60	6,411,592.92

Governmental Activities Depreciation Expense	
General Government	28,556.41
Public Safety	142,902.48
Public Works	612,360.63
Culture and Recreation	71,783.59
Total Governmental Activities Depreciation Expense	855,603.11

Note 3 - Detailed Notes on All Funds (continued)

City of Eatonton
Changes in Proprietary Funds Capital Assets

Business-type activities:	8/31/2020	Additions	Deductions	8/31/2021
Capital assets not being depreciated:				
Land	57,015.00	0.00	0.00	57,015.00
Construction in Process	45,632.96	11,955.46	0.00	57,588.42
Intangible assets	18,424.00	0.00	0.00	18,424.00
Total non-depreciable capital assets	121,071.96	11,955.46	0.00	133,027.42
Depreciable capital assets:				
Furniture, fixtures, machinery and equipment	400,363.07	0.00	0.00	400,363.07
Infrastructure	6,828,414.57	0.00	0.00	6,828,414.57
Total depreciable capital assets	7,228,777.64	0.00	0.00	7,228,777.64
Total capital assets	7,349,849.60	11,955.46	0.00	7,361,805.06
Accumulated depreciation:				
Furniture, fixtures, machinery and equipment	594,006.40	13,383.27	0.00	607,389.67
Infrastructure	2,712,285.90	104,975.61	0.00	2,817,261.51
Total accumulated depreciation	3,306,292.30	118,358.88	0.00	3,424,651.18
Business-type activities capital assets, net	4,043,557.30	(106,403.42)	0.00	3,937,153.88

Component Unit: Eatonton Downtown Development Authority
Changes in Capital Assets

	8/31/2020	Additions	Deductions	8/31/2021
Capital assets not being depreciated:				
Land	80,000.00	0.00	0.00	80,000.00
Construction in Process	138,876.27	5,500.00	0.00	144,376.27
Total non-depreciable capital assets	218,876.27	5,500.00	0.00	224,376.27
Depreciable capital assets:				
Buildings and improvements	250,726.50	0.00	0.00	250,726.50
Infrastructure	485,577.19	0.00	0.00	485,577.19
Total depreciable capital assets	736,303.69	0.00	0.00	736,303.69
Total capital assets	955,179.96	5,500.00	0.00	960,679.96
Accumulated depreciation:				
Buildings and improvements	72,184.06	48,558.00	0.00	120,742.06
Infrastructure	291,348.00	13,439.85	0.00	304,787.85
Total accumulated depreciation	363,532.06	61,997.85	0.00	425,529.91
Component unit capital assets, net	591,647.90	(56,497.85)	0.00	535,150.05

Note 3 – Detailed Notes on All Funds (continued)

3-D. – Deferred Outflows / Inflows of Resources

The City has deferred inflows and outflows that are related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized in future periods, instead of being recognized entirely in the year of occurrence. These changes are accounted for as deferred outflows of resources and deferred inflows of resources.

The statement of net position reports a separate section for *deferred outflows of resources*. This financial statement element represents a consumption of net position that applies to a future period(s). Until the appropriate period, it will not be recognized as an outflow of resources (expense/expenditure). At August 31, 2021, all deferred outflows of resources are related to the changes in the net pension liability as discussed below. These are reported in governmental activities and in business-type activities.

Conversely, the statement of net position reports a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net position that applies to a future period(s). In future periods, this amount will be recognized as an inflow of resources (revenue). The City reports these items in both governmental activities and business-type activities.

Deferrals result from the following circumstances:

Experience gains or losses result from periodic measurements by the pension plan's actuary which adjust the net pension liability for certain trend information that was previously assumed to reflect actual experience. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources. They are then amortized into pension expense over the expected remaining service lives of plan members.

Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members.

The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period.

Additionally, any contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources.

Lastly, unrelated to pension reporting, property taxes collected within 60 days following year end are accounted for as deferred inflows of resources in the General Fund and in governmental activities.

Details of the total deferred amounts reported in the government-wide Statement of Net Position are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City contributions subsequent to the measurement date	166,592.25	0.00
Differences between expected and actual experience	48,751.00	(1,600.00)
Changes in assumptions	25,071.00	0.00
Net difference between projected and actual earnings on pension plan investments	0.00	(51,725.00)
Total pension related deferrals	240,414.25	(53,325.00)
Deferred Inflows of Property Taxes	0.00	(32,263.63)
	240,414.25	(85,588.63)

Note 3 – Detailed Notes on All Funds (continued)

3-E. – Interfund Balances and Transfers

Interfund Balances – Interfund balances represent reimbursable expenses. There were no interfund balances at August 31, 2021.

Interfund Transfers – During the year ended August 31, 2021, an interfund transfer, of $100,000 was made from the Natural Gas Fund to the General Fund. As in prior years, this transfer is made to allay the costs of administrative services provided for Natural Gas Fund operations. Additionally, the Hotel / Motel Tax Fund transferred $8,911.10 to the General Fund. This is the amount of tax proceeds that exceeded statutory requirements for promoting tourism. Lastly, SPLOST No. 8 Fund proceeds were expended for natural gas infrastructure. That amount, $11,955.46, was transferred to the Natural Gas Fund.

3-F. Long-Term Debt

The changes in long-term debt presented in the following table, consist of estimates of future payments of benefits to employees, and of financing arrangements for ten police cars. The employment related benefits are compensated absences payable and pension benefits. Because there are no borrowings for these benefits, there are no interest costs. The obligations for employee benefits attributable to governmental funds are liquidated through the General Fund; obligations of business-type activities are liquidated through the Natural Gas Fund. The financing for police cars will be paid out of the SPLOST Fund No. 9.

Changes in Long-Term Debt for the year ended August 31, 2021

	8/31/2020 Obligation	+ Additions	- Reductions	= 8/31/2021 Obligation	= 8/31/2021 Current	+ 8/31/2021 Long-Term
General Fund						
Compensation	105,860.65	10,231.98	16,918.04	99,174.59	19,834.92	79,339.67
Pension	664,966.97	0.00	72,875.09	592,091.88	0.00	592,091.88
SPLOST Fund No. 9						
Financing Agreement No. 1	166,013.35	0.00	81,339.26	84,674.09	84,674.09	0.00
Financing Agreement No. 2	0.00	169,621.00	58,826.82	110,794.18	54,284.26	56,509.92
Natural Gas Fund						
Compensation	27,457.93	0.00	3,057.93	24,400.00	4,880.00	19,520.00
Pension	72,574.03	0.00	2,888.91	69,685.12	0.00	69,685.12
Totals	1,036,872.93	179,852.98	235,906.05	980,819.86	163,673.27	817,146.59

As set forth in the intergovernmental agreement with Putnam County, the SPLOST Fund No. 9 provides funding for police vehicles. During fiscal year 2020, the City contracted to purchase ten new police cars. Ford Motor Credit Company LLC provided partial financing. Six cars were delivered in fy20 under financing agreement No. 1; four were delivered in fy21 under financing agreement No. 2. In each case, one third of the total debt obligation for the cars was paid upon delivery. As all cars were financed under the same master agreement, the duration of each agreement is two years, and the interest rate is 4.10%. Debt service requirements for the cars are presented in the following table.

Note 3 – Detailed Notes on All Funds (continued)

Debt Service Requirements - Financing Agreements

	Payment Date	Principal	+ Interest	= Payment Amount
Financing Agreement No. 1	8/21/2022	84,674.09	3,471.56	88,145.65
Financing Agreement No. 2	11/11/2021	54,284.26	4,542.56	58,826.82
	11/11/2022	56,509.92	2,316.90	58,826.82
		195,468.27	10,331.02	205,799.29

3-G. Defined Benefit Pension Plan

Plan Description. The City contributes to the Georgia Municipal Employees Benefit System (GMEBS) City of Eatonton Retirement Plan (the Plan). GMEBS is an agent multiple-employer public employee retirement system (PERS) that acts as a common investment and administrative agent for municipalities in Georgia. The Plan's benefit provisions were established by an adoption agreement executed by the City Council. The Georgia Constitution enables the governing authority, the City Council, to establish and amend the contribution rates for the employer and its plan members.

City officials and full-time employees are eligible to participate. Vesting of officials is immediate; employee benefits vest after ten (10) years of service. The retirement benefit formula is 1.25% - 1.75% (table breakpoint). The system also provides death benefits. Post retirement increases are not applicable to this plan. Employees and former employees are covered by the benefit terms as follows:

Plan Participation at January 1, 2021:	
Inactive Employees or Beneficiaries Currently Receiving Benefits	55
Inactive Employees Entitled To, But Not Yet Receiving Benefits	17
Active Employees	55
	127

Complete financial statements as well as detailed information about the fiduciary net position of the plan are presented in a report issued by GMEBS. Reports may be obtained by writing to Georgia Municipal Association, The Burgess Building at 201 Pryor Street S.W., Atlanta, GA 30303-3606.

Funding Policy. The GMEBS Board of Trustees has adopted an actuarial funding policy for determination of annual contributions and the systematic funding of liabilities arising under the Plan. Ongoing plans that are in compliance with the GMEBS funding policy are ultimately projected to have no unfunded benefits under this amortization method. The Plan is subject to minimum funding standards as set forth in the Public Retirement System Standards Law (Georgia Code Section 47-20-10). In order to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits, the GMEBS funding policy requires a different funding level than the estimated minimum annual contribution. The City's funding policy is to contribute an amount equal to the actuarially recommended contribution rate.

Contributions. The recommended contribution at January 1, 2020, for the City's fiscal year ending August 31, 2021, was $174,865. This amount is 9.65 percent of expected payroll. Accordingly, the City contributed this amount. During the plan reporting period, employer contributions of $187,002 (This amount was actuarially determined.) were recognized by the plan. Because the City contributes the entire cost of the plan, employees are not required to contribute.

Note 3 – Detailed Notes on All Funds (continued)

Actuarial Assumptions and Methods. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Thus, actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective.

Significant actuarial assumptions are used to compute the annual recommended contribution and the net pension liability. The assumptions and methods used to value the Plan were approved in December, 2019 by the Board of Trustees based on an experience study for the period January 1, 2015 to June 30, 2019. The total pension liability, as calculated for the September 30, 2020 measurement date, was determined using the actuarial assumptions presented as follows.

Actuarial Methods and Assumptions:	
Actuarial Valuation Date	January 1, 2021
Net Investment Return	7.375% - On-going basis, long term expected rate of return on plan investments
Inflation	2.25%
Projected Salary Increases	Years of service based scale with an ultimate rate of 3.00% at 15 years of service.
Mortality	Healthy retirees and beneficiaries: Sex-distinct Pri-2012 head count weighted Health Retiree Mortality Table with rates multiplied by 1.25. Disabled participants: Sex-distinct Pri-2012 head count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25. Active participants, terminated vested participants and deferred beneficiaries: Sex-distinct Pri-2012 head count weighted Employee Mortality Table. The mortality tables (other than the one used for the plan termination basis) are projected generationally from 2012 to future years using 60% of the sex-distinct improvement rates under the 2019 OASDA Trustees Report used for the intermediate alternative. Plan termination basis (all lives): 1994 Group Annuity Reserving Unisex Table.
Cost of Living Adjustment	N/A

Net Pension Liability (NPL). The City's net pension liability was measured as of September 30, 2020; the total pension liability was determined by an actuarial valuation as of January 1, 2021. Update procedures were performed by the actuary to roll forward to the total pension liability measured as of September 30, 2020, making those numbers applicable to the fiscal year ending August 31, 2021. These dates were used to determine the amounts in the following table which presents annual changes in the components of the net pension liability.

Note 3 – Detailed Notes on All Funds (continued)

Changes in the Net Pension Liability

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at September 30, 2019	5,059,122	4,321,581	737,541
Changes for the year:			
Service cost	76,674	0	76,674
Interest	368,048	0	368,048
Differences between expected and actual experience	64,851	0	64,851
Contributions - employer	0	187,002	(187,002)
Net investment income	0	411,599	(411,599)
Benefit payments	(290,629)	(290,629)	0
Administrative expense	0	(13,264)	13,264
Net changes	218,944	294,708	(75,764)
Balances at September 30, 2020	5,278,066	4,616,289	661,777

For purposes of measuring the net pension liability, the following have been determined on the same basis as they are reported by the Plan: deferred outflows of resources and deferred inflows of resources related to pensions and pension expense; information about the fiduciary net position of the City of Eatonton Retirement Plan (the Plan); and additions to / deductions from the Plan's fiduciary net position. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The amount of ***pension expense*** recognized for the year ended August 31, 2021 is $152,175.

Projected Cash Flows. Retirement plan funding anticipates that, over the long term, both contributions and investment earnings will be needed to cover benefit payments and expenses. Retirement plan assets change as a result of the net impact of these income and expense components.

Discount Rate. 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 contributions from the City will be made at contractually required rates, actuarially determined. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Possible variations in the net pension liability, when calculated with 1% variations in the discount rate, are presented in the following table.

	1% Decrease 6.375%	Current Discount Rate 7.375%	1% Increase 8.375%
Net Pension Liability	1,211,424	661,777	193,761

The long-term expected rate of return on pension plan investments is 7.375%, ongoing basis. This 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

Note 3 – Detailed Notes on All Funds (continued)

of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2020 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%	
Total	100%	

Plan termination basis:
1.36% (30 year Treasury securities rate as of August 2020, published in September 2020; 2.12% last year)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions are derived from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City contributions subsequent to the measurement date	166,592	0
Differences between expected and actual experience	48,751	(1,600)
Changes of assumptions	25,071	0
Net difference between projected and actual earnings on pension plan investments	0	(51,725)
	240,414	(53,325)

City contributions that were made subsequent to the measurement date are reported as deferred outflows of resources. This amount, $166,592 will be recognized as a reduction of the net pension liability in the fiscal year ending August 31, 2022.

Note 3 – Detailed Notes on All Funds (continued)

Changes in Actuarial Deferrals of Resources Related to Pensions - Outflows / (Inflows)

	Year Established	Outstanding Balance 8/31/2020	Initial Accrual During y.e. 8/31/2021	Amount Recognized During y.e. 8/31/2021	Outstanding Balance 8/31/2021
Fiscal Year Outflows					
Demographic	2018	12,326	0	12,326	0
Assumption Change	2018	19,176	0	19,176	0
Demographic	2020	11,034	0	5,517	5,517
Assumption Change	2020	50,142	0	25,071	25,071
Investment	2020	155,180	0	38,795	116,385
Demographic	2021	0	64,851	21,617	43,234
Total Outflows		247,858	64,851	122,502	190,207
Fiscal Year Inflows					
Investment	2017	(21,960)	0	(21,960)	0
Investment	2018	(102,932)	0	(51,466)	(51,466)
Demographic	2019	(3,200)	0	(1,600)	(1,600)
Investment	2019	(58,332)	0	(19,444)	(38,888)
Investment	2021	0	(97,193)	(19,437)	(77,756)
Total Inflows		(186,424)	(97,193)	(113,907)	(169,710)
Total		61,434	(32,342)	8,595	20,497

Other amounts reported as deferred outflows and inflows of resources will be recognized in pension expense as follows:

Projected Recognition of Deferred Outflows / (Inflows)

	Year Established	for years ended August 31, 2022	2023	2024	2025
Fiscal Year Outflows					
Demographic	2020	5,517	0	0	0
Assumption Change	2020	25,071	0	0	0
Investment	2020	38,795	38,795	38,795	0
Demographic	2021	21,617	21,617	0	0
Total Outflows		91,000	60,412	38,795	0
Fiscal Year Inflows					
Investment	2018	(51,466)	0	0	0
Demographic	2019	(1,600)	0	0	0
Investment	2019	(19,444)	(19,444)	0	0
Investment	2021	(19,439)	(19,439)	(19,439)	(19,439)
Total Inflows		(91,949)	(38,883)	(19,439)	(19,439)
Total		(949)	21,529	19,356	(19,439)

Note 3 – Detailed Notes on All Funds (continued)

3-H. Post-employment Benefits

The City does not provide health care or life insurance benefits for retired employees.

3-I. Equity

3-I-1 Government-wide Net Position – The component of net position, "*Investment in Capital Assets*" on the government-wide statement of net position at August 31, 2021, is determined as follows:

	Governmental Activities	Business Type Activities	Total
Cost of Capital Assets	13,095,501.48	7,361,805.06	20,457,306.54
Less Accumulated Depreciation	6,683,908.56	3,424,651.18	10,108,559.74
Less Related Debt	195,468.27	0.00	195,468.27
Net Investment in Capital Assets	6,216,124.65	3,937,153.88	10,153,278.53

3-I-2 Fund Balance Components – At the fund financial reporting level, fund balances are classified as follows:

Governmental Funds	
General Fund	
Committed by city council for capital outlay	352,690.61
Committed by city council for stabilization	595,218.40
Unassigned	683,328.85
	1,631,237.86
Special Revenue Funds	
American Rescue Plan Act Fund	
Restricted by grantor for program purposes	1,255,679.50
Capital Reserve Fund	
Restricted by referendum for emergencies	500,000.00
Committed by city council for emergencies, cemetary care and services to citizens through donations to civic organizations	539,511.72
Police Condemnation Fund	
Restricted by law for law enforcement equipment and supplies	24,847.76
Hotel / Motel Tax Fund assigned for development	1,637.29
	2,321,676.27
Capital Projects Funds	
Special Local Option Sales Tax Fund, No. 8	
Restricted by referendum for capital outlay	505,454.96
Special Local Option Sales Tax Fund, No. 9	
Restricted by referendum for capital outlay	1,528,020.57
Transportation Special Local Option Sales Tax Fund	
Restricted by referendum for capital outlay	1,659,593.66
Community Development Block Grant Fund	
Restricted by referendum for capital outlay	1.00
	3,693,070.19
	7,645,984.32

Note 3 – Detailed Notes on All Funds (continued)

3-J. Special Purpose Local Option Sales Taxes

SPLOST No. 8. In 2015 county voters approved a referendum allowing the collection of special local option sales taxes to continue under SPLOST No. 8. The county ballot specified funding dedicated for City projects. The City first received proceeds in 2017. Because projected revenues were reached prior to the three year referendum term, distributions to the City ceased in July 2019. The specified capital projects include construction of roads, bridges and sidewalks; acquisitions of public works and public safety equipment; building renovations; and the expansion of natural gas infrastructure. The related financial activity is accounted for in the SPLOST No. 8 Fund. Cumulative expenditures for these projects are presented on the Schedule of Projects Constructed with Special Sales Tax Proceeds.

SPLOST No. 9. Voters approved a referendum authorizing this one percent sales tax in 2018. The tax levy will continue for six years. As is the case with all special local option sales tax (SPLOST) collections, the state remits collections to Putnam County. In turn, in accordance with a county/city intergovernmental agreement, the county remits proceeds to the city. The first proceeds were received by the city in December 2019. These are accounted for in the SPLOST No. 9 Fund. The referendum authorizes expenditures for road improvements; public safety equipment; public works equipment; buildings and grounds renovations and equipment; natural gas infrastructure and equipment; and economic development.

TSPLOST. In 2017 Putnam County voters approved a special district mass transportation sales and use tax (SDMTST). The tax rate is one percent; it is authorized for five years. Proceeds will be used exclusively for transportation purposes. An intergovernmental agreement awards 25% of the TSPLOST proceeds to the City. The City began receiving proceeds in July 2018. These are accounted for in the TSPLOST Fund. In accordance with the referendum, these will be used to fund road resurfacing and safety improvements; culvert rehabilitation or replacement; intersection improvements and pedestrian facilities. Cumulative expenditures for these projects are presented on the Schedule of Projects Constructed with Special Sales Tax Proceeds.

Note 4 - Other Notes

4-A. Risk Management

Predominant exposure for losses lies in the areas of liability and property damage or theft. These risks are mitigated through participation with other Georgia municipalities, in a risk sharing arrangement. Through the Georgia Municipal Association, the City holds membership in Georgia Interlocal Risk Management Agency (G.I.R.M.A). G.I.R.M.A exists by authority of the Official Code of Georgia Annotated 36.85.1 et seq. Members jointly self-insure the risks of general liability, motor vehicle liability, property damage or any combination of such risks.

Since the previous year, there have been no reductions in coverage, and the amount of an insurance settlement has never exceeded coverage.

Additionally, City employees are covered by worker's compensation insurance. Coverage is obtained through membership in the Georgia Municipal Association Worker's Compensation Self Insurance Fund. Benefits provided for employees, pursuant to this agreement, are specifically limited to obligations imposed by Georgia law against the employer for worker's compensation and/or employer's liability.

The funds are to defend and protect fund members against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. Further, the funds are to pay all costs against members in any legal proceeding defended by the member; all interest accruing after entry of judgment; all expenses incurred for investigation, negotiation or defense.

Note 4 - Other Notes (continued)

As a member of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools; to cooperate with pool agents and attorneys; to follow loss reduction procedures established by the funds; and to report, as promptly as possible and in accordance with coverage descriptions issued, all incidents which could result in fund payments for claims of loss. Further, the City is to allow the pool's agents and attorneys to represent the City in investigations, settlement discussions and all levels of litigation arising out of any claim which falls within the scope of loss protection furnished by the funds.

4-B. Contingent Liabilities

Georgia Environmental Facilities Loans

On May 1, 2007, the City transferred all assets, liabilities and net assets of its water and waste water treatment and delivery systems to the Eatonton-Putnam Water and Sewer Authority (the Authority). Included in this transfer were the City's outstanding loans payable to the Georgia Environmental Facilities Authority (GEFA). Each of these loans was made for the purpose of expanding and improving the City's (now, the Authority's) water and sewer systems. All debt was explicitly assumed by the Authority, according to the terms of the contract signed by the two governments.

In addition, the City, along with Putnam County, has pledged its full faith and credit to secure a 2012 GEFA loan made to the Eatonton-Putnam Water and Sewer Authority. The loan was extended for water line replacement. GEFA has agreed to provide up to $1,745,000 at an annual interest rate of 1.13%. Outstanding principle and interest will be repaid with monthly installments for 20 years.

Grant Programs

During this and prior years, the City has been a recipient of both state and federal grants. These programs are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the City believes such disallowances, if any, will be immaterial.

Municipal Gas Authority of Georgia

The City has entered into a contract for natural gas purchases with the Municipal Gas Authority of Georgia (MGAG). MGAG is an association of approximately 70 cities. MGAG has issued bonded debt to purchase various natural gas properties. The City of Eatonton has an "obligation share" of these commitments. Eatonton's total bond obligation share at August 31, 2021, was approximately $625,330.

Litigation

In the opinion of the City attorney, there were no legal actions in progress by or against the City at August 31, 2021, that would have a material effect on its financial position.

4-C. Applicability of the Single Audit Act

A single audit was not required or performed for the fiscal year ended August 31, 2021.

Note 4 - Other Notes (continued)

4-D. Property Taxes

4-D-1. Property Tax Levy - The City levied property taxes on September 1, 2020. The millage rate was rolled back by the amount of anticipated local option sales tax collections. All property taxes were due by December 1, 2020. Unpaid property taxes attach as an enforceable lien on property as of January 1.

4-D-2. Property Tax Abatement - For the purpose of stimulating the City's economy and tax base, the City may enter into agreements with individuals or entities in which (a) the City forgoes tax revenues to which they are otherwise entitled and (b) the individuals and/or entities commit to specific actions that will contribute to economic development benefiting the City or its citizens. Such development incentive agreements are authorized in accordance with the Official Code of Georgia and are approved by action of the City Council. The City discloses all such agreements.

Legacy Housing Agreement - The Putnam Development Authority (PDA) and Legacy Housing, Ltd. (Legacy), a manufactured housing company, are parties to an economic development agreement. Through a bond for title agreement, all real and personal property related to the local manufacturing operation will be held by the PDA. The Authority then leases these assets to Legacy for the term of the agreement. Because the PDA is a tax exempt organization, their property holdings are exempt from ad valorem property taxes.

Prior to its execution, the City Council approved the terms of this agreement. In addition to the parties of the agreement, it was also signed by representatives of Putnam County, Georgia, the City of Eatonton, the Board of Tax Assessors of Putnam County and the Tax Commissioner of Putnam County, acknowledging their respective agreements to its provisions.

Beginning in 2017, Legacy Housing, Ltd., was relieved of four years of property taxes from both the City of Eatonton and Putnam County. In return, Legacy agreed to provide and maintain an average of not less than 150 full time jobs. This agreement ensures that if the projected jobs are not met in the projected time frame, a portion of the funds will be refunded back to the Putnam Development Authority. The term of this agreement ended December 31, 2020. Accordingly, four months of uncollected property taxes were allocated to the fiscal year ended August 31, 2021. The amount of forgone taxes was $6,297.

The Conservation Use Program and the Forest Land Protection Act are state legislated ad valorem property tax exemptions which may be granted under qualifying conditions. Qualifying parcels must be dedicated to agriculture, conservation or timber production. To receive tax reductions property owners enter into covenants with the Putnam County Board of Tax Assessors. In return, owners agree to maintain the land for the dedicated uses. An owner's breach of the covenant results in a liability for twice the cumulative tax savings received, as well as interest assessed on the penalty amount.

As a result of the Conservation Use Program property tax exemptions, $26,810 in City property taxes were not collected for the fiscal year ended, August 31, 2021. Additionally, for the same year, $7,923 in City property taxes were not collected as a result of Georgia Forest Land Protection Act exemptions.

4-E. Local Option Sales Tax (L.O.S.T.)

The City shares a one percent local option sales tax with Putnam County. Since 2012, the City's portion of L.O.S.T proceeds has declined by two percent annually. In 2021 the City received 31% of total proceeds.

Note 4 - Other Notes (continued)

4-F. Component Unit

The City of Eatonton has one outside component unit: the Eatonton Downtown Development Authority (DDA). Summary financial information is included with the government-wide financial statements and in Note 3-C.

4-G. Related Organizations

The City's mayor is responsible for all of the board appointments for the Housing Authority of the City of Eatonton. However, the City has no further accountability for this organization.

4-H. Joint Venture

Under Georgia Law, the City, along with other cities and counties in the eleven county central Georgia area, is a member of the Middle Georgia Regional Commission (RC). Dues are required, and assessed on a per capita basis. During the year ended August 31, 2021, the City paid $8,627 in dues.

Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from: Middle Georgia Regional Commission
175 C Emery Highway
Macon, Georgia 31217

4-I. The Revolving Loan Fund – Notes Receivable

During April 2020, the City returned all of this fund's available cash on hand, $23,982.28, to the Georgia Department of Community Affairs. This ended the financing activities of this fund. Due to a bankruptcy filing, the single, outstanding Economic Development loan that was funded with C.D.B.G./E.I.P. grant monies was written off in fiscal year 2019. The remaining value of collateral for this loan is estimated at $7,000. The collateral will be sold. Upon completion of sales, the proceeds along with interest earnings of $5.06 will be remitted to the Georgia Department of Community Affairs. At that time the Revolving Loan Fund will be closed.

4-J. Hotel-Motel Lodging Tax

The City taxes rentals collected on overnight lodging in accordance with OCGA 48-13-51. All activities for this tax are accounted for in the Hotel / Motel Tax Fund. The tax rate is eight percent.

In accordance with state law, and by agreement with the Eatonton-Putnam Chamber of Commerce, these revenues are shared and are used to promote tourism. The City has on file a copy of the Chamber's audited financial statements; these statements verify that proceeds of this tax are used in conformity with Code requirements.

Note 4 - Other Notes (continued)

Significant Hotel / Motel Tax Fund transactions are summarized below.

Gross Lodging Tax Receipts	23,762.94
Less 62.5% committed to the Chamber of Commerce	(14,851.84)
Less 37.5% transfered to the General Fund	(8,911.10)
Change in Fund Balance	0.00

REQUIRED SUPPLEMENTARY INFORMATION

(Unaudited)

The City of Eatonton
Required Supplementary Information
For the Year Ended August 31, 2021

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability							
Service Cost	76,674	86,972	87,776	88,316	82,473	96,442	106,312
Interest	368,048	356,365	343,233	322,527	304,522	279,469	280,991
Differences between expected and actual experience	64,851	16,552	(6,398)	49,304	39,721	119,099	(228,092)
Changes of assumptions	0	75,214	0	76,705	0	0	(34,060)
Benefit payments	(290,629)	(281,096)	(216,330)	(203,325)	(185,457)	(158,040)	(131,526)
Net change in total pension liability	218,944	254,007	208,281	333,527	241,259	336,970	(6,375)
Total pension liability - beginning	5,059,122	4,805,115	4,596,834	4,263,307	4,022,048	3,685,078	3,691,453
Total pension liability - ending (a)	5,278,066	5,059,122	4,805,115	4,596,834	4,263,307	4,022,048	3,685,078
Plan Fiduciary Net Position							
Contributions - employer	187,002	163,757	156,755	144,031	136,136	184,135	195,757
Net investment income	411,599	125,602	394,813	529,504	359,215	35,185	322,821
Benefit payments	(290,629)	(281,096)	(216,330)	(203,325)	(185,457)	(158,040)	(131,526)
Administrative expense	(13,264)	(12,745)	(13,700)	(14,509)	(7,949)	(9,068)	(7,183)
Net change in fidicuary net position	294,708	(4,482)	321,538	455,701	301,945	52,212	379,869
Plan fiduciary net position - beginning	4,321,581	4,326,063	4,004,525	3,548,824	3,246,879	3,194,667	2,814,798
Plan fiduciary net position - ending (b)	4,616,289	4,321,581	4,326,063	4,004,525	3,548,824	3,246,879	3,194,667
Net pension liability - ending (a) - (b)	661,777	737,541	479,052	592,309	714,483	775,169	490,411
Plan fiduciary net position as a percentage of the total pension liability	87.46%	85.42%	90.03%	87.11%	83.24%	80.73%	86.69%
Covered employee payroll	1,709,676	1,785,080	1,695,833	1,866,599	1,897,874	1,740,433	1,817,904
Net pension liability as a percentage of covered employee payroll	38.71%	41.32%	28.25%	31.73%	37.65%	44.54%	26.98%

Notes to the Schedule

The schedule will present ten years of information as it accumulates.

The City of Eatonton
Required Supplementary Information
For the Year Ended August 31, 2021

SCHEDULE OF PENSION CONTRIBUTIONS

	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	--- [1]	172,617	178,644	154,765	143,055	135,507	188,556
Contributions in relation to the actuarially determined contribution	--- [1]	172,617 [2]	178,644	154,765	143,055	135,507	188,556
Contribution deficiency (excess)	--- [1]	0	0	0	0	0	0
Covered employee payroll	--- [1]	1,785,080 [3]	1,695,833	1,866,599	1,897,874	1,740,433	1,817,904
Contributions as a percentage of covered employee payroll	--- [1]	9.67%	10.53%	8.29%	7.54%	7.79%	10.37%

Notes to the Schedule

The schedule will present 10 years of information as it accumulates.

1 2021 information will be determined after fiscal year end and will be included in the 2022 valuation report.

2 Contributions are recorded based on date of receipt into the GMEBS trust. Minor timing issues in the receipt of monthly payments are not indicative of non-compliance with GMEBS funding policy. A plan is in compliance with the GMEBS funding policy if it pays either the dollar amount or the percentage of employee covered payroll of the actuarially determined contributions.

3 2020 covered payroll is based on data collected as of September 30, 2019 for the 2020 actuarial valuation.

Valuation Date	The actuarially determined contribution was determined as of January 1, 2021, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution will be reported for the fiscal year ending August 31, 2022.
Methods and assumptions used to determine contribution rates:	
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	The remaining amortization period varies for the bases, with a net effective amortization period of 12 years.
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value varies from the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial Assumptions:	
Net Investment Rate of Return	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost of Living Adjustment	N/A
Retirement Age	Rate percentages vary for employees eligible for normal retirement, based upon age (55 - 72 and older) at retirement.
Mortality	Multiple tables are used. These are presented in Note 3-G, subsection Actuarial Methods and Assumptions.

GOVERNMENTAL FUNDS

CITY OF EATONTON, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE

COMBINING BALANCE SHEET

AUGUST 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets			
Cash	24,847.76	505,455.96	530,303.72
Taxes Receivable	3,610.11	0.00	3,610.11
Total Assets	28,457.87	505,455.96	533,913.83
Liabilities and Fund Balance			
Liabilities:			
Cash Overdraft	1,972.82	0.00	1,972.82
Total Liabilities	1,972.82	0.00	1,972.82
Fund Balance:			
Assigned	1,637.29	0.00	1,637.29
Restricted for Program Purposes	24,847.76	0.00	24,847.76
Restricted for Capital Outlay	0.00	505,455.96	505,455.96
Total Fund Balances	26,485.05	505,455.96	531,941.01
Total Liabilities and Fund Balance	28,457.87	505,455.96	533,913.83

CITY OF EATONTON, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED AUGUST 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues			
Taxes	23,762.94	0.00	23,762.94
Fines and Forfeitures	12,122.00	0.00	12,122.00
Investment Income	88.80	1,856.51	1,945.31
Donation	0.00	1.00	1.00
	35,973.74	1,857.51	37,831.25
Expenditures			
Housing and Development	14,851.84	0.00	14,851.84
Public Safety	3,910.10	0.00	3,910.10
Capital Outlay	0.00	59,974.71	59,974.71
	18,761.94	59,974.71	78,736.65
Excess (Deficiency) of Revenues	17,211.80	(58,117.20)	(40,905.40)
Other Financing Sources (Uses)			
Transfer to General Fund	(8,911.10)	0.00	(8,911.10)
Net Change in Fund Balance	8,300.70	(58,117.20)	(49,816.50)
Fund Balance at Beginning of Year	18,184.35	563,573.16	581,757.51
Fund Balance at End of Year	26,485.05	505,455.96	531,941.01

GENERAL FUND

To account for those resources traditionally associated with governments which are not required to be accounted for in another fund.

CITY OF EATONTON, GEORGIA

GENERAL FUND

BALANCE SHEET

AUGUST 31, 2021 and 2020

	2021	2020
Assets		
Current Assets:		
Cash	1,172,430.37	225,192.80
Receivables:		
Accounts, Net of Allowance for Doubtful Accounts	16,454.58	18,091.14
Property Taxes, Net of Allowance for Doubtful Accounts	48,240.31	63,653.85
Intergovernmental	246,058.95	269,157.06
Time Certificates of Deposit	215,550.36	215,000.00
Restricted Assets:		
Time Certificates of Deposit	352,690.61	352,388.81
Total Assets	2,051,425.18	1,143,483.66
Liabilities, Deferred Inflow of Resources, Fund Balance		
Liabilities:		
Accounts Payable	237,197.68	186,165.59
Accrued Wages and Related Liabilities	108,828.38	76,365.51
Deposits	41,897.63	45,152.01
Total Liabilities	387,923.69	307,683.11
Deferred Inflow of Property Taxes	32,263.63	50,516.82
Total Liabilities and Deferred Inflows of Resources	420,187.32	358,199.93
Fund Balance:		
Commited for Stabilization Reserve	595,218.40	432,894.92
Committed for Capital Outlay	352,690.61	352,388.81
Unassigned	683,328.85	0.00
Total Fund Balance	1,631,237.86	785,283.73
Total Liabilities, Deferred Inflows of Resources and Fund Balance	2,051,425.18	1,143,483.66

CITY OF EATONTON, GEORGIA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED AUGUST 31, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED AUGUST 31, 2020

	2021				2020
	Original Budget	Final Budget	Actual	Over (Under) Budget	Actual
Revenues					
Taxes	3,656,854.00	3,656,854.00	3,985,449.35	328,595.35	3,716,627.63
Licenses and Permits	80,000.00	80,000.00	88,225.53	8,225.53	83,979.54
Intergovernmental Revenues	176,409.00	416,409.00	549,914.40	133,505.40	264,740.55
Charges for Services	265,112.00	265,112.00	309,627.81	44,515.81	280,291.32
Fines and Forfeitures	250,000.00	250,000.00	184,589.24	(65,410.76)	149,036.71
Other	32,797.00	32,797.00	27,916.79	(4,880.21)	27,271.56
Total Revenues	4,461,172.00	4,701,172.00	5,145,723.12	444,551.12	4,521,947.31
Expenditures					
Current:					
General Government	914,012.00	995,012.00	940,568.94	(54,443.06)	843,580.06
Judicial	32,000.00	40,000.00	34,830.69	(5,169.31)	29,950.00
Public Safety	1,978,666.00	1,999,666.00	1,709,154.24	(290,511.76)	1,722,542.41
Public Works	1,292,763.00	1,389,763.00	1,261,167.93	(128,595.07)	1,280,748.20
Health and Welfare	198,079.00	201,079.00	179,575.76	(21,503.24)	157,882.46
Culture and Recreation	110,850.00	122,850.00	99,581.35	(23,268.65)	138,444.45
Housing and Development	190,802.00	208,802.00	183,801.18	(25,000.82)	117,878.42
Total Expenditures	4,717,172.00	4,957,172.00	4,408,680.09	(548,491.91)	4,291,026.00
Excess (Deficiency) of Revenues	(256,000.00)	(256,000.00)	737,043.03	993,043.03	230,921.31
Other Financing Sources (Uses)					
Transfer from Hotel / Motel Tax Fund	6,000.00	6,000.00	8,911.10	2,911.10	6,498.20
Transfer from Natural Gas Fund	250,000.00	250,000.00	100,000.00	(150,000.00)	100,000.00
Total Other Financing Sources (Uses)	256,000.00	256,000.00	108,911.10	(147,088.90)	106,498.20
Net Change in Fund Balance	0.00	0.00	845,954.13	845,954.13	337,419.51
Fund Balance at Beginning of Year			785,283.73		447,864.22
Fund Balance at End of Year			1,631,237.86		785,283.73

CITY OF EATONTON, GEORGIA

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

FOR THE YEAR ENDED AUGUST 31, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED AUGUST 31, 2020

	2021				2020
	Original Budget	Final Budget	Actual	Over (Under) Budget	Actual
Revenues					
Taxes:					
Property Taxes	1,390,000.00	1,390,000.00	1,439,456.26	49,456.26	1,384,139.27
Local Option Sales Tax	1,153,854.00	1,153,854.00	1,388,266.84	234,412.84	1,194,445.25
Tax on Insurance Premiums	450,000.00	450,000.00	521,060.83	71,060.83	493,810.01
Utility Franchise Tax	415,000.00	415,000.00	392,286.82	(22,713.18)	403,719.00
Alcoholic Beverage Tax	248,000.00	248,000.00	224,713.96	(23,286.04)	225,285.19
Delinquent Tax Penalties and Interest	0.00	0.00	19,664.64	19,664.64	15,228.91
	3,656,854.00	3,656,854.00	3,985,449.35	328,595.35	3,716,627.63
Licenses and Permits:					
Business Licenses	80,000.00	80,000.00	88,225.53	8,225.53	83,979.54
	80,000.00	80,000.00	88,225.53	8,225.53	83,979.54
Intergovernmental Grants for:					
Public Works	85,500.00	85,500.00	97,170.15	11,670.15	37,253.48
Health and Welfare	90,909.00	330,909.00	452,744.25	121,835.25	227,487.07
	176,409.00	416,409.00	549,914.40	133,505.40	264,740.55
Charges for Services:					
General Government	1,000.00	1,000.00	1,024.22	24.22	1,895.00
Public Safety	0.00	0.00	13,416.30	13,416.30	6,657.10
Public Works	246,100.00	246,100.00	289,202.29	43,102.29	262,189.22
Culture and Recreation	18,012.00	18,012.00	4,950.00	(13,062.00)	9,550.00
Economic Development	0.00	0.00	1,035.00	1,035.00	0.00
	265,112.00	265,112.00	309,627.81	44,515.81	280,291.32
Fines and Forfeitures:					
Municipal Court	250,000.00	250,000.00	184,589.24	(65,410.76)	149,036.71
	250,000.00	250,000.00	184,589.24	(65,410.76)	149,036.71
Other:					
Investment Income	8,000.00	8,000.00	12,148.10	4,148.10	9,267.28
Donations	0.00	0.00	1,600.00	1,600.00	0.00
Sale of Surplus Assets	23,797.00	23,797.00	14,168.69	(9,628.31)	13,141.34
Miscellaneous	1,000.00	1,000.00	0.00	(1,000.00)	4,862.94
	32,797.00	32,797.00	27,916.79	(4,880.21)	27,271.56
Total Revenues	4,461,172.00	4,701,172.00	5,145,723.12	444,551.12	4,521,947.31
Other Financing Sources					
Transfer from Hotel / Motel Tax Fund	6,000.00	6,000.00	8,911.10	2,911.10	6,498.20
Transfer from Natural Gas Fund	250,000.00	250,000.00	100,000.00	(150,000.00)	100,000.00
Total Other Financing Sources	256,000.00	256,000.00	108,911.10	(147,088.90)	106,498.20
Total Revenues And Other Financing Sources	4,717,172.00	4,957,172.00	5,254,634.22	297,462.22	4,628,445.51

CITY OF EATONTON, GEORGIA

GENERAL FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

FOR THE YEAR ENDED AUGUST 31, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED AUGUST 31, 2020

	2021				2020
	Original Budget	Final Budget	Actual	Over (Under) Budget	Actual
General Government					
City Council and Mayor					
Personal Services and Employee Benefits	108,502.00	113,502.00	124,877.65	11,375.65	116,847.69
Travel, Education and Training	19,700.00	19,700.00	4,599.53	(15,100.47)	5,120.23
Insurance	32,515.00	32,515.00	20,294.39	(12,220.61)	21,832.60
Communications	1,500.00	1,500.00	598.63	(901.37)	706.06
Other	5,000.00	5,000.00	2,731.68	(2,268.32)	597.65
	167,217.00	172,217.00	153,101.88	(19,115.12)	145,104.23
Elections					
Poll Workers	0.00	0.00	0.00	0.00	12,195.50
Travel, Education and Training	1,000.00	1,000.00	926.16	(73.84)	0.00
Communications	200.00	200.00	454.50	254.50	474.00
Supplies	6,500.00	6,500.00	196.00	(6,304.00)	2,585.69
Capital Outlay	55,000.00	55,000.00	0.00	(55,000.00)	0.00
	62,700.00	62,700.00	1,576.66	(61,123.34)	15,255.19
Financial and General Administration					
Personal Services and Employee Benefits	303,379.00	318,379.00	306,416.39	(11,962.61)	296,675.20
Travel, Education and Training	5,000.00	5,000.00	5,345.56	345.56	1,582.58
Professional and Technical Services	85,800.00	85,800.00	100,476.58	14,676.58	98,967.12
Maintenance and Repairs	5,400.00	14,400.00	17,862.41	3,462.41	15,691.92
Insurance	6,300.00	6,300.00	4,333.25	(1,966.75)	3,983.88
Communications	20,800.00	20,800.00	21,473.66	673.66	21,633.50
Supplies	18,300.00	25,300.00	23,276.75	(2,023.25)	37,520.62
Utilities	5,000.00	5,000.00	8,227.28	3,227.28	6,803.59
Other	3,500.00	3,500.00	0.00	(3,500.00)	0.00
Capital Outlay	0.00	0.00	19,110.00	19,110.00	0.00
	453,479.00	484,479.00	506,521.88	22,042.88	482,858.41
Buildings and Grounds					
Personal Services and Employee Benefits	155,916.00	170,916.00	158,288.69	(12,627.31)	144,168.42
Maintenance and Repairs	33,000.00	63,000.00	23,256.98	(39,743.02)	32,317.57
Insurance	21,000.00	21,000.00	9,613.61	(11,386.39)	8,479.68
Communications	1,200.00	1,200.00	603.53	(596.47)	710.43
Supplies	10,000.00	10,000.00	16,317.34	6,317.34	8,846.24
Gasoline	5,500.00	5,500.00	4,232.54	(1,267.46)	3,494.28
Utilities	4,000.00	4,000.00	2,755.83	(1,244.17)	2,345.61
Capital Outlay	0.00	0.00	64,300.00	64,300.00	0.00
	230,616.00	275,616.00	279,368.52	3,752.52	200,362.23
Total General Government	914,012.00	995,012.00	940,568.94	(54,443.06)	843,580.06

GENERAL FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL, CONTINUED

FOR THE YEAR ENDED AUGUST 31, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED AUGUST 31, 2020

	2021				2020
	Original Budget	Final Budget	Actual	Over (Under) Budget	Actual
Judicial System					
Municipal Court	32,000.00	40,000.00	34,830.69	(5,169.31)	29,950.00
Total Judicial System	32,000.00	40,000.00	34,830.69	(5,169.31)	29,950.00
Public Safety					
Police Department					
Personal Services and Employee Benefits	1,411,259.00	1,426,259.00	1,206,000.01	(220,258.99)	1,220,435.62
Travel, Education and Training	4,800.00	4,800.00	3,898.46	(901.54)	8,409.54
Professional and Technical Services	25,400.00	25,400.00	24,071.23	(1,328.77)	18,628.83
Maintenance and Repairs	48,500.00	48,500.00	37,386.58	(11,113.42)	47,908.63
Insurance	52,500.00	52,500.00	64,231.10	11,731.10	61,060.28
Communications	20,000.00	20,000.00	22,075.72	2,075.72	18,513.86
Supplies, Hardware and Small Equipment	27,200.00	30,200.00	41,331.41	11,131.41	39,777.19
Gasoline	57,000.00	57,000.00	37,898.81	(19,101.19)	47,791.88
Utilities	11,000.00	11,000.00	12,558.92	1,558.92	13,379.79
Prisoner Housing	16,000.00	16,000.00	7,586.71	(8,413.29)	4,349.69
Drug Task Force	5,000.00	5,000.00	5,000.00	0.00	5,000.00
Other	1,200.00	1,200.00	0.00	(1,200.00)	1,950.00
	1,679,859.00	1,697,859.00	1,462,038.95	(235,820.05)	1,487,205.31
Fire and Rescue Services					
Personal Services and Employee Benefits	165,027.00	165,027.00	79,388.28	(85,638.72)	77,372.15
Volunteer Fire Fighter Drill Fees	32,000.00	32,000.00	75,466.95	43,466.95	57,707.64
Travel, Education and Training	1,500.00	1,500.00	497.08	(1,002.92)	0.00
Maintenance and Repairs	11,500.00	11,500.00	7,681.55	(3,818.45)	10,695.87
Insurance	9,540.00	9,540.00	9,484.46	(55.54)	8,848.16
Communications	9,300.00	9,300.00	17,710.05	8,410.05	14,687.98
Supplies, Hardware and Small Equipment	4,500.00	4,500.00	9,715.21	5,215.21	15,074.69
Gasoline	4,000.00	4,000.00	2,498.66	(1,501.34)	1,603.46
Capital Outlay	15,000.00	15,000.00	0.00	(15,000.00)	0.00
	252,367.00	252,367.00	202,442.24	(49,924.76)	185,989.95
Animal Control	46,440.00	49,440.00	44,673.05	(4,766.95)	49,347.15
Total Public Safety	1,978,666.00	1,999,666.00	1,709,154.24	(290,511.76)	1,722,542.41

GENERAL FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL, CONTINUED

FOR THE YEAR ENDED AUGUST 31, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED AUGUST 31, 2020

	2021				2020
	Original Budget	Final Budget	Actual	Over (Under) Budget	Actual
Public Works					
Roads, Streets and Bridges					
Personal Services and Employee Benefits	694,113.00	714,113.00	669,787.28	(44,325.72)	665,287.96
Travel, Education and Training	0.00	0.00	0.00	0.00	1,663.00
Professional and Technical Services	5,500.00	5,500.00	4,902.60	(597.40)	18,062.30
Maintenance and Repairs	96,800.00	96,800.00	68,406.03	(28,393.97)	65,955.75
Insurance	26,750.00	26,750.00	19,780.45	(6,969.55)	17,554.31
Communications	4,000.00	4,000.00	2,995.78	(1,004.22)	2,776.01
Supplies, Hardware and Small Equipment	38,000.00	38,000.00	37,881.12	(118.88)	33,897.60
Gasoline	30,000.00	30,000.00	27,456.82	(2,543.18)	26,249.78
Utilities	150,000.00	150,000.00	162,875.82	12,875.82	159,098.83
Prison Crew Fees	85,000.00	85,000.00	0.00	(85,000.00)	18,231.24
Capital Outlay	0.00	70,000.00	97,170.15	27,170.15	117,603.52
	1,130,163.00	1,220,163.00	1,091,256.05	(128,906.95)	1,126,380.30
Solid Waste and Recycling					
Waste Disposal Fees	150,000.00	157,000.00	162,636.23	5,636.23	147,097.10
Insurance	12,600.00	12,600.00	7,275.65	(5,324.35)	7,270.80
	162,600.00	169,600.00	169,911.88	311.88	154,367.90
Total Public Works	1,292,763.00	1,389,763.00	1,261,167.93	(128,595.07)	1,280,748.20
Health and Welfare					
Mosquito Control	2,900.00	2,900.00	0.00	(2,900.00)	0.00
Seniors Program Operating Support					
Personal Services and Employee Benefits	93,379.00	93,379.00	73,151.64	(20,227.36)	67,988.26
Professional and Technical Services	0.00	0.00	600.00	600.00	2,313.00
Maintenance and Repairs	2,000.00	2,000.00	2,173.50	173.50	1,957.27
Insurance	6,300.00	6,300.00	4,024.83	(2,275.17)	3,665.92
Communications	3,000.00	3,000.00	3,499.45	499.45	3,442.78
Supplies, Hardware and Small Equipment	5,000.00	8,000.00	12,552.39	4,552.39	10,696.91
Travel	500.00	500.00	3,630.30	3,130.30	10,272.71
Gasoline	0.00	0.00	1,990.21	1,990.21	0.00
Utilities	5,000.00	5,000.00	10,014.44	5,014.44	11,052.96
Seniors Meal Costs	80,000.00	80,000.00	67,939.00	(12,061.00)	46,492.65
	195,179.00	198,179.00	179,575.76	(18,603.24)	157,882.46
Total Health and Welfare	198,079.00	201,079.00	179,575.76	(21,503.24)	157,882.46
Culture and Recreation					
Arts Center Operating Support	42,330.00	42,330.00	42,330.00	0.00	42,330.00
Maintenance and Repairs	13,670.00	18,670.00	10,891.72	(7,778.28)	10,960.09
Insurance	15,200.00	15,200.00	7,093.82	(8,106.18)	6,068.52
Utilities	17,000.00	20,000.00	19,516.26	(483.74)	19,238.84
Library Operating Support	21,150.00	21,150.00	16,000.00	(5,150.00)	56,000.00
Park Supplies	1,500.00	5,500.00	3,749.55	(1,750.45)	3,847.00
Total Culture and Recreation	110,850.00	122,850.00	99,581.35	(23,268.65)	138,444.45

GENERAL FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL, CONTINUED

FOR THE YEAR ENDED AUGUST 31, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED AUGUST 31, 2020

	2021				2020
	Original Budget	Final Budget	Actual	Over (Under) Budget	Actual
Housing and Development					
Planning and Zoning	7,300.00	7,300.00	3,614.06	(3,685.94)	4,946.85
Historical Commission	2,500.00	2,500.00	792.94	(1,707.06)	2,088.18
Code Enforcement					
Personal Services and Employee Benefits	59,854.00	62,854.00	56,741.56	(6,112.44)	39,567.23
Travel, Education and Training	1,300.00	1,300.00	1,360.00	60.00	0.00
Insurance	1,255.00	1,255.00	909.50	(345.50)	762.40
Communications	800.00	800.00	650.13	(149.87)	636.81
Supplies, Hardware and Small Equipment	240.00	240.00	35.80	(204.20)	975.04
Gasoline	2,400.00	2,400.00	3,159.87	759.87	448.86
	75,649.00	78,649.00	67,263.86	(11,385.14)	49,425.37
Economic Development					
Personal Services and Employee Benefits	61,373.00	61,373.00	58,724.56	(2,648.44)	32,285.62
Travel, Education and Training	0.00	0.00	1,624.50	1,624.50	0.00
Professional and Technical Services	0.00	0.00	859.88	859.88	0.00
Communications	0.00	0.00	954.26	954.26	0.00
Supplies, Hardware and Small Equipment	0.00	0.00	4,161.84	4,161.84	2,137.43
Economic Development Activities	16,030.00	16,030.00	21,484.38	5,454.38	0.00
Economic Development Grants	27,250.00	27,250.00	16,030.00	(11,220.00)	34,030.00
Youth Development Activities	10,500.00	25,500.00	12,697.90	(12,802.10)	0.00
	115,153.00	130,153.00	116,537.32	(13,615.68)	68,453.05
Total Housing and Development	190,802.00	208,802.00	183,801.18	(25,000.82)	117,878.42
Total Expenditures	4,717,172.00	4,957,172.00	4,408,680.09	(548,491.91)	4,291,026.00

SPECIAL REVENUE FUNDS

Major Funds

American Rescue Act Fund – To account for the proceeds and expenditures of U.S. Treasury Coronavirus State and Local Fiscal Recovery Funds. Expenditures are restricted to allowable costs in compliance with applicable laws and regulations.

Capital Reserve Fund – To account for the first year's collections of local option sales taxes. Income from investments of these collections is restricted to specific purposes by ordinance.

Nonmajor Funds

Hotel / Motel Tax Fund – To account for taxes collected on overnight lodging rentals. In accordance with state law, a portion of collections is expended to promote tourism.

Police Condemnation Fund – To account for net proceeds of confiscated items, seized in drug related crimes. Expenditures are legally restricted to purchases of law enforcement supplies and equipment.

CITY OF EATONTON, GEORGIA

AMERICAN RESCUE PLAN ACT FUND

COMPARATIVE BALANCE SHEET

AUGUST 31, 2021 and 2020

	2021	2020
Assets		
Current Assets:		
Cash	1,255,679.50	0.00
Total Assets	1,255,679.50	0.00
Liabilities and Fund Balance		
Liabilities		
None	0.00	0.00
Fund Balance, Restricted for Program Purposes	1,255,679.50	0.00
Total Liabilities and Fund Balance	1,255,679.50	0.00

CITY OF EATONTON, GEORGIA

AMERICAN RESCUE PLAN ACT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED AUGUST 31, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED AUGUST 31, 2020

	2021				2020
	Original Budget	Final Budget	Actual	Over (Under) Budget	Actual
Revenues					
Intergovernmental - United States Department of the Treasury	0.00	1,255,680.00	1,255,679.50	(0.50)	0.00
Total Revenues	0.00	1,255,680.00	1,255,679.50	(0.50)	0.00
Expenditures					
Stormwater Infrastructure	0.00	1,255,680.00	0.00	(1,255,680.00)	0.00
Total Expenditures	0.00	1,255,680.00	0.00	(1,255,680.00)	0.00
Net Change in Fund Balance	0.00	0.00	1,255,679.50	1,255,679.50	0.00
Fund Balance at Beginning of Year			0.00		0.00
Fund Balance at End of Year			1,255,679.50		0.00

CITY OF EATONTON, GEORGIA

CAPITAL RESERVE FUND

COMPARATIVE BALANCE SHEET

AUGUST 31, 2021 and 2020

	2021	2020
Assets		
Current Assets:		
Cash and Cash Equivalents	51,580.17	49,158.71
Time Certificates of Deposit	487,931.55	487,500.00
Restricted Assets:		
Time Certificates of Deposit	500,000.00	500,000.00
Total Assets	1,039,511.72	1,036,658.71
Liabilities and Fund Balance		
Liabilities		
None	0.00	0.00
Fund Balance		
Fund Balance, Restricted	500,000.00	500,000.00
Fund Balance, Committed	539,511.72	536,658.71
Total Fund Balance	1,039,511.72	1,036,658.71
Total Liabilities and Fund Balance	1,039,511.72	1,036,658.71

CITY OF EATONTON, GEORGIA

CAPITAL RESERVE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED AUGUST 31, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED AUGUST 31, 2020

	2021				2020
	Original Budget	Final Budget	Actual	Over (Under) Budget	Actual
Revenues					
Investment Income	0.00	0.00	2,853.01	2,853.01	4,712.64
Total Revenues	0.00	0.00	2,853.01	2,853.01	4,712.64
Expenditures					
None	0.00	0.00	0.00	0.00	0.00
Net Change in Fund Balance	0.00	0.00	2,853.01	2,853.01	4,712.64
Fund Balance at Beginning of Year			1,036,658.71		1,031,946.07
Fund Balance at End of Year			1,039,511.72		1,036,658.71

CITY OF EATONTON, GEORGIA

NONMAJOR SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

AUGUST 31, 2021

	Hotel / Motel Tax Fund	Police Condemnation Fund	Total Nonmajor Special Revenue Funds
Assets			
Cash	0.00	24,847.76	24,847.76
Taxes Receivable	3,610.11	0.00	3,610.11
Total Assets	3,610.11	24,847.76	28,457.87
Liabilities and Fund Balance			
Liabilities:			
Cash Overdraft	1,972.82	0.00	1,972.82
Total Liabilities	1,972.82	0.00	1,972.82
Fund Balance:			
Restricted for Program Purposes	0.00	24,847.76	24,847.76
Assigned	1,637.29	0.00	1,637.29
Total Fund Balances	1,637.29	24,847.76	26,485.05
Total Liabilities and Fund Balance	3,610.11	24,847.76	28,457.87

CITY OF EATONTON, GEORGIA

NONMAJOR SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED AUGUST 31, 2021

	Hotel / Motel Tax Fund	Police Condemnation Fund	Total Nonmajor Special Revenue Funds
Revenues			
Hotel / Motel Taxes	23,762.94	0.00	23,762.94
Fines and Forfeitures	0.00	12,122.00	12,122.00
Investment Income	0.00	88.80	88.80
	23,762.94	12,210.80	35,973.74
Expenditures			
Housing and Development	14,851.84	0.00	14,851.84
Public Safety	0.00	3,910.10	3,910.10
	14,851.84	3,910.10	18,761.94
Excess (Deficiency) of Revenues	8,911.10	8,300.70	17,211.80
Other Financing Sources (Uses)			
Transfer to General Fund	(8,911.10)	0.00	(8,911.10)
Net Change in Fund Balance	0.00	8,300.70	8,300.70
Fund Balance at Beginning of Year	1,637.29	16,547.06	18,184.35
Fund Balance at End of Year	1,637.29	24,847.76	26,485.05

CITY OF EATONTON, GEORGIA

HOTEL / MOTEL TAX FUND

COMPARATIVE BALANCE SHEET

AUGUST 31, 2021 AND 2020

	2021	2020
Assets		
Cash	0.00	178.41
Taxes Receivable	3,610.11	1,458.88
Total Assets	3,610.11	1,637.29
Liabilities and Fund Balance		
Liabilities:		
Cash Overdraft	1,972.82	0.00
Fund Balance Assigned for Development	1,637.29	1,637.29
Total Liabilities and Fund Balance	3,610.11	1,637.29

CITY OF EATONTON, GEORGIA

HOTEL / MOTEL TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED AUGUST 31, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED AUGUST 31, 2020

	2021				2020
	Original Budget	Final Budget	Actual	Over (Under) Budget	Actual
Revenues					
Hotel / Motel Taxes	18,000.00	27,000.00	23,762.94	(3,237.06)	17,328.53
Expenditures					
Contracted Services for Tourism Promotion	11,250.00	20,250.00	14,851.84	(5,398.16)	10,830.33
Excess (Deficiency) of Revenues	6,750.00	6,750.00	8,911.10	2,161.10	6,498.20
Other Financing Sources (Uses)					
Transfer to General Fund	(6,750.00)	(6,750.00)	(8,911.10)	(2,161.10)	(6,498.20)
Net Change in Fund Balance	0.00	0.00	0.00	0.00	0.00
Fund Balance at Beginning of Year			1,637.29		1,637.29
Fund Balance at End of Year			1,637.29		1,637.29

CITY OF EATONTON, GEORGIA

POLICE CONDEMNATION FUND

COMPARATIVE BALANCE SHEET

AUGUST 31, 2021 AND 2020

	2021	2020
Assets		
Cash	24,847.76	16,547.06
Total Assets	24,847.76	16,547.06
Liabilities and Fund Balance		
Liabilities:		
None	0.00	0.00
Fund Balance		
Restricted for Program Purposes	24,847.76	16,547.06
Total Liabilities and Fund Balance	24,847.76	16,547.06

CITY OF EATONTON, GEORGIA

POLICE CONDEMNATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED AUGUST 31, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED AUGUST 31, 2020

	2021				2020
	Original Budget	Final Budget	Actual	Over (Under) Budget	Actual
Revenues					
Proceeds from Seizures	20,000.00	20,000.00	12,122.00	(7,878.00)	4,136.00
Investment Income	50.00	50.00	88.80	38.80	57.47
Total Revenues	20,050.00	20,050.00	12,210.80	(7,839.20)	4,193.47
Expenditures					
Technical Services	50.00	50.00	1,492.10	1,442.10	621.87
Supplies, Small Tools and Equipment	0.00	0.00	2,418.00	2,418.00	5,000.00
Capital Outlay	20,000.00	20,000.00	0.00	(20,000.00)	0.00
Total Expenditures	20,050.00	20,050.00	3,910.10	(16,139.90)	5,621.87
Net Change in Fund Balance	0.00	0.00	8,300.70	8,300.70	(1,428.40)
Fund Balance at Beginning of Year			16,547.06		17,975.46
Fund Balance at End of Year			24,847.76		16,547.06

CAPITAL PROJECTS FUNDS

Major Funds

Special Local Option Sales Tax Fund No. 9 - To account for receipts of special sales tax proceeds. Proceeds are to be expended in accordance with the terms of a local referendum for:

- Road improvements
- Public safety equipment
- Public works equipment
- Buildings and grounds renovations and equipment
- Natural gas infrastructure and equipment
- Economic development

Special District Mass Transportation Sales and Use Tax – To account for receipts of special transportation sales tax proceeds. Proceeds are to be expended as specified in an intergovernmental agreement for:

- Resurfacing and safety improvements
- Culvert rehabilitation or replacement
- Intersection improvements and pedestrian facility

Nonmajor Fund

Special Local Option Sales Tax Fund No. 8 - To account for receipts of special sales tax proceeds. Proceeds are to be expended in accordance with the terms of a local referendum for:

- Roads, bridges, sidewalks
- Public safety equipment
- Public works equipment
- Building renovations
- Natural gas infrastructure

Community Development Block Grant Fund - To account for proceeds and expenditures of a U. S. Department of Housing and Urban Development grant, which is awarded by the Georgia Department of Community Affairs. The award will fund a street flood and drainage renewal project.

CITY OF EATONTON, GEORGIA

SPECIAL LOCAL OPTION SALES TAX FUND No. 9

COMPARATIVE BALANCE SHEET

AUGUST 31, 2021 AND 2020

	2021	2020
Assets		
Cash and Cash Equivalents	1,528,020.57	633,961.49
Liabilities and Fund Balance		
Liabilities:		
Accounts Payable	0.00	0.00
Fund Balance, Restricted for Capital Outlay	1,528,020.57	633,961.49
Total Liabilities and Fund Balance	1,528,020.57	633,961.49

CITY OF EATONTON, GEORGIA

SPECIAL LOCAL OPTION SALES TAX FUND No.9

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

	2021	2020
Revenues		
Intergovernmental: Putnam County SPLOST	1,382,257.63	800,106.47
Investment Income	3,929.77	994.65
	1,386,187.40	801,101.12
Expenditures		
Capital Outlay for:		
General Government Equipment	7,854.00	0.00
General Government Building Renovations	20,677.60	0.00
Public Safety Equipment	192,345.47	160,838.40
Public Works Equipment	135,000.00	0.00
Public Works Infrastructure	103,751.25	6,301.23
Housing and Development Blight Remediation	32,500.00	0.00
	492,128.32	167,139.63
Net Change in Fund Balance	894,059.08	633,961.49
Fund Balance at Beginning of Year	633,961.49	0.00
Fund Balance at End of Year	1,528,020.57	633,961.49

CITY OF EATONTON, GEORGIA

TRANSPORTATION SPECIAL LOCAL OPTION SALES TAX FUND

COMPARATIVE BALANCE SHEET

AUGUST 31, 2021 AND 2020

	2021	2020
Assets		
Cash and Cash Equivalents	1,659,593.66	808,895.71
Liabilities and Fund Balance		
Liabilities:		
None	0.00	0.00
Fund Balance, Restricted for Capital Outlay	1,659,593.66	808,895.71
Total Liabilities and Fund Balance	1,659,593.66	808,895.71

CITY OF EATONTON, GEORGIA

TRANSPORTATION SPECIAL LOCAL OPTION SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

	2021	2020
Revenues		
Intergovernmental: Putnam County SPLOST	996,030.37	783,345.78
Intergovernmental: Georgia Department of Transportation Grant	0.00	34,000.00
Investment Income	4,312.43	2,376.68
	1,000,342.80	819,722.46
Expenditures		
Capital Outlay for:		
Resurfacing and Safety Improvements	149,644.85	608,749.33
Culvert Rehabilitation or Replacement	0.00	59,329.35
Intersection Improvements and Pedestrian Facility	0.00	3,546.00
	149,644.85	671,624.68
Net Change in Fund Balance	850,697.95	148,097.78
Fund Balance at Beginning of Year	808,895.71	660,797.93
Fund Balance at End of Year	1,659,593.66	808,895.71

CITY OF EATONTON, GEORGIA

NONMAJOR CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET

AUGUST 31, 2021

	SPLOST Fund No. 8	CDBG Fund	Total Nonmajor Capital Projects Funds
Assets			
Cash and Cash Equivalents	505,454.96	1.00	505,455.96
Liabilities and Fund Balance			
Liabilities:			
None	0.00	0.00	0.00
Fund Balance, Restricted for Capital Outlay	505,454.96	1.00	505,455.96
Total Liabilities and Fund Balance	505,454.96	1.00	505,455.96

CITY OF EATONTON, GEORGIA

NONMAJOR CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED AUGUST 31, 2021

	SPLOST Fund No. 8	CDBG Fund	Total Nonmajor Capital Projects Funds
Revenues			
Intergovernmental - Putnam County SPLOST	0.00	0.00	0.00
Intergovernmental - Federal C. D. B. G. Grant	0.00	0.00	0.00
Investment Income	1,856.51	0.00	1,856.51
Donation	0.00	1.00	1.00
	1,856.51	1.00	1,857.51
Expenditures			
Capital Outlay for:			
Roads, Bridges, Sidewalks	39,944.00	0.00	39,944.00
Public Safety Equipment	8,075.25	0.00	8,075.25
Capital Contribution to the Natural Gas Fund	11,955.46	0.00	11,955.46
	59,974.71	0.00	59,974.71
Net Change in Fund Balance	(58,118.20)	1.00	(58,117.20)
Fund Balance at Beginning of Year	563,573.16	0.00	563,573.16
Fund Balance at End of Year	505,454.96	1.00	505,455.96

CITY OF EATONTON, GEORGIA

SPECIAL LOCAL OPTION SALES TAX FUND No. 8

COMPARATIVE BALANCE SHEET

AUGUST 31, 2021 AND 2020

	2021	2020
Assets		
Cash and Cash Equivalents	505,454.96	568,105.90
Liabilities and Fund Balance		
Liabilities:		
Accounts Payable	0.00	4,532.74
Fund Balance, Restricted for Capital Outlay	505,454.96	563,573.16
Total Liabilities and Fund Balance	505,454.96	568,105.90

CITY OF EATONTON, GEORGIA

SPECIAL LOCAL OPTION SALES TAX FUND No. 8

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

	2021	2020
Revenues		
Intergovernmental: Putnam County SPLOST	0.00	0.00
Investment Income	1,856.51	2,637.16
	1,856.51	2,637.16
Expenditures		
Capital Outlay for:		
Roads, Bridges, Sidewalks	39,944.00	188,017.82
Public Safety Equipment	8,075.25	220,703.25
Public Works Equipment	0.00	39,663.05
Building Renovations	0.00	0.00
Capital Contribution to the Natural Gas Fund	11,955.46	45,632.96
	59,974.71	494,017.08
Net Change in Fund Balance	(58,118.20)	(491,379.92)
Fund Balance at Beginning of Year	563,573.16	1,054,953.08
Fund Balance at End of Year	505,454.96	563,573.16

CITY OF EATONTON, GEORGIA

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

C.D.B.G. No. 19p-x-117-2-6129

COMPARATIVE BALANCE SHEET

AUGUST 31, 2021 AND 2020

	2021	2020
Assets		
Cash	1.00	0.00
Total Assets	1.00	0.00
Liabilities and Fund Balance		
Liabilities:		
None	0.00	0.00
Fund Balance, Restricted for Capital Outlay	1.00	0.00
Total Liabilities and Fund Balance	1.00	0.00

CITY OF EATONTON, GEORGIA

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

C.D.B.G. No. 19p-x-117-2-6129

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

	2021	2020
Revenues		
Intergovernmental Federal Grant - C.D.B.G.	0.00	0.00
Donation	1.00	0.00
	1.00	0.00
Expenditures		
Capital Outlay for Street Improvements		
Public Works		
Street Improvements	0.00	0.00
Flood and Drainage Facilities	0.00	0.00
Administration	0.00	0.00
	0.00	0.00
Excess (Deficiency) of Revenues over Expenditures	1.00	0.00
Fund Balance at Beginning of Year	0.00	0.00
Fund Balance at End of Year	1.00	0.00

CITY OF EATONTON, GEORGIA

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

C.D.B.G. No. 19p-x-117-2-6129

STATEMENT OF SOURCE AND STATUS OF FUNDS

FOR THE PERIOD SEPTEMBER 1, 2020 THROUGH AUGUST 31, 2021

Source of Funds		
Total Program Funds Allocated	750,000.00	
Less: Total Funds Drawn Down by Recipient	0.00	
Available Program Funds		750,000.00
Status of Funds		
Total Funds Drawn Down by Recipient	0.00	
Less: Funds Applied to Program Expense	0.00	
Total Funds Held by Recipient		0.00
Total Funds Available for Disposition		750,000.00

CITY OF EATONTON, GEORGIA

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

C.D.B.G. No. 19p-x-117-2-6129

STATEMENT OF PROJECT COSTS

FOR THE PERIOD SEPTEMBER 1, 2020 THROUGH AUGUST 31, 2021

Program Activity	CDBG Activity Number	Approved Budget	CDBG Expenditures Cumulative	Other Funds Expenditures Cumulative	Total Project Expenditures Cumulative	Questioned Costs
Street Improvements	P-03K-01	111,238.00	0.00	72,611.25	72,611.25	0.00
Flood and Drainage Facilities	P-03K-02	593,762.00	0.00	0.00	0.00	0.00
Administration	A-21A-00	45,000.00	0.00	0.00	0.00	0.00
Total		750,000.00	0.00	72,611.25	72,611.25	0.00

PROPRIETARY FUNDS

Major Fund

Natural Gas Fund – To account for the provision of natural gas services. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, and maintenance. All costs including depreciation are recorded in the fund.

Nonmajor Fund

Revolving Loan Fund – Formerly this fund was used to account for monies provided by the federal government, through a Community Development Block Grant Employment Incentive Program. Capital has been returned to the funding agency. When collateral is liquidated and remitted, this fund will be closed.

CITY OF EATONTON, GEORGIA

NATURAL GAS FUND

COMPARATIVE STATEMENT OF NET POSITION

AUGUST 31, 2021 AND 2020

	2021	2020
Assets and Deferred Outflows of Resources		
Current Assets		
Cash	2,048,795.44	1,864,801.48
Time Certificates of Deposit	399,781.98	398,247.38
Accounts Receivable, Net of Allowance for Doubtful Accounts	50,516.15	34,301.28
Time Certificates of Deposit, Customer Deposits	393,372.35	392,294.72
Total Current Assets	2,892,465.92	2,689,644.86
Capital Assets		
Natural Gas System	6,961,441.99	6,949,486.53
Machinery and Equipment	400,363.07	400,363.07
	7,361,805.06	7,349,849.60
Less Accumulated Depreciation	3,424,651.18	3,306,292.30
Total Capital Assets	3,937,153.88	4,043,557.30
Total Assets	6,829,619.80	6,733,202.16
Deferred Outflows of Resources	25,315.62	24,892.33
Total Assets and Deferred Outflows of Resources	6,854,935.42	6,758,094.49
Liabilities and Deferred Inflows of Resources		
Current Liabilities		
Accounts Payable	3,798.38	1,531.54
Customer Deposits	50,923.84	52,093.20
Current Portion of Compensated Absences Payable	4,880.00	5,491.59
Total Current Liabilities	59,602.22	59,116.33
Long-Term Liabilities (Net of Current Portion)		
Compensated Absences Payable	19,520.00	21,966.34
Net Pension Liability	69,685.12	72,574.03
Total Long-Term Liabilities	89,205.12	94,540.37
Total Liabilities	148,807.34	153,656.70
Deferred Inflows of Resources	5,615.12	3,074.41
Total Liabilities and Deferred Inflows of Resources	154,422.46	156,731.11
Net Position		
Investment in Capital Assets	3,937,153.88	4,043,557.30
Committed for Stabilization	166,546.00	161,072.90
Unrestricted	2,596,813.08	2,396,733.18
Total Net Position	6,700,512.96	6,601,363.38

CITY OF EATONTON, GEORGIA

NATURAL GAS FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE YEARS ENDED AUGUST 31, 2021 and 2020

	2021	2020
Operating Revenues		
Sale of Natural Gas	1,381,029.83	1,266,009.68
Tap and Re-connection Fees	16,775.00	14,500.00
Penalties	9,098.07	15,388.29
Other	2,395.53	3,191.36
Total Operating Revenues	1,409,298.43	1,299,089.33
Operating Expenses		
Cost of Natural Gas	520,168.73	438,040.16
Personal Services and Employee Benefits	358,324.98	337,114.27
Professional and Technical Services	34,030.21	32,431.69
Maintenance and Repairs	49,179.01	64,588.66
Depreciation Expense	118,358.88	126,754.84
Insurance	8,402.94	8,467.60
Communications	18,567.71	22,962.45
Supplies, Hardware and Small Equipment	68,509.68	53,506.32
Gasoline	9,941.11	9,632.83
Utilities	12,557.44	10,878.11
Taxes	21,267.70	21,857.34
Other	5,951.00	7,990.36
Total Operating Expenses	1,225,259.39	1,134,224.63
Operating Income (Loss)	184,039.04	164,864.70
Non-Operating Revenues		
Investment Income	3,155.08	4,588.90
Net Income Before Transfers	187,194.12	169,453.60
Capital Contribution from the SPLOST No. 8 Fund	11,955.46	45,632.96
Transfer to the General Fund	(100,000.00)	(100,000.00)
Change in Net Position	99,149.58	115,086.56
Net Position at Beginning of Year	6,601,363.38	6,486,276.82
Net Position at End of Year	6,700,512.96	6,601,363.38

CITY OF EATONTON, GEORGIA

NATURAL GAS FUND

STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

	2021	2020
Cash Flows from Operating Activities		
Cash Received from Customers	1,391,914.20	1,303,011.34
Cash Payments for Personnel Services	(362,154.40)	(339,381.13)
Cash Payments for Goods and Services	(746,308.69)	(668,911.79)
Net Cash Provided (Used) by Operating Activities	283,451.11	294,718.42
Cash Flows from Noncapital Financing Activities		
Transfer to the General Fund	(100,000.00)	(100,000.00)
Net Cash Provided (Used) by Noncapital Financing Activities	(100,000.00)	(100,000.00)
Cash Flows from Capital and Related Financing Activities		
Acquisition and Construction of Capital Assets	(11,955.46)	(76,602.96)
Transfer In of Capital Asset	11,955.46	45,632.96
Net Cash Provided (Used) by Capital and Related Financing Activities	0.00	(30,970.00)
Cash Flows from Investing Activities		
Earnings On Investments	3,155.08	4,588.90
(Increase) Decrease in Investments	(2,612.23)	(3,893.67)
Net Cash Flows From Investing Activities	542.85	695.23
Net Increase (Decrease) in Cash	183,993.96	164,443.65
Cash at Beginning of Year	1,864,801.48	1,700,357.83
Cash at End of Year	2,048,795.44	1,864,801.48
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	184,039.04	164,864.70
Adjustments:		
Depreciation	118,358.88	126,754.84
(Increase) Decrease in Assets:		
Accounts / Notes Receivable	(16,214.87)	4,482.01
Increase (Decrease) in Liabilities:		
Accounts Payable	2,266.84	1,443.73
Customer Deposits	(1,169.36)	(560.00)
Accrued Liabilities	(3,057.93)	2,789.08
Net Change in Pension Liability and Deferrals	(771.49)	(5,055.94)
Net Cash Provided by (Used in) Operating Activities	283,451.11	294,718.42

CITY OF EATONTON, GEORGIA

REVOLVING LOAN FUND

COMPARATIVE STATEMENT OF NET POSITION

AUGUST 31, 2021 AND 2020

	2021	2020
Assets		
Cash	859.06	5.06
Notes Receivable	6,146.00	7,000.00
Total Assets	7,005.06	7,005.06
Liabilities		
Accounts Payable	854.00	0.00
Net Position		
Restricted for Program Purposes	6,151.06	7,005.06

CITY OF EATONTON, GEORGIA

REVOLVING LOAN FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

	2021	2020
Operating Revenues		
Total Operating Revenues	0.00	0.00
Operating Expenses		
Total Operating Expenses	0.00	0.00
Operating Income (Loss)	0.00	0.00
Non-Operating Revenues		
Investment Income	0.00	26.96
Special Item		
Return of Capital	(854.00)	(23,982.28)
Change in Net Position	(854.00)	(23,955.32)
Net Position at Beginning of Year	7,005.06	30,960.38
Net Position at End of Year	6,151.06	7,005.06

CITY OF EATONTON, GEORGIA

REVOLVING LOAN FUND

STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

	2021	2020
Cash Flows from Operating Activities		
Cash Payments for Goods and Services	0.00	(1,250.00)
Net Cash Provided (Used) by Operating Activities	0.00	(1,250.00)
Cash Flows from Investing Activities		
Earnings on Investments	0.00	26.96
Return of Capital	0.00	(23,982.28)
Net Cash Flows from Investing Activities	0.00	(23,955.32)
Cash Flows from Noncapital Financing Activities		
Collateral Liquidation	854.00	0.00
Net Cash Flows from Noncapital Financing Activities	854.00	0.00
Net Increase (Decrease) in Cash and Cash Equivalents	854.00	(25,205.32)
Cash at Beginning of Year	5.06	25,210.38
Cash at End of Year	859.06	5.06
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	0.00	0.00
Adjustments:	0.00	(1,250.00)
Net Cash Provided by (Used in) Operating Activities	0.00	(1,250.00)

SPECIAL REPORTS

DAVID GIDDENS
CERTIFIED PUBLIC ACCOUNTANT
412 WEST MARION STREET
EATONTON, GEORGIA 31024
TELEPHONE 706-485-5555

INDEPENDENT AUDITOR'S REPORT
On Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Mayor and Members of the City Council
City of Eatonton, Georgia

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, we have audited the financial statements of the governmental activities, the business-type activities, the fiduciary fund; the discretely presented component unit, each major fund, the aggregate remaining fund information and the related notes to the financial statements of the City of Eatonton, Georgia, as of and for the year ended August 31, 2021. These collectively comprise the City's basic financial statements. We have issued our report thereon, dated February 18, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting to determine the audit procedures that are appropriate, in the circumstances, for the purpose of expressing our opinions on the financial statements. However, it was not our purpose to express an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Eatonton'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 combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the 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 over financial reporting was for the limited purpose described in the first paragraph of this section. It was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. Therefore, material weaknesses or significant deficiencies may exist that were not identified. Given

these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

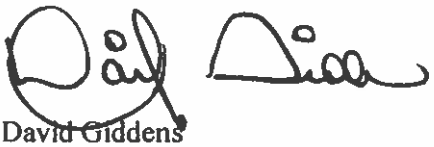
As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material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

Additionally, we noted certain matters that we reported to City management in a separate letter dated February 18, 2022.

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 result of that testing. It is not to provide an opinion on the effectiveness of the internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



David Giddens
Certified Public Accountant
Eatonton, Georgia

February 18, 2022

DAVID GIDDENS
CERTIFIED PUBLIC ACCOUNTANT
412 WEST MARION STREET
EATONTON, GEORGIA 31024
TELEPHONE 706-485-5555

Independent Auditor's Report on Special One Percent Sales and Use Tax

Honorable Mayor and Members of the City Council
City of Eatonton, Georgia

We have audited the accompanying Schedule of Special Purpose Local Option Sales Tax for the City of Eatonton, Georgia for the year ended August 31, 2021. This schedule is the responsibility of City management. Our responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax 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 Schedule of Special Purpose Local Option Sales Tax is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Special Purpose Local Option Sales Tax. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Special Purpose Local Option Sales Tax. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Schedule of Special Purpose Local Option Sales Tax was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121 on the modified accrual basis of accounting as described in Note 3-J and is not intended to be a complete presentation of the City's revenues and expenditures.

In our opinion, the Schedule of Special Purpose Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated cost, and the current and prior year expenditures for each project in Putnam County's resolutions (which, through an intergovernmental agreement, specified allocation to the City) calling for the tax, for the year ended August 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

Respectfully submitted,



David Giddens
Certified Public Accountant
Eatonton, Georgia

February 18, 2022

CITY OF EATONTON, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED

WITH SPECIAL SALES TAX PROCEEDS

FOR THE YEAR ENDED AUGUST 31, 2021

Special Local Option Sales Tax Fund No. 8	Original Estimated Cost	Expenditures				Estimated Percentage of Completion
		Prior Years	Cost Revisions	Current Year	Total	
Roads, Bridges, Sidewalks	790,000.00	710,107.71	0.00	39,944.00	750,051.71	95%
Public Works Equipment	135,200.00	92,253.05	0.00	0.00	92,253.05	68%
Public Safety Equipment	374,800.00	322,114.25	0.00	8,075.25	330,189.50	88%
Building Renovations	160,000.00	135,002.64	0.00	0.00	135,002.64	84%
Natural Gas Infrastructure	400,000.00	45,632.96	0.00	11,955.46	57,588.42	14%
Totals	1,860,000.00	1,305,110.61	0.00	59,974.71	1,365,085.32	

Special Local Option Sales Tax Fund No. 9	Original Estimated Cost	Expenditures				Estimated Percentage of Completion
		Prior Years	Cost Revisions	Current Year	Total	
Road Improvements	1,728,600.00	6,301.23	0.00	103,751.25	110,052.48	6%
Public Safety Equipment	786,000.00	160,838.40	0.00	192,345.47	353,183.87	45%
Public Works Equipment	500,000.00	0.00	0.00	135,000.00	135,000.00	27%
Building and Grounds Renovations and Equipment	648,000.00	0.00	0.00	28,531.60	28,531.60	4%
Natural Gas Infrastructure and Equipment	1,206,000.00	0.00	0.00	0.00	0.00	0%
Economic Development	265,000.00	0.00	0.00	32,500.00	32,500.00	12%
Totals	5,133,600.00	167,139.63	0.00	492,128.32	659,267.95	

Special District Mass Transportation Sales and Use Tax Fund	Original Estimated Cost	Expenditures				Estimated Percentage of Completion
		Prior Years	Cost Revisions	Current Year	Total	
Resurfacing and Safety Improvements	2,750,000.00	608,749.33	0.00	149,644.85	758,394.18	28%
Culvert Rehabilitation or Replacement	500,000.00	287,448.62	0.00	0.00	287,448.62	57%
Intersection Improvements and Pedestrian Facility	500,000.00	3,546.00	0.00	0.00	3,546.00	1%
Totals	3,750,000.00	899,743.95	0.00	149,644.85	1,049,388.80	