CITY OF MOULTRIE, GEORGIA

FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2021

CITY OF MOULTRIE
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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Moultrie, Georgia ("the City"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages vi – xxii and budgetary comparison information and the pension related schedules on pages 60 - 64 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and One Percent Special Purposes Sales Tax Project Cost Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City 's internal control over financial reporting and compliance.

Respectfully submitted,

Valenti, Rackley & Assoc., LLC

Valenti, Rackley & Associates, LLC
Certified Public Accountants

September 29, 2022

As management of the City of Moultrie, Georgia, we offer readers of our financial statements this narrative overview and analysis of the financial activities of the City for the year ended September 30, 2021. We encourage readers to read the information presented here in conjunction with the City's financial statements, which follow this narrative.

FINANCIAL HIGHLIGHTS

- The City has $153,720 million in total assets and deferred outflow of resources of which $65.49 million are capital assets.
- The City has $26.962 million in total liabilities and deferred inflows of resources of which $20.367 million are long-term.
- The City's net position at the close of the most recent fiscal year was $126.758 million (net assets). Of this amount, $67.28 million (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors while $47.66 million is invested in capital assets net of related debt.
- The City's total assets and deferred outflows increased by $6.109 million this year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $27.668 million, an increase of $5.385 million in comparison with the prior year. Of this amount, $15.857 million was from the General Fund, a $1.046 million increase from the prior year. This improvement was primarily due to an increase in cash and investment funds in the General Fund.
- The City's long-term liabilities decreased by $1.999 million during the current fiscal year because of the payments on long-term debt. There was a decrease of $1.485 million in net pension liability.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—*management's discussion and analysis* (which serves as an introduction to the City's basic financial statements), the *basic financial statements*, and *supplementary information* that presents combining statements for nonmajor governmental funds and nonmajor enterprise funds as well as other selected information. The City's basic financial statements consist of three components: 1) Government-Wide financial statements, 2) Fund financial statements and 3) Notes to financial statements.

Government-Wide Financial Statements

The primary role of the government-wide financial statements is to demonstrate operational accountability. Operational accountability requires that a government demonstrate the extent to which it has met its operating objectives efficiently and effectively, using all resources available for that purpose, and whether it can continue to do so.

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Moultrie's finances, in a manner similar to a private-sector business. It provides both long-term and short-term information about the City's overall financial status. The *statement of net assets* and the *statement of activities* report information about the City as a whole and about its activities in a way that helps answer the question - is the City's financial health improving or deteriorating?

The *statement of net assets* presents information on all the City's assets and liabilities, with the difference between the two reported as net assets. The statement is a tool to measure the City's financial health or financial position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The reader would need to consider other non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure to assess the overall health of the City.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities*). The governmental activities of the City include general government, judicial, public safety, public works, parks and recreation, community development, and interest on long-term debt. The business-type activities of the City include water and sewer, electric, gas, CNS Broadband, solid waste, airport operations, and mass transit.

The government-wide financial statements include not only the City of Moultrie itself (known as the *primary government*), but also a legally separate Downtown Development Authority, for which the City has some degree of financial accountability. Financial information for the *component unit* is reported separately from the financial information presented for the primary government itself.

Fund Financial Statements

The primary role of the Fund financial statements is to demonstrate fiscal accountability. Fiscal accountability requires that a government demonstrate compliance with public decisions concerning the raising and spending of public monies in the short term (usually one budgetary cycle or one year).

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

Governmental Funds

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

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

The City maintains six (6) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund only, because it is considered a major fund. Data from the other five (5) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds

The City maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Water and Sewer Fund, Electric Revenue Fund, Gas Revenue Fund, CNS Broadband Fund, Solid Waste Fund, Airport Fund, Mass Transit Fund and the Utilities Deposit Fund. The City uses its internal service fund to account for its equipment services and other services. Because the services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund, and Electric Revenue Fund, which are considered major funds of the City. Conversely, the non-major enterprise funds are combined into single, aggregated presentations in the proprietary fund financial statements. Individual fund data for the non-major enterprise funds is provided in the form of *combining statements* elsewhere in this report.

Fiduciary Funds

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

Notes to the Financial Statements

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

Table 1 below summarizes the major features of the basic financial statements.

Table 1
Major Features of the Basic Financial Statements

		Fund Financial Statements		
	Government-Wide Statements	**Governmental Funds**	**Proprietary Funds**	**Fiduciary Funds**
Scope	Entire City government (except fiduciary funds) and the City's component units	Activities of the City that are not proprietary or fiduciary		Activities of the City that are operated similar to private business	Instances where the City is the trustee or agent for someone else's resources
Required financial statements	Statement of Net Assets Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances		Statement of Net Assets Statement of Revenues, Expenditures, and Changes in Net Assets Statement of Cash Flows	Statement of Fiduciary Net Assets Statement of Changes in Fiduciary Net Assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus		Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included		All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter		All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Condensed Statement of Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by $126.758 million at the close of the most recent fiscal year.

A large portion of the City's net assets 37.60% reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The City also had $67.283 million or 53.08% in unrestricted net assets.

Table 2 below presents the City's condensed statement of net assets as of September 30, 2021.

Table 2
Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
September 30,	2,021	2,020	2,021	2,020	2,021	2,020
Current and other assets	33,552,722	29,216,354	51,207,165	48,050,966	84,759,887	77,267,320
Capital assets	21,730,170	20,810,600	43,683,177	45,294,439	65,413,347	66,105,039
Deferred outflows of resources	2,348,861	2,807,067	1,198,194	1,431,933	0 3,547,055	4,239,000
Total assets and deferred outflows	57,631,753	52,834,021	96,088,536	94,777,338	153,720,289	147,611,359
Other liabilities	4,447,909	5,179,693	96,092	(814,488)	4,544,001	8,500,346
Long-term liabilities	2,171,401	3,260,251	18,195,233	19,106,165	20,366,634	22,366,416
Deferred inflows of resources	1,382,611	772,685	668,695	321,318	0 2,051,306	1,094,003
Total liabilities and deferred inflows	8,001,921	9,212,629	18,960,020	18,612,995	26,961,941	27,825,624
Net position:						
Net investment in capital assets	21,314,819	20,256,476	26,350,138	27,552,123	47,664,957	47,808,599
Restricted	11,809,943	7,470,813	0	0	11,809,943	7,470,813
Unrestricted	16,505,070	15,894,103	50,778,378	48,612,220	67,283,448	64,506,323
Total net position	49,629,832	43,621,392	77,128,516	76,164,343	126,758,348	119,785,735

Net Assets may serve over time as a useful indicator of a government's financial position. The City's combined net assets exceed liabilities by $126.758 million for 2021 as compared to $119.786 million for 2020 for an increase of $6.973 million. Of this amount, $964 thousand came from business-type activities and $6.0 million came from governmental activities.

An additional portion of the City's net assets (9.32%) or $11.809 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets ($67.283 million) may be used to meet the City's ongoing obligations to citizens and creditors. This is an increase of $2.777 million or 4.3%.

For governmental activities, the City reported a balance of $16.505 million in unrestricted net assets. This is an increase of $611 thousand from 2020 due to an increase in current assets as well as capital assets. The business-type activities unrestricted net assets were $50.778 million, an increase of 2.166 million from 2020 due to an increase in current assets.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the City as a whole, as well as for its separate governmental and business-type activities.

Condensed Statement of Activities

Table 3 below presents the City's condensed statement of activities for the years ended September 30, 2021 and 2020. Over time, increases or decreases in net assets measure whether the City's financial position is improving or deteriorating.

Table 3
Condensed Statement of Activities

	Governmental Activities		Business-type Activities		Total	
Year ended September 30,	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues:						
Charges for services	$1,485,206	$1,345,261	$36,624,185	$36,136,158	$38,109,391	$37,481,419
Operating grants and contributions	3,038,829	883,802		-	3,038,829	883,802
Capital grants and contributions	4,121,823	3,855,499		-	4,121,823	3,855,499
General revenues:						
Property taxes	3,478,797	3,745,123		-	3478797	3,773,287
Other taxes	2,454,565	2,369,016		-	2,454,565	2,369,016
Payments in lieu of taxes	28,164	28,164		-	28,164	28,164
Investment income	217,473	208,245	64,600	276,207	282,073	484,452
Other revenues	316,398	34,557	93,427	52,330	409,825	86,887
Total revenues	15,141,255	12,469,667	36,782,212	36,464,695	51,923,467	48,962,526
Expenses						
Governmental activities:						
General government	2,763,758	2,626,209		-	2,763,758	2,626,209
Judicial	393,056	298,451		-	393,056	298,451
Public safety	6,877,818	6,668,236		-	6,877,818	6,668,236
Public works	2,782,213	2,563,947		-	2,782,213	2,563,947
Parks and recreation	103,459	859,495		-	103,459	859,495
Community development	901,342	1,228,273		-	901,342	1,228,273
Interest on long-term debt	13,825	12,783		-	13,825	12,783
Business-type activities:						
Water & sewer		-	6,304,293	5,738,317	6,304,293	5,738,317
Electric revenue		-	18,927,507	19,228,046	18,927,507	19,228,046
Gas revenue		-	2,158,625	1,688,976	2,158,625	1,688,976
Broadband		-	241,762	98,749	241,762	98,749
Solid waste		-	2,383,376	2,106,745	2,383,376	2,106,745
Airport		-	1,041,325	1,903,944	1,041,325	1,903,944
Mass transit		-	58,496	60,327	58,496	60,327
Total expenses	13,835,471	14,257,394	31,115,384	30,825,104	44,950,855	45,082,498
Increase (decrease) in net position before transfers	1,305,784	(1,787,727)	5,666,828	5,639,591	6,972,612	3,880,028
Special Items		(1,720,532)		-		(1,720,532)
Transfers	4,702,655	4,442,514	(4,702,655)	(4,442,514)	0	
Increase (decrease) in net position	6,008,440	934,255	964,173	1,197,077	6,972,612	2,131,332
Net position, beg.	43,621,392	42,687,137	76,164,343	74,967,266	119,813,899	117,654,403
Net position,ending.	$49,629,832	$43,621,392	$77,128,516	$76,164,343	$126,758,348	$119,785,735

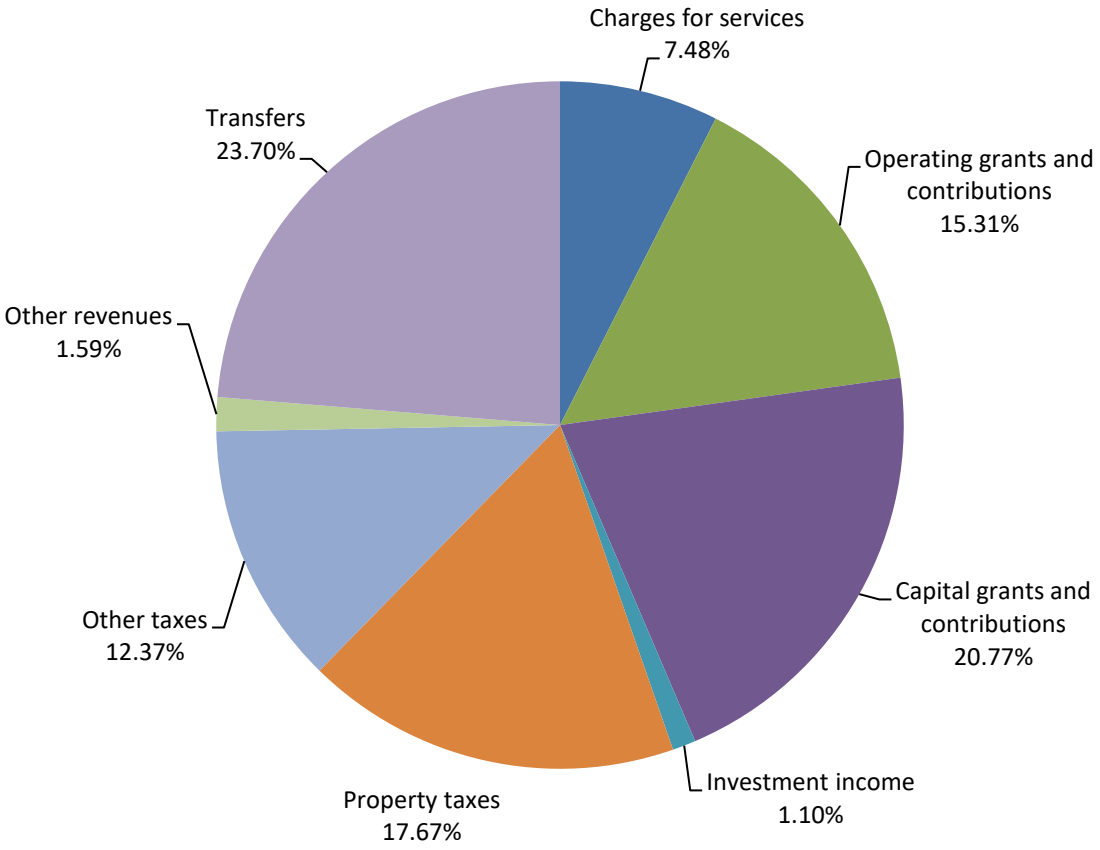
Governmental activities during the fiscal year ended September 30, 2021 increased the City's net position by $6.008 million. Business-type activities during the same period increased net position by $964 Thousand. The net change in net position was an increase of $6.973 million. The table above shows the revenues and expenses by activity for the total primary government. This table shows total 2021 revenues from governmental activities at $15.141 million while expenses were $13.835 million. Business-type activities total revenues for 2021 were $36.782 million while expenses were $31.115 million. The largest revenue source for governmental activities came from the transfers from Business-type activities of $4.703 million, which is 23.69% of the total governmental activity funding. Revenues from Property Taxes for governmental activities were $3.507 million or 17.67%. Capital Grants and contributions are the second largest governmental activity revenue source at $4.121 million or 20.77%. Governmental activities received $2.653 million in American Rescue Plan Funding during 2021 for use for designated projects to offset the effects of Covid 19. Business-type activities program revenues exceeded expenses by $5.667 million before internal transfers to support the governmental activities.

Program Revenues and Expenses for Governmental Activities

Governmental Activities - Revenues by Source

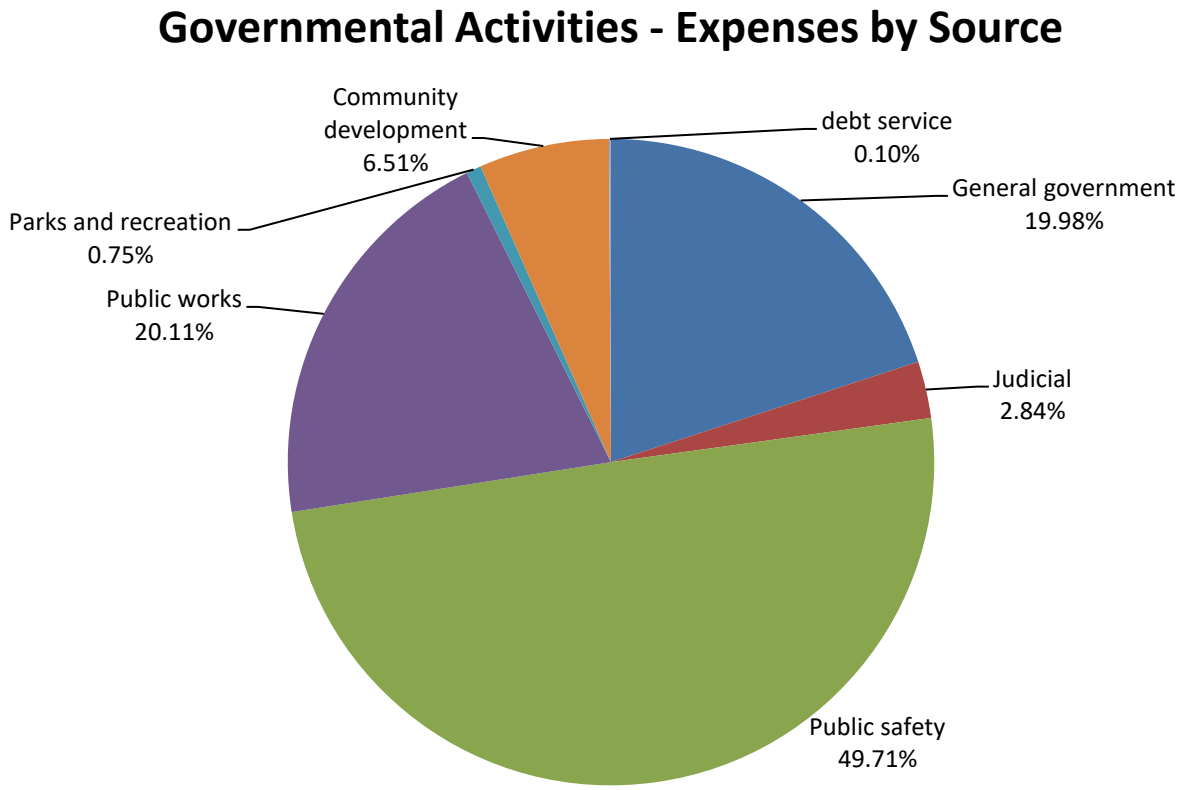
The following chart shows the governmental activities revenues by major source and includes revenues from transfers. It is easy to see from the chart that governmental activities receive it's funding to a great degree through transfers from the business-type activities. These transfers are 23.69% of the funding for the primary government ahead of Capital Grants and contributions at 20.77% and Property taxes at 17.67% of governmental revenues in 2021. Transfers from business-type activities, Property Taxes and Capital Grants provide the majority of the funding sources for the governmental activities. Transfers from business-type activities increased by 260 thousand in 2021 while property taxes decreased by $266 thousand after the proposed reassessment of a number of properties were reduced on appeal. The majority of funding for capital projects comes from Special local option sales taxes and without this funding there would be, few capital projects completed. For the year, ended September 30, 2021 all other revenue sources for Governmental activities were 37.13 % of total revenues collected.

Governmental Activities - Revenues by Source



Governmental Activities – Expenses by Source

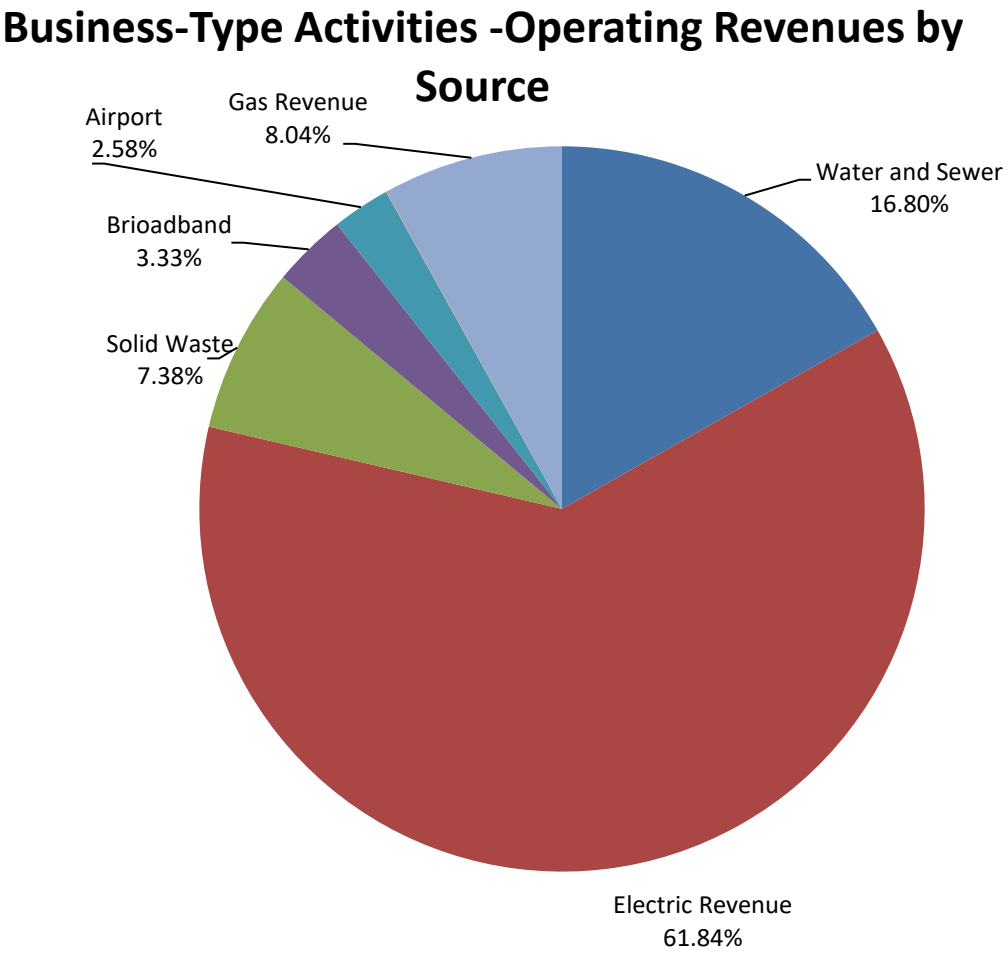
The following chart shows the governmental activities expenses by source. The City of Moultrie spent the greatest amount of its available funding on Public Safety at $6.877 million or 49.71% in 2021. The next largest governmental expense was for Public Works at $2.782 million or 20.11%. A major part of the expenses for all the governmental sources is in personnel cost of salaries and benefits which includes the ever-increasing cost of providing Health care to its employees. The Purchase of Public Safety and Public Works capital equipment added to the costs. The General Fund has benefited greatly by the use of SPLOST funding for its Capital equipment purchases, which reduces the impact on the General operating budget, which holds down any possible increases in property taxes or transfers from Business Type activities.



Program Revenues and Expenses for Business-Type Activities

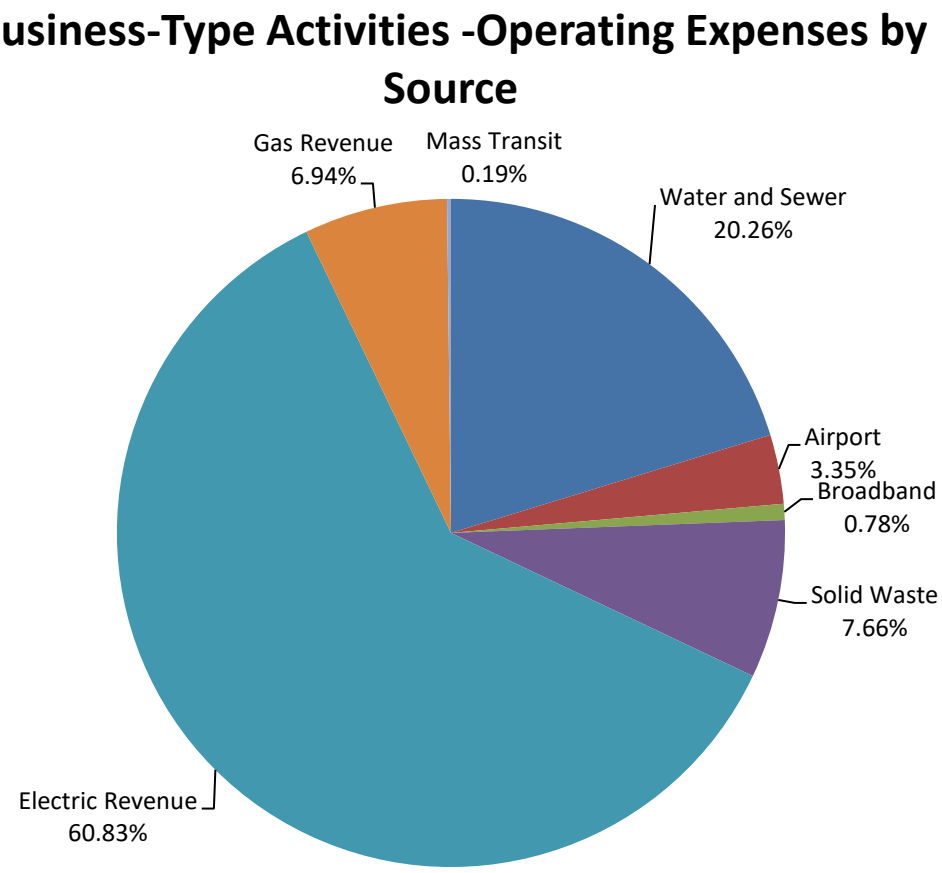
Business-Type Activities – Revenues by Source

The business-type activities largest revenue source is from the Electric Fund. By far, more revenues (61.84%) or $22.65 million is generated by this fund, which is more than all other business-type activity funds combined. The next largest business-type revenue source comes from the Water & Sewer Fund at 16.80% or $6.154 million.



Business-Type Activities – Expenses by Source

As expected, the Electric Fund also has the largest amount of expenses at 60.83% or $18.928 million, but it generated net income of $3.722 million before its transfers to governmental activities. The Water and Sewer Fund expenses were 20.26% or $6.30 million. This fund actually had a net loss of $151 Thousand due to increased operating and depreciation expenses from the completed new sewer plant and other water and sewer projects. The Water and Sewer, Electric, Solid Waste and Gas funds provided the largest portion of the transfers to the General fund at $4.702 million.



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

The significant governmental activities funds for the City of Moultrie consists of the General Fund, American Rescue Fund and other governmental funds. Other governmental funds include the Special Revenue Funds of Confiscated Assets, Multiple Grants, Hotel/Motel Fund and the Paving Program and Capital Projects Funds, which include the SPLOST, T-SPLOST, and Community Development Funds.

At September 30, 2021, the General Fund had a fund balance of $15.857 million. This is an increase of $1.046 million from the beginning fund balance as of October 1, 2020. The increase in the fund balance was due to increased transfers, sale of disposal capital assets, and small increases in interest income and property taxes and fines and forfeitures. The General Fund had increased operational costs in Public Safety and Public Works as well as Capital costs for vehicles and equipment.

At September 30, 2021, the SPLOST and T-SPLOST Funds had a combined fund balance of $9.04 million. This is an increase of $2.340 million from the beginning fund balance as of October 1, 2020. Major SPLOST expenditure for 2021 were for Public Safety, Public Works, and recreation totaling $875 thousand and debt service payments on Water and Sewer Bonds for $411,788. There was $271 thousand in T-SPLOST expenditures for road improvement projects. The American Rescue Fund had an ending fund balance of $2.3 million as the funds were not received until July of 2021 and not designated projects were funded. The funds received for these three funds must be used for approved Public Works equipment and roads, Fire and Police equipment and building renovations, recreational projects, Water/Sewer projects, Premium pay for employees affected by the Pandemic, and communications projects. The fund balances of the other governmental funds were $496 thousand at year-end primarily due to grant revenues, and Hotel- motel and tourism taxes and completion of community development projects. The final fund balance for all these funds was $11.81 million at year-end 2021.

Proprietary Funds

The Propriety Funds include the City's major enterprise funds consisting of the Water & Sewer Fund and the Electric Fund. The non-major enterprise funds consist of the Solid Waste Fund, Airport Fund, Gas Fund, Mass Transit Fund, Utility Deposit Fund and CNS Broadband Fund. The combined Net Position for all Propriety funds was $77.129 million for the year ended September 30, 2021. This is an increase of $964 thousand due to increased revenues of $488 thousand while operating expenditures only increased $254 thousand. The new sewer plant was completed and operational. Other utility infrastructure improvements were completed. There was an increase in transfers to the General and other funds of $672 thousand, which affected the Net Position.

The Water and Sewer Fund had an ending net position was $24.890 million. It had a net income before transfers of $322 thousand. The total net position in this fund decreased by $1.031 million from $25.922 million in 2020 due to increased operational and debt service costs of the new sewer

plant including depreciation expense and the construction of additional water and sewer improvements and extensions.

The Electric Fund had an ending net position of $39.611 million after transfers to the General Fund. This was an increase of $1.22 million from 2020. These funds are used primarily for additional acquisition and construction of capital assets, operational costs and the costs of power and the transfer of funds to the General Fund. The Electric Fund has kept property taxes level by its transfer of a large part of its profits to the General Fund. The Electric Fund has also provided funding for community projects that would not have been completed without its help including the extension of electric service to the PCOM Medical School. The Electric Fund had an increase in operating revenue of $339 thousand while operating expenditures decreased by $341 thousand.

The Cable TV Fund operations was sold to the South Georgia Governmental Services Authority in April Of 2017 and going forward the City is only responsible for the billing and collection of CNS revenues, Opening new accounts and providing customer service on existing accounts. The City is still responsible for the uncollectible accounts, credit card fees and Telecom fees from the State and Federal government as well as the costs of the Business Operations Department attributable to the CNS Fund. As a member of the Authority, the City does receive a distribution of a portion of net profits and has an investment in the SGGSA of $2.706 million at the end of 2021.

The combined net position of the non-major proprietary funds at the end of 2021 was $12.626 million. This is an increase of $772 thousand from 2020. This increase is primarily due to the net income before transfers of $788 thousand from the Gas Fund, and net investment increase from the City's ownership of $608 thousand. The Solid Waste Fund had a loss of $84 thousand after transfers primarily due to increased operating and capital costs.

GENERAL FUND BUDGETARY HIGHLIGHTS

Generally, budget amendments fall into one of the following categories: 1) amendments made to adjust the estimates that were used to prepare the original budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

The actual revenues of the General Fund were more than the final budgeted amounts by $581 thousand for the year ended September 30, 2021 while actual expenditures were $1.284 million less than budgeted for the same period. In total including transfers to the General Fund, there was a net increase of $2.8 million increase over budget in fund balance. Each Department did an excellent job watching their expenditures. The major factors contributing to the expenditure difference were reduced actual Public safety expenditures of $531 thousand, Public Works expenditures of $363 thousand and General Government expenses of $282 thousand. Actual transfers from other funds were $765 thousand more than the amount that was budgeted.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2021, governmental activities and business-type activities had capital assets of $65.41 million (net of accumulated depreciation) invested in land, buildings, system improvements, machinery and equipment and facilities.

The net capital assets from governmental activities increased 920 thousand from $20.810 up to $21.730 million in 2021. Factors attributing to this increase were the purchase of vehicles and equipment, building improvements at City Hall, and communications equipment for the wireless system downtown with cares act and ARP funding. The net capital assets from business-type activities decreased by $1.611 million from the prior year due to less construction in process primarily for the new sewer plant, disposal of vehicles and equipment, accumulated depreciation on existing assets and fewer major utility projects.

Additional information on the City's capital assets can be found in Note 6 of the Notes to Financial Statements.

Long-term Debt

The City's total long-term debt consists of revenue bonds, long-term notes, capital leases, compensated absences and other long-term liabilities.

At September 30, 2021, the City had $2.171 million in outstanding long-term liabilities related to governmental activities of which 1.690 million was due to the City's net pension liability. The City also had $18.195 million of long-term liabilities related to business-type activities for a total of $20.367 million compared to the previous year's total of $22.366 million. This is a total combined decrease of $1.999 million and is primarily due to a decrease in the net pension Liability of 1.485 million.

The City's component unit also had $1.180 million in long-term debt outstanding in connection with Downtown Development Authority Revenue Bonds used to construct the Georgia Department of Labor. Under a lease agreement with the Department of Labor, the Department of Labor is to make rental payments to be used for the purpose of paying the principal and interest payments on the bonds for a period of twenty-three years maturing in 2028.

Additional information on the City's long-term debt can be found in Note 7 of the Notes to Financial Statements.

FACTORS AFFECTING THE 2021 BUDGET

The City of Moultrie's fiscal year 2020-21 was a continuation of previous year with the COVID pandemic not going away. With each passing month, more and more challenges were presented that affected our employees and their families as well as the community as a whole but we still had to provide the same services our citizens expect. Meetings continued to be cancelled or held remotely. Yearly events were cancelled including the Sunbelt Expo, which brings thousands of visitors to Moultrie for three days in October. No holiday events of the Christmas season as well as the Spring Fling activities took place. Financially, the pandemic had little impact on the City's finances with the assistance of the Cares Act funding and the first payment of the American Rescue Program funding. Even with the pandemic Mayor and Council were able to reduce the City's property tax millage from 8.14 mills down to 8.12 mills. The City's health care costs did experience an increase with employees or their families being hospitalized, one with major complications and extensive care, and others receiving outpatient treatments. We also had one death of an employee's spouse. The City's health insurance for its employees is self- funded and major claims impact the City's total budget. A number of employees or families contracted the virus and had to miss work but a strain of those departments most affected. Personnel costs are the greatest cost to the City's operating budget and it is a challenge every year to provide the services its citizens require and expect without raising property taxes or utility rates to provide the needed funds.

There was $3.786 million in Special Local Option Sales Tax and T-SPLOST proceeds collected in 2021, but these revenues are restricted for special projects and cannot be used for regular governmental operations. Although restricted the SPLOST and T-SPLOST Funds are very important to the city's overall operations as these funds provide funding for projects that may not have been funded without them or would have required an increase in property taxes if funded. The City must also set aside reserve funds in its Electric Fund in order to offset the expected increases in costs passed on by the City's Electric power provider MEAG due to the completion of two additional nuclear units at Plant Vogtle. The City has used Bonds, capital leases and GEFA loan proceeds in the Water and Sewer Fund to purchase equipment, improve our sewer plant, and extend water and sewer infrastructure.

Despite the pandemic, there was $20.332 million investment in residential and commercial development during FY 2020-21.

The Coronavirus pandemic did not have a measurable effect on Moultrie's economy and there are no major reductions planned in the City's upcoming Budget even though we have seen indications of increased inflation as costs for supplies and equipment increase and delivery time for receiving those items increase as we enter FY 2021-22. If this trend continues, it could affect the City in future budgets

The City's present financial position is sound and City Staff as well as Mayor and Council are working hard to keep it that way in Future years.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions about this report or requests for additional information may be addressed to:

City Finance Department
City of Moultrie
P. O. Box 3368
Moultrie, Georgia 31776

CITY OF MOULTRIE
GOVERNMENT-WIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
ASSETS AND DEFERRED				
OUTFLOWS OF RESOURCES				
Cash and cash equivalents	$ 9,265,923	$ 21,098,353	$ 30,364,276	$ 111,318
Investments	8,437,877	21,105,747	29,543,624	-
Accounts receivable, net	3,805,629	4,808,522	8,614,151	-
Inventories	60,499	1,142,569	1,203,068	-
Prepaid insurance	198,745	110,607	309,352	1,876
Advanced employer contribution to pension plan	103,169	-	103,169	-
Due from component unit	53	235,000	235,053	-
Restricted assets:				
Restricted cash	11,564,589	-	11,564,589	140,497
Sales tax receivable	116,238	-	116,238	
Investment in SGGSA	-	2,706,367	2,706,367	-
Other noncurrent assets	-	-	-	42,783
Capital assets:				
Land and other nondepreciable assets	1,419,670	1,209,382	2,629,052	311,895
Construction in progress	89,746	203,903	293,649	-
Other capital assets, net of accumulated depreciation	20,220,754	42,269,892	62,490,646	864,035
Total assets	55,282,892	94,890,342	150,173,234	1,472,404
Deferred outflows of resources related to pensions	2,348,861	1,198,194	3,547,055	-
Total assets and deferred outflows of resources	57,631,753	96,088,536	153,720,289	1,472,404

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
GOVERNMENT-WIDE STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
LIABILITIES AND DEFERRED				
INFLOWS OF RESOURCES				
Accounts payable and accrued expenses	1,173,875	2,466,023	3,639,898	24,272
Due to primary government	-	-	-	235,053
Internal balances	3,274,034	(3,274,034)	-	-
Unearned revenue	-	9,292	9,292	
Customer deposits	-	894,811	894,811	-
Long-term liabilities:				
Net pension liability	1,690,189	862,194	2,552,383	-
Due within one year	116,991	603,204	720,195	125,000
Due in more than one year	364,221	16,729,835	17,094,056	1,055,000
Total liabilities	6,619,310	18,291,325	24,910,635	1,439,325
Deferred inflows of resources:				
Deferred inflows - pensions	1,310,866	668,695	1,979,561	-
Deferred inflows - other	71,745	-	71,745	-
Total deferred inflows of resources	1,382,611	668,695	2,051,306	-
Total liabilities and deferred inflows of resources	8,001,921	18,960,020	26,961,941	1,439,325
NET POSITION				
Net investment in capital assets	21,314,819	26,350,138	47,664,957	(4,070)
Restricted for:				
Community development	474,413	-	474,413	-
American Rescue Plan expenditures	2,274,026	-	2,274,026	-
Public safety	20,500	-	20,500	-
Capital projects	9,041,004	-	9,041,004	-
Unrestricted	16,505,070	50,778,378	67,283,448	37,149
Total net position	$ 49,629,832	$ 77,128,516	$ 126,758,348	$ 33,079

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Function/Programs:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit
PRIMARY GOVERNMENT:								
Governmental activities:								
General government	2,763,758	$ 872,525	$ 2,791,709	$ -	$ 900,476		$ 900,476	
Judicial	393,056	-	-	-	(393,056)		(393,056)	
Public safety	6,877,818	551,240	3,285	695,231	(5,628,062)		(5,628,062)	
Public works	2,782,213	50,000	56,273	2,821,717	145,777		145,777	
Parks and recreation	103,459	-	36,530	-	(66,929)		(66,929)	
Community development	901,342	11,441	151,032	604,875	(133,994)		(133,994)	
Interest - general long-term debt	13,825	-	-	-	(13,825)		(13,825)	
Total governmental activities	13,835,470	1,485,206	3,038,829	4,121,823	(5,189,612)		(5,189,612)	
Business-type activities:								
Water and sewer	6,304,293	6,153,631	-	-	-	(150,662)	(150,662)	
Electric	18,927,507	22,649,768	-	-	-	3,722,261	3,722,261	
Broadband	241,762	1,218,825	-	-	-	977,063	977,063	
Gas	2,158,625	2,943,812	-	-	-	785,187	785,187	
Solid waste	2,383,376	2,704,383	-	-	-	321,007	321,007	
Mass transit	58,496	10,299	-	-	-	(48,197)	(48,197)	
Airport	1,041,325	943,467	-	-	-	(97,858)	(97,858)	
Total business-type activities	31,115,384	36,624,185	-	-	-	5,508,801	5,508,801	
Total primary government	$44,950,854	$38,109,391	$ 3,038,829	$ 4,121,823	(5,189,612)	5,508,801	319,189	
COMPONENT UNIT								
Downtown Development Authority	$ 179,627	$ 187,404	$ -	$ -				$ 7,777

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Program Revenues			Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Unit
General revenues:								
Taxes:								
Property taxes, levied for general purposes					3,506,961	-	3,506,961	-
Other taxes					2,454,565	-	2,454,565	-
Investment income					217,473	64,600	282,073	217
Gain on disposal of capital assets, net of losses					205,878	93,427	299,305	-
Other revenue					110,520	-	110,520	33,600
Total general revenues					6,495,397	158,027	6,653,424	33,817
Transfers and capital contributions, net					4,702,655	(4,702,655)	-	-
Total general revenues and transfers					11,198,052	(4,544,628)	6,653,424	33,817
Change in net position					6,008,440	964,173	6,972,613	41,594
Net position - beginning					43,621,392	76,164,343	119,785,735	(8,515)
Net position - ending					$ 49,629,832	$ 77,128,516	$ 126,758,348	$ 33,079

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	General Fund	American Rescue Plan Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 9,070,188	$ -	$ -	$ 9,070,188
Accounts receivable, net	219,160	-	-	219,160
Property tax receivable	3,181,703	-	-	3,181,703
Intergovernmental receivables	-	-	356,565	356,565
Prepaid insurance	186,894	-	1,184	188,078
Advanced employer contribution to pension plan	103,169	-	-	103,169
Due from other funds	6,392,599	-	31,006	6,423,605
Restricted assets:				
Cash and cash equivalents	-	2,363,772	9,200,817	11,564,589
Sales tax receivable	116,238	-	-	116,238
Program receivables	-	-	6,495	6,495
Investments	8,437,877	-	-	8,437,877
Total assets	$ 27,707,828	$2,363,772	$ 9,596,067	$ 39,667,667
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ 754,248	$ 89,746	$ 48,765	$ 892,759
Accrued expenses	234,876		4,376	239,252
Due to other funds	9,166,018		5,825	9,171,843
Total liabilities	10,155,142	89,746	58,966	10,303,854
Deferred inflows of resources				
Deferred revenue - property taxes	1,624,009	-	-	1,624,009
Deferred revenue - other	71,745	-	-	71,745
Total deferred inflows of resources	1,695,754	-	-	1,695,754
Total liabilities and deferred inflows of resources	11,850,896	89,746	58,966	11,999,608
FUND BALANCES				
Nonspendable				
Prepaid insurance	186,894	-	1,184	188,078
Restricted for:				
American Rescue Plan	-	2,274,026	-	2,274,026
Community development	-	-	474,413	474,413
Public safety	-	-	20,500	20,500
Capital projects	-	-	9,041,004	9,041,004
Unassigned	15,670,038		-	15,670,038
Total fund balances	15,856,932	2,274,026	9,537,101	27,668,059
Total liabilities, deferred inflows of resources and fund balances	$ 27,707,828	$2,363,772	$ 9,596,067	$ 39,667,667

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

Fund Balance - Total Governmental Funds	$ 27,668,059
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 are not reported in the funds.	21,590,970
Long-term liabilities and related deferred revenues and costs are not due and payable in the current period and therefore are not reported in the funds:	
Capital leases	(415,352)
Compensated absences	(65,861)
Net pension liability	(1,092,542)
Deferred outflows of resources - pensions	1,518,309
Deferred inflows of resources - pensions	(847,347)
Deferred revenue - property taxes	1,624,009
An internal service fund is used by management to charge the costs of the City's services to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position	(350,413)
Net position of governmental activities	$ 49,629,832

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	General Fund	American Rescue Plan Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	$ 3,767,225	$ -	$ -	$ 3,767,225
Other taxes	2,111,890	-	342,675	2,454,565
Licenses and permits	780,042	-	-	780,042
Fines and forfeitures	551,240	-	-	551,240
Intergovernmental	391,079	2,653,452	3,936,580	6,981,111
Charges for services	150,983	-	49	151,032
Reimbursement for damaged property	23,721	-	-	23,721
Contributions and donations	57,427	-	-	57,427
Investment income	217,115	-	7,805	224,920
Other revenues	65,902	-	138,456	204,358
Total revenues	8,116,624	2,653,452	4,425,565	15,195,641
EXPENDITURES				
Current:				
General government	2,506,654	-	-	2,506,654
Judicial	393,056	-	-	393,056
Public safety	6,480,035	-	2,715	6,482,750
Public works	2,065,855	-	-	2,065,855
Community development	451,595	-	556,462	1,008,057
Capital outlays:				
General government	131,982	-	-	131,982
Public safety	21,381	-	778,119	799,500
Public works	460,014	-	322,521	782,535
Parks and recreation	40,341	-	63,118	103,459
Community development	-	-	270,791	270,791
Debt service	152,598	-	411,788	564,386
Total expenditures	12,703,511	-	2,405,514	15,109,025
Excess (deficiency) of revenues over (under) expenditures	(4,586,887)	2,653,452	2,020,051	86,616
OTHER FINANCING SOURCES				
Transfers, net	5,448,869	(379,426)	45,000	5,114,443
Proceeds from disposal of capital assets	184,194	-	-	184,194
Total other financing resources	5,633,063	(379,426)	45,000	5,298,637
Net change in fund balances	1,046,176	2,274,026	2,065,051	5,385,253
Fund balances - beginning	14,810,756	-	7,472,050	22,282,806
Fund balances - ending	$ 15,856,932	$ 2,274,026	$ 9,537,101	$ 27,668,059

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Net change in fund balances - total governmental funds	$ 5,385,253
Governmental funds report capital outlays as expenditures while govermental activities report depreciation expense to allocate those expenditures over the life of the assets.	
Assets capitalized	2,070,533
Depreciation expense	(1,126,305)
The issurance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmenal funds. Neither transactions has any effect on net assets. Also, govermental funds report the effect of premiums and discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts are the net effect of these differences in the treatment of long-term debt and related items.	
Proceeds from borrowing	-
Debt payments made	138,773
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the change in deferred revenue over prior year.	
Deferred revenue - property taxes	(260,264)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This the amount of the change in expenses over the prior year.	
Pension cost	(100,692)
Compensated absences	(33,331)
An internal service fund is used by management to charge the costs of the City's services to individual funds. The net revenues (expenses) of the internal service fund is reported with governmental activities in the statement of net position.	(65,527)
Change in net position of governmental activities	$ 6,008,440

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021

	Business Type Activities - Enterprise Funds				Governmental Activity
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Current assets:					
Cash and cash equivalents	$ 10,276,126	$ 7,361,591	3,460,636	$ 21,098,353	$ 195,735
Investments	-	21,105,747	-	21,105,747	-
Accounts receivable, net	712,927	3,385,417	710,178	4,808,522	41,706
Due from other funds	2,314	3,317,083	6,167,851	9,487,248	5,315,915
Due from component unit	235,000	-	-	235,000	53
Inventories	209,087	874,935	58,547	1,142,569	60,499
Prepaid insurance	49,277	18,181	43,149	110,607	10,667
Total current assets	11,484,731	36,062,954	10,440,361	57,988,046	5,624,575
Noncurrent assets:					
Investment in SGGSA	-	-	2,706,367	2,706,367	-
Capital assets:					
Land	80,027	1,112,569	16,786	1,209,382	-
Construction in progress	114,103	89,800	-	203,903	-
Other capital assets, net of accumulated depreciation	33,543,731	4,557,770	4,168,391	42,269,892	139,201
Total noncurrent assets	33,737,861	5,760,139	6,891,544	46,389,544	139,201
Total assets	45,222,592	41,823,093	17,331,905	104,377,590	5,763,776
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows from pensions	205,019	488,784	504,391	1,198,194	830,552
Total deferred outflows of resources	205,019	488,784	504,391	1,198,194	830,552
Total assets and deferred outflows of resources	$ 45,427,611	$ 42,311,877	$ 17,836,296	$ 105,575,784	$ 6,594,328

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
SEPTEMBER 30, 2021

	Business Type Activities - Enterprise Funds				Governmental Activity
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
LIABILITIES					
Current liabilities:					
Accounts payable	$ 153,251	$ 1,464,708	$ 406,753	$ 2,024,712	$ 16,848
Accrued expenses	14,375	24,123	23,383	61,881	25,016
Due to other governments	-	-	379,430	379,430	-
Unearned revenue	-	-	9,292	9,292	-
Notes payable, current	437,064	-	-	437,064	-
Bonds payable, current	70,337	-	-	70,337	-
Capital leases payable, current	-	-	95,803	95,803	-
Customer deposits	-	-	894,811	894,811	-
Due to other funds	3,080,057	586,635	2,546,522	6,213,214	5,841,711
Total current liabilities	3,755,084	2,075,466	4,355,994	10,186,544	5,883,575
Noncurrent liabilities:					
Bonds payable, net of current portion	9,031,740	-	-	9,031,740	-
Notes payable, net of current portion	7,488,338	-	-	7,488,338	-
Capital leases payable, net of current portion	-	-	209,757	209,757	-
Net pension liability	147,527	351,719	362,948	862,194	597,647
Total liabilities	20,422,689	2,427,185	4,928,699	27,778,573	6,481,222
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows from pensions	114,418	272,783	281,494	668,695	463,519
Total deferred inflows of resources	114,418	272,783	281,494	668,695	463,519
Total liabilities/def. inflows of resources	20,537,107	2,699,968	5,210,193	28,447,268	6,944,741
NET POSITION					
Net investment in capital assets	16,710,382	5,760,139	3,879,617	26,350,138	139,201
Unrestricted	8,180,122	33,851,770	8,746,486	50,778,378	(489,614)
Total net position	$ 24,890,504	$ 39,611,909	$ 12,626,103	$ 77,128,516	$ (350,413)

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Business Type Activities - Enterprise Funds				Governmental Activity
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
OPERATING REVENUES					
Utility revenue	$ 6,075,867	$ 22,637,723	$ 5,631,976	$ 34,345,566	$ -
Charges for services	-	-	-	-	1,585,909
Income from joint venture	-	-	1,218,704	1,218,704	-
Intergovernmental	-	-	810,909	810,909	-
Other revenue	77,764	12,045	159,197	249,006	26,641
Total operating revenues	6,153,631	22,649,768	7,820,786	36,624,185	1,612,550
OPERATING EXPENSES					
Salaries and wages	-	1,134,479	1,116,681	2,251,160	1,039,265
Operating, administrative, and maintenance	3,563,365	17,168,189	4,272,527	25,004,081	614,155
Depreciation	2,268,149	584,348	485,572	3,338,069	24,657
Total operating expenses	5,831,514	18,887,016	5,874,780	30,593,310	1,678,077
Operating income (loss)	322,117	3,762,752	1,946,006	6,030,875	(65,527)
NONOPERATING INCOME (EXPENSES)					
Interest/investment income	7,167	54,880	2,553	64,600	-
Loss on investments	-	(40,491)	-	(40,491)	-
Interest expense	(472,779)	-	(8,804)	(481,583)	-
Gain on disposition of capital assets	63,549	17,945	11,933	93,427	-
Income before transfers and capital contribution	(79,946)	3,795,086	1,951,688	5,666,828	(65,527)
Capital contribution	411,788	-	-	411,788	-
Transfers, net	(1,363,392)	(2,571,540)	(1,179,511)	(5,114,443)	-
Change in net position	(1,031,550)	1,223,546	772,177	964,173	(65,527)
Net position, beginning of year	25,922,054	38,388,363	11,853,926	76,164,343	(284,886)
Net position (deficit), end of year	$ 24,890,504	$ 39,611,909	$ 12,626,103	$ 77,128,516	$ (350,413)

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Business Type Activities - Enterprise Funds				Governmental Activity
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts from customers and users	$ 6,136,181	$ 22,122,415	$ 6,358,495	$ 34,617,091	$ 1,586,516
Other receipts	-	-	23,360	23,360	-
Intergovernmental receipts (payments)	(8,506,235)	7,175,446	2,191,895	861,106	89,593
Payments to employees (or for their benefit) for services provided	13,596	(1,102,063)	(1,083,232)	(2,171,699)	(984,184)
Payments to suppliers for goods or services	(3,506,219)	(17,211,929)	(4,164,331)	(24,882,479)	(605,980)
Net cash provided (used) by operating activities	(5,862,677)	10,983,869	3,326,187	8,447,379	85,945
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers/capital contributions to other funds, net	(1,363,392)	(2,571,540)	(1,179,511)	(5,114,443)	-
Net cash provided (used) by noncapital financing activities)	(1,363,392)	(2,571,540)	(1,179,511)	(5,114,443)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from issuance of long-term debt	-	-	179,847	179,847	-
Proceeds from the sale of assets	222,953	17,945	11,932	252,830	-
Acquistion and construction of capital assets	(825,721)	(451,109)	(609,381)	(1,886,211)	-
Principal paid on capital debt	(316,920)	-	(197,204)	(514,124)	-
Interest paid on capital debt	(134,976)	-	(8,804)	(143,780)	-
Net cash provided (used) by noncapital financing activities	(1,054,664)	(433,164)	(623,610)	(2,111,438)	-

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Business Type Activities - Enterprise Funds				Activity
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
CASH FLOWS FROM INVESTING ACTIVITIES					
Change in Investments	-	(683,996)	586,166	(97,830)	-
Interest/investment income	7,167	54,880	2,553	64,600	-
Net cash provided by investing activities	7,167	(629,116)	588,719	(33,230)	-
Net increase in cash	(8,273,566)	7,350,049	2,111,785	1,188,268	85,945
Balances - beginning	18,549,691	11,541	1,348,850	19,910,082	109,790
Balances - ending	$ 10,276,125	$ 7,361,590	$ 3,460,635	$ 21,098,350	$ 195,735
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	$ 322,117	$ 3,762,752	$ 1,946,006	$ 6,030,875	(65,527)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation expense	2,268,149	584,348	485,572	3,338,069	24,657
Non-cash increase in investment in joint venture	-	-	(1,219,482)	(1,219,482)	-
Change in assets and liabilities:					
Receivables, net	(17,450)	(527,353)	(76,931)	(621,734)	(26,034)
Due to/from other funds	(8,506,235)	7,175,446	1,937,846	607,057	89,593
Customer deposits	-	-	36,401	36,401	-
Prepaid expenses	(9,385.0)	(702.0)	(10,168.0)	(20,255.0)	(52.0)
Pension related balances	13,596	32,416	33,449	79,461	55,081
Accounts payable and accrued expenses	90,996	(19,386)	186,923	258,533	4,586
Inventory	(24,465)	(23,652)	6,571	(41,546)	3,641
Net cash provided by operating activities	$ (5,862,677)	$ 10,983,869	$ 3,326,187	$ 8,447,379	$ 85,945

Noncash activity: The water and sewer fund and the electric fund disposed of fully depreciated capital assets with costs and accumulated depreciation of $430,071 and $46,450, repectively. The SPLOST Fund paid debt service of $411,788 on behalf of the water and sewer fund.
See the Statement of Cash Flows - Nonmajor Enterprise Funds for non cash activity of the nonmajor enterprise funds.

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
SEPTEMBER 30, 2021

	Pension Trust Fund
ASSETS	
Cash and cash equivalents	$ 180,800
Investments:	
U.S. Government securities	1,684,662
Corporate bonds	1,723,133
Municipal bonds	1,561,683
Equities	7,012,076
Mutual funds	793,066
Asset-backed securities	717,747
Certificate of deposit	506,420
Investment income receivable	35,723
Total assets	14,215,310
LIABILITIES	
Advance employer contribution	103,169
Total liabilities	103,169
NET POSITION	
Held in trust for pension benefits (a schedule of funding progress is presented in the notes to the financial statements)	$ 14,112,141

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Pension Trust Fund
Additions	
Contributions:	
Employer	$ 170,141
Total contributions	170,141
Investment income:	
Net appreciation in fair value of investments	1,832,006
Interest and dividends	338,748
Less investment expenses	(123,332)
Net investment income	2,047,422
Total additions	2,217,563
Deductions	
Pension benefits paid	1,128,179
Total deductions	1,128,179
Net increase	1,089,384
Net assets held in trust for pension benefits, beginning of year	13,022,757
End of year	$ 14,112,141

See accompanying notes to the basic financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The City of Moultrie, Georgia was created in December 1879, under the provisions of an act by the General Assembly of the State of Georgia. The City's Charter provides for a Council/Manager form of government. The City Manager is the head of the administrative branch of government and is responsible for the day-to-day operations of the city government. The legislative authority of the City is vested in the Mayor and six Council members with an appointed City Manager. The City provides the following services and operations as authorized by its charter: public safety (police and fire), public works, airport, animal control, emergency management, and public utilities (water and sewer, gas electric, solid waste, broadband services and mass transit).

The financial reporting entity has been determined by management in accordance with generally accepted accounting principles to be the City of Moultrie, Georgia (the primary government) and its component unit. A component unit is a legally separate organization for which the primary government is financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. In evaluating how to define the government for financial reporting purposes, management has considered all component units.

The criteria used to determine financial accountability are the ability of the primary government to appoint a voting majority of the organization's governing body, and effectively impose its will on the organization. Also, if there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government, financial accountability would exist. Based upon the application of these criteria, the following is a brief review of the component unit included in the City's reporting unit as a discretely presented component unit.

Downtown Development Authority of the City of Moultrie

The Downtown Development authority of the City of Moultrie (the Authority) plans and develops the downtown area of the City in order to attract new business and residents. The City possesses the authority to review, approve and revise the budget and governs collection and disbursement of funds. The Authority is reported as a proprietary fund type component unit. Separate financial statements are not issued.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Changes in Net Position) report information on all non-fiduciary activities of the primary government and its component unit. As a general rule, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is accountable.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government – Wide Financial Statements

The City's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental and business-type activities for the City. Fiduciary activities of the City are not included in these statements.

These statements are reported using the *economic measurement focus* and the *accrual basis of accounting,* as are the proprietary fund and the fiduciary fund financial statements. Accordingly, all the City's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in assets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services to customers who directly benefit from goods, services or privileges provided by a given function, 2) operating grants and contributions that are restricted to meeting the operational needs requirements of a particular function, and 3) capital grants and contributions that are restricted to meeting the capital needs requirements of a particular function. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

provider have been met. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Certain eliminations have been made as prescribed by GASB Statement of Accounting Standards No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments* in regards to interfund activities, payable, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated, however those transactions between governmental and business-type activities have not been eliminated. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Fund Financial Statements

Governmental Fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. Governmental Fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures, and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. The City considers revenues to be available if they are collected within sixty days after year end. Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, and investment income. All other revenue items are considered to be measurable and available only when cash is received by the City. Expenditures generally are recorded when a liability is incurred. However, debt service expenditure, as well as expenditure related to compensated absences and claims and judgements, are recorded only when payment is due.

The City reports the following major governmental funds:

The *General Fund* is the principal fund of the City and is used to account for all of its activities not otherwise accounted for by a specified fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Additionally, the City reports the following governmental fund types:

The *Special Revenue Funds* are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

The *Capital Projects Funds* are used to account for financial resources for the acquisition or construction of major capital facilities and improvements other than those financed by Proprietary Funds. These projects are financed through budget appropriations, revenue bonds, sales tax proceeds and general obligation sales tax, and capital leases.

Proprietary Funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting* and are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Enterprise Funds account for activities that are usually self-sustaining, principally through user charges for services rendered.

The City reports the following major enterprise funds:

The *Water and Sewer Fund* accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The *Electric Revenue Fund* is used to account for equipment services for the departments of the City on a cost reimbursement basis.

The *Fiduciary Fund* is reported using the *economic resources measurement focus* and the *accrual basis of accounting* and is used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The City reports the following fiduciary fund:

The *Pension Trust Fund* is used to account for the activities of the City's Employee Retirement Plan, which accumulates resources for pension benefit payments to qualitied City employees.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Component Units: All component units are reported using the *economic resources measurement focus basis* and the *accrual basis of accounting.* Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets
Budgets are adopted on a basis consistent with generally accepted accounting principles except that encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase. Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored through subsequent years' budget appropriations.

Cash and Cash Equivalents
Cash and cash equivalents, as reported in the statements of cash flows, includes amounts in demand deposits, amounts with fiscal agents and investments with an original maturity at three months or less.

Investments
Statues authorize the City to invest in obligations of the U.S. Treasury, other U.S. Government agencies and the State of Georgia, other countries, municipal corporations and political subdivisions of the State of Georgia, and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. The fair values of investments in external investment pools are the same as the value of the pool shares.

Receivables
Receivables are Due from Other Governments represent funds to be received from other local governments, state grant in aid, state contracts, or federal funds. No allowance is deemed necessary to these receivables.

All trade and property tax receivables have been reduced to their estimated net realizable value and are shown net of an allowance for doubtful accounts. Estimated uncollectible amounts are based upon historical experience rates.

Inventories
Inventory in enterprise funds is valued at the lower of cost or market, using the first -in, first-out method. Inventory in the General Fund is valued at cost and consists of expendable supplies held for consumption. The City accounts for inventory on the purchase basis.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid items
Payments made to vendors for services that will benefit future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

Interfund Receivables/Payables
Outstanding balances between funds at the end of the fiscal year are referred to as either "Due From Other Funds" or Due To Other Funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "Internal Balances".

Restricted Assets
Proceeds from certain revenues and other resources in the General Fund, Special Revenue Funds, and Capital Projects Funds are classified as restricted assets on the balance sheet because they are maintained in separate accounts and their use is limited by applicable statues or agreements. The Water and Sewer Fund, based on certain bond covenants, are required to establish and maintain prescribed amounts of resources, consisting of cash and temporary investments that can be used only to service outstanding debt.

Capital Assets
Capital assets, which include property, plant equipment, and infrastructure assets (e.g. roads, bridges, sidewalks and similar items) acquired prior to September 30, 1980, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City's policy has set the capitalization threshold at $5,000 for reporting capital assets and $25,000 for infrastructure assets. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. The amount of interest capitalized is calculated by offsetting interest expense incurred (from the date of borrowing until the date of completion of the project) with interest earned on investment proceeds over the same period. No interest was capitalized during the year.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depreciation is provided on the straight-line method over the following estimated useful lives:

Governmental Assets	
Buildings and improvements	50 years
Machinery and equipment	5 -15 years
Infrastructure	25 years
Business-type Assets	
Buildings and improvements	5 - 50 years
Improvements other than buildings	2 - 50 years
Machinery and equipment	3 - 50 years

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to future periods and thus, will not be recognized as an outflow or resources (expense) until then. The City has two items that quality for reporting in this category. The first is the deferred charge on refunding in the government-wide statement of net position and the Proprietary Funds Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is outflows from changes in the net pension liability.

Deferred Inflows of Resources

In addition to liabilities, the City will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of the net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds and government-wide statement of net position report unavailable revenues from property taxes, grants and fees. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

City employees accrue vacation in different amounts, according to the number of years of service. Employees under ten years of service accrue two weeks of vacation each year. Upon reaching ten years of service, employees can accrue three weeks per year. These days can be taken either by time off or by payment upon retirement. (Employees who are terminated forfeit all vacation time they have not taken at the time of termination.)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employees earn sick leave in proportion to actual hours worked. Sick leave, however, is not paid upon termination if termination is by manner other than death or retirement. Employees can accrue up to a maximum of 720 hours of sick leave and will be paid up to 50% of the hours accrued at the time or retirement based on the age of the employee at retirement. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds when it is expected to be liquidated with expendable available resources.

Deferred Compensation Plan
The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Pursuant to GASB Statement of Accounting Standards No. 32 *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans,* the city does not have a fiduciary relationship with the Plan. Accordingly, the balances and transactions of the City's 457 plan are not reported in the City's financial statements.

Long-Term Obligations
In the government-wide financial statements, proprietary fund types in the fund financial statements, long-term debt, other long-term debt obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight- line method, which is not significantly different than the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the issue is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Fund Equity
Beginning with fiscal year 2011, the city implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Nonspendable fund balance – amounts that are not in spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a formal action of the City council through adoption of a resolution. Only the City Council may modify or rescind the commitment;
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balances – amounts that are available for any purpose; positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the policy of the City to generally consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts. In both instances, when a proposed expenditure is made with specific balances identified as the source of the funding, that specific fund balance will be used.

Encumbrances
Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve the portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Fund and Capital Projects Funds. Encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at the end of the year. Encumbrances are re-appropriated in the following year, except for encumbrances in the Capital Projects Funds which are continuing. Encumbrances do not represent GAAP expenditures. On September 30, 2020, there were no encumbrances outstanding.

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

NOTE 2 – BUDGETS AND BUDETARY ACCOUNTING

Budget Process

The annual budget document is the financial plan for the operation of the City. The budget process exists for the purpose of providing a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the City's financial position. An annual operating budget is prepared for the General Fund, Special Revenue Fund, and Enterprise funds.

The City follows the following procedures in establishing the budgetary data reflected in the financial statements:

1) Budget requests are completed in July.
2) Proposed budgets are reviewed and prepared by the Finance Director and approved by the City Manager before submission to the Mayor and the City Council in August.
3) Public hearings on the proposed budget are held in August and September.
4) The budget is legally adopted by the Mayor and the City Council in September.
5) All budget revisions must be approved as required by Georgia law and administrative policy. Transfer of budgeted amounts in the excess of $5,000 between object categories within departments requires the approval of the City Council. This is consistent with the legal level of budgetary control as the budget is adopted at the object category level. Revisions that alter the total expenditures of any department or fund must be approved by the City Council.
6) Formal budgetary integration is employed as management control device during the year for the General Fund, Special Revenue Fund, Capital Projects Funds, and the Enterprise Funds.
7) Budgets for the General Fund, Special Revenue Fund, and the Enterprise Funds are adopted on a basis consistent with accounting principles generally accepted in the United State of America.

Capital Projects Budget

The construction of certain major capital facilities and improvements, which are accounted for by the City in the Capital Projects Fund, are subject to budgetary control on a project basis. The budgets are approved by the City Council and are generally subject to specific provisions of voter referendums, State Statues, and/or grant agreements. Appropriations for a specific project do not lapse until completion of the project.

Deficit Fund Balances/Net Position in Individual Funds

The following funds had deficit net positions as of September 30, 2021:

Internal Service Fund - $350,483
Utilities Deposit Fund - $23,998

The net position deficits above are expected to be reduced through interfund charges for the Internal Service Fund and through transfers from reserve and utility funds for the Utility Deposit Fund.

NOTE 2 – BUDGETS AND BUDETARY ACCOUNTING (CONTINUED)

Excess of Expenditures Over Appropriations in Departments and Individual Funds

The City had expenditures in excess of budgeted amounts of $14,165 in the Hotel/Motel Tax Fund.

NOTE 3 – DEPOSITS AND INVESTMENTS – PRIMARY GOVERNMENT

Total primary government deposits and investments as of September 30, 2021, are summarized as follows:

	Deposits with Financial Institutions	Investments	Total
Cash and cash equivalents	$ 30,364,276	$ -	$ 30,364,276
Restricted cash and cash equivalents	11,564,589	-	11,564,589
Investments	-	29,543,624	29,543,624
Total	$ 41,928,865	$ 29,543,624	$ 71,472,489

Interest Rate Risk

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

Credit Risk

State statues authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivision of the State of Georgia.

Custodial Credit Risk – Deposits

The City does not have a formal custodial credit risk policy. Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statues 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 bond of public authorities, counties or municipalities. As of September 30, 2021, the City had no uncollateralized deposits.

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all 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.

Primary government	
Amounts as presented on the entity-wide Statememt of Net Position	
Governmental activities:	
Cash and cash equivalents	$ 9,265,923
Restricted cash and cash equivalents	11,564,589
Investments	8,437,877
Business-type activities:	
Cash and cash equivalents	21,098,353
Investments	21,105,747
Total primary government	$ 71,472,489
Amounts as presented on the Statement of Fiduciary Net Position	
Cash and cash equivalents	$ 180,800
Investments	13,998,787
Total primary government	$ 14,179,587
Component unit:	
Cash and cash equivalents	$ 111,318
Restricted cash and cash equivalents	140,497
Total component unit	$ 251,815

Investments

The City's investment policies are authorized by State Statutes and City Ordinances. Permissible Investments include securities of the United States Treasury, agencies and instrumentalities, repurchase agreements, and the Georgia Fund 1 investment pool regulated by the Georgia Office of the State Treasurer.

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool that follows Standard and Poor's criteria for AAA rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity, and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share.

The City is a participant in the Municipal Electric Authority of Georgia (MEAG). The MEAG board approves an annual system budget from which MEAG bills its participants. At the end of the year, adjustments are made by MEAG to each participant's billings to agree with actual cost. Whenever MEAG recovers funds from the City in excess of its actual costs to serve the City, the City can elect to have their funds deposited in MEAG's voluntary flexible operating account fund in lieu of receiving a refund. This voluntary stabilization fund is used to reduce future costs of the City at its discretion while also earning interest.

The City is authorized to direct the MEAG to retain or use the discretionary funds. On September 30, 2021, the City's balance in the discretionary stabilization fund was $16,866,647.

Investments are categorized into three categories of credit risk:

1) Insured or registered, or securities held by the City or its agent in the City's name.
2) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name.
3) Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent, but not in the City's name.

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

See below for the categories and credit and interest rate of the City's investments as of September 30, 2021:

	Category			Credit	Average
	1	2	Fair Value	Quality	Maturities
General Fund					
Certificate of deposit	$ 8,437,877	$ -	$ 8,437,877	NR	1-4 years
Pension Trust Fund					
U.S. Gov. securities	1,684,662	-	1,684,662	Aaa	1-10 years
Corporate bonds	203,420	1,519,713	1,723,133	Baa1-Aaa	1-10 years
Municipal bonds	-	1,561,683	1,561,683	A3-Aa1	1-10+ years
Equities - common stock	7,012,076	-	7,012,076	NR	N/A
Mutual funds	793,066	-	793,066	NR	N/A
Asset-backed securities	-	717,747	717,747	NR	1-10+ years
Certificate of deposit	506,420	-	506,420	NR	3 years
Proprietary Funds					
Municipal Comp. Trust	-	21,105,747	21,105,747	NR	1-10+ years
Total	$ 18,637,521	$ 24,904,890	$43,542,411		

NOTE 4 – RECEIVABLES AND TAX REVENUE

Property Tax

Property taxes were levied in September 2020 and payable before December 2020 for the fiscal year 2021 tax. Property tax revenues are recognized when levied to the extent they result in current receivables. The City's fiscal year 2022 tax was levied on September 30, 2021 and was recorded as taxes receivable in the General Fund. The portion not collected within 60 days of year end is reported as deferred revenue.

The tax rate levied during the fiscal year 2021 for the City's operations was 8.14 mills (mill equals $1 per thousand dollars of assessed value).

The City maintains no allowance for uncollectible property taxes at September 30, 2021.

Sales Tax

Colquitt county, Georgia has levied four 1% Special Purpose Local Option Sales Tax Programs (SPLOST) which were passed by referendum in 1994, 2001, 2006, 2013 and 2018. The proceeds from these sales tax programs are used to finance various capital projects. The SPLOST programs are administered by Colquitt County, Georgia.

NOTE 4 – RECEIVABLES AND TAX REVENUE (CONTINUED)

Receivables

Receivables as of September 30, 2021, are as follows:

	Governmental Activities	Business-Type Activities	Total
Receivables:			
Accounts			
General Fund	$ 219,160	$ -	$ 219,160
Internal Service Fund	41,706	-	41,706
Water and Sewer Fund	-	1,548,448	1,548,448
Electric Revenue Fund	-	4,801,009	4,801,009
Nonmajor enterprise funds	-	3,046,928	3,046,928
Property tax			
General Fund	3,181,703	-	3,181,703
Intergovernmental			
Nonmajor governmental funds	356,565	-	356,565
Sales tax			
General Fund	116,238	-	116,238
Program			
Nonmajor governmental funds	6,495	-	6,495
Gross receivables	3,921,867	9,396,385	13,318,252
Less allowance for uncollectibles			
Water and Sewer Fund	-	(835,521)	(835,521)
Electric Revenue Fund	-	(1,415,592)	(1,415,592)
Nonmajor enterprise funds	-	(2,336,750)	(2,336,750)
	-	(4,587,863)	(4,587,863)
Total net receivables	$3,921,867	$ 4,808,522	$ 8,730,389

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS/CAPITAL CONTRIBUTIONS

Interfund Receivables and Payables

Interfund receivables and payables result from timing differences related to payroll and other year-end transactions which normally clear within one to two months. The composition of interfund receivables and payables as of September 30, 2021 is as follows:

	Interfund Balances		
	Receivables	Payables	Net
Governmental activities:			
General fund:			
Nonmajor governmental funds	$ 4,600	$ (11,846)	$ (7,246)
Internal Service Fund	5,837,424	(3,978,460)	1,858,964
Water and Sewer Fund	37,962	-	37,962
Electric Revenue Fund	512,613	(720,000)	(207,387)
Nonmajor enterprise funds	-	(4,455,712)	(4,455,712)
Nonmajor Governmental Funds:			
General Fund	11,846	(100)	11,746
Nonmajor governmental funds	100	(4,600)	(4,500)
Internal Service Fund	-	(48)	(48)
Water and Sewer Fund	10,000	-	10,000
Electric Revenue Fund	801	(1,077)	(276)
Nonmajor enterprise funds	8,259	-	8,259
Internal Service Fund:			
General Fund	3,978,460	(5,837,424)	(1,858,964)
Nonmajor governmental funds	48	-	48
Water and Sewer Fund	129,269	(1,712)	127,557
Electric Revenue Fund	73,083	(2,304)	70,779
Nonmajor enterprise funds	1,135,055	(271)	1,134,784
Total governmental activities	11,739,520	(15,013,554)	(3,274,034)
Business-type activities:			
Water and Sewer Fund:			
General Fund	-	(37,962)	(37,962)
Nonmajor governmental funds	-	(10,000)	(10,000)
Internal Service Fund	1,712	(129,269)	(127,557)
Electric Revenue Fund	-	(1,191,442)	(1,191,442)
Nonmajor enterprise funds	602	(1,711,384)	(1,710,782)
Electric Revenue Fund:			
General Fund	720,000	(512,613)	207,387
Nonmajor governmental funds	1,077	(801)	276
Internal Service Fund	2,304	(73,083)	(70,779)
Water and Sewer Fund	1,191,442	-	1,191,442
Nonmajor enterprise Funds	1,402,260	(138)	1,402,122

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS/CAPITAL CONTRIBUTIONS (CONTINUED)

	Interfund Balances		
	Receivables	Payables	Net
Nonmajor enterprise Funds:			
General Fund	4,455,712	-	4,455,712
Nonmajor governmental funds	-	(8,259)	(8,259)
Internal Service Fund	271	(1,135,055)	(1,134,784)
Water and Sewer Fund	1,711,384	(602)	1,710,782
Electric Revenue Fund	138	(1,402,260)	(1,402,122)
Nonmajor enterprise Funds:	346	(346)	-
Total business-type activities	9,487,248	(6,213,214)	3,274,034
Total	$ 21,226,768	$ (21,226,768)	$ 0

The composition of receivables and payables between the City and its component unit as of September 30, 2021 is as follows:

	Receivables	Payables	Net
Component Unit			
Internal Service Fund			
Downtown Development Authority	$ 53	$ -	$ 53
Water & Sewer Fund:			
Downtown Development Authority	235,000	-	235,000
Downtown Development Authority			
Internal Service Fund	-	(53)	(53)
Water & Sewer Fund	-	(235,000)	(235,000)
Total	$ 235,053	$ (235,053)	$ -

Interfund Transfers and Capital Contributions

Interfund transfers/capital contributions are used to move revenues from the fund that Statue of budget requires to collect them to the fund that the Statue or budget requires to expend them and to use unrestricted revenues collected in the General Fund and Enterprise Funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS/CAPITAL CONTRIBUTIONS (CONTINUED)

Interfund transfers and capital contributions for the year ended September 30, 2021 consisted of the following:

	Transfers		
	In	Out	Net
Governmental activities:			
General fund:			
American Rescue Plan Fund	$ 379,426	$ -	$ 379,426
Nonmajor governmental funds	-	(15,000)	(15,000)
Water and Sewer Fund	863,843	-	863,843
Electric Revenue Fund	3,164,920	-	3,164,920
Nonmajor enterprise funds	1,055,680	-	1,055,680
American Rescue Plan Fund:			
General Fund		(379,426)	(379,426)
Nonmajor Governmental Funds:			
General Fund	15,000	-	15,000
Electric Revenue Fund	15,000	-	15,000
Nonmajor enterprise funds	15,000	-	15,000
Total governmental activities	5,508,869	(394,426)	5,114,443
Business-type activities:			
Water & Sewer Fund:			
General Fund	-	(863,843)	(863,843)
Electric Revenue Fund	-	(499,549)	(499,549)
Electric Revenue Fund:			
General Fund	-	(3,164,920)	(3,164,920)
Nonmajor governmental Funds	-	(15,000)	(15,000)
Water and Sewer Fund	499,549	-	499,549
Nonmajor enterprise funds	108,831	-	108,831
Nonmajor Enterprise Funds:			
General Fund	-	(1,055,680)	(1,055,680)
Nonmajor Governmental Funds	-	(15,000)	(15,000)
Electric Revenue Fund	-	(108,831)	(108,831)
Total business-type activities	608,380	(5,722,823)	(5,114,443)
Total	$ 6,117,249	$ (6,117,249)	$ -

	Capital Contributions		
	In	Out	Net
Governmental activities:			
Nonmajor Governmental Funds:			
Water and Sewer Fund	$ -	$ (411,788)	$ (411,788)
Business-type activities:			
Water & Sewer Fund:			
Nonmajor governmental Funds	411,788	-	411,788
Total	$ 411,788	$ (411,788)	$ -

NOTE 6 – CAPITAL ASSETS

The following is a summary of capital asset activity as of September 30, 2021:

	Beginning Balance	Additions/ Transfers	Retirements/ Transfers	Ending Balance
Governmental activities:				
Capital assets not being depreciated				
Land and improvements	$ 1,394,670	$ 25,000	$ -	$ 1,419,670
Construction in progress	287,097	89,746	(287,097)	89,746
Total capital assets not being depreciated	1,681,767	114,746	(287,097)	1,509,416
Capital assets being depreciated				
Buildings and improvements	5,749,990	335,653	-	6,085,643
Machinery & equipment	7,588,544	864,065	(93,762)	8,358,847
Infrastructure	51,972,761	1,043,166	-	53,015,927
Total assets being depreciated	65,311,295	2,242,884	(93,762)	67,460,417
Less accumulated depreciation for:				
Buildings and improvements	(3,537,629)	(136,731)	-	(3,674,360)
Machinery & equipment	(5,800,765)	(453,485)	93,762	(6,160,488)
Infrastructure	(36,844,068)	(560,747)	-	(37,404,815)
Total accumulated depreciation	(46,182,462)	(1,150,963)	93,762	(47,239,663)
Total capital assets being depreciated, net	19,128,833	1,091,921	-	20,220,754
Governmental activities capital assets, net	$ 20,810,600	$ 1,206,667	$ (287,097)	$ 21,730,170
Business-type activities:				
Capital assets not being depreciated				
Land and improvements	$ 1,209,382	$ -	$ -	$ 1,209,382
Construction in progress	109,577	203,903	(109,577)	203,903
Total capital assets not being depreciated	1,318,959	203,903	(109,577)	1,413,285
Capital assets being depreciated				
Buildings	5,917,994	67,259	-	5,985,253
Other improvements	88,851,186	477,321	-	89,328,507
Machinery & equipment	7,365,267	1,247,305	(588,284)	8,024,288
Total assets being depreciated	102,134,447	1,791,885	(588,284)	103,338,048

NOTE 6 – CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Additions	Retirements/ Deletions	Ending Balance
Less accumulated depreciation for:				
Buildings	(3,651,993)	(149,657)	-	(3,801,650)
Other improvements	(49,898,305)	(2,665,161)	-	(52,563,466)
Machinery & equipment	(4,608,669)	(523,251)	428,880	(4,703,040)
Total accumulated depreciation	(58,158,967)	(3,338,069)	428,880	(61,068,156)
Total capital assets being depreciated, net	43,975,480	(1,546,184)	(159,404)	42,269,892
Total business-type activities capital assets net	$ 45,294,439	$ (1,342,281)	$ (268,981)	$ 43,683,177

Depreciation expense was charged to divisions as follows:

Governmental activities:	
General government	$ 126,844
Public safety	307,031
Public works	710,751
Parks and recreation	-
Community development	6,337
Total depreciation expense - governmental activities	$ 1,150,963
Business-type activities	
Water and sewer	$ 2,268,149
Electric	584,348
Gas	88,777
Solid waste	253,684
Mass transit	54,720
Airport operations	88,391
Total depreciation expense - business-type activities	$ 3,338,069

NOTE 6 – CAPITAL ASSETS (CONTINUED)

Component Unit

Capital asset activity for the Downtown Development Authority of the City of Moultrie, a discretely presented component unit, for the year ended September 30, 2021 is as follows:

	Beginning Balance	Additions	Retirements/ Deletions	Ending Balance
Component Unit:				
Business-type Activities				
Capital assets not being depreciated				
Land and improvements	$ 311,895	$ -	$ -	$ 311,895
Construction in progress	54,625	-	(54,625)	-
Total capital assets not being depreciated	366,520	-	(54,625)	311,895
Capital assets being depreciated				
Buildings	1,930,788	-	-	1,930,788
Other improvements	58,418	-	-	58,418
Equipment	-	58,600		58,600
Total assets being depreciated	1,989,206	58,600	-	2,047,806
Less accumulated depreciation for:				
Buildings	(1,061,934)	(96,539)	-	(1,158,473)
Other improvements	(21,257)	(1,948)	-	(23,205)
Equipment	-	(2,093)		(2,093)
Total accumulated depreciation	(1,083,191)	(100,580)	-	(1,183,771)
Total capital assets being depreciated, net	906,015	(41,980)	-	864,035
Governmental activities capital assets, net	$ 1,272,535	$ (41,980)	$ (54,625)	$ 1,175,930

NOTE 7 – LONG-TERM DEBT

Revenue Bonds

The City issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. The City's enterprise funds' revenue bonds outstanding at September 30, 2021, are as follows:

South Georgia Governmental Services Authority Revenue Bonds, Series 2012

The City of Moultrie South Georgia Governmental Services Authority Revenue Bonds (City of Moultrie Water and Sewer Projects), Series 2012 were issued September 18, 2012. The Series 2012 bonds were issued to provide funds to finance upgrades, refurbishment, renovations, and expansion of the City's wastewater treatment plant, and additions, improvements, and equipment for water and sewer system of the City and pay certain costs of issuing the bonds.

Description	Original Amount	Interest Rate	Due Date	Amount
Water and Sewer Fund:				
South Georgia Governmental Services Authority	$12,775,000	2.00-3.75%	2042	9,200,000
				$ 9,200,000
			Unamortized discount/premium/loss	(97,923)
			Less current portion	(75,000)
			Long-term portion, net of unamortized discount/premium/loss	$ 9,027,077

NOTE 7 – LONG-TERM DEBT (CONTINUED)

The annual debt service requirement to maturity of the Revenue Bonds on September 30, 2021 is as follows:

Year Ending September 30	Principal	Interest	Total
2022	$ 75,000	$ 334,913	$ 409,913
2023	80,000	330,037	410,037
2024	80,000	330,798	410,798
2025	85,000	328,557	413,557
2026	85,000	326,177	411,177
2026-2030	470,000	1,588,564	2,058,564
2031-2035	2,820,000	1,400,363	4,220,363
2036-2040	4,500,000	707,063	5,207,063
2041-2042	1,005,000	37,687	1,042,687
Total	$ 9,200,000	$ 5,384,159	$ 14,584,159

Downtown Development Authority of Moultrie Taxable Revenue Bonds, Series 2006 B – Component Unit

The City's component unit's revenue bonds outstanding on September 30, 2021 are as follows:

Description	Original Amount	Interest Rate	Due Date	Amount
Downtown Development Authority				
Series B	$ 2,410,000	4.92%	2028	$ 1,180,000
			Less current portion	(125,000)
			Long-term portion	$ 1,055,000

Downtown Development Authority of Moultrie Taxable Revenue Bonds, Series 2006 B

The Downtown Development Authority of Moultrie Taxable Revenue Series 2006 B bonds were issued to provide funds for the purpose of financing the acquisition, construction, installation and equipping of a building for lease to the Georgia Department of Labor. The facility will be leased by the Downtown Development Authority of Moultrie, as assignee of the City of Moultrie, Georgia to the Georgia Department of Labor for a period of twenty years.

NOTE 7 – LONG-TERM DEBT (CONTINUED)

The Series 2006 B bonds are limited obligations of the Downtown Development Authority of Moultrie. The bonds are payable solely from payments to be made to the authority by the Georgia Department of Labor under the lease. The City has agreed, in the event of default by the Georgia Department of Labor, to levy an ad valorem tax at a rate not to exceed 3 mills upon all property located in the City subject to taxation for bond purposes.

The Series 2006 B revenue bond debt service requirements to maturities, including interest, are as follows:

Year Ending September 30	Principal	Interest	Total
2022	$ 125,000	$ 58,056	$ 183,056
2023	130,000	51,906	181,906
2024	135,000	45,510	180,510
2025	145,000	38,868	183,868
2026	150,000	31,734	181,734
2027-2029	495,000	49,692	544,692
Total	$ 1,180,000	$ 275,766	$ 1,455,766

NOTE 7 – LONG-TERM DEBT (CONTINUED)

Other Long-Term Debt

On September 30, 2021, the Water and Sewer Fund had a note payable to the Georgia Environmental Facilities Authority whereby it may borrow up to $3,384,500. The outstanding balance on September 30, 2021 was $668,439. The debt is being used for the rehabilitation of the existing wastewater treatment facility.

On September 30, 2021, the Water and Sewer Fund had a note payable to the Georgia Environmental Facilities Authority whereby it may borrow up to $3,500,000. The outstanding balance on September 30, 2021 was $830,060. The debt is being used for the renovation of the existing wastewater treatment facility.

On September 30, 2021, the Water and Sewer Fund entered into an agreement with the Georgia Environmental Facilities Authority whereby it may borrow up to $2,750.000. The outstanding balance on September 30, 2021 was $1,305,405. The debt is being used to finance the costs of acquiring, constructing, and installing environmental facilities.

On September 30, 2021, the Water and Sewer Fund entered into an agreement with Georgia Environmental Facilities Authority whereby it may borrow up to $6,100,000. The outstanding balance on September 30, 2021 was $5,121,498. The debt is being used to finance the costs of acquiring, constructing, and installing environmental facilities.

The Water and Sewer Fund note payable debt service requirements to maturities, including interest are as follows:

Year Ending June 30	Principal	Interest	Total
2022	$ 437,064	$ 165,730	$ 602,794
2023	446,741	156,053	602,794
2024	456,649	146,146	602,795
2025	466,792	136,002	602,794
2026	477,178	125,617	602,795
2027-2031	2,550,580	463,392	3,013,972
2032-2036	2,118,129	203,415	2,321,544
2037-2039	972,269	31,375	1,003,644
Total	$ 7,925,402	$ 1,427,730	$ 9,353,132

NOTE 7 – LONG-TERM DEBT (CONTINUED)

Capital Leases

The City has entered into several lease agreements as lessee for financing the acquisition of equipment and a fire station through the Georgia Municipal Association direct installment program. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease term) and have been recorded at the present values of the future minimum lease payments as of the date of their inceptions. These leases are being serviced by General Fund, Water and Sewer Fund and Solid Waste Fund payments with annual interest rates varying from 1.90% to 2.56%.

The following is an analysis of equipment leased under capital leases as of September 30, 2021:

	Governmental Activities	Business-Type Activities Solid Waste Fund
Vehicles	$ 999,331	$ 810,240
Less accumulated amortization	(433,741)	(282,805)
Carrying value	$ 565,590	$ 527,435
Current amortization	$ 96,600	$ 79,526

The following is a schedule of future minimum lease payments together with the present value of the net minimum lease payments on September 30, 2021.

Year Ending September 30	Governmental Activities	Business-Type Activities Solid Waste Fund
2022	$ 111,427	$ 101,467
2023	111,427	62,481
2024	111,427	62,481
2025	66,684	62,481
2026	37,048	31,161
Total minimum lease payments	438,013	320,071
Less amount representing interest	(22,662)	(14,511)
	$ 415,351	$ 305,560

NOTE 7 – LONG-TERM DEBT (CONTINUED)

Changes in Long-Term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Capital leases	$ 554,124	$ -	$ (138,773)	$ 415,351	$ 101,991
Compensated absences	32,530	77,905	(44,574)	65,861	15,000
Total governmental actvities	$ 586,654	$ 77,905	$ (183,347)	$ 481,212	$ 116,991
Business-type activities:					
Bonds payable	$ 9,275,000	$ -	$ (75,000)	$ 9,200,000	$ 75,000
Less deferred amounts:					
Issuance discount	(102,586)	-	4,663	(97,923)	(4,663)
Total bonds payable	9,172,414	-	(70,337)	9,102,077	70,337
Notes payable	8,246,985	-	(321,583)	7,925,402	427,084
Capital leases	322,917	179,847	(197,204)	305,560	95,803
Total business-type activities	$ 17,742,316	$ 179,847	$ (589,124)	$ 17,333,039	$ 593,224

Long-term liability activity for the City's component unit for the year ended September 30, 2021 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities					
Bonds payable	$ 1,300,000	$ -	$ (120,000)	$ 1,180,000	$ 125,000
Total business-type actvities	$ 1,300,000	$ -	$ (120,000)	$ 1,180,000	$ 125,000

Compensated absences are liquidated by the General Fund.

NOTE 8 – LEASING ACTIVITIES

As part of the issuance of Downtown Development Authority revenue bonds, the Authority entered into a lease agreement with the Georgia Department of Labor (DOL) to lease certain property and buildings for use by the DOL. Under the terms of the lease, the DOL will make rental payments in the amount of $179,460 annually, which shall be paid to the City as agent for the Authority in equal installments at the end of each month. The lease payments will be used for the purpose of paying the principal of redemption premium (if any) and interest on the Downtown Development Authority bonds. The property and building are leased under an operating lease, which expires on November 1, 2028.

On September 30, 2021, the amount of property and buildings lease by the DOL which is included on the Statement of Net Position of the Downtown Development Authority is $2,359,701, with accumulated depreciation of $1,183,771.

On September 30, 2021, the minimum future lease payments to be received under the operating lease are as follows.

Year Ended September 30	Governmental Activities
2022	$ 179,460
2023	179,460
2024	179,460
2025	179,460
2026	179,460
2027 - 2028	358,920
	$ 1,256,220

NOTE 9 – RESTRICTIONS OF FUND BALANCES

In the governmental fund financial statements, fund balances consist of nonspendable, restricted and unassigned amounts. Restrictions of fund balances represent that potion which is not appropriable for expenditure or is legally segregated for a specific future use. The remaining portion is unassigned.

Fund balance restrictions on September 30, 2021 include:

Capital projects funds	
Restricted for specific projects to reflect resources funded by SPLOST and Federal Grants	$ 9,041,004
Community development	183,836
Special Revenue Funds	
Restricted to reflect resources legally restricted for:	
Restricted for American Rescue Plan expenditures	2,274,026
Community development	290,577
Public safety	20,500
Total restricted net position	$ 11,809,943

NOTE 10 – PENSION PLAN

Plan Description

The City of Moultrie, Georgia maintains a single employer defined benefit pension plan, the Retirement Plan for Employees of the City of Moultrie (the Plan). The Plan is administered by a board of trustees in accordance with a trust agreement between the City of Moultrie, Georgia and the board of trustees. The board of trustees acts in the dual capacity as the administrator of the Plan and the trustee of the trust fund created in accordance with the Plan and the Trust Agreement. Benefit provisions and contributions are established and may be amended by the City Council. No stand-alone financial report is issued. (See pages 14 and 15 of this report for the plan's financial statements.)

The Plan covers all full-time employees of the City of Moultrie, Georgia who were hired prior to January 1, 2019. Employees become eligible to participate in the Plan after six months and are fully vested after ten years. Prior to October 1, 1994, the Plan excluded employees for whom the City made contributions directly or indirectly to another retirement program. Employees in this category (firefighters and police officers) became participants in the Plan on October 1, 1994, if they filed an application to participate. Benefit provisions are established by City Ordinance. The Plan provides retirement, disability and death benefits to Plan members and beneficiaries. As of January 1, 2018, the plan is closed to new entrants.

At October 1, 2020, the date of the most recent actuarial valuation, there were 216 participants consisting of the following:

Retires and benficiaries currently receving benefits	103
Vested terminiated employees not yet receiving benefits	11
Active employees	102
Total	216

Method used to Value Investments

Investments are reported at their fair values. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrued basis. Dividend income is accrued on the ex-dividend date.

NOTE 10 – PENSION PLAN (CONTINUED)

Contributions

The City (and individual participants prior to 2018) makes contributions to the Plan. Effective February 1, 2005, all employees were required to contribute 4.42% of their annual earnings to the Plan. The City's funding policy is to contribute the amount required to fund the Plan benefits as determined by the Plan actuary. Administrative costs are financed through investment earnings.

The annual required contribution for the year ended September 30, 2021 was determined as part of the October 1, 2020, actuarial valuation using the entry age method. The actuarial assumptions included a) an interest rate of 6.5%, net of investment expenses, b) projected salary increases of 3.25% per year and c) no inflation rate assumption. Mortality rates were based on the RP-2000 Mortality Table projected with Scale AA.

The discount rate used to measure the total pension liability was 5.25%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average City contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

Under Georgia law, the pension board is vested with the authority to select the actuarial assumptions. The board makes decisions based on the advice of the plan's actuary. No experience study has been performed since the plan is very small. Because there are not enough plan participants to develop their own tables, the board relies on generally applicable assumptions.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real dates of return (expected returns, net of pension plan investments expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return buy the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equities	50%	5.00%
Domestic fixed income	50%	1.50%
Total or weighted arithmetic average	100%	3.25%

NOTE 10 – PENSION PLAN (CONTINUED)

Changes in Net Pension Liability:

The total pension liability was determined by an actuarial valuation as of October 1, 2020 with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2021. Changes in the net pension liability for the year ended September 30, 2021 were as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2020	$ 17,060,204	$ (13,022,758)	$ 4,037,446
Changes for the year:			
Service costs	-	-	-
Interest	867,908	(658,868)	209,040
Unexpected investment income	-	(1,388,553)	(1,388,553)
Difference between expected and actual experience	(94,428)	-	(94,428)
Contributions - employer	-	(170,141)	(170,141)
Net investment income	-	-	-
Benefit payments	(1,128,179)	1,128,179	-
Adminstrative expense	-	-	-
Assumption changes	(40,980)	-	(40,980)
Net changes	(395,679)	(1,089,383)	(1,485,062)
Balances at September 30, 2021	$ 16,664,525	$ (14,112,141)	$ 2,552,384

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following table represents the net pension liability of the City, calculated using the discount rate of 5.25%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate.

	1% Decrease (4.25%)	Current Discount Rate (5.25%)	1% Increase (6.25%)
Net pension liability	$ 4,663,714	$ 2,552,384	$ 829,437

NOTE 10 – PENSION PLAN (CONTINUED)

Pension Expense and Deferral Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

On September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following source:

	Deferred Outflows of Resources	Deferred Inflows Resources
Balances at September 30, 2020	$ 4,239,001	$ 951,209
Changes for the year:		
Amortization payments	(691,946)	(495,609)
Investment gain/loss	-	1,388,553
Demographic gain/loss	-	94,428
Assumption changes	-	40,980
Net changes	(691,946)	1,028,352
Balances at September 30, 2021	$ 3,547,055	$ 1,979,561

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at September 30, 2021 will be recognized in pension expense as follows:

Fical Year Ending:	Total	Total
2022	$ 691,946	$ 467,406
2023	691,948	426,205
2024	660,478	425,877
2025	648,670	392,486
2026	447,203	99,913
Thereafter	406,810	167,674
	$ 3,547,055	$ 1,979,561

For the year ended September 30, 2021, the City's required minimum contribution was $170,141. However, the City contributed $273,310 to the plan. The amount contributed above the required minimum contribution, $103,169, has been recorded as an advanced employer contribution to the retirement plan on the general fund balance sheet.

NOTE 10 – PENSION PLAN (CONTINUED)

Peace Officers' Annuity and Benefit Fund of Georgia

Plan Description:

The Peace Officers' Annuity and Benefit Fund of Georgia (POABFG) is a cost-sharing multiple-employer defined benefit created in 1950 by the General Assembly of Georgia to provide retirement benefits to peace officers. Members of the POABFG are employed by units of government throughout the State of Georgia. The employers of the POABFG's members do not make contributions to the POABFG. The State of Georgia provides non-employer contributions to the POABFG through the collection of court fines and forfeitures. Detailed information about the benefits provided to members is available in the separately issued POABFG financial report which is publicly available.

Actuarial Assumptions:

The net position liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was based on an actuarial valuation as June 30, 2019. The roll forward calculation adds the normal costs (also called service costs), subtracts the actual benefit payments and refunds for the plan year, and then applies the discount rate for the year. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	n/a
Investment rate of return	6.50%
Mortality rates	RP-2014 Healthy Mortality Table

The long-term expected rate of return on pension plan investments was calculated by the POABFG's investment manager as 6.50% using a Monte Carlo simulation in which best estimate ranges of expected future real rate of return (expected nominal returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. The POABFG's administrator determined that 6.50% was a reasonable assumption for the long-term rate of return on plan assets based on the calculation by the POABGF's investment manager.

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumes revenues will remain level. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 10 – PENSION PLAN (CONTINUED)

Net Pension Liability:

On September 30, 2021, the City did not have a liability for a proportionate share of the net pension liability (asset) of the POABFG because of the related support from the State of Georgia. The amount of the State's proportionate share of the net pension liability (asset) associated with the City was $4,220 as of September 30, 2021.

Pension Expense:

For the year ended September 30, 2021, the City recognized pension expense related to the POABFG of $3,676 and revenue of $3,676 for support provided by the State of Georgia.

Georgia Firefighter's Pension Fund

Plan Description:

The Georgia Firefighter's Pension Fund (GFPF) is a cost-sharing multiple-employer defined benefit created by the General Assembly of Georgia to provide retirement benefits to firefighters. Members of the GFPF are employed by units of government throughout the state of Georgia. Detailed information about the benefits provided to members is available in the separately issued GFPF financial report which is publicly available.

Actuarial Assumptions:

The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was based on an actuarial valuation as of that date. The total pension liability in the actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	n/a
Investment rate of return	6.00%
Mortality rates	RP-2000 Employee Mortality Table

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

NOTE 10 – PENSION PLAN (CONTINUED)

The discount rate used to measure the total pension liability was 6.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Net Pension Liability:

On September 30, 2021, the City did not have a liability for proportionate share of the net pension liability of the GFPF because of the related support from the State of Georgia. The amount of the State's proportionate share of the net pension liability associated with the City was $563,295 as of September 30, 2021.

Pension Expense:

For the year ended September 30, 2021, the City recognized pension expense related to the GFPF of $134,581 and revenue of $134,581 for support provided by the State of Georgia.

NOTE 11 – DEFINED CONTRIBUTION PLAN

A defined contribution plan has been established for all full-time employees whereby they can contribute a portion of their salary up to the allowable annual contribution of $18,500. The City matches up to 5% of the employee's compensation. For the year ended September 30, 2021, the City contributed $323,740 to the plan.

NOTE 12 – JOINT VENTURES

Southwest Georgia Regional Commission

Under Georgia law, the City, in conjunction with other cities and counties in the eight county Southwest Georgia area, is a member of the Southwest Georgia Regional Commission and is required to pay annual dues thereto. During the year ended September 30, 2021, the City paid $15,632 in such dues.

Membership in the Commission is required by the Official Code of Georgia Annotated (OCGA), Section 50-8-34, which provides for the organizational structure of the Commission in Georgia. The Commission 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 a Commission. Separate financial statements may be obtained from:

Southwest Georgia Regional Commission
P.O. Box 346
Camilla, Georgia 31730

South Georgia Governmental Services Authority

The South Georgia Governmental Services Authority (SGGSA) was created by the South Georgia Governmental Services Authority Act (State of Georgia, House Bill 879) in March of 2001 for the purpose of providing governmental, proprietary and administrative services and facilities to the Cities of Moultrie, Camilla, Cairo, and Thomasville and other subdivisions, agencies and authorities within its area of operation. The SGGSA provides video, internet, telephony and telecom services under the trade name "CNS". Moultrie is a member of the SGGSA along with the cities of Camilla, Cairo and Thomasville, Georgia. SGGSA is accounted for as a joint venture with equity interests by the members and is recorded in the CNS Broadband enterprise fund. The fiscal year of the SGGSA ends December 31. These financial statements included Moultrie's share of SGGSA net income for the SGGSA fiscal year ended December 31, 2020, in the amount of $1,218,704. The investment has a carrying value of $3,519,969 on September 30, 2021, which is the amount of Moultrie's share of book value of the entity plus or minus capital contributions or distributions received from January 1, 2021 through September 30, 2021. The SGGSA board is made up of eight members, two appointed by each participating city for four-year terms.

Separate financial statements may be obtained from:

South Georgia Governmental Services Authority
P.O. Box 1676
Thomasville, GA 31799

NOTE 12 – JOINT VENTURES (CONTINUED)

Moultrie – Colquitt County Development Authority

The MCCDA board is made up of eleven members, four appointed by the County, four appointed by the City and three appointed by the previously appointed eight. The MCCDA is charged with promoting industry and the development of trade, by inducing manufacturing, industrial and commercial enterprises to locate in Moultrie and Colquitt County.

The Moultrie – Colquitt County Development Authority is supported by property tax revenues. Separate financial statements may be obtained from:

Moultrie – Colquitt County Development Authority
P.O. Box 487
Moultrie, Georgia 31776

NOTE 13 – RELATED ORGANIZATION

The City's governing body is responsible to all of the board appointments of the Moultrie Housing Authority. However, the City has no further accountability for this organization.

NOTE 14 – HOTEL/MOTEL TAX

The City has levied a 7% lodging tax. For the year ended September 30, 2021, $342,675 of hotel/motel tax was collected. Management represents that 100% of the lodging tax received during the year ended September 30, 2021 was used for the promotion of tourism, conventions, or trade shows.

NOTE 15 – RISK MANAGEMENT

The City is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and General Liability and Worker's Compensation

The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Worker's Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

NOTE 15 – RISK MANAGEMENT (CONTINUED)

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds and to report as promptly as possible and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the Worker's Compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after the entity of judgment and all expenses incurred for investigation, negotiation or defense.

Group Medical Benefits

The City is self-insured for group medical and dental benefits up to $50,000 annually per participant. The self-insurance program is administered by a third-party insurance service company. Administrative costs are allocated among the General Fund, Water and Sewer Fund, Electric Revenue Fund, Gas Revenue Fund, Solid Waste Fund, and the Airport Fund. Liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic social factors. The liability for claims payable is reported in the General Fund. The change in the balance of claim liabilities during the past two years is as follows:

	Unpaid Claims	
	2021	2020
Unpaid claims, beginning of year	143,591	140,033
Incurred claims (including IBNRs)	2,333,941	2,284,026
Claim payments	(2,059,799)	(2,280,468)
Unpaid claims, end of year	$ 417,733	$ 143,591

Settlements

During the year ended September 30, 2021, there were no significant reductions in insurance coverage from the prior year and there have been no settlements exceeding insurance coverage in the years ended September 30, 2019, 2020 and 2021.

NOTE 16 – COMMITMENTS AND CONTINGENCIES

Litigation

The City is involved in a number of legal matters, which either have or could result in litigation. The City has accrued amounts related to litigation where an outcome unfavorable to the City is probable and the amount can be estimated. In the opinion of the City attorney, the ultimate outcome of these contingencies will not have a material impact on the financial position of the City.

Grants from Governments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability to the applicable funds. The City expects such disallowed amounts, if any, would not have a material impact on the financial position of the City.

Agreements with the Municipal Electric Authority of Georgia

The Municipal Electric Authority of Georgia (MEAG) is a public corporation and an instrumentality of the State of Georgia created to supply electricity to local government electric distribution systems. As provided by State law, MEAG establishes rates and charges so as to produce revenues sufficient to cover its costs, including debt service, but it may not operate any of is projects for profit, unless any such profits inure to the benefit of the public.

As of September 30, 2021, the City is an electric utility participant in MEAG and obligated to purchase all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by the Authority. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each participating City has guaranteed a portion of the unpaid debt based on its individual entitlement shares of the output and services of generating units acquired to constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on KWH usage. The total payments under these contracts amounted to $16,306,031 in for the year ended September 30, 2021.

On September 30, 2021, the outstanding debt of MEAG was approximately $7.5 billion. The City's guarantee varies by individual projects undertaken by MEAG and total approximately $159.6 million on September 30, 2021.

NOTE 16 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Agreements with the Municipal Gas Authority of Georgia

The City has entered into a contract for the purchase of wholesale natural gas supplies and related services with the Municipal Gas Authority of Georgia (MGAG) that requires the City to purchase all of its natural gas from MGAG. The gas supply contract with MGAG authorizes MGAG to establish rates and charges so as to produce revenues sufficient to cover its operating costs and retire its bonds issued to acquire long-term gas supplies for sale to its members, including the City. In the event that revenues are insufficient to cover all costs and retire bonds issued by MGAG, the City is obligated to pay its obligation share of the costs of the gas supply and related services MGAG provides to the City, which costs include amounts equal to principal and interest on MGAG's bonds. These obligations, which extend through the year 2060, are general obligations of the City to which the City's full faith, credit and taxing powers are pledged. The City's obligation to MGAG for gas supply costs are based on MGAG costs to provide such supply, including bond issues to purchase long-term rights to bulk supply. The total payments under these contracts amounted to $1,497,476 for the year ended September 30, 2021.

On September 30, 2021, MGAG's bonds to which the City's obligation share is applicable were outstanding in the approximate principal amount of $158 million. The City's obligation share of that amount totals approximately $1.4 million on September 30, 2021.

NOTE 19 – COVID-19 AND SUBSEQUENT EVENTS

The COVID-19 pandemic developed rapidly in 2020 and continues into 2022, with a significant number of cases. Measures taken by various governments to contain the virus has affected economic activity. Depending on the duration of the COVID-19 crisis and continued negative impact on economic activity, the City could experience negative results and liquidity restraints. The exact impact on the City in the subsequent fiscal year cannot be predicted.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MOULTRIE
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	$ 3,588,164	$ 3,588,164	$ 3,767,225	$ 179,061
Other taxes	2,008,844	2,008,844	2,111,890	103,046
Licenses and permits	775,000	775,000	780,042	5,042
Fines and forfeitures	450,000	450,000	551,240	101,240
Intergovernmental	373,971	373,971	391,079	17,108
Charges for services	40,000	40,000	150,983	110,983
Reimbursement of damaged property	-	-	23,721	23,721
Contributions and donations	-	-	57,427	57,427
Investment income	75,000	75,000	217,115	142,115
Other revenues	225,000	225,000	65,902	(159,098)
Total revenues	7,535,979	7,535,979	8,116,624	580,645
Expenditures				
Current				
General government				
City council	823,477	1,179,093	1,112,750	(66,343)
City manager	254,032	258,849	200,290	(58,559)
Finance	391,948	401,881	382,705	(19,176)
Purchasing	66,560	67,822	60,297	(7,525)
Human resources	293,331	298,894	293,306	(5,588)
City hall	136,714	160,205	55,988	(104,217)
Facilities maintenance	204,031	207,901	193,257	(14,644)
Engineering	339,506	345,944	340,043	(5,901)
Total general government	2,509,599	2,920,589	2,638,636	(281,953)
Judicial				
Municipal court	373,061	450,136	393,056	(57,080)
Total judicial	373,061	450,136	393,056	(57,080)
Public safety				
Police	3,706,020	3,776,299	3,392,742	(383,557)
Fire	3,115,166	3,255,741	3,108,674	(147,067)
Total public safety	6,821,186	7,032,040	6,501,416	(530,624)
Public works				
Office of the director	383,812	391,090	367,208	(23,882)
Streets and sidewalks	1,290,480	1,440,480	1,256,701	(183,779)
Beautification	820,468	836,468	680,642	(155,826)
Total public works	2,494,760	2,668,038	2,304,551	(363,487)
Community development				
Planning and zonning	492,670	502,013	451,595	(50,418)
Total community development	492,670	502,013	451,595	(50,418)

CITY OF MOULTRIE
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts			Variance
	Original	Final	Actual Amounts	with Final Budget
Parks and Recreation				
Parks	-	-	-	-
Total parks and recreation	-	-	-	-
Debt service				
Principal	138,773	138,773	138,773	-
Interest	13,826	13,826	13,825	(1)
Total debt service	152,599	152,599	152,598	(1)
Total expenditures	12,843,875	13,725,415	12,441,852	(1,283,563)
Excess (deficiency) of revenus over expenditures				
Other Financing Sources (Uses)				
Proceeds from disposal of capital assets	-	-	184,194	184,194
Transfers, net	4,684,076	4,684,076	5,448,869	764,793
Total other financing sources (uses)	4,684,076	4,684,076	5,633,063	948,987
Net change in fund balances	(623,820)	(1,505,360)	1,307,835	2,813,195
Fund balances, beginning of year	14,810,756	14,810,756	14,810,756	-
Fund balances, end of year	$ 14,186,936	$13,305,396	$16,118,591	$ 2,813,195

Budget-to-Actual Reconciliation

An explanation of the difference between budgetary inflows and outflows and revenues and expenditures determine in accordance with generally accepted accounting principles are as follows:

Sources/inflows of resources:	
Actual amount (budgetary basis) of revenue from above	$ 8,116,624
Total revenues ans reported on the statement of revenues, expenditures, and changes in fund balances - govermental funds	$ 8,116,624
Uses/outflows of resources:	
Actual amounts (budgetary basis) "toal expenditures from above	$ 12,441,852
Difference - budget to GAAP:	
Capital expenditures funded with reserves from prior years:	
LMIG capital outlay	221,318
Parks and recreation capital outlay	40,341
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - govermental funds	$ 12,703,511

CITY OF MOULTRIE
BUDGETARY COMPARISON SCHEDULE – ARP FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts Original and Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget
Revenues			
Intergovernmental	$ 2,653,452	$ 2,653,452	$ -
Total revenues	2,653,452	2,653,452	-
Expenditures			
Current:	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over expenditures	2,653,452	2,653,452	-
Other financing sources (uses)			
Transfers	(2,653,452)	(379,426)	2,274,026
Net change in fund balance	-	2,274,026	(2,274,026)
Fund balance, beginning of year	-	-	-
Fund balance, end of year	$ -	$ 2,274,026	$ (2,274,026)

CITY MOULTRIE
SCHEDULE OF CHANGES IN GMEBS NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN YEARS*
SEPTEMBER 30, 2021

	2021	2020	2019	2018	2017	2016
Year Ended September 30						
Total Pension Liability						
Service cost	$ -	$ -	$ -	$ 293,623	$ 618,598	$ 637,338
Expected interest growth	867,908	842,108	800,188	979,243	968,914	991,563
Demographic experience	(94,428)	775,807	1,178,243	(138,722)	(87,072)	(1,023,159)
Benefit payments	(1,128,179)	(1,140,237)	(1,184,596)	(882,473)	(853,317)	(1,019,237)
Changes in benefit terms	-	-	-	(3,903,182)	-	(438)
Assumption changes	(40,980)	-	-	578,536	-	-
Net Change in total pension liability	(395,679)	477,678	793,835	(3,072,975)	647,123	(413,933)
Total Pension Liability						
Beginning	17,060,204	16,582,526	15,788,691	18,861,666	18,214,543	18,628,476
Ending	16,664,525	17,060,204	16,582,526	15,788,691	18,861,666	18,214,543
Plan fiduciary net position						
Contributions - employer	170,141	316,844	227,628	84,313	372,201	329,067
Contributions - employee	-	-	-	51,771	224,604	257,851
Expected interest growth	658,868	665,633	685,314	689,403	668,516	647,195
Unexpected investment income	1,388,553	99,810	(157,342)	206,005	141,019	138,195
Administrative expenses	-	(8,780)	(14,786)	(11,798)	(34,012)	(27,721)
Benefit payments	(1,128,179)	(1,140,237)	(1,184,596)	(882,473)	(853,317)	(1,019,237)
Net change in plan fiduciary net position	1,089,383	(66,730)	(443,782)	137,221	519,011	325,350
Plan fiduciary net position						
Beginning	13,022,758	13,089,488	13,533,270	13,396,049	12,877,038	12,551,833
Ending	14,112,141	13,022,758	13,089,488	13,533,270	13,396,049	12,877,183
Net pension liability - ending	$ 2,552,384	$ 4,037,446	$ 3,493,038	$ 2,255,421	$ 5,465,617	$ 5,337,360
Plan fiduciary net position as a % of total pension liability	84.68%	76.33%	78.94%	85.70%	71.02%	70.70%
Covered-employee payroll	$ 4,022,247	$ 4,147,176	$ 4,377,466	$ 4,922,494	$ 4,836,938	$ 5,044,899
Net pension liability as a % of covered employee payroll	63.5%	97.4%	79.8%	45.8%	113.0%	105.8%

CITY OF MOULTRIE
SCHEDULE OF CHANGES IN GMEBS NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN YEARS*
SEPTEMBER 30, 2021

Notes to Schedule

*Year 2015 was the 1st year of implementation; therefore, only six years are shown.

CITY OF MOULTIRE
SCHEDULE OF GMEBS RETIREMENT PLAN CONTRIBUTIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 170,141	$ 316,844	$ 227,628	$ 84,313	$ 372,201	$ 329,067
Contribution in relation to the actuarially determined contribution	$ 273,310	$ 250,495	$ 135,000	$ 189,682	$ 152,555	$ 329,067
Contribution deficiency (excess)	$ (103,169)	$ 66,349	$ 92,628	$ (105,369)	$ 219,646	$ -
Covered-employee payroll	$ 4,022,247	$ 4,147,176	$ 4,377,466	$4,922,494	$ 4,836,938	$5,044,899
Contribution as a % of covered employee payroll	4.23%	7.64%	5.20%	1.71%	7.69%	6.52%

Notes to the Schedule

(1) Actuarial assumptions

Valuation date	October 1, 2020
Actuarial cost method	Entry age
Actuarial asset valuation method	Market value of assets
Assumed rate of retun on investments	3.25%
Projected salary increases	3.25%
Inflation rate	2.00%
Amortization method	20 years level

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

CITY OF MOULTIRE
SCHEDULE OF GFPF COLLECTIVE NET PENSION AND EMPLOYER LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Used for the year ended September 30	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State of Georgia's proportionate share of the net pension liability (asset) associated with the City	$ 563,295	$ 412,821	$ 393,285	$ 418,022	$ 628,257	$ 468,885	$ 264,420
City's covered-employee payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll entity's porportionate share of collective	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Plan fiduciary net position as a percentage of the total pension liability (asset)	80.82%	84.67%	83.95%	83.74%	79.03%	83.06%	89.72%

** The State makes all contributions to the plan on behalf of employees of the particpating employers. The proportionate share percentage has been determined based on these contributions.

CITY OF MOULTIRE
SCHEDULE OF POABF NET PENSION AND EMPLOYER LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Used for the year ended September 30	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State of Georgia's proportionate share of the net pension liability (asset) associated with the City	$ 4,220	$ (7,171)	$ (3,222)	$ (2,778)	$ 17,973	$ 3,780	Unknown
City's covered-employee payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll entity's porportionate share of collective	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Plan fiduciary net position as a percentage of the total pension liability (asset)	98.36%	102.93%	101.79%	101.62%	92.18%	98.28%	103.75%

** The State makes all contributions to the plan on behalf of employees of the particpating employers. The proportionate share percentage has been determined based on these contributions.

COMBINING AND INDIVIDUAL FUND SCHEDULES

CITY OF MOULTIRE
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE
OTHER GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	Special Revenue Funds			Capital Projects Funds				Total
	Confiscated Assets	Multiple Grants	Hotel Motel Tax	Paving Program	SPLOST	T-SPLOST	Community Development	Governmental Funds
ASSETS								
Restricted cash/cash equivalents	$ 20,600	$ 100	$279,799	$ -	$3,754,134	$4,972,569	$173,615	$ 9,200,817
Intergovernmental receivables	-	42,264	-	-	163,276	151,025	-	356,565
Prepaid expenses	-	-	1,184	-	-	-	-	1,184
Due from other funds	-	26,253	801	196	-	-	3,756	31,006
Program receivables	-	-	-	-	-	-	6,495	6,495
Total assets	$ 20,600	$ 68,617	$281,784	$ 196	$3,917,410	$5,123,594	$183,866	$ 9,596,067
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts payable	$ -	$ 42,264	$ 6,375	-	$ -	$ -	126	$ 48,765
Accrued expenses	-	-	4,376	-	-	-	-	4,376
Due to other funds	100	1,077	4,548	100	-	-	-	5,825
Total liabilities	100	43,341	15,299	100	-	-	126	58,966
Fund balance:								
Nonspendable:								
Prepaid expenses	-	-	1,184	-	-	-	-	1,184
Restricted for:								
Community development	-	25,276	265,301	96	-	-	183,740	474,413
Public safety	20,500	-	-	-	-	-	-	20,500
Capital projects	-	-	-	-	3,917,410	5,123,594	-	9,041,004
Total fund balances	20,500	25,276	266,485	96	3,917,410	5,123,594	183,740	9,537,101
Total liabilities and fund balance	$ 20,600	$ 68,617	$281,784	$ 196	$3,917,410	$5,123,594	183,866	$ 9,596,067

CITY OF MOULTRIE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
OTHER GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue Funds			Capital Projects Funds				Total
	Confiscated Assets	Multiple Grants	Hotel Motel Tax	Paving Program	SPLOST	T-SPLOST	Community Development	Governmental Funds
REVENUES								
Taxes	$ -	$ -	$ 342,675	$ -	$ -	$ -	$ -	$ 342,675
Fines, foreitures and fees	-	-	-	-	-	-	-	-
Charges for services	-	-	49	-	-	-	-	49
Intergovernmental	-	127,532	23,500	-	1,948,137	1,837,411	-	3,936,580
Investment income	11	-	-	-	3,285	4,162	347	7,805
Other revenues	-	-	35,092	-	103,364	-	-	138,456
Total revenues	11	127,532	401,316	-	2,054,786	1,841,573	347	4,425,565
EXPENDITURES								
Current:								
Public safety	2,715	-	-	-	-	-	-	2,715
Community development	-	127,686	395,065	-	-	-	33,711	556,462
Capital outlays:								
Public safety	1,442	17,160	-	-	759,517	-	-	778,119
Public works	-	-	-	-	52,353	270,168	-	322,521
Parks and recreation	-	-	-	-	63,118	-	-	63,118
Community development	-	-	-	-	-	-	270,791	270,791
Debt service:								
Public works	-	-	-	-	411,788	-	-	411,788
Total expenditures	4,157	144,846	395,065	-	1,286,776	270,168	304,502	2,405,514
Excess (deficiency) of revenues over (under) expenditures	(4,146)	(17,314)	6,251	-	768,010	1,571,405	(304,155)	2,020,051
OTHER FINANCING SOURCES (USES)								
Transfers	-	-	45,000	-	-	-	-	45,000
Total other financing sources (uses)	-	-	45,000	-	-	-	-	45,000
Net change in fund balances	(4,146)	(17,314)	51,251	-	768,010	1,571,405	(304,155)	2,065,051
Fund balances - beginning	24,646	42,590	215,234	96	3,149,400	3,552,189	487,895	7,472,050
Fund balances - ending	$ 20,500	$ 25,276	$ 266,485	$ 96	$ 3,917,410	$ 5,123,594	$ 183,740	9,537,101

CITY OF MOULTRIE
BUDGETARY COMPARISON SCHEDULE – CONFISCATED ASSETS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts Original and Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget
Revenues			
Investment income	$ 11	$ 11	$ -
Total revenues	11	11	-
Expenditures			
Current:			
Public safety	2,715	2,715	-
Total expenditures	2,715	2,715	-
Excess (deficiency) of revenues over expenditures	(2,704)	(2,704)	-
Fund balance, beginning of year	24,646	24,646	-
Fund balance, end of year	$ 21,942	$ 21,942	$ -

CITY OF MOULTRIE
BUDGETARY COMPARISON SCHEDULE – MULTIPLE GRANTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts Original and Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget
Revenues			
Intergovernmental	$ 127,532	$ 127,532	$ -
Total revenues	127,532	127,532	-
Expenditures			
Current:			
Community development	127,686	127,686	-
Capital outlay:			
Public safety	17,160	17,160	-
Total expenditures	144,846	144,846	-
Excess (deficiency) of revenues over expenditures	(17,314)	(17,314)	-
Fund balance, beginning of year	42,590	42,590	-
Fund balance, end of year	$ 25,276	$ 25,276	$ -

CITY OF MOULTRIE
BUDGETARY COMPARISON SCHEDULE – HOTEL/MOTEL TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts Original and Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget
Revenues			
Taxes	$ 300,000	$ 342,675	$ 42,675
Intergovernmental	15,000	23,500	8,500
Charges for services	5,000	49	(4,951)
Other revenues	16,500	35,092	18,592
Total revenues	336,500	401,316	64,816
Expenditures			
Current:			
Community development	380,900	395,065	14,165
Total expenditures	380,900	395,065	14,165
Excess (deficiency) of revenues over expenditures	(44,400)	6,251	50,651
Other financing sources (uses)			
Transfers	45,000	45,000	-
Net change in fund balance	600	51,251	50,651
Fund balance, beginning of year	215,234	215,234	-
Fund balance, end of year	$ 215,834	$ 266,485	$ 50,651

CITY OF MOULTRIE
STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Gas Fund	Utilities Deposit Fund	CNS Broadband Fund	Solid Waste Fund	Mass Transit Fund	Airport Fund	Total
ASSETS							
Current assets:							
Cash and cash equivalents	$ 2,320,837	$ -	$1,107,181	$ -	$ 32,618	$ -	$ 3,460,636
Accounts receivable, net	271,373	5,427	274,080	157,051	625	1,622	710,178
Due from other funds	1,196,463	912,840	39,633	3,554,529	-	464,386	6,167,851
Inventories	58,547	-	-	-	-	-	58,547
Prepaid insurance	6,292	-	-	28,639	-	8,218	43,149
Total current assets	3,853,512	918,267	1,420,894	3,740,219	33,243	474,226	10,440,361
Noncurrent assets:							
Investment in SGGSA	-	-	2,706,367	-	-	-	2,706,367
Capital assets:							
Land	16,786	-	-	-	-	-	16,786
Construction in progress	-	-	-	-	-	-	-
Other capital assets, net of accumulated depreciation	410,685	-	-	1,705,473	1,340,449	711,784	4,168,391
Total noncurrent assets	427,471	-	2,706,367	1,705,473	1,340,449	711,784	6,891,544
Total assets	4,280,983	918,267	4,127,261	5,445,692	1,373,692	1,186,010	17,331,905
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows from pensions	110,313	-	-	394,078	-	-	504,391
Total deferred inflows of resources	110,313	-	-	394,078	-	-	504,391
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 4,391,296	$ 918,267	$4,127,261	$ 5,839,770	$ 1,373,692	$ 1,186,010	$ 17,836,296

CITY OF MOULTRIE
STATEMENT OF NET POSITION (CONTINUED)
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Gas Fund	Deposit Fund	Broadband Fund	Waste Fund	Transit Fund	Airport Fund	Total
LIABILITIES							
Current liabilities payable from current assets:							
Accounts payable	$ 141,371	$ 57,901	$ 61,745	$ 107,903	$ -	$ 37,833	$ 406,753
Accrued expenses	6,990	-	-	16,393	-	-	23,383
Current portion of long-term debt	-	-	-	95,803	-	-	95,803
Customer deposits	-	875,072	14,371	-	-	5,368	894,811
Unearned revenue	-	9,292	-	-	-	-	9,292
Due to other governments	-	-	379,430	-	-	-	379,430
Due to other funds	1,412,495	-	48,068	1,018,755	8,259	58,945	2,546,522
Total current liabilities payable from current assets	1,560,856	942,265	503,614	1,238,854	8,259	102,146	4,355,994
Long-term liabilities:							
Long-term debt	-	-	-	209,757	-	-	209,757
Net pension liability	79,379	-	-	283,569	-	-	362,948
Total long-term liabilities	79,379	-	-	493,326	-	-	572,705
Total liabilities	1,640,235	942,265	503,614	1,732,180	8,259	102,146	4,928,699
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows from pensions	61,564	-	-	219,930	-	-	281,494
Total deferred inflows of resources	61,564	-	-	219,930	-	-	281,494
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,701,799	942,265	503,614	1,952,110	8,259	102,146	5,210,193
NET POSITION:							
Net investment in capital assets	427,471	-	-	1,399,913	1,340,449	711,784	3,879,617
Unrestricted	2,262,026	(23,998)	3,623,647	2,487,747	24,984	372,080	8,746,486
Total net position	$ 2,689,497	$ (23,998)	$3,623,647	$ 3,887,660	$ 1,365,433	$ 1,083,864	$ 12,626,103

CITY OF MOULTRIE
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION – NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Gas Fund	Utilities Deposit Fund	CNS Broadband Fund	Solid Waste Fund	Mass Transit Fund	Airport Fund	Total
OPERATING REVENUES							
Utility revenue	$ 2,934,016	$ -	$ -	$ 2,697,960	$ -	$ -	$ 5,631,976
Income from joint venture	-	-	1,218,704	-	-	-	1,218,704
Intergovernmental	-	-	-	-	-	810,909	810,909
Other revenues	9,796	-	121	6,423	10,299	132,558	159,197
Total operating revenues	2,943,812	-	1,218,825	2,704,383	10,299	943,467	7,820,786
OPERATING EXPENSES							
Personnel costs	356,433	-	3,424	756,824	-	-	1,116,681
Operating, administrative, and maintenance	1,713,415	-	238,269	1,364,133	3,776	952,934	4,272,527
Depreciation	88,777	-	-	253,684	54,720	88,391	485,572
Total operating expenses	2,158,625	-	241,693	2,374,641	58,496	1,041,325	5,874,780
Operating income (loss)	785,187	-	977,132	329,742	(48,197)	(97,858)	1,946,006
NONOPERATING REVENUE (EXPENSES)							
Gains (loss) on disposal of capital assets	-	-	-	11,933	-	-	11,933
Interest income	2,553	-	-	-	-	-	2,553
Interest expense	-	-	(69)	(8,735)	-	-	(8,804)
Total nonoperating revenue (expenses)	2,553	-	(69)	3,198	-	-	5,682
Income (loss) before transfers	787,740	-	977,063	332,940	(48,197)	(97,858)	1,951,688
Transfers	(388,671)	-	(368,864)	(417,543)	-	(4,433)	(1,179,511)
Change in net position	399,069	-	608,199	(84,603)	(48,197)	(102,291)	772,177
Net position (deficit), beginning of year	2,290,428	(23,998)	3,015,448	3,972,263	1,413,630	1,186,155	11,853,926
Net position (deficit), end of year	$ 2,689,497	$ (23,998)	$3,623,647	$ 3,887,660	$1,365,433	$ 1,083,864	$ 12,626,103

CITY OF MOULTRIE
STATEMENTS OF CASH FLOWS – NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Gas Fund	Utilities Deposit Fund	CNS Broadband Fund	Solid Waste Fund	Mass Transit Fund	Airport Fund	Total
CASH FLOW FROM OPERATING ACTIVITIES							
Receipts from customers and users	$2,870,631	$ (138,588)	$ -	$2,674,934	$ 9,674	$ 941,844	$6,358,495
Other receipts	-	-	23,360	-	-	-	23,360
Payments to employees (or for their benefit) for services provided	(349,118)	-	(3,424)	(730,690)	-	-	(1,083,232)
Payments to suppliers for goods or services	(1,666,282)	11,564	(229,181)	(1,329,202)	(3,777)	(947,453)	(4,164,331)
Intergovernmental receipts (payments)	1,650,903	127,024	(2,216)	324,051	-	92,133	2,191,895
Net cash provided (used) by operating activities	2,506,134	-	(211,461)	939,093	5,897	86,524	3,326,187
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES							
Transfers to other funds	(388,671)	-	(368,864)	(417,543)	-	(4,433)	(1,179,511)
Net cash provided (used) by noncapital financing activities	(388,671)	-	(368,864)	(417,543)	-	(4,433)	(1,179,511)
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from disposal of capital assets	-	-	-	11,932	-	-	11,932
Acquisition and construction of capital assets	(19,900)	-	-	(507,390)	-	(82,091)	(609,381)
Proceeds from issurance of long-term debt	-	-	-	179,847	-	-	179,847
Principal paid on capital debt	-	-	-	(197,204)	-	-	(197,204)
Interest paid on capital debt/other	-	-	(69)	(8,735)	-	-	(8,804)
Net cash provided (used) by capital and related financing activities	(19,900)	-	(69)	(521,550)	-	(82,091)	(623,610)
CASH FLOWS FROM INVESTING ACTIVITIES							
Distributions received from joint venture	-	-	586,166	-	-	-	586,166
Interest income	2,553	-	-	-	-	-	2,553
Net cash provided by investing activities	2,553	-	586,166	-	-	-	588,719
Net increase in cash	2,100,116	-	5,772	-	5,897	-	2,111,785
Balances - beginning	220,721	-	1,101,409	-	26,720	-	1,348,850
Balances - ending	$2,320,837	$ -	$ 1,107,181	$ -	$ 32,617	$ -	$3,460,635

CITY OF MOULTRIE
STATEMENTS OF CASH FLOWS – NONMAJOR ENTERPRISE FUNDS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Gas Fund	Utilities Deposit Fund	CNS Broadband Fund	Solid Waste Fund	Mass Transit Fund	Airport Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
Operating income (loss)	$ 785,187	$ -	$ 977,132	$ 329,742	$ (48,197)	$ (97,858)	$1,946,006
Adjustments to reconcile operating income to net cash provided by operating activities:							-
Depreciation expense	88,777	-	-	253,684	54,720	88,391	485,572
Noncash increase in investment in joint venture	-	-	(1,219,482)	-	-	-	(1,219,482)
Change in assets and liabilities:							
Receivables, net	(73,181)	3,786	24,160	(29,449)	(625)	(1,622)	(76,931)
Prepaid expense	(773)	-	-	(7,619)	-	(1,776)	(10,168)
Due to/from other funds	1,650,903	(127,024)	(2,216)	324,051	(1)	92,133	1,937,846
Customer deposits	-	36,545	(143)	-	-	(1)	36,401
Pension related balances	7,315	-	-	26,134	-	-	33,449
Accounts payable and accrued expenses	41,335	86,693	9,088	42,550	-	7,257	186,923
Inventory	6,571	-	-	-	-	-	6,571
Net cash provided by operating activities	$2,506,134	$ -	$ (211,461)	$ 939,093	$ 5,897	$ 86,524	$3,326,187

Non-cash activity: capital assets were disposed of with costs of $774,784 and $1,333,534 and accumulated depreciation of $774,443 and $1,333,534, in the Gas Fund and Solid Waste Fund, respectively. In the CNS Broadband Fund non-cash income of $1,219,482 was received which increased the City's investment in SGGSA joint venture.

STATE COMPLIANCE SECTION

CITY OF MOULTRIE
ONE PERCENT SPECIAL PURPOSE SALES TAX
PROJECT COST SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Project	Original Estimated Cost	Expenditures Prior Years	Expenditures Current Period	Expenditures Total	Estimated Percent Completed
SPLOST - 2013 Issue					
Referendum Expenditures:					
Wastewater treatment	$ 7,891,000	$ 6,447,913	$ 411,788	$ 6,859,701	
Road, bridge and drainage*	2,000,000	1,717,380	31,873	1,749,253	
Joint project - City of Moultrie recreational facilities	1,500,000	1,329,939	63,118	1,393,057	
Totals	$11,391,000	$ 9,495,232	$ 506,779	$10,002,011	87.81%

* The beginning balance has been corrected by $779.

CITY OF MOULTRIE
ONE PERCENT SPECIAL PURPOSE SALES TAX (CONTINUED)
PROJECT COST SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Project	Original Estimated Cost	Expenditures Prior Years	Expenditures Current Period	Expenditures Total	Estimated Percent Completed
SPLOST - 2019 Issue					
Referendum Expenditures:					
Utility infrastructure improvements	$ 870,000	$ -	$ -	$ -	
Public safety:					
Relocation of fire station #2	1,500,000	-	14,400	14,400	
Fire Dept. ladder truck/vehicles	565,000	30,205	531,415	561,620	
Police Dept. vehicles	385,000	143,248	190,948	334,196	
Certified Police Dept. firing range	50,000	4,500	22,754	27,254	
Other infrastructure improvements:					
Streets*	1,250,000	178,146	(82,884)	95,262	
Storm drainage	1,250,000	-	-	-	
Sidewalks	1,000,000	-	-	-	
Traffic control	100,000	-	-	-	
Streetscape	560,000	-	-	-	
Spence Field	500,000	-	-	-	
Public works:					
Equipment	867,376	-	-	-	
Totals	$ 8,897,376	$ 356,099	$ 676,633	$ 1,032,732	11.61%

* Expenditures of $20,480 net of a contribution from a nongovermental entity in the amount of $103,364 reimbursing street improvements.

CITY OF MOULTRIE
ONE PERCENT SPECIAL PURPOSE SALES TAX (CONTINUED)
PROJECT COST SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Project	Original Estimated Cost	Expenditures Prior Years	Expenditures Current Period	Expenditures Total	Estimated Percent Completed
TSPLOST - 2017 Issue					
Referendum Expenditures:					
Streets, resurfacing, repairs, utility relocation	$ 3,112,033	$ -	$ -	$ -	
Culvert, bridge, drainage	2,385,000	-	-	-	
Railroad, school traffic, striping, roundabout	450,000	7,180	-	7,180	
Street equipment	$ 1,452,000	95,277	270,168	365,445	
Totals	$ 7,399,033	$ 102,457	$ 270,168	$ 372,625	5.04%

Prepared on the modified accrual basis of accounting.

FEDERAL COMPLIANCE SECTION

VALENTI, RACKLEY
& ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Moultrie, Georgia ("the City"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise City's basic financial statements and have issued our report thereon dated September 29, 2022.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control that we consider to be material weaknesses. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2021-001 and 2021-002 to be material weaknesses.

208 W. Park Ave., Valdosta, GA 31602 Telephone: 229-247-8005, Fax: 229-247-8998

Compliance and Other Matters

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

The City's Response to Findings

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

Purpose of this Report

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

Respectfully submitted,

Valenti, Rackley & Assoc., LLC

Valenti, Rackley & Associates, LLC
Certified Public Accountants

September 29, 2022

CITY OF MOULTRIE
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

2021-001

Criteria: Proper segregation of accounting functions strengthens internal controls.

Condition: Inadequate segregation of accounting duties among personnel. Certain functions are not segregated.

Cause: Limited staff size

Effect: Increased risk of misstatement or fraud

Recommendation: We recommend that increased management oversight of the accounting function be utilized to mitigate risk.

Management Response: See management's Corrective Action Plan.

2021-002

Criteria: General ledger accounts should be reconciled to supporting documentation.

Condition: During the performance of our audit engagement procedures, we noted some balance sheet accounts had not be adjusted or reconciled to supporting records.

Cause: The City's yearend process does not adequately address the need to review and reconcile significant balance sheet accounts to ensure that they are in agreement with supporting records and are recorded in accordance with generally accepted accounting principles.

Effect: Various general ledger account balances required adjustments.

Recommendation: We recommend that management develop procedures, such as a yearend checklist, and assign responsibilities that ensure balances agree to supporting records at the end of the reporting period.

Management Response: See management's Corrective Action Plan.

2021-003

Criteria: Budgets are legally adopted spending limits and expenditures should be held to these limits.

Condition: Expenditures exceeded budget in the Hotel/Motel Tax Fund by $14,165.

Cause: Expenditures were not held to the legally adopted spending limits.

Effect: The City was not in compliance with state requirements that expenditures be held to legally adopted limits.

Recommendation: Expenditures should be held to legally adopted limits, or the budget should be amended if necessary.

Management Response: See management's Corrective Action Plan.

CITY OF MOULTRIE
STATUS OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Audit Reference Number	
2020-001	Unable to be corrected, recited as 2021-001
2020-002	Partially corrected, recited as 2021-002