CITY OF SANDERSVILLE, GEORGIA

ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2022

City of Sandersville, Georgia
Annual Financial Report
For The Year Ended December 31, 2022

TABLE OF CONTENTS

Financial Section

Independent Auditor's Report 1-3

Management's Discussion and Analysis (Unaudited) 4-13

Basic Financial Statements

Government-wide Financial Statements:
Statement of Net Position 14
Statement of Activities 15

Fund Financial Statements:

Governmental Funds:
Balance Sheet 16
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position 17
Statement of Revenues, Expenditures and Changes in Fund Balances 18
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-wide Statement of Activities 19

Proprietary Funds:
Statement of Net Position 20
Statement of Revenues, Expenses, and Changes in Fund Net Position 21
Statement of Cash Flows 22-23

Notes to the Basic Financial Statements 24-52

Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – *General Fund* 53
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – *ARPA Fund* 54
Schedule of Changes in Net Pension Liability and Related Ratios 55
Schedule of Contributions 56
Schedule of Changes in OPEB Liability & Related Notes 57

Supplemental Information:

Combining and Individual Fund Statements and Schedules:

Governmental Funds:

Nonmajor Governmental Funds:
Combining Balance Sheet – By Fund Type 58
Combining Statement of Revenues, Expenditures and Changes in

Fund Balances – By Fund Type 59

Major *General Fund*:
Comparative Balance Sheet 60
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances 61
Schedule of Revenues – Budget and Actual 62
Schedule of Expenditures – Budget and Actual 63-66

Major *Special Revenue Fund – ARPA Fund*:
Comparative Balance Sheet 67
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances 68

Nonmajor Special Revenue Funds:
Combining Balance Sheet 69
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 70

Special Revenue Funds:
Hotel-Motel Tax Fund
Comparative Balance Sheet 71
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual 72
Confiscated Assets Fund
Comparative Balance Sheet 73
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual 74

Major Capital Projects Fund
T-SPLOST Fund
Comparative Balance Sheet 75
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances 76
2013 SPLOST Fund
Comparative Balance Sheet 77
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances 78
2019 SPLOST Fund
Comparative Balance Sheet 79
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances 80
CDBG 2017 Fund
Comparative Balance Sheet 81
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances 82

Nonmajor Capital Projects Funds:
Combining Balance Sheet 83
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 84
CHIP 2018 Fund
Comparative Balance Sheet 85
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances 86

Proprietary Funds

Enterprise Funds:
Major Enterprise Funds

Water and Sewerage Fund
Comparative Statement of Net Position 87
Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position 88
Comparative Statement of Cash Flows 89-90

Electrical Fund
Comparative Statement of Net Position 91
Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position 92
Comparative Statement of Cash Flows 93-94

Telecom Fund
Comparative Statement of Net Position 95
Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position 96
Comparative Statement of Cash Flows 97-98

Solid Waste Fund
Comparative Statement of Net Position 99
Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position 100
Comparative Statement of Cash Flows 101-102

Additional Supplementary Information

Schedule of Special Purpose Local Option Sales Tax 103

Single Audit Section

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 104-105
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance 106-107
Schedule of Expenditures of Federal Awards 108
Notes to Schedule of Expenditures of Federal Awards 109
Schedule of Findings and Questioned Costs 110-111

WRIGHT & WRIGHT, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
130 NORTH HARRIS STREET • POST OFFICE BOX 1014
SANDERSVILLE, GEORGIA 31082

CLYDE K. WRIGHT, CPA
BRIAN K. WRIGHT, CPA

Telephone (478) 552-6146
Facsimile (478) 552-6158

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council
City of Sandersville, Georgia

Opinions

We have audited the accompanying 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 Sandersville, Georgia, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City of Sandersville, Georgia'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 discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Sandersville, Georgia, as of December 31, 2022, 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 ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*. 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 of Sandersville, Georgia, 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 of Sandersville, Georgia'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.

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 GAAS 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 GAAS 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 of Sandersville, Georgia'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 of Sandersville, Georgia'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 4-13) and budgetary comparison for the General and ARPA Funds, the Schedule of Changes in the City's Net Pension Liability and Related Ratios, Schedule of Employer Contributions and the Schedule of Changes in the City's OPEB Liability & Related Notes (on pages 53- 57) 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 of Sandersville, Georgia's basic financial statements The accompanying combining and individual nonmajor fund financial statements and schedules, the Schedule of Expenditures of Federal Awards as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* the schedule of projects constructed with special sales tax proceeds and the other schedules included in other supplementary information as described in the accompanying table of contents, are presented for the purpose 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 and schedules, the Schedule of Expenditures of Federal Awards, the schedule of projects constructed with special sales tax proceeds and the other schedules included in other supplementary information as described in the accompanying table of contents 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 issued our report dated June 28, 2023 on our consideration of the City of Sandersville, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 of Sandersville, Georgia'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 the City of Sandersville, Georgia's internal control over financial reporting and compliance.

Wright & Wright, P.C.

Sandersville, Georgia
June 28, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City of Sandersville, Georgia (the City) annual financial report, the City's management is pleased to provide this narrative discussion and analysis of the financial activities of the City for the fiscal year ended December 31, 2022. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures follow this section.

Financial Highlights

,

- The City's assets exceeded its liabilities by $46,759,863 (net position) for the fiscal year reported.

- Total net position is comprised of the following:

  (1) Net investment in capital assets, of $17,992,177 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  (2) Net position of $3,650,566 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
  (3) Unrestricted net position of $25,117,120 represents the portion available to maintain the City's continuing obligations to citizens and creditors.

- The City's governmental funds reported total ending fund balance of $4,494,400 this year. This compares to the prior year ending fund balance of $3,503,889 showing an increase of $990,511 during the current year. Unassigned fund balance of $2,881,376 at December 31, 2022 shows a $1,025,130 increase from the prior year of $1,856,246.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $ 2,881,406 or 38.2% of total General Fund expenditures, as compared to 31.5% at December 31, 2021.

- Overall, the City continues to maintain a strong financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The City also includes in this report additional information to supplement the basic financial statements. Comparative data is presented when available and feasible.

Government-wide Financial Statements

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

The first of these government-wide statements is the *Statement of Net Position.* This is the government-wide statement of position presenting information that includes all of the City's assets and liabilities, with the difference reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall health of the City would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of City infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City that are principally supported by sales taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, judicial, public safety, public works, health and welfare, culture and recreation and housing and development. Business-type activities include the water and sewer systems, electrical system, sanitation and telecom.

The government-wide financial statements are presented on pages 14 & 15 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The City has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 16 - 19 of this report.

Individual fund information for nonmajor governmental funds is found in a later section of this report.

The *Proprietary funds* are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City's proprietary funds are classified as enterprise funds. These enterprise funds essentially encompasses the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the City organization for these funds. The basic enterprise fund financial statements are presented on pages 20 - 23 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 24 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI) concerning the City's budget presentations. Budgetary comparison statements are included as "required supplementary information" for the general fund. Also included are notes to the RSI.

Supplementary Information

Combining statements for nonmajor governmental funds and budgetary comparison schedules for the nonmajor special revenue and debt service funds can be found in the supplementary information.

Note that because of some reclassifications in this fiscal year from last fiscal year, it is difficult to explain some comparisons.

Financial Analysis of the City as a Whole

The City's net position at fiscal year-end is $46,759,863 as compared to $44,434,097 at December 31, 2021. The following table provides a summary of the City's net position:

Summary of Net Position

	Governmental Activities		Business-type Activities		Total		Percentage
	2022	2021	2022	2021	2022	2021	of Total
Assets:							
Current assets	$ 6,297,496	$ 4,494,595	$ 29,081,981	$ 27,102,758	$ 35,379,477	$ 31,597,353	49%
Capital assets	12,055,887	10,565,927	24,557,851	24,314,929	36,613,738	34,880,856	51%
Deferred outflows	12,706	261,172	-	-	12,706	261,172	0%
Total assets	18,366,089	15,321,694	53,639,832	51,417,687	72,005,921	66,739,381	100%
Liabilities:							
Current liabilities	2,002,228	1,098,936	4,118,474	2,043,352	6,120,702	3,142,288	24%
Long-term liabilities	1,777,391	871,880	16,358,871	17,000,515	18,136,262	17,872,395	72%
Deferred inflows	989,094	1,290,601	-	-	989,094	1,290,601	4%
Total liabilities	4,768,713	3,261,417	20,477,345	19,043,867	25,246,058	22,305,284	100%
Net position:							
Net investment in capital assets	10,434,257	10,026,137	7,557,920	6,690,892	17,992,177	16,717,029	38%
Restricted	1,547,295	1,592,939	2,103,271	2,440,391	3,650,566	4,033,330	8%
Unrestricted	1,615,824	441,201	23,501,296	23,242,537	25,117,120	23,683,738	54%
Total net position	$ 13,597,376	$ 12,060,277	$ 33,162,487	$ 32,373,820	$ 46,759,863	$ 44,434,097	100%

The City continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 3.1 to 1 as compared to 4.1 to 1 at December 31, 2021. The current ratio for business-type activities is 7.1 to 1 as compared to 13.3 to 1 at December 31, 2021.

The City reported positive balances in net position for both governmental and business-type activities. Net position increased $1,766,835 or 14.7% for governmental activities, and increased $788,667 or 2.4% for business-type activities. The City's overall financial position increased by $2,555,502 or 5.8% during fiscal year 2022.

Note that 76.7% of the governmental activities' net position is tied up in capital. The City uses these capital assets to provide services to its citizens. However, in business type activities, the City has spent 22.8% of its net position on capital. Capital

assets in the business-type activities provide utility services, but they also generate revenues for this fund. 38.5% of the City's total net position is included in capital assets. The following is a summary of changes in net position:

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program:						
Charges for services & fines	$ 385,858	$ 416,072	$ 43,672,388	$ 22,667,020	44,058,246	23,083,092
Operating grants	933,045	825,821	-	-	933,045	825,821
Capital grants	1,109,741	663,852	-	131,724	1,109,741	795,576
General:	-	-			-	-
Taxes	5,790,693	4,729,346	-	-	5,790,693	4,729,346
Other	105,083	18,105	184,791	3,978	289,874	22,083
Total revenues	8,324,420	6,653,196	43,857,179	22,802,722	52,181,599	29,455,918
Program Expenses:						
General government	1,069,017	974,678	-	-	1,069,017	974,678
Judicial	131,484	126,015	-	-	131,484	126,015
Public safety	3,323,681	2,906,429	-	-	3,323,681	2,906,429
Public works	1,886,519	1,577,768	-	-	1,886,519	1,577,768
Health and welfare	46,320	43,060	-	-	46,320	43,060
Culture and recreation	54,249	52,856	-	-	54,249	52,856
Housing and devel.	453,317	367,573	-	-	453,317	367,573
Interest	10,220	6,908	-	-	10,220	6,908
Water and sewer	-	-	2,536,035	2,360,606	2,536,035	2,360,606
Electrical	-	-	38,799,046	16,053,393	38,799,046	16,053,393
Telecommunications	-	-	195,919	183,252	195,919	183,252
Solid waste	-	-	1,120,290	951,616	1,120,290	951,616
Total expenses	6,974,807	6,055,287	42,651,290	19,548,867	49,626,097	25,604,154
Revenues over (under) expenses	1,349,613	597,909	1,205,889	3,253,855	2,555,502	3,851,764
Transfers in (out)	417,222	421,282	(417,222)	(421,282)	-	-
Net changes in net position	1,766,835	1,019,201	788,667	2,832,573	2,555,502	3,851,774
Beginning net position	12,060,277	11,041,076	32,373,820	29,541,247	44,434,097	40,582,323
Prior period adjustment	(229,736)	-	-	-	(229,736)	-
Net position, beginning as restated	11,830,541	11,041,076	32,373,820	29,541,247	44,204,361	40,582,323
Ending net position	$ 13,597,376	$ 12,060,277	$ 33,162,487	$ 32,373,820	$ 46,759,863	$ 44,434,097

GOVERNMENTAL REVENUES

The City is heavily reliant on property taxes and sales taxes to support governmental operations and capital. Property taxes provided 16.3% of the City's total governmental revenues in fiscal year 2022 as compared to 21.2% in fiscal year 2021. Sales taxes make up 16.3% of the City's total governmental revenues in fiscal year 2022 as compared to 16.6% in fiscal year 2021.

User charges and fines revenue source totaled $385,858 and operating grants totaled $933,045. Note that program revenues cover 34.4% of governmental operating expenses. If the capital grant revenue referenced above were excluded from program

revenue, program revenue would only cover 18.9% of governmental operating expenses. This means that the government's taxpayers and the City's other general governmental revenues fund 81.10% of the governmental activities.

GOVERNMENTAL FUNCTIONAL EXPENSES

The public safety and the public works functions make up 74.7% of the total governmental activities expenses as compared to 74.1% in fiscal year 2021. General government totaled $1,069,017 and the housing and development costs were $453,317.

This table presents the cost of each of the City's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net cost illustrates the financial burden that was placed on the City's taxpayers by each of these functions.

Governmental Activities

	Total Cost of Services	%	Net Cost of Services	%
General government	$ 1,069,017	15.3%	$ (638,373)	14.0%
Judicial	131,484	1.9%	(131,484)	2.9%
Public safety	3,323,681	47.7%	(2,827,788)	62.2%
Public works	1,886,519	27.0%	(633,999)	13.9%
Health and welfare	46,320	0.7%	(46,320)	1.0%
Culture and recreation	54,249	0.8%	(45,649)	1.0%
Housing and development	453,317	6.5%	(212,330)	4.7%
Interest	10,220	0.1%	(10,220)	0.2%
Total	$ 6,974,807	100.0%	$ (4,546,163)	100.0%

Public safety totals 62.2% of the net cost of service while Public Works and General Government total 13.9% and 14.0%, respectively, of these costs.

BUSINESS-TYPE ACTIVITIES

Overall Analysis – For all enterprise funds, total operating revenues increased $21,005,368 or 92.7%. Operating expenses increased $23,102,423 or 118.2%. In total, the operating income decreased $2,047,966 or 62.9%. The total decrease in the operating income relates primarily to decreases in the electric fund in the amount of $2,892,173. The water & sewer fund operating income increased $50,689 or 8.8%, the solid waste fund operating income increased $22,148 or 27.2% and the telecom fund increased $845,271 primarily due to the sale of GPW assets.

The operating income (loss) for each utility was as follows:

Electric	$ (166,147)
Water and sewer	624,072
Telecom	783,294
Solid waste	103,428
	$ 1,344,647

The following includes an analysis of the fiscal year 2022 financial activities for each utility.

Electric Utility – The operating income of $(166,147) in FY 2022 compares to operating income of $2,726,026 in fiscal year 2021. This decrease in the FY 2022 operating income relates to a 156.6% increase in the cost of electricity purchased in the amount of $35,608,872. The fiscal year 2022 operating revenues increased $19,853,480 or 105.7% from fiscal year 2021.

Water and Sewerage System Utility – The operating income of $624,072 in fiscal year 2022 is an increase of $50,689 or 8.8% from the operating income of $573,383 in fiscal year 2021. Fiscal year 2022 operating revenues increased $103,128 or 3.8% from fiscal year 2021. Operating expenses increased $52,439 or 2.4%. Purchased services increased $4,528 or 0.9% from the prior year while materials and supplies also increased $24,099 or 12.2%.

Telecom - The operating income of $783,294 in fiscal year 2022 is an increase from the operating income loss in fiscal year 2021 of ($61,977) or -31%. The fiscal year 2022 operating revenues increased $857,938 or 707.4% from fiscal year 2021 due to the sale of GPW assets. Operating expenses increased $12,667 or 6.9%. Purchased services decreased from $71,387 in fiscal year 2021 to $43,813 in fiscal year 2022 for a decrease of 38.6%.

Solid Waste - The fiscal year 2022 operating income of $103,428 increased by 27.2%, or $22,148 from fiscal year 2021. The fiscal year 2022 operating revenues increased $190,822 over fiscal year 2021. Operating expenses increased $168,674 or 17.7% from fiscal year 2021. Purchased services increased $113,010 or 14.2%.

Financial Analysis of the City's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of $4,494,400 as compared to the 2021 fiscal year amount of $3,503,889. Of this year-end total, 2,881,376 is unassigned indicating availability for continuing City service requirements. Fund balance includes $430,198 restricted for housing and development, $999,090 restricted for capital outlay, $105,402 restricted for transportation improvements as well as $12,605 restricted for public safety. Fund balance includes assets not available for spending in the amount of $65,729, which is tied up in inventory. The total ending fund balances of governmental funds show an increase of $990,511, or 28.3% over the prior year.

Major Governmental Funds

General Fund - The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased $1,035,939, or 54.2% in fiscal year 2022. In fiscal year 2021, the fund balance increased $442,413, or 30.1%.

Total revenues increased $1,203,363 or 22.0% more than fiscal year 2021.

Local option sales taxes increased $250,310 or 22.7%. Property taxes decreased $341,035 or 20.1%, franchise tax increased $838,992 or 64.8%, and insurance premium tax decreased $28,536 or 5.8%.

Total expenditures increased $1,647,107 or 27.9% from fiscal year 2021.

The general government function increased $121,441 or 13.3% from fiscal year 2021.

The expenditures for most other functions were approximately equal to the fiscal year 2021 amount except for public safety which increased by $1,224,463, or 38.3%, public works which increased by $195,767 or 15.9% and housing and development which increased by $99,495, or 31.5%.

The general fund's ending unassigned fund balance of $2,881,406 represents an increase of $1,024,914 from the December 31, 2021 balance of $1,856,492. This balance represents the equivalent of 38.2% of annual expenditures, as compared to 31.5% last year.

2019 SPLOST Fund - This fund accounts for the cost of capital improvement projects in the City that are financed with the 2019 Special Purpose Local Option Sales Tax revenues.

In fiscal year 2022, this fund reported $865,132 in revenues and $539,725 in expenditures leaving a fund balance of $999,090. $84,000 in principal payments and interest was spent from this fund in 2022 to pay for the lease purchase of police cars. An additional $455,725 paid for the following capital projects in FY 2022:

- Fire Protection – purchase of fire bunker gear
- Street Department equipment – replacement of a vehicle
- General & administration equipment
- Police department vehicles and equipment

The Proprietary Funds

The proprietary funds' statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Therefore, additional analysis is not necessary.

Budgetary Highlights

The General Fund – During fiscal year 2022, the City Council did amend the general fund budget. The revenue budget was amended upward by $650,000 to account for an increase in franchise tax revenue; however, the City actually recognized $719,992 more in Franchise tax than anticipated in the original budget. Also, in fiscal year 2022, the City experienced a decrease in budgeted motor vehicle property taxes in the amount of $33,050 and in insurance premium tax in the amount of $28,536. Actual total revenues in the amount $6,672,000 exceeded the orginal budget by $1,170,389, or 21.3% and the final amended budget by $82,956, 1.3%.

The general fund expenditure budget was amended upward by $2,117,222, or 34.8%. General government was increased by $52,312 and the public safety final budget was increased by $1,803,621; however, the actual budget came in $512,525 less than the final budget of $4,934,639 including an increase in expenditures in the fire department of $1,291,289 in capital outlay for the purchase of a new fire engine. The public works actual budget saw an increase from the original budget by $119,229 resulting primarily from an increase in the street department of $95,829.

On the expenditure side, each city department made every effort to minimize spending. Only the general administration department overspent their final amended 2022 budget by $1,969. In total, the final budgeted amount was under spent by $648,762 primarily from public safety, which was underspent $512,525.

In total, the City expended 92.1 % of the final general fund budget.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2022, was $12,055,887 and $24,557,851 respectively. This was an increase in net investment in governmental activities of 14.1% and an increase of 1.0% for business-type activities. See Note 3-D for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

Capital Assets

	Governmental Activities		Business Activities		Total	
	2022	2021	2022	2021	2022	2021
Non-depreciable assets:						
Land	$ 960,416	$ 960,416	$ 281,501	$ 222,257	$ 1,241,917	$ 1,182,673
Construction in progress	334,113	160,433	492,031	10,992,972	826,144	11,153,405
Total non-depreciable assets:	1,294,529	1,120,849	773,532	11,215,229	2,068,061	12,336,078
Depreciable assets:						
Buildings	5,189,106	5,152,078	482,295	482,295	5,671,401	5,634,373
Equipment	7,554,514	6,071,969	5,704,919	5,649,536	13,259,433	11,721,505
Software	257,398	257,398	-	-	257,398	257,398
Infrastructure	5,745,369	5,543,319	40,830,777	29,266,348	46,576,146	34,809,667
Total depreciable assets:	18,746,387	17,024,764	47,017,991	35,398,179	65,764,378	52,422,943
Total depreciable and non-depreciable assets	20,040,916	18,145,613	47,791,523	46,613,408	67,832,439	64,759,021
Less accumulated depreciation	7,985,029	7,579,686	23,233,672	22,298,479	31,218,701	29,878,165
Book value - depreciable assets	10,761,358	9,445,078	23,784,319	13,099,700	34,545,677	22,544,778
Percentage depreciated	43%	45%	49%	63%	47%	57%
Book value - all assets	$ 12,055,887	$ 10,565,927	$ 24,557,851	$ 24,314,929	$ 36,613,738	$ 34,880,856

At December 31, 2022, the depreciable capital assets for governmental activities were 43% depreciated. This compares to 45% at the December 31, 2021. This comparison indicates that the City is replacing its assets at the same rate as they are depreciating which is a positive indicator.

In the City's business type activities, 49% of the asset values were depreciated at December 31, 2022 compared to 63% at December 31, 2021.

Long-term Debt

At the end of this fiscal year, the City reported $18,621,561 of outstanding long-term debt including $2,030,706 in GEFA loans, $16,160,425 in USDA loans, and $430,430 in GMA loans. During the year, the City retired $624,106 or 3.5% of the January 1, 2022 outstanding business-type activities debt and $109,360 or 20.3% of the January 1, 2022 outstanding governmental type activities debt. Following are the changes in the GEFA, USDA and GMA loans during 2022.

	Outstanding 1/1/2022	Additions	Reductions	Outstanding 12/31/2022	Amounts Due in One Year	Long-term Portion
Business-Type Activities						
GEFA loan - DW00-023	$ 204,915	$ -	$ 45,901	$ 159,014	$ 47,259	$ 111,755
GEFA loan - 2002-L22WS	500,169	-	191,264	308,905	199,752	109,153
GEFA loan - 2010-L06WJ	700,039	-	59,835	640,204	62,155	578,049
GEFA loan - CW15003	982,384	-	59,801	922,583	60,419	862,164
USDA Loans:						
2021A	9,966,240	-	174,822	9,791,418	177,576	9,613,842
2021B	2,788,951	-	48,929	2,740,022	49,689	2,690,333
2021C	2,481,339	-	43,554	2,437,785	44,210	2,393,575
Total Business-Type Activities	$ 17,624,037	$ -	$ 624,106	$ 16,999,931	$ 641,060	$ 16,358,871
Governmental-Type Activities						
GMA loans	$ 539,790	$ -	$ 109,360	$ 430,430	$ 111,406	$ 319,024
USDA loan		$ 1,191,200		$ 1,191,200	$ 102,148	$ 1,089,052
	$ 539,790	$ 1,191,200	$ 109,360	$ 1,621,630	$ 213,554	$ 1,408,076

See Note 3-F for additional information about the City's long-term debt.

Economic Conditions Affecting the City

The June 2023 unemployment rate for Washington County was 3.4% compared to Georgia at 3.2% and the U.S. at 3.7%, all relativey close to the rate at same time a year ago at 3.4%, 3% and 3.6% respectively, indicating a stable economy for the last year. In FY 2022 the City of Sandersville has continued to experience stability in the local economy with new retail investment and the expansion of local industry. As a result, the financial condition of the all of the enterprise funds except the Electric Fund have continued to improve. The net position in the City's Electric Fund decreased in FY 2022 by $329,434 compared to an increase in FY 2021 of $2,403,186. This fund had experienced significant operating income losses in priort years due to the increase in the cost to purchase power and the City's excess power capacity and contractual obligation to purchase 15MW of Project One Power Sales Contract including premium payments associated with this contract. The City has not had this contractual obligation since March, 2021 however, in FY 2022 the cost to purchase power increased from $13,876,167 in FY 2021 to $35,608,872 as a result of providing electric service to a company in the Bitcoin industry. The operating income in this fund increased by $2,726,026 in FY 2021 and decreased by $166,147 in FY 2022. The FY 2022 operating income increased $624,072 in the Water & Sewer Fund and $103,428 in the Solid Waste Fund. The Telcom Fund experienced an increase in the operating income of $783,294 due to the GPW sale of assets with the City's share being $877,247.

In FY 2022, General Fund revenues increased 22.0% from $5,468,637 in FY 2021 to $6,672,000 in FY 2022. Local Option Sales Tax LOST) revenues increased 22.7% from $1,104,843 in 2021 to $1,355,153 in 2022 and Franchise Tax increased $838,992 or 64.8% from $1,295,464 in FY 2021 to $2,134,456 in FY 2022, all indications of improved economic activity. The millage rate for property taxes levied was last increased in 2019 from 5.635 to 6.635, and is now 6.690 in FY 2022 with $1,596,220 total taxes levied for 2022. Increased property values are another indicator of positive economic growth. The gross property tax digest for the City of Sandersville increased from $234,675,629 in 2021 to $255,721,785 in 2022.

In November 2019, the voters of Washington County approved a referendum to continue the collection of the 1% sales tax, which provides the necessary revenue for capital projects, many of which could not be funded without these SPLOST funds. The 2019 SPLOST will provide the City with an estimated $1.17 million in funding for these capital projects for FY 2022 - FY 2027. During this period, the City will continue to invest in infrastructure while funding a scheduled preventative maintenance program for vehicles, facilities and equipment. With the continued support of tax revenue for equipment and training our Police and Fire departments will maintain State Certification and a Class 3 ISO rating, both of which have reduced our risk and prepared us to better serve and protect the citizens of our City. In FY 2023, the 2019 Special Purpose Local Option Sales Tax (SPLOST) will fund the purchase and lease/purchase of 9 police vehicles and conversions in the amount of $83,972, and assist in funding $229,167 for equipment and lease payments for a new fire apparatus – aerial device. Remaining 2019 SPLOST funds budgeted for FY 2023 will be used to purchase 2 vehicles and equipment for the Fire Department

Our City leadership has been proactive in financing major upgrades to infrastructure that provide quality water and sewer resources and improved transportation throughout the City. In September, 2021 the City closed on USDA funded loans in the

amount of $15,280,500 for water and sewer infrastructure projects. The debt that will be repaid over 40 years at a fixed rate of 2.25% was reduced by $267,305 in FY 2022 In FY 2023 the City will invest an estimated $2 million in stormwater improvements in the Tybee community funded primarily with USDA and CDBG funds.

In March, 2021 the voters of Sandersville, Washington County along with voters in the Central Savannah Regional Area approved the extension of a regional 1% transportation SPLOST in which 75% of the funding will be used for a pre-determined list of priority projects in the region while the remaining 25% will be provided to the local governments in the region as discretionary funds to be used on their individual transportation projects. The City's Transportation Fund accounts for the receipt and disbursement of these funds as well as LMIG (Local Maintenance and Improvement Grant) funds from the Georgia Department of Transportation. In FY 2023, LMIG and TSPLOST funds in the amount of $100,000 will fund paving improvements throughout the City and support TAP projects in the amount of $92,201 on Brookins Street, Jernigan Street, Gilmore Street, Smith Street and East Church Street, all of which will improve access and the quality of life for our citizens.

In FY 2021, the ARPA Fund was created to account for funds received through the American Rescue Plan Act to provide COVID-19 relief to state and local governments. The use of these funds is restricted for the purpose of revenue replacement for the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent fiscal year prior to the emergency; COVID-19 expenditures or negative economic impacts of COVID-19 including assistance to small businesses, households, and hard-hit industries, and economic recovery; premium pay for essential workers, and investments in water, sewer and broadband infrastructure. The City received $244,609 in ARPA funds in FY 2022 and expended $95,609 and transferred $149,000 to multiple City funds. In FY 2023, the City plans to expend $65,882 in ARPA funds to complete the upgrade to the drive-in window at City Hall.

Contacting the City's Management

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City's Administrator at 141 West Hayes Street, Sandersville, Georgia, 31082 or call 478-552-2525.

City of Sandersville, Georgia
Statement of Net Position
December 31, 2022

	Primary Government			Downtown Development Authority Component Unit
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets				
Cash and cash equivalents (Note 3A)	$ 5,874,548	$ 10,897,101	$ 16,771,649	$ 74,109
Cash in Georgia Fund I	-	11,881,413	11,881,413	-
Investments	-	3,405	3,405	-
Receivables:				
Accounts	105,590	2,861,984	2,967,574	543,224
Taxes	25,171	-	25,171	-
Intergovernmental	226,390	-	226,390	-
Internal balances	68	-	68	-
Inventories	65,729	736,762	802,491	-
Restricted cash	-	2,103,271	2,103,271	-
Prepaid expenses	-	598,045	598,045	-
Total Current Assets	6,297,496	29,081,981	35,379,477	617,333
Noncurrent Assets				
Capital assets (Note 3D)				
Nondepreciable	960,416	281,501	1,241,917	-
Construction in progress	334,113	492,031	826,144	-
Depreciable, net	10,761,358	23,784,319	34,545,677	-
Total Noncurrent Assets	12,055,887	24,557,851	36,613,738	-
Deferred outflows of resources				
Deferred outflows related to OPEB	12,706	-	12,706	-
Deferred outflows related to pensions	-	-	-	-
Total Assets	18,366,089	53,639,832	72,005,921	617,333
Liabilities				
Current Liabilities				
Accounts payable	6,595	68,401	74,996	-
Sales taxes payable	50,197	127,795	177,992	-
Customer deposits	-	3,281,218	3,281,218	-
Intergovernmental payable	-	-	-	598,045
Interfund payable	68	-	68	-
Unearned revenue	1,731,814	-	1,731,814	-
Notes payable, current portion	213,554	641,060	854,614	-
Total Current Liabilities	2,002,228	4,118,474	6,120,702	598,045
Long-term Liabilities: (net of current portion) (Note 3F)				
Notes payable	1,408,076	16,358,871	17,766,947	-
Net OPEB liability	227,848	-	227,848	-
Net pension liability	141,467	-	141,467	-
Total Liabilities	3,779,619	20,477,345	24,256,964	598,045
Deferred inflows of resources:				
Deferred inflows related to OPEB	21,266	-	21,266	-
Deferred inflows related to pensions	967,828	-	967,828	-
Total Liabilities and deferred inflows of resources	4,768,713	20,477,345	25,246,058	598,045
Net Position				
Net investment in capital assets (Note 3H)	10,434,257	7,557,920	17,992,177	-
Restricted for housing and development	430,198	-	430,198	-
Restricted for capital outlay	999,090	-	999,090	-
Restricted for public safety	12,605	-	12,605	-
Restricted for transportation	105,402	-	105,402	-
Restricted for debt service	-	2,103,271	2,103,271	-
Unrestricted	1,615,824	23,501,296	25,117,120	19,288
Total Position	$ 13,597,376	$ 33,162,487	$ 46,759,863	$ 19,288

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Statement of Activities
For the Year Ended December 31, 2022

Function/Program	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants	Program Revenues: Capital Grants	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit
Primary Government								
Governmental Activities								
General government	$ 1,069,017	$ 162,643	$ 23,392	$ 244,609	$ (638,373)	$ -	$ (638,373)	$ -
Judicial	131,484	-	-	-	(131,484)	-	(131,484)	-
Public safety	3,323,681	68,455	427,438	-	(2,827,788)	-	(2,827,788)	-
Public works	1,886,519	-	387,388	865,132	(633,999)	-	(633,999)	-
Health and welfare	46,320	-	-	-	(46,320)	-	(46,320)	-
Culture and recreation	54,249	8,600	-	-	(45,649)	-	(45,649)	-
Housing and development	453,317	146,160	94,827	-	(212,330)	-	(212,330)	-
Interest	10,220	-	-	-	(10,220)	-	(10,220)	-
Total Governmental Activities	6,974,807	385,858	933,045	1,109,741	(4,546,163)	-	(4,546,163)	-
Business-type Activities:								
Water and sewerage	2,536,035	2,836,558	-	-	-	300,523	300,523	-
Electrical	38,799,046	38,632,899	-	-	-	(166,147)	(166,147)	-
Telecom	195,919	979,213	-	-	-	783,294	783,294	-
Solid waste	1,120,290	1,223,718	-	-	-	103,428	103,428	-
Total Business-type Activities:	42,651,290	43,672,388	-	-	-	1,021,098	1,021,098	-
Total - Primary Government	$ 49,626,097	$ 44,058,246	$ 933,045	$ 1,109,741	$ (4,546,163)	1,021,098	(3,525,065)	-
Component Unit								
Downtown Development Authority	$ 9,602	$ -	$ 14,515	$ -	$ -	-	-	4,913
		General Revenues						
		Property taxes levied for general government purposes			1,359,432	-	1,359,432	-
		Sales tax			1,355,153	-	1,355,153	-
		Insurance premium tax			463,304	-	463,304	-
		Franchise tax			2,134,456	-	2,134,456	-
		Alcohol tax			137,906	-	137,906	-
		Other taxes			340,442		340,442	-
		Gain on disposition of capital assets			45,310	-	45,310	-
		Investment earnings (loss)			-	184,791	184,791	115
		Miscellaneous			59,773	-	59,773	-
		Total General Revenues			5,895,776	184,791	6,080,567	115
		Transfers			417,222	(417,222)	-	-
		Total General Revenues and Transfers			6,312,998	(232,431)	6,080,567	115
		Change in Net Position			1,766,835	788,667	2,555,502	5,028
		Net Position Beginning of Year			12,060,277	32,373,820	44,434,097	14,260
		Prior Period Adjustment			(229,736)	-	(229,736)	-
		Net Position Beginning of Year, as adjusted			11,830,541	32,373,820	44,204,361	14,260
		Net Position End of Year			$ 13,597,376	$ 33,162,487	$ 46,759,863	$ 19,288

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Balance Sheet
Governmental Funds
December 31, 2022

	General	TSPLOST Fund	ARPA Fund	2013 SPLOST	2019 SPLOST	CDBG 2017	Other Governmental Funds	Total Governmental Funds
Assets								
Cash and cash equivalents	$ 2,712,805	$ 36,934	$ 1,731,814	$ -	$ 950,082	$ -	$ 442,913	$ 5,874,548
Receivables:								
Accounts	105,590	-	-	-	-	-	-	105,590
Taxes	18,648	-	-	-	-	-	6,523	25,171
Intergovernmental	108,914	68,468	-	-	49,008	-	-	226,390
Interfund	68	-	-	-	-	-	-	68
Inventories	65,729	-	-	-	-	-	-	65,729
Prepaid expenses	-	-	-	-	-	-	-	-
Total Assets	$ 3,011,754	$ 105,402	$ 1,731,814	$ -	$ 999,090	$ -	$ 449,436	$ 6,297,496
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities								
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,595	$ 6,595
Accrued expenditures	50,197	-	-	-	-	-	-	50,197
Interfund payable	-	-	-	-	-	-	68	68
Unearned revenue	-	-	1,731,814	-	-	-	-	1,731,814
Total Liabilities	50,197	-	1,731,814	-	-	-	6,663	1,788,674
Deferred Inflows of Resources								
- Property Taxes	14,422	-	-	-	-	-	-	14,422
Total Liabilities and Deferred Inflows of Resources	64,619	-	1,731,814	-	-	-	6,663	1,803,096
Fund Balances								
Nonspendable								
Inventory	65,729	-	-	-	-	-	-	65,729
Prepaid expenses	-	-	-	-	-	-	-	-
Restricted	-	105,402	-	-	999,090	-	442,803	1,547,295
Unassigned	2,881,406	-	-	-	-	-	(30)	2,881,376
Total Fund Balances	2,947,135	105,402	-	-	999,090	-	442,773	4,494,400
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 3,011,754	$ 105,402	$ 1,731,814	$ -	$ 999,090	$ -	$ 449,436	$ 6,297,496

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2022

Total Governmental Fund Balances		$ 4,494,400
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		
Cost of capital assets	$ 20,040,916	
Less accumulated depreciation	(7,985,029)	12,055,887
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Accounts receivable, net of allowance for doubtful accounts of $0		14,422
Net pension liability		(141,467)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore are not reported in the funds		(967,828)
Net OPEB liability		(227,848)
Deferred outflows and inflows of resources related to OPEBs are applicable to future periods and therefore are not reported in the funds		(8,560)
Long-term obligations are not due and payable in the current period and therefore are not reported in the funds:		
Financed purchases from direct borrowings		(1,621,630)
Net Position of Governmental Activities		$ 13,597,376

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2022

	General	TSPLOST Fund	ARPA Fund	2013 SPLOST	2019 SPLOST	CDBG 2017	Other Governmental Funds	Total Governmental Funds
Revenues								
Taxes	$ 5,777,320	$ 199,538	$ -	$ -	$ -	$ -	$ 94,827	$ 6,071,685
Licenses and permits	161,933	-	-	-	-	-	-	161,933
Intergovernmental	576,282	187,850	244,609	-	865,132	-	-	1,873,873
Charges for services	14,922	-	-	-	-	-	1,260	16,182
Fines and forfeitures	65,205	-	-	-	-	-	-	65,205
Investment earnings	-	-	-	-	-	-	-	-
Miscellaneous	76,338	-	-	-	-	216	306	76,860
Total Revenues	6,672,000	387,388	244,609	-	865,132	216	96,393	8,265,738
Expenditures								
Current:								
General government	1,033,469	-	-	-	-	-	-	1,033,469
Judicial	131,484	-	-	-	-	-	-	131,484
Public safety	4,422,114	-	-	-	-	-	3,985	4,426,099
Public works	1,425,686	399,006	-	-	-	-	-	1,824,692
Health and welfare	35,150	-	-	-	-	-	-	35,150
Culture and recreation	50,571	-	-	-	-	-	-	50,571
Housing and development	415,346	-	-	-	-	-	37,971	453,317
Capital Outlay	-	338,605	95,609	60,265	455,725	-	-	950,204
Debt Service:								
Principal	31,302	-	-	-	78,060	-	-	109,362
Interest	4,280	-	-	-	5,940	-	-	10,220
Total Expenditures	7,549,402	737,611	95,609	60,265	539,725	-	41,956	9,024,568
Excess (Deficiency) of Revenues Over (Under) Expenditures	(877,402)	(350,223)	149,000	(60,265)	325,407	216	54,437	(758,830)
Other Financing Sources (Uses)								
Proceeds from the disposition of capital assets	45,310	-	-	-	-	-	-	45,310
Proceeds from financed purchases from direct borrowings	1,191,200	-	-	-	-	-	-	1,191,200
Transfers in	676,831	-	-	-	-	-	-	676,831
Transfers (out)	-	-	(149,000)	-	-	-	(15,000)	(164,000)
Total Other Financing Sources (Uses)	1,913,341	-	(149,000)	-	-	-	(15,000)	1,749,341
Net Change in Fund Balances	1,035,939	(350,223)	-	(60,265)	325,407	216	39,437	990,511
Fund Balances Beginning of Year	1,911,196	455,625	-	60,265	673,683	(216)	403,336	3,503,889
Fund Balances End of Year	$ 2,947,135	$ 105,402	$ -	$ -	$ 999,090	$ -	$ 442,773	$ 4,494,400

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
For the Year Ended December 31, 2022

Net Changes In Fund Balances - Total Governmental Funds		$ 990,511
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded the capitalized capital outlay in the current period.		
Depreciation expense	$ (717,019)	
Capital outlay	2,206,979	1,489,960
The book value of capital assets sold are reported on the government-wide statement of activities but not reported in the governmental fund's operating statement less book value of traded-in asset capitalized.		-
Capital assets received as contributions on the government-wide statement of activities but not reported on the governmental fund type operating statement.		-
Cost of benefits earned net of employee contribution		354,830
Property tax revenues in the government-wide statement of activities do not provide current financial resources are not reported as revenues in the governmental fund operating statement.		
Liability @ 12/31/21	$ (1,050)	
Liability @ 12/31/22	14,422	13,372
The issuance of long-term obligations provides current financial resources to governmental funds, while the repayment of the principal of long term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position:		
Issuance of long-term obligations	(1,191,200)	
Repayment of long-term obligations	109,362	(1,081,838)
Change In Net Position of Governmental Activities		$ 1,766,835

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Statement of Net Position
Proprietary Funds
December 31, 2022

	Business-type Activities - Enterprise Funds				
	Water & Sewerage System	Electrical	Telecom	Solid Waste	Total
Assets					
Current Assets					
Cash and cash equivalents	$ 2,651,587	$ 6,646,899	$ 1,360,095	$ 238,520	$ 10,897,101
Cash in Georgia Fund I	737,520	11,143,893	-	-	11,881,413
Investments	-	3,405	-	-	3,405
Receivables					
Accounts	298,521	2,434,054	12,624	116,785	2,861,984
Interfund	-	-	-	-	-
Intergovernmental receivable	-	598,045	-	-	598,045
Restricted assets					
Cash	2,103,271	-	-	-	2,103,271
Inventory	50,075	676,866	9,821	-	736,762
Total Current Assets	5,840,974	21,503,162	1,382,540	355,305	29,081,981
Noncurrent Assets					
Capital assets					
Nondepreciable	227,880	53,621	-	-	281,501
Depreciable, net	20,853,456	2,782,405	96,514	51,944	23,784,319
Construction in progress	476,698	-	15,333	-	492,031
Total Noncurrent Assets	21,558,034	2,836,026	111,847	51,944	24,557,851
Total Assets	27,399,008	24,339,188	1,494,387	407,249	53,639,832
Liabilities					
Current Liabilities					
Accounts payable	4,877	53,867	-	1,707	60,451
Accrued expenses payable	7,950	-	-	-	7,950
Current portion of notes payable	641,060	-	-	-	641,060
Sales tax payable	-	127,795	-	-	127,795
Customer deposits	9,271	3,271,897	50	-	3,281,218
Interfund payable	-	-	-	-	-
Total Current Liabilities	663,158	3,453,559	50	1,707	4,118,474
Long-Term Liabilities (net of current portion)					
Due to electrical fund	-	-	-	-	-
Notes payable	16,358,871	-	-	-	16,358,871
Total Liabilities	17,022,029	3,453,559	50	1,707	20,477,345
Net Position					
Net investment in capital assets	4,558,103	2,836,026	111,847	51,944	7,557,920
Restricted for debt service	2,103,271	-	-	-	2,103,271
Unrestricted	3,715,605	18,049,603	1,382,490	353,598	23,501,296
Total Net Position	$ 10,376,979	$ 20,885,629	$ 1,494,337	$ 405,542	$ 33,162,487

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2022

	Business-type Activities - Enterprise Funds				
	Water & Sewerage System	Electrical	Telecom	Solid Waste	Total
Operating Revenues					
Charges for services	$ 2,836,112	$ 38,617,225	$ 101,966	$ 1,223,718	$ 42,779,021
Miscellaneous	446	15,674	877,247	-	893,367
Total Operating Revenues	2,836,558	38,632,899	979,213	1,223,718	43,672,388
Operating Expenses					
Personal services - salaries	528,657	536,927	73,314	123,399	1,262,297
Personal services - benefits	219,190	161,111	20,649	50,345	451,295
Electricity purchased	-	35,608,872	-	-	35,608,872
Franchise fees	-	1,538,922	5,351	-	1,544,273
Purchased services	483,124	449,359	43,813	907,513	1,883,809
Materials and supplies	222,415	277,363	19,959	21,522	541,259
Miscellaneous	39,200	52,770	86	645	92,701
Depreciation	719,900	173,722	32,747	16,866	943,235
Total Operating Expenses	2,212,486	38,799,046	195,919	1,120,290	42,327,741
Operating Income (Loss)	624,072	(166,147)	783,294	103,428	1,344,647
Non-Operating Revenues (Expenses)					
Interest expense	(323,549)	-	-	-	(323,549)
Change in fair market value of investments	-	-	-	-	-
Intergovernmental grants	-	-	-	-	-
Interest and dividend income	11,555	173,236	-	-	184,791
Total Non-Operating Revenues (Expenses)	(311,994)	173,236	-	-	(138,758)
Income (Loss) Before Contributions and Transfers In (Out)	312,078	7,089	783,294	103,428	1,205,889
Contributions	95,609	-	-	-	95,609
Transfers In	20,500	16,500	2,000	4,000	43,000
Transfers Out	(162,236)	(353,023)	(1,834)	(38,738)	(555,831)
Change in Net Position	265,951	(329,434)	783,460	68,690	788,667
Net Position Beginning of Year	10,111,028	21,215,063	710,877	336,852	32,373,820
Net Position End of Year	$ 10,376,979	$ 20,885,629	$ 1,494,337	$ 405,542	$ 33,162,487

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022

	Business-type Activities - Enterprise Funds				
	Water & Sewerage System	Electrical	Telecom	Solid Waste	Total
Cash Flows from Operating Activities					
Cash received from customers	$ 2,805,853	$ 38,779,992	$ 974,528	$ 1,213,765	$ 43,774,138
Cash payments for personal services	(747,847)	(698,038)	(93,963)	(173,744)	(1,713,592)
Cash payments for goods and services	(617,117)	(35,900,403)	(69,209)	(929,805)	(37,516,534)
Other cash receipts (payments)	-	-	-	-	-
Net Cash Provided by (Used in) Operating Activities	1,440,889	2,181,551	811,356	110,216	4,544,012
Cash Flows from Noncapital Financing Activities					
Operating grants received	-	-	-	-	-
Transfers in	20,500	16,500	2,000	4,000	43,000
Transfers out	(162,236)	(353,023)	(1,834)	(38,738)	(555,831)
Net Cash Provided by (Used in) Noncapital Financing Activities	(141,736)	(336,523)	166	(34,738)	(512,831)
Cash Flows from Capital and Related Financing Activities					
Capital grants	-	-	-	-	-
Principal paid on notes and leases	(624,106)	-	-	-	(624,106)
Interest paid on notes and leases	(323,549)	-	-	-	(323,549)
GEFA loan fees paid	-	-	-	-	-
Proceeds from notes payable	-	-	-	-	-
Payments for capital acquisitions	(460,819)	(622,479)	(7,250)	-	(1,090,548)
Net Cash (Used in) Capital and Related Financing Activities	(1,408,474)	(622,479)	(7,250)	-	(2,038,203)
Cash Flows from Investing Activities					
Net purchase of investments	-	220	-	-	220
Interest and dividend income	11,555	-			11,555
Investment earnings	-	173,236	-	-	173,236
Net Cash Provided by (Used in) Investing Activities	11,555	173,456	-	-	185,011
Net Increase (Decrease) in Cash and Cash Equivalents	(97,766)	1,396,005	804,272	75,478	2,177,989
Cash and Cash Equivalents Beginning of Year	5,590,144	16,394,787	555,823	163,042	22,703,796
Cash and Cash Equivalents End of Year	$ 5,492,378	$ 17,790,792	$ 1,360,095	$ 238,520	$ 24,881,785
Cash and Cash Equivalents	$ 2,651,587	$ 6,646,899	$ 1,360,095	$ 238,520	$ 10,897,101
Cash in Georgia Fund I	737,520	11,143,893	-	-	11,881,413
Restricted Cash	2,103,271	-	-	-	2,103,271
Total	$ 5,492,378	$ 17,790,792	$ 1,360,095	$ 238,520	$ 24,881,785

City of Sandersville, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022

	Business-type Activities - Enterprise Funds				
	Water & Sewerage System	Electrical	Telecom	Solid Waste	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating Income (Loss)	$ 624,072	$ (166,147)	$ 783,294	$ 103,428	$ 1,344,647
Adjustments					
Depreciation	719,900	173,722	32,747	16,866	943,235
Loss on sale of capital assets	-	-	-	-	-
(Increase) Decrease in Assets					
Accounts receivable	101,019	147,093	(4,685)	(9,953)	233,474
Inventory	(3,148)	(31,780)	-	-	(34,928)
Prepaid expenses	-	-	-	-	-
Interfund receivable	-	-	-	-	-
Increase (Decrease) in Liabilities					
Accounts payable	(1,279)	548	-	(125)	(856)
Accrued expenses	-	-	-	-	-
Sales tax payable	-	(3,665)	-	-	(3,665)
Interfund payable	-	-	-	-	-
Customer deposits payable	325	2,061,780	-	-	2,062,105
Net Cash Provided by (Used in) Operating Activities	$ 1,440,889	$ 2,181,551	$ 811,356	$ 110,216	$ 4,544,012

See accompanying notes to the basic financial statements

Index

Summary of Significant Accounting Policies 1
Reporting Entity 1-A
Basis of Presentation 1-B
Measurement Focus 1-C
Basis of Accounting 1-D
Assets, Liabilities, and Fund Equity 1-E
Cash, Cash Equivalents and Investments 1-E-1
Receivables 1-E-2
Interfund Balances 1-E-3
Consumable Inventories 1-E-4
Prepaid Items 1-E-5
Capital Assets 1-E-6
Accrued Liabilities and Long-term Obligations 1-E-7
Fund Equity 1-E-8
Bond Premiums, Discounts, Issuance Costs and Bond Refunding Gains and Losses 1-E-9
Restricted Cash 1-E-10
Operating Revenues and Expenses 1-E-11
Contributions of Capital 1-E-12
Interfund Activity 1-E-13
Estimates 1-E-14
Comparative Data 1-E-15
New Accounting Pronouncement 1-E-16

Stewardship, Compliance, and Accountability 2
Budgetary Information 2-A
Excess of Expenditures over Appropriations 2-B

Detailed Notes on All Funds 3
Deposits 3-A
Receivables 3-B
Property Taxes 3-C
Capital Assets 3-D
Interfund Balances 3-E
Long-Term Debt 3-F
Pensions 3-G
Other Postemployment Benefits (OPEB) 3-H
Fund Equity 3-I

Other Notes 4
Risk Management 4-A
Contingent Liabilities 4-B
Joint Ventures 4-C
Hotel/Motel Taxes 4-D
Commitments 4-E
Subsequent Events 5
Prior Period Adjustment 6

The City of Sandersville, Georgia (the "City") was incorporated in 1890. The City operates under a council-mayor form of government and provides the following services: public safety, highways and streets, culture and recreation, public improvements, sanitation, and general and administrative services. In addition, the City operates a public utility (water and wastewater, electric, solid waste and telecom).

Note 1 - Summary of Significant Accounting Policies

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

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

1-A. Reporting Entity

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

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

The following separate entity is the discretely presented component unit of the City.

The City of Sandersville Downtown Development Authority (Development Authority) – The Development Authority is a public body, corporate and politic, and was created upon the adoption and approval of the Development Authorities Law of the State of Georgia. More specifically, the Development Authority was created by a resolution of the City Council of Sandersville on April 12, 2001, to promote the development of the downtown area of the City. The Mayor and City Council appoint all members of the Development Authority and one member of the City Council also serves as a member. No separate financial statements are issued for the Authority.

1-B. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and the City's general revenues, from business-type activities, generally financed in whole or in part with charges to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the City at year-end.

Note 1 - Summary of Significant Accounting Policies (Continued)

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the business-type activities of the City. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted.*

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

Fund Financial Statements - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental and proprietary funds.

The ten major individual funds, the general fund, the 2013 SPLOST fund, the 2019 SPLOST fund, the ARPA fund, the TSPLOST fund, CDBG 2017 fund the water and sewer system fund, the electric fund, the telecom fund and the solid waste fund are reported in separate columns.

Fund Accounting - The City uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses two categories of funds: governmental and proprietary.

> ***Governmental Funds*** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between governmental fund assets and liabilities as fund balance. The following is the City's major governmental fund:
>
> ***The General Fund*** – The general fund should be used to account for and report all financial resources not accounted for and reported in another fund. The general fund's fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of State of Georgia.
>
> ***2013 SPLOST Fund*** - This fund accounts for the cost of certain capital improvement projects in the City that are financed with the 2013 Special Purpose Local Option Sales Tax (SPLOST) revenues (i.e., the City's share). $60,265 was expended in FY 2022 to close out this fund.
>
> ***2019 SPLOST Fund*** – As collections in the 2013 SPLOST Fund sunsets, this fund continues to account for the cost of certain capital improvement projects in the City that are financed with the 2019 Special Purpose Local Option Sales Tax (SPLOST) revenues (i.e., the City's share) including debt service principal in the amount of $78,060 and interest in the amount of $5,940 to pay for Police vehicles and equipment. 2019 SPLOST also funded $455,725 in capital

Note 1 - Summary of Significant Accounting Policies (Continued)

outlay to purchase equipment, and make improvements to the fire station, purchase tools and equipment for public works, and other general government capital projects.

TSPLOST Fund - This fund accounts for the receipt and disbursement of Transportation Investment Act funds generated from a regional 1% sales tax to fund transportation projects and for the receipt and disbursement of LMIG, Local Maintenance and Improvement Grant funds, from the Georgia Department of Transportation. FY 2022 revenues collected totaled $387,388 and expenditures were $737,611 leaving a year end fund balance of $105,402.

ARPA Fund - The American Rescue Plan Act (ARPA) Grant Fund accounts for the receipt of funds to assist with recovery efforts as a result of the COVID-19 pandemic. The City received $244,609 in Coronavirus State and Local Fiscal Recovery Funds and expended $95,609 and transferred $149,000 to other funds during the year ending December 31, 2022.

CDBG 2017 Fund – The fund accounted for a $750,000 grant which was closed out in the current year.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The City's four proprietary funds are classified as major enterprise funds.

The Water and Sewerage System Fund –This fund is used for the operation of the City's water and sewerage system which renders services to the residents and businesses located within the City.

The Electric Fund –This fund is used for the operation of the City's electric system which renders services to the residents and businesses located within the City.

The Telecom Fund –This fund is used for the operation of the City's non-voice telecommunications including internet access for the residents and businesses located within the City.

The Solid Waste Fund –This fund is used for the operation of the City's solid waste collection and disposal services for the residents and businesses located within the City.

1-C. Measurement Focus

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

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-D. Basis of Accounting

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

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

Revenues - Non-exchange Transactions - Non-exchange transactions in which the City receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 3C) Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within sixty days) before it can be recognized.

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

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

1-E. Assets, Liabilities, and Fund Equity

1-E-1 Cash, Cash Equivalents, and Investments

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

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the City to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or Government agency
- Obligations of any corporation of the United States Government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectible, where applicable. Unbilled utility charges are accrued as receivables and revenue at December 31, 2022.

1-E-3 Interfund Balances

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

1-E-4. Consumable Inventories

On the government-wide financial statements and in the enterprise fund financial, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed.

1-E-5 Prepaid Items

For prepaid expenditures in the government-wide and fund financial statements, the City reports the expenditures during the benefiting period.

1-E-6 Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of fifteen hundred dollars within an estimated life of two years or more. The City began capitalizing its infrastructure in December 2002. The City capitalizes infrastructure retroactively to 1980. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by enterprise funds is capitalized. The total interest expense incurred by the City during the current fiscal year was $333,769. Of this amount, none was included as part of the cost of capital assets under construction in connection with public building construction projects.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets.

Note 1 - Summary of Significant Accounting Policies (Continued)

Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Estimated Lives
Buildings and improvements	30-40 Years
Infrastructure	40-50 Years
Land improvements	8-20 Years
Machinery and equipment	5-25 Years

1-E-7 Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. Capital leases are recognized as a liability in the governmental fund financial statements when due.

1-E-8 Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

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

- ***Nonspendable*** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the approval of a motion. Only, the City also may modify or rescind the commitment.

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. By motion, the City Council has authorized the City Administrator to assign fund balances.

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

Net Position Flow Assumptions – In order to report net position as a restricted – net position and an unrestricted – net position in the government-wide and proprietary fund financial statements, the City has established a flow assumption policy. It is the City's policy to use restricted – net position first before using unrestricted – net position.

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Balance Flow Assumptions – It is the City's policy to consider restricted fund balance to have been used before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, it is the City's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net position - Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net asset amount also is adjusted by any bond issuance deferral amounts. Net position is reported as restricted when there are limitations imposed on the use either through

the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

1-E-9 Bond Premiums, Discounts, Issuance Costs and Bond Refunding Gains and Losses

On the government-wide statement of net position and the proprietary fund type statement of net position, debt premiums and discounts are netted against the debt payable. On the government-wide and proprietary fund type statement of activities, debt premiums and discounts, are deferred and amortized over the life of the using the effective interest method.

Debt refunding gains and losses are reported as deferred inflows or outflows of resources on the statements of net position. These gains and losses are deferred and amortized over the shorter of the life of the refunding debt (new debt) and the refunded debt (the old debt).

1-E-10 Restricted Assets

The Water and Sewer Fund, based on certain debt covenants, is required to establish and maintain prescribed amounts of resources (consisting of cash) that can only be used to service outstanding debt.

1-E-11 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services. Operating expenses are necessary costs incurred to provide the water and sewerage services. All other revenues and expenses are classified as non-operating and include interest expense, operating grants, gains and the losses on the disposition of capital assets and earnings or losses on investments.

1-E-12 Contributions of Capital

Contributions of capital reported in proprietary fund financial statements and the government-wide financial statements arise from outside contributions of capital assets (e.g. developers), and grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-13 Interfund Activity

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

1-E-14 Estimates

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

1-E-15 Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

1-E-16 New Accounting Pronouncement

In June 2017, the GASB issued Statement No. 87 – Leases, effective for financial statement periods beginning after December 15, 2019. In May 2020, the GASB issued Statement No. 95 – Postponement of the Effective Dates of Certain Authoritative Guidance which postponed the effective date of GASB No. 87 for financial statements for periods beginning after June 15, 2021. The primary objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. There was no material impact on the current financial statements from the implementation of this Statement.

Note 2 – Stewardship, Compliance, and Accountability

2-A Budgetary Information – The City adopts an annual operating budget for the general fund, each special revenue and all enterprise funds. The City also adopts a project length budget for all capital projects funds.

All budgets are adopted on a basis consistent with GAAP, except the SPLOST capital projects fund, which is adopted on a project length basis, rather than an annual basis.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. The City Administrator may transfer appropriations between line items within a department. Any change in total to a fund or departmental appropriation within a fund requires approval of the Mayor and City Council, as a budget amendment. During 2022 the City's budget was amended three times.

All unexpended annual appropriations lapse at year-end.

2-B Excess of Expenditures over Appropriations

No City department had expenditures in excess of departmental appropriations in FY 2022 except in Administration where the total budget was overspent by $1,969 resulting from an increase in purchased services and supplies. General Fund debt service had expenditures in excess of appropriations of $31,302 related to the debt payments.

These over expenditures were funded by greater than anticipated revenues and by available fund balance. The Mayor and

Note 2 – Stewardship, Compliance, and Accountability (Continued)

Council plan in the future to more closely monitor expenditures to determine if budget amendments need to be made or if cost cutting measures need to be formulated.

Note 3 - Detailed Notes on All Funds

3-A Deposits

Custodial Credit Risk – Deposits – The custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits may not be recovered.

The City's bank balances of deposits as of December 31, 2022, are entirely insured or collateralized with securities held by the City's agent in the City's name.

State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

Investments – The fair value of investments of the City is as follows at December 31, 2022:

Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAAm 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 a $1.00 per share value. The fair value of the City's position in the pool is the same as the value of pool shares ($1 per share value). The regulatory oversight agency for Georgia Fund 1 is the Georgia Office of the State Treasurer.

Funds included in this Pool are not required to be collateralized.

The fair value of the City's position in the pool approximates the value of the City's pool shares. Credit risk, value, and interest risk at December 31, 2022 are as follows:

Credit Risk	Value	Interest Risk
AAAf rated	$ 11,881,413	46 day WAM

The City classifies its investments in Georgia Fund 1 as cash and cash equivalents.

3-B Receivables

Receivables at December 31, 2022, consisted of fines, and accounts (billings for user charges).

Receivables and payables are recorded on the City's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability. At December 31, 2022, allowances for uncollectible were reported as follows:

General fund (fines)	$289,062
Water and sewerage fund (charges for services)	111,398
Electric fund (charges for services)	725,370
Solid Waste (charges for services)	55,510
Telecom (charges for services)	265,301

Note 3 - Detailed Notes on All Funds (Continued)

In November 2021, the Sandersville Downtown Development Authority entered into a note agreement with a local restaurant to finance a portion of its construction and renovation costs. The total loan amount was $598, 045 and is due in monthly payments of $4,984 beginning when construction is completed. The note bears 0% interest and is secured by the building and equipment. At December 31, 2022, the remaining balance due is $543,224.

3-C. Property Taxes

The City Council levied property taxes on December 5, 2022. Property taxes attach as an enforceable lien on property as of May 18, 2022. Property taxes were billed on January 5, 2022 and were payable on March 31, 2022.

The City is subject to tax abatements granted by the Development Authority of Washington County for the purpose of economic development and revitalization of employment in the area,

For the year ended December 31, 2022, the City had no property tax abatements as the Trojan Battery 100% property tax abatement on the first $10,000,000 of personal property expired in 2020.

3-D. Capital Assets

Capital asset activity for governmental activities for the year ended December 31, 2022, was as follows:

	Beginning Balance 1/1/2022	Additions	Deductions	Ending Balance 12/31/2022
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 960,416	$ -	$ -	$ 960,416
Construction in progress	160,433	173,680	-	334,113
Total capital assets not being depreciated	1,120,849	173,680	-	1,294,529
Other capital assets:				
Buildings	5,152,078	37,028	-	5,189,106
Equipment	6,071,969	1,794,221	(311,676)	7,554,514
Software	257,398	-	-	257,398
Infrastructure	5,543,319	297,659	(95,609)	5,745,369
Total other capital assets	17,024,764	2,128,908	(407,285)	18,746,387
Total capital assets	18,145,613	2,302,588	(407,285)	20,040,916
Accumulated depreciation:				
Buildings	2,220,356	150,129	-	2,370,485
Equipment	4,025,858	397,078	(311,676)	4,111,260
Software	217,005	-	-	217,005
Infrastructure	1,116,467	169,812	-	1,286,279
Total accumulated depreciation	7,579,686	717,019	(311,676)	7,985,029
Governmental activities capital assets, net	$ 10,565,927	$ 1,585,569	$ (95,609)	$ 12,055,887

General government	$ 153,825
Public safety	310,948
Public works	237,398
Culture and recreation	3,678
Housing and development	11,170
Total governmental activities depreciation expense	$ 717,019

Capital asset activity for business-type activities for the year ended December 31, 2022, was as follows:

Note 3 - Detailed Notes on All Funds (Continued)

	Beginning Balance 1/1/2022	Additions	Deductions	Ending Balance 12/31/2022
Business type acrtivities:				
Nondepreciable capital assets				
Land	$ 222,257	$ 59,244	$ -	$ 281,501
Construction in progress	10,992,972	1,063,488	(11,564,429)	492,031
Total nondepreciable capital assets	11,215,229	1,122,732	(11,564,429)	773,532
Other capital assets:				
Buildings	482,295	-	-	482,295
Machinery and equipment	5,649,536	63,427	(8,044)	5,704,919
Infrastructure	29,266,348	11,564,429	-	40,830,777
Total other capital assets	35,398,179	11,627,856	(8,044)	47,017,991
Total capital assets	46,613,408	12,750,588	(11,572,473)	47,791,523
Accumulated depreciation:				
Buildings	357,946	6,378	(8,044)	364,324
Machinery and equipment	3,183,483	259,535	-	3,434,974
Infrastructure	18,757,050	677,324	-	19,434,374
Total accumulated depreciation	22,298,479	943,237	(8,044)	23,233,672
Business-type activities capital assets, net	$ 24,314,929	$ 11,807,351	$ (11,564,429)	$ 24,557,851

3-E Interfund Balances

Interfund Receivables/Payables – The following are interfund balances between funds:

	Payable from:							
Receivable to:	General	TSPLOST Fund	CDBG 2017	Telecom	Electrical	Solid Waste	CHIP 2018	Total
General	$ -	$ -	$ -	$ -	$ -	$ -	$ 68	$ 68
2013 SPLOST	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-
Electrical	-	-	-	-	-	-		-
Telcommunications	-	-	-	-	-	-	-	-
Total	$ -	$ -	$ -	$ -	$ -	$ -	$ 68	$ 68

Interfund balances at December 31, 2022, consisted of interfund loans between funds for cash flow purposes and for other budgeted purposes.

Note 3 - Detailed Notes on All Funds (Continued)

Interfund Transfers – Interfund transfers for the year ended December 31, 2022, consisted of the following:

	Transfers from:						
Transfers to:	Nonmajor Govermental	Water & Sewer	Electrical	Telecom	Solid Waste	ARPA	Total
General	$ 15,000	$162,236	$ 353,023	$ 1,834	$ 38,738	$106,000	$676,831
Water & Sewer	-	-	-	-	-	20,500	20,500
Electric	-	-	-	-	-	16,500	16,500
Telecom	-	-	-	-	-	2,000	2,000
Solid Waste	-	-	-	-	-	4,000	4,000
	$ 15,000	$162,236	$ 353,023	$ 1,834	$ 38,738	$149,000	$719,831

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations and to return money to the fund from which it was originally provided once a project is completed.

All City transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

3-F Long-term Debt

At December 31, 2022, the City has four loans outstanding with the Georgia Environmental Finance Authority (GEFA).

GEFA Loan–DW00023 – In October 2006, the City borrowed $758,724 at an interest rate of 3% for water distribution system upgrades. Quarterly principal and interest payments are $12,884 with a final maturity date of January 1, 2026.

Annual debt service requirements to amortize this loan as of December 31, 2022 follows:

Year	Principal	Interest	Total
2023	$ 47,259	$ 4,276	$ 51,535
2024	48,696	2,839	51,535
2025	50,177	1,358	51,535
2026	12,882	103	12,985
	$ 159,014	$ 8,576	$ 167,590

GEFA Loan–2002-L22WS - In February 2006, the City borrowed $2,650,913 at an interest rate of 4.35% for water distribution system upgrades. Monthly principal and interest payments are $17,436 with a final maturity date of July 1, 2024.

Annual debt service requirements to amortize this loan as of December 31, 2022 follows:

Note 3 - Detailed Notes on All Funds (Continued)

Year	Principal	Interest	Total
2023	$ 199,752	$ 9,481	$ 209,233
2024	109,153	1,467	110,620
	$ 308,905	$ 10,948	$ 319,853

GEFA Loan — 2010L06WJ – In November 2011, the City borrowed $1,195,000 at an interest rate of 3.81% for water distribution system upgrades. Monthly principal and interest payments are $7,122 with a final maturity date of November 1, 2031.

Annual debt service requirements to amortize this loan as of December 31, 2022 follows:

Year	Principal	Interest	Total
2023	$ 62,155	$ 23,314	$ 85,469
2024	64,565	20,904	85,469
2025	67,068	18,401	85,469
2026	69,668	15,800	85,468
2027	72,370	13,099	85,469
2028 - 2031	304,378	23,252	327,630
	$ 640,204	$ 114,770	$ 754,974

GEFA Loan — CWI5003 – In April 2017, the City borrowed $1,258,180 at an interest rate of 1.03% for sewer upgrades. Monthly principal and interest payments are $5,803 with a final maturity date of March 1, 2037.

Annual debt service requirements to amortize this loan as of December 31, 2022 follows:

Year	Principal	Interest	Total
2023	$ 60,419	$ 9,218	$ 69,637
2024	61,044	8,593	69,637
2025	61,676	7,961	69,637
2026	62,314	7,323	69,637
2027	62,959	6,678	69,637
2028 - 2032	324,704	23,480	348,184
2033 - 2037	289,467	6,507	295,974
	$ 922,583	$ 69,760	$ 992,343

Georgia Municipal Association – The City has two GMA loans. In September 2020, the City borrowed $194,950 at an interest rate of 3.05% for the lease purchase of a 2020 Freightliner Tymco 600 Streetsweeper for the Public Works Street Department. Payments are made in the amount of $2,965 monthly with a final maturity date of August 26, 2026.

Annual debt service requirements to amortize this loan as of December 31, 2022 follow:

Note 3 - Detailed Notes on All Funds (Continued)

Year	Principal	Interest	Total
2023	$ 32,026	$ 3,394	$ 35,420
2024	33,183	2,398	35,581
2025	34,210	1,372	35,582
2026	26,350	336	26,686
	$ 125,769	$ 7,500	$ 133,269

In July 2021, the City borrowed $402,032 at an interest rate of 1.7% for the purchase of police cars. Payments are made quarterly in the amount of $21,000 through July 2026.

Annual debt service requirements to amortize this loan as of December 31, 2022 follow:

Year	Principal	Interest	Total
2023	$ 79,380	$ 4,621	$ 84,001
2024	80,721	3,277	83,998
2025	82,086	1,913	83,999
2026	62,474	525	62,999
	$ 304,661	$ 10,336	$ 314,997

USDA Loan – In 2022, the City financed the purchase of a HME Ahrens aerial Fire Truck with a USDA loan in the amount of $1,191,200. Payments are made in the amount of $11,787 monthly with a final maturity date of December 18, 2032.

Annual debt service requirements to amortize this loan as of December 31, 2022 follow:

Year	Principal	Interest	Total
2023	$ 102,148	$ 39,296	$ 141,444
2024	105,518	35,926	141,444
2025	108,999	32,445	141,444
2026	112,594	28,850	141,444
2027	116,309	25,135	141,444
2028 - 2032	645,632	65,529	711,161
	$ 1,191,200	$ 227,181	$ 1,418,381

USDA - In October 2021, the City closed on three USDA funded loans totaling $15,280,500 at an interest rate of 1.75% for the purpose of consolidating current water and sewer debt and to fund additional water and sewer expansion and upgrades including

the reconstruction of the South Water Treatment Plant and the Davisboro Road Basin rehabilitation, the extension of water and sewer services on Anderson Drive, and the replacement of the sewer system on West Church, West Haynes and Cook Streets.

Note 3 - Detailed Notes on All Funds (Continued)

USDA Loan – Series 2021A- Payments are made in the amount of $28,986 monthly with a final maturity date of December 18, 2061.

Year	Principal	Interest	Total
2023	$ 177,576	$ 170,256	$ 347,832
2024	180,715	167,117	347,832
2025	183,909	163,923	347,832
2026	187,159	160,673	347,832
2027	190,467	157,365	347,832
2028 - 2032	1,004,039	735,121	1,739,160
2033 - 2037	1,095,961	643,199	1,739,160
2038 - 2042	1,196,298	542,862	1,739,160
2043 - 2047	1,305,824	433,337	1,739,161
2048 - 2052	1,425,376	313,784	1,739,160
2053 - 2057	1,555,871	183,289	1,739,160
2058 - 2061	1,288,223	44,722	1,332,945
	$ 9,791,418	$ 3,715,648	$ 13,507,066

USDA Loan – Series 2021B- Payments are made in the amount of $8,112 monthly with a final maturity date of December 18 2061.

Year	Principal	Interest	Total
2023	$ 49,689	$ 47,655	$ 97,344
2024	50,567	46,777	97,344
2025	51,461	45,883	97,344
2026	52,371	44,973	97,344
2027	53,297	44,047	97,344
2028 - 2032	280,955	205,765	486,720
2033 - 2037	306,683	180,037	486,720
2038 - 2042	334,766	151,954	486,720
2043 - 2047	365,423	121,297	486,720
2048 - 2052	398,886	87,834	486,720
2053 - 2057	435,414	51,306	486,720
2058 - 2061	360,510	12,520	373,030
	$ 2,740,022	$ 1,040,048	$ 3,780,070

Note 3 - Detailed Notes on All Funds (Continued)

USDA Loan - Series 2021C - Payments are made in the amount of $7,217 monthly with a final maturity date of December 18, 2061.

Year	Principal	Interest	Total
2023	$ 44,210	$ 42,394	$ 86,604
2024	44,991	41,613	86,604
2025	45,787	40,817	86,604
2026	46,596	40,008	86,604
2027	47,420	39,184	86,604
2028 - 2032	249,971	183,049	433,020
2033 - 2037	272,859	160,161	433,020
2038 - 2042	297,843	135,177	433,020
2043 - 2047	325,115	107,906	433,021
2048 - 2052	354,883	78,137	433,020
2053 - 2057	387,379	45,642	433,021
2058 - 2061	320,731	11,138	331,869
	$ 2,437,785	$ 925,226	$ 3,363,011

Changes in Long-term Debt - Changes in the City's long-term obligations consisted of the following for the year ended December 31, 2022:

	Outstanding 1/1/2022	Additions	Reductions	Outstanding 12/31/2022	Amounts Due in One Year	Long-term Portion
Business-Type Activities						
GEFA loan - DW00-023	$ 204,915	$ -	$ 45,901	$ 159,014	$ 47,259	$ 111,755
GEFA loan - 2002-L22WS	500,169	-	191,264	308,905	199,752	109,153
GEFA loan - 2010-L06WJ	700,039	-	59,835	640,204	62,155	578,049
GEFA loan - CW15003	982,384	-	59,801	922,583	60,419	862,164
USDA Loans:						
2021A	9,966,240	-	174,822	9,791,418	177,576	9,613,842
2021B	2,788,951	-	48,929	2,740,022	49,689	2,690,333
2021C	2,481,339	-	43,554	2,437,785	44,210	2,393,575
Total Business-Type Activities	$ 17,624,037	$ -	$ 624,106	$ 16,999,931	$ 641,060	$ 16,358,871
Governmental-Type Activities						
GMA Loan	$ 539,790	$ -	$ 109,360	$ 430,430	$ 111,406	$ 319,024
USDA Loan	-	1,191,200	-	1,191,200	102,148	1,089,052
	$ 539,790	$ 1,191,200	$ 109,360	$ 1,621,630	$ 213,554	$ 1,408,076

The City's GEFA loans and USDA loans payable are being repaid from the City's Water and Sewer fund. The City's Georgia Municipal Association loans and USDA firetruck loan are being repaid in the City's general fund.

3-G Pension

Plan Description - The City contributes to the Georgia Municipal Employees Benefit System (GMEBS), a defined benefit plan, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for cities in the State of Georgia. GMEBS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The plan, adopted by a City Council Ordinance, established the benefit provisions and has the authority to amend these provisions through City ordinance. GMEBS issues a publicly available

Note 3 - Detailed Notes on All Funds (Continued)

financial report that includes financial statements and required supplementary information for the City. That report may be obtained by writing to:

Georgia Municipal Employees Benefit System
201 Pryor Street SW
Atlanta, Georgia 30303-3606
404/688-0472

All full-time City employees (i.e., 30 hours per week) with one year of service are eligible to participate in the plan with benefits vesting after 5 years of service. The plans provide either:

- Normal retirement benefit, whereas the employee retires at age 65 with five years of service
- Early retirement benefit, whereas the employee may retire at age 55 or older with ten years of service

Employees who retire at or after age sixty-five with five years of credited service or after age fifty-five with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 to 1.75 percent of their average monthly earnings as defined in the plan for each year of credit service. The system also provides death and disability benefits.

At July 1, 2022, the date of the most recent actuarial valuation, there were 192 participants consisting of the following:

Retired participants	68
Vested former participants	41
Active Employees	79
Active Elected Officials	4

Funding Policy – The obligations to contribute for both the City and its employees are established by the City council through ordinance. The City is required to contribute 100% of the amounts necessary to fund the System using the actuarial basis specified by statute. The current contribution rate is 7.80% of annual covered payroll. City employees hired prior to March 1, 2017 are not required to contribute to GMEBS, however; employees hired or rehired after this date are required to contribute 2% of their earnings.

Contributions – The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standard law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets State minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan is to contribute an amount equal to or greater than the recommended contribution described below. For fiscal year 2022, the actuarially determined contribution rate was 9.40% of covered payroll.

For the year ended December 31, 2022, the City's recommended and actual contribution was $361,742 which was actuarially determined and is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The amount of employer contributions recognized in the actuarial report dated July 1, 2022 and included in the government-wide statement of activities amounted to $378,096.

Note 3 - Detailed Notes on All Funds (Continued)

Changes in the Net Pension Liability

	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (a) - (b)
Balances at March 31, 2021*	$ 9,348,904	$ 8,907,534	$ 441,370
Changes for the year:			
Service Cost	148,704	-	148,704
Interest	681,160	-	681,160
Differences between expected and actual experience	(202,282)	-	(202,282)
Contributions - employer	-	378,096	(378,096)
Contributions - employee	-	30,332	(30,332)
Net investment income	-	544,050	(544,050)
Benefit payments, including refunds of employee contributions	(523,090)	(523,090)	-
Administrative expense	-	-	-
Other	-	(24,993)	24,993
Net changes	-	-	-
Balances at March 31, 2022**	104,492	404,395	(299,903)
	$ 9,453,396	$ 9,311,929	$ 141,467

* *Entry Age Normal liabilities calculated using ages and service amounts as of July 1, 2021 are used to measure TPL as of March 31, 2021. The balances as of March 31, 2021 constitute measurements of the NPL for the fiscal year ending December 31, 2021.*

***Entry Age Normal liabilities calculated using ages and service amounts as of July 1, 2022 are used to measure TPL as of March 31, 2022. The balances as of March 31, 2022 constitute measurements of the NPL for the fiscal year ending December 31, 2022.*

Note 3 - Detailed Notes on All Funds (Continued)

Pension Expense for the Year Ended December 31, 2022

Service cost	$ 148,704
Interest on TPL	681,160
Employee contribution	(30,332)
Administrative expenses	24,993
Expected return on assets	(651,781)
Expensed portion of current year period differences between expected and actual experience in TPL	(50,569)
Expensed portion of current year period assumption changes	
Current year plan changes	-
Expensed portion of current year period differences between projected and actual investments earnings	21,547
Current year recognition of deferred inflows and outflows established in prior years	(127,130)
Total expense	$ 16,592

Deferred Outflows/Inflows of Resources related to Pensions

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (67,899)
Changes of assumptions	-	(26,172)
Net difference between projected and actual earnings on pension plan investments	-	(873,757)
Total	$ -	$ (967,828)

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

Year Ending December 31,	
2022	$ (202,499)
2023	(290,934)
2024	(495,941)
2025	21,546
	$ (967,828)

Note 3 - Detailed Notes on All Funds (Continued)

Actuarial Assumptions

Current Valuation Date	July 1, 2022
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percentage of Pay (Closed)
Remaining Amortization Period	Varies for the Bases with a Net Effect Amortization Period of Ten Years
Asset Valuation Method	Sum of actuarial value at beginning of year, the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial Assumptions:	
Investment Rate of Return	7.375%
Projected Salary Increases	2.25% plus age and service based merit increases
Cost of Living Adjustments	N/A
Plan Termination Basis	1.92% (30-year Treasury Securities Rate as of August 2021, published in September 2021; 1.36% last year) .

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.55%
International equity	20%	7.30%
Domestic fixed income	20%	0.40%
Real Estate	10%	3.65%
Global Fixed Income	5%	0.50%
Cash	0%	
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at the actuarially determined contribution rate. Based on

Note 3 - Detailed Notes on All Funds (Continued)

those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
$ 1,318,778	**$ 141,467**	**$ 842,172**

3-J. Other Postemployment Benefits (OPEB)

In accordance with GASB 75 requirements, the City is required to attribute the cost of postretirement benefits to the time during which the employee is working for the employer. GASB 75 requires allocation of the costs of a postretirement benefit plan onto the years of active employment; it does not require the funding of such benefits. GASB 75 requirements have been implemented by the City for the year ended December 31, 2022. The City has elected not to establish a separate trust fund to account for other post-employment benefits, and has not funded the plan as of December 31, 2022.

The City provides postretirement life insurance benefits, as per the requirements of a resolution for certain retirees. The provisions and obligations to contribute are established and may be amended by the City Council. To be eligible to continue life benefits upon retirement, eligible employees must either have attained 55 with at least ten year of service or attain age 65 with at least five years of service with the City. Life insurance is provided to retirees in an amount of $10,000. These postretirement benefits are funded on a pay-as-you-go basis. In 2022, the net cost of premiums for providing postretirement benefits for retirees was $5,568.

Total OPEB Liability

The City's total OPEB liability of $227,848 was measured as of January 1, 2019, and was determined by an actuarial valuation as of that date. The City failed to obtain a valuation for the year ended December 31, 2022.

Actuarial Assumptions and other inputs

The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Real wage growth	0.50%
Wage inflation	3.25%
Salary increases, including wage inflation	3.25% - 8.25%
Municipal Bond Index Rate:	
Prior measurement date	3.78%
Measurement date	3.44%

The discount rate used to measure the TOL was based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Bond Buyer.

Mortality rates were based on the RP-2000 Combined Mortality Scale projected with Scale AA to 2019.

Note 3 - Detailed Notes on All Funds (Continued)

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the January 1, 2019 valuation were based on the pension valuation prepared by Segal Consulting as of July 1, 2018.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, etc.) used in the January 1, 2019 valuation were based on a review of recent plan experience done concurrently with the January 1, 2019 valuation.

The actuarial valuation was prepared on the projected benefit basis, which is used to determine the present value of each member's expected benefit payable at retirement, disability or death.

The employer contributions required to support the benefits of the Plan are determined following a level funding approach.

The actuarial accrued liability and the normal contribution are determined using the "entry age normal" method.

The following schedule (derived from the most recent actuarial report) reflects membership for the OPEB Plan as of January 1, 2019.

Inactive members or beneficiaries currently receiving benefits	16
Inactive members entitled to but not yet receiving benefits	0
Active members	80
Total membership	96

E. Changes in the Net Pension Liability

Total OPEB Liability at January 1, 2018	$ 243,218
Changes for the year:	
Service cost	6,659
Interest	8,471
Difference between expected and actual results	2,172
Assumption change	(25,364)
Benefit payments	(7,308)
Other	-
Net changes	(15,370)
Total OPEB Liability at January 1, 2019	$ 227,848

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.10%) or 1% higher (5.10%) than the current discount rate:

	1% Decrease (3.10%)	Current (4.10%)	1% Increase (5.10%)
Total OPEB Liability	$ 267,850	$ 227,848	$ 195,847

Note 3 - Detailed Notes on All Funds (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At January 1, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in expected and actual experience	$ 3,721	$ -
Changes of assumptions or other inputs	8,985	(21,266)
Total	$ 12,706	$ (21,266)

The net amount of the City's balances of deferred outflows and inflows that will be recognized in the City's OPEB expense is as follows:

Year ending December 31:	
2020	$ (1,150)
2021	(1,150)
2022	(1,150)
2023	(1,150)
2024	(3,250)
Thereafter	(710)
	$ (8,560)

The calculation of the OPEB Expense for the year ended December 31, 2019 is shown in the following table:

Service Cost at end of year	$ 6,659
Interest Cost	8,471
Recognized Liability Losses/(Gains)	351
Change of Assumptions	(4,098)
Employee Contributions	-
Expected Returin on OPEB Investments	-
Recognized Asset Losses/(Gains)	2,597
Administrative Expenses	-
Other Changes in Fiduciary Net Position	-
Total OPEB Expense	$ 13,980

3-K. Fund Equity

- ***Non-spendable*** – The following fund balances are non-spendable because they are not in spendable form:

General Fund:	
Inventory	$ 65,729

- ***Restricted*** – The following fund balances are legally restricted to specified purposes:

Note 3 - Detailed Notes on All Funds (Continued)

Nonmajor Governmental Funds:	
Hotel - Motel Tax	$ 430,198
Confiscated Assets	12,605
Total	$ 442,803
Major Capital Projects Funds:	
TSPLOST	$ 105,402
Capital Projects - 2019 SPLOST	999,090
Total	$ 1,104,492

- ***Unassigned*** – The following fund balances include the General Fund unassigned amount of $2,881,406.:

Governmental Funds:	
Unassigned	$ 2,881,406

Net Investment in Capital Assets

Net investment in capital assets on the government-wide statement of net position as of December 31, 2022 are as follows:

Net investment in capital assets:	Governmental Activities	Business Type Activities
Cost of capital assets	$ 20,040,916	$ 47,791,523
Less accumulated depreciation	7,985,029	23,233,672
Book value	12,055,887	24,557,851
Less capital related debt	1,621,630	16,999,931
Net investment in capital assets	$ 10,434,257	$ 7,557,920

Note 4 - Other Notes

4-A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency (GIRMA) for its property and liability insurance. The City manages its risk of potential loss from injuries to employees by participating in the Workers' Compensation Self-Insurance Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The Georgia Municipal Association (GMA) administers both risk pools. There have been no significant reductions in insurance coverage during the current year.

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 pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as

Note 4 - Detailed Notes on All Funds (Continued)

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 to allow the pools' agents and attorneys to represent them in investigation, settlement discussions and all levels of litigation arising out of any claim made against them within the scope of loss protection provided by the funds.

The funds are to defend and protect the members of the funds against any liability or loss as prescribed in the member governments' contracts and in accordance with the workers' compensation laws of Georgia. The Funds are to pay all costs assessed to its members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

Settled claims in the last three years have not exceeded coverage. The City also provides health insurance coverage for its employees through the Georgia Municipal Employees Benefit System (GMEBS).

4-B. Contingent Liabilities

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

The City was a defendant in several lawsuits at December 31, 2022. In the opinion of City management, the outcome of these contingencies will not have a material effect on the financial position of the City.

4-C. Joint Ventures

Under Georgia law, the City, in conjunction with other municipalities and counties in the middle Georgia area, is a member of the Central Savannah River Area Regional Development Center (RDC). Membership in the RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes representation from each county and municipality of the area, as well as representatives from the private sector and other governmental entities. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RDC. Separate financial statements for the RDC are available from:

Central Savannah River Area Regional Development Center
3626 Walton Way Extension # 3000
P.O. Box 2800
Augusta, GA 30914-2800

4-D. Hotel/Motel Taxes

The City levies a 5% lodging tax. A summary of the transactions in the hotel/motel tax fund for the year ended December 31, 2022 follows:

Fund balance, December 31, 2021	$	388,242
Add:		
Hotel/motel taxes and misc.		94,927
Less:		
Expenditures		37,971
Transfers to General Fund		15,000
Fund balance, December 31, 2022	$	430,198

Expenditures of $37,971 (40.9% of current year's receipts) were for promotion of tourism as required by OCGA 48-13-51.

Note 4 - Detailed Notes on All Funds (Continued)

This complies with the expenditure requirements of OCGA 48-13-51.

4-E. Contract Commitment

The City has commitments for contracts with the following organizations.

Municipal Electric Authority of Georgia – The City has contracted for a period not to exceed 50 years, to purchase all of its electric power from the Municipal Electric Authority of Georgia (MEAG). MEAG agrees to provide the generating capacity necessary for reliable and economical power for the City's needs.

MEAG has issued bonds for the purpose of building generation, transmission, and telecommunications facilities. Each participant, such as the City, is contingently liable for their pro rata share of the bonds as a power purchase cost until they are retired. The City's contingent contractual obligation varies by individual MEAG project and totals $46,219,860 at December 31, 2022. The contingent obligations are general obligations of the City to which the City's full faith, credit and taxing powers are pledged.

In 2007 the City purchased additional interest in MEAG's power sales contract from the City of College Park. Through an Inter-participant contract, in addition to premium payments to College Park in the amount of $41.7 million, the City purchased 15 MW of College Park's Project One Power Sales Contract. In fiscal year 2017, the City elected to discontinue paying the premium payments due in the amount of $1,025,583 for FY 2017, $1,027,291 for FY 2018, $439,381 for FY 2019 and $1,402,528 for FY 2020, leaving a remaining balance due of $40,347,676. In March, 2022 after litigation in the Superior Court in Washington County and an appeal to the Georgia Court of Appeals, the Georgia Supreme Court upheld the decision of the Court of Appeals in favor of the City of Sandersville ending this contractual obligation with College Park.

On April 12, 1999 the City adopted the provisions of a Municipal Competitive Trust agreement with MEAG. Under the agreement, MEAG established the Trust for the mutual benefit of MEAG and its wholesale customers (the participating Cities). The Trust was created to provide a means of accumulating funds to mitigate the expected differential between market rates for power and the associated costs of generating that power after the anticipated deregulation of the electric industry. The Trust provides for three types of accounts that are held by the trustee in the name of the City.

The flexible operating trust account includes funds that are available for withdrawal at the discretion of the City. This amount is included in investments and had a zero balance December 31, 2022. The two additional accounts created were the credit support operating trust account and the reserve funded debt trust account. The funds in the credit support operating trust account can only be used to offset rate increases exceeding certain criteria and for loans for capital improvements that will reduce future operating costs. There was a zero balance in this account as of December 31, 2022.

The funds in the reserve funded debt trust account can only be used for charges related to MEAG's bond obligations. There was a zero balance in this account at December 31, 2022. Due to the restrictions on the use of these two accounts, they are not presented on the comparative statement of net position.

In accordance with the First Amendment of the Municipal Competitive Trust, MEAG Power withdrew funds from the credit support operation account and the reserve funded debt account on behalf of the Participants for the purpose of lowering the annual generation charges for the period of January 1, 2009 through December 31, 2022. The annual amount for the City for 2022 was zero.

In accordance with the Second Amendment of the Municipal Competitive Trust, effective August 10, 2009, MEAG Power amended the restrictions and broadened the circumstances under which a Participant may withdraw funds from the New Generation Trust, which was established earlier in 2009 to provide for the future funding of the construction of new power generation facilities, including, but not limited to the Plant Vogtle expansion project. The voluntary funding of the New Generation Trust by Participants will improve the overall credit rating of MEAG Power in the municipal bond market, both now and in the future. The Generation Trust Account balance at December 31, 2022 was $3,405.

Note 5 – Subsequent Events

The City performed an evaluation of subsequent events through June 28, 2023, the date upon which the City's financial statements were available for issue. The City has not evaluated subsequent events after this date. No substantial events were identified that would have required a change to the financial statements or note disclosures in the notes to the financial statements.

Note 6 – Prior Period Adjustment

Beginning net position for the Governmental-Type Activities was restated as follows:

	Governmental-Type Activities
Net Position, as originally reported	$ 12,060,277
Beginning OPEB liability	(229,736)
Beginning Net Position, as restated	$ 11,830,541

The City adopted GASB 75, "Accounting and Reporting for Postemployment Benefits Other Than Pensions" which required restatement of beginning net position for governmental-type activities.

City of Sandersville, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	$ 4,774,113	$ 5,724,113	$ 5,777,320	$ 53,207
Licenses and permits	160,342	160,342	161,933	1,591
Intergovernmental	465,268	595,001	576,282	(18,719)
Charges for services	19,897	19,897	14,922	(4,975)
Fines and forfeitures	75,000	75,000	65,205	(9,795)
Miscellaneous	6,991	14,691	76,338	61,647
Total Revenues	5,501,611	6,589,044	6,672,000	82,956
Expenditures				
Current:				
General government	1,005,194	1,057,506	1,033,469	24,037
Municipal Court	159,396	159,396	131,484	27,912
Public safety	3,131,018	4,934,639	4,422,114	512,525
Public works	1,357,384	1,476,613	1,425,686	50,927
Health and welfare	35,150	35,150	35,150	-
Culture and recreation	74,997	74,997	50,571	24,426
Housing and development	313,523	455,583	415,346	40,237
Debt Service:				
Principal	-	-	31,302	(31,302)
Interest and fiscal charges	4,280	4,280	4,280	-
Total Expenditures	6,080,942	8,198,164	7,549,402	648,762
Excess (Deficiency) of Revenues Over (Under) Expenditures	(579,331)	(1,609,120)	(877,402)	731,718
Other Financing Sources (Uses)				
Proceeds from the disposition of capital assets	8,500	8,500	45,310	36,810
Proceeds from financed purchases from direct borrowings	-	1,593,256	1,191,200	(402,056)
Transfers in	570,831	676,831	676,831	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	579,331	2,278,587	1,913,341	(365,246)
Net Change in Fund Balances	$ -	$ 669,467	1,035,939	$ 366,472
Fund Balances Beginning of Year			1,911,196	
Fund Balances End of Year			$ 2,947,135	

City of Sandersville, Georgia
ARPA Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ -	$ 244,609	$ 244,609	$ -
Miscellaneous	-	-	-	-
Total Revenues	-	244,609	244,609	-
Expenditures				
Current:				
General government	-	-	-	-
Capital Outlay	-	95,609	95,609	-
Total Expenditures	-	95,609	95,609	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	149,000	149,000	-
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	(149,000)	(149,000)	-
Total Other Financing Sources (Uses)	-	(149,000)	(149,000)	-
Net Change in Fund Balances	$ -	$ -	-	$ -
Fund Balances Beginning of Year			-	
Fund Balances End of Year			$ -	

City of Sandersville, Georgia
Required Supplementary Information
Georgia Municipal Employees Benefit System
Schedule of Changes in the Net Pension Liability and Related Ratios
For the Years Ended December 31,

	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:								
Service cost	$ 148,704	$ 135,293	$ 128,692	$ 128,571	$ 144,127	$ 136,371	$ 127,807	$ 119,816
Interest	681,160	654,531	630,779	602,417	562,396	561,884	532,346	496,859
Difference between expected and actual experience	(202,282)	41,873	251,511	92,968	286,477	(253,042)	128,906	218,391
Changes of assumptions	-	-	-	-	117,377	-	-	(15,167)
Changes of benefit terms	-	-	(104,687)	21,242	-	-	-	-
Benefit payments, including refunds of employee contributions	(523,090)	(444,992)	(451,586)	(482,737)	(444,154)	(433,043)	(382,805)	(341,205)
Net change in total pension liability	104,492	386,705	454,709	362,461	666,223	12,170	406,254	478,694
Total pension liability, beginning	9,348,904	8,962,199	8,507,490	8,145,029	7,478,806	7,466,636	7,060,382	6,581,688
Total pension liability, ending (a)	9,453,396	9,348,904	8,962,199	8,507,490	8,145,029	7,478,806	7,466,636	7,060,382
Plan Fiduciary Net Position:								
Contributions - employer	378,096	356,249	344,033	331,563	296,590	319,700	306,982	334,711
Contributions - employee	30,332	20,959	13,302	7,636	2,861	-	-	-
Net investment income	544,050	2,789,020	(467,650)	239,144	756,662	692,234	17,302	500,215
Benefit payments	(523,090)	(444,992)	(451,586)	(482,737)	(444,154)	(433,043)	(382,805)	(341,205)
Administrative expense	(24,993)	(19,034)	(27,607)	(19,456)	(16,967)	(17,456)	(11,934)	(10,926)
Other	-	-	-	-	-	-	-	-
Net change in fiduciary net position	404,395	2,702,202	(589,508)	76,150	594,992	561,435	(70,455)	482,795
Plan fiduciary net position, beginning	8,907,534	6,205,332	6,794,840	6,718,690	6,123,698	5,562,263	5,632,718	5,149,923
Plan fiduciary net position, ending (b)	9,311,929	8,907,534	6,205,332	6,794,840	6,718,690	6,123,698	5,562,263	5,632,718
Net pension liability, ending (a) - (b)	$ 141,467	$ 441,370	$ 2,756,867	$ 1,712,650	$ 1,426,339	$ 1,355,108	$ 1,904,373	$ 1,427,664
Plan's fiduciary net position as a % of the total pension liability	98.50%	95.28%	69.24%	79.87%	82.49%	81.88%	74.49%	79.78%
Covered-employee payroll	$ 3,684,130	$ 3,805,087	$ 3,612,695	$ 3,288,568	$ 3,268,860	$ 3,333,519	$ 3,396,739	$ 3,239,785
Net pension liability as a % of covered-employee payroll	38.97%	40.70%	76.31%	52.08%	43.63%	40.65%	56.06%	44.07%

Note: Schedule is intended to show information for the last 10 years. Additional years will be displayed as they become available.

City of Sandersville, Georgia
Required Supplementary Information
Georgia Municipal Employees Benefit System
Schedule of Contributions
For the Years Ended December 31,

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 290,416	$ 361,742	$ 377,442	$ 342,577	$ 295,112	$ 330,361	$ 316,146	$ 303,927
Contributions in relation to the actuarially determined contribution	378,096	356,249	344,033	342,314	294,969	330,198	341,473	278,600
Contribution deficiency (excess)	$ (87,680)	$ 5,493	$ 33,409	$ 263	$ 143	$ 163	$ (25,327)	$ 25,327
City's covered payroll	$ 3,684,130	$ 3,805,087	$ 3,612,695	$ 3,288,568	$ 3,268,860	$ 3,333,519	$ 3,396,739	$ 3,239,785
Contributions as a percentage of covered payroll	10.26%	9.36%	9.52%	10.41%	9.02%	9.91%	10.05%	8.60%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

City of Sadnersville Georgia

Schedule of Changes in the City's OPEB Liability & Related Notes

For the Years Ended December 31,

	2019	2018
Total OPEB Liability		
Service cost	6,659	6,106
Interest	8,471	8,191
Plan chage	-	-
Changes of benefit terms	-	-
Differences between expected and actual experience	2,172	2,806
Changes of assumptions or other inputs	(25,364)	13,273
Benefit payments	(7,308)	(7,656)
Net change in total OPEB liability	(15,370)	22,720
Total OPEB liability, beginning of year	243,218	220,498
Total OPEB liability, end of year	227,848	243,218
Covered-employee payroll	$ 3,096,734	$ 3,096,734
Total OPEB liability as a % of covered-employee payroll	7.36%	7.85%

Notes to the schedule

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

City of Sandersville, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
December 31, 2022

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	$ 442,875	$ 38	$ 442,913
Receivables:			
Sales taxes	-	-	-
Hotel/motel taxes	6,523	-	6,523
Intergovernmental	-	-	-
Total Assets	$ 449,398	$ 38	$ 449,436
Liabilities and Fund Balances			
Liabilities			
Accounts payable	$ 6,595	$ -	$ 6,595
Interfund payable	-	68	68
Unearned revenue	-	-	-
Total Liabilities	6,595	68	6,663
Fund Balances			
Restricted	442,803	-	442,803
Unassigned (deficit)	-	(30)	(30)
Total Fund Balances	442,803	(30)	442,773
Total Liabilities and Fund Balances	$ 449,398	$ 38	$ 449,436

City of Sandersville, Georgia

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds - By Fund Type

For the Year Ended December 31, 2022

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:			
Hotel/motel taxes	$ 94,827	$ -	$ 94,827
Sales taxes	-	-	-
Intergovernmental	-	-	-
Fines and forfeitures	1,260	-	1,260
Investment earnings	-	-	-
Miscellaneous	306	-	306
Total Revenues	96,393	-	96,393
Expenditures			
Current:			
Public safety	3,985	-	3,985
Public works	-	-	-
Health and welfare	-	-	-
Housing and development	37,971		37,971
Capital Outlay	-	-	-
Total Expenditures	41,956	-	41,956
Excess of Revenues Over Expenditures	54,437	-	54,437
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers (out)	(15,000)	-	(15,000)
Total Other Financing Sources (Uses)	(15,000)	-	(15,000)
Net Change in Fund Balances	39,437	-	39,437
Fund Balances (Deficits) Beginning of Year	403,366	(30)	403,336
Fund Balances End of Year	$ 442,803	$ (30)	$ 442,773

City of Sandersville, Georgia
General Fund
Comparative Balance Sheet
December 31, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 2,712,805	$ 1,628,001
Receivables (net, where applicable):		
Property taxes	18,648	1,050
Accounts	105,590	109,496
Interfund	68	13,722
Intergovernmental	108,914	106,280
Inventories	65,729	54,704
Prepaid expenses	-	-
Total Assets	$ 3,011,754	$ 1,913,253
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Accrued expenditures	50,197	1,007
Unearned revenue	-	-
Interfund payable	-	-
Total Liabilities	50,197	1,007
Deferred Inflows of Resources		
- Property Taxes	14,422	1,050
Total Liabilities and Deferred Inflows of Resources	64,619	2,057
Fund Balances		
Restricted	-	-
Nonspendable	65,729	54,704
Unassigned	2,881,406	1,856,492
Total Fund Balances	2,947,135	1,911,196
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 3,011,754	$ 1,913,253

City of Sandersville, Georgia
General Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2022 and 2021

	2022	2021
Revenues		
Taxes	$ 5,777,320	$ 4,729,208
Licenses and permits	161,933	168,089
Intergovernmental	576,282	462,856
Charges for services	14,922	19,142
Fines and forfeitures	65,205	79,818
Miscellaneous	76,338	9,524
Total Revenues	6,672,000	5,468,637
Expenditures		
Current:		
General government	1,033,469	912,028
Municipal Court	131,484	126,015
Public safety	4,422,114	3,197,651
Public works	1,425,686	1,229,919
Health and welfare	35,150	35,150
Culture and recreation	50,571	50,099
Housing and development	415,346	315,851
Debt Service:		
Principal payments	31,302	30,363
Interest and fiscal charges	4,280	5,219
Total Expenditures	7,549,402	5,902,295
Deficiency of Revenues (Under) Expenditures	(877,402)	(433,658)
Other Financing Sources (Uses)		
Proceeds from the disposition of capital assets	45,310	12,997
Proceeds from financed purchases from direct borrowings	1,191,200	402,032
Transfers in	676,831	461,042
Transfers out	-	-
Total Other Financing Sources (Uses)	1,913,341	876,071
Net Change in Fund Balances	1,035,939	442,413
Fund Balances Beginning of Year	1,911,196	1,468,783
Fund Balances End of Year	$ 2,947,135	$ 1,911,196

City of Sandersville, Georgia
Schedule of Revenues - Budget and Actual - General Fund
For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Real and personal property taxes				
General property tax - current	$ 1,330,958	$ 1,330,958	$ 1,346,061	$ 15,103
General property tax - delinquent	-	-	-	-
Motor vehicle property tax - current	67,388	67,388	34,338	(33,050)
Motor vehicle title adv tax	210,155	210,155	217,842	7,687
Mobile home - personal property	7,190	7,190	6,720	(470)
Public utility taxes	61,348	61,348	62,520	1,172
Real estate transfer taxes	3,258	3,258	3,327	69
Intangible taxes	8,344	8,344	8,187	(157)
Other	-	-	-	-
Penalties and interest on taxes	6,500	6,500	7,506	1,006
Total real and personal property taxes	1,695,141	1,695,141	1,686,501	(8,640)
Selective taxes:				
Sales tax	1,037,354	1,337,354	1,355,153	17,799
Franchise tax	1,414,464	2,064,464	2,134,456	69,992
Alcoholic beverage tax	135,314	135,314	137,906	2,592
Insurance premium tax	491,840	491,840	463,304	(28,536)
Total selective taxes	3,078,972	4,028,972	4,090,819	61,847
Licenses and permits:				
Alcoholic beverages	24,755	24,755	27,770	3,015
General business license	29,949	29,949	31,894	1,945
General business license - insurance	13,500	13,500	15,425	1,925
Financial institutions	53,850	53,850	55,209	1,359
Building structure and equipment permit	21,000	21,000	8,713	(12,287)
Permits	6,105	6,105	11,079	4,974
Other	10,983	10,983	11,468	485
Business license penalties	200	200	375	175
Total licenses and permits:	160,342	160,342	161,933	1,591
Intergovernmental				
First Responders grant	-	24,867	24,867	-
USDA grant	-	100,000	100,000	-
Forest land protection grant	1,300	1,300	747	(553)
GMA health grant	8,000	12,866	8,866	(4,000)
GMA safety liability grant	8,000	8,000	-	(8,000)
County reimbursement - public safety	175,903	175,903	175,903	-
County reimbursement - animal control	126,140	126,140	113,974	(12,166)
County development authority	140,160	140,160	146,160	6,000
Housing authority - payments in lieu of taxes	5,765	5,765	5,765	-
Total intergovernmental	465,268	595,001	576,282	(18,719)
Fines and forfeitures:				
Court fines	75,000	75,000	65,205	(9,795)
Charges for services:				
General government	5,725	5,725	710	(5,015)
Animal control	4,500	4,500	3,828	(672)
Public safety	2,772	2,772	1,784	(988)
Sale of cemetery lots	6,900	6,900	8,600	1,700
Total charges for services	19,897	19,897	14,922	(4,975)
Miscellaneous:				
Private donations	5,147	12,847	16,880	4,033
Miscellaneous	1,844	1,844	59,458	57,614
Total miscellaneous	6,991	14,691	76,338	61,647
Total revenues	5,501,611	6,589,044	6,672,000	82,956
Other financing sources:				
Transfers in	570,831	676,831	676,831	-
Proceeds from financed purchases from direct borrowings	-	1,593,256	1,191,200	(402,056)
Proceeds from the disposition of capital assets	8,500	8,500	45,310	36,810
Total revenues and other financing sources	$ 6,080,942	$ 8,867,631	$ 8,585,341	$ (282,290)

City of Sandersville, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
General government				
Governing body:				
Personal services	$ 100,685	$ 100,685	$ 77,278	$ 23,407
Purchased services	49,588	49,588	47,762	1,826
Supplies	800	800	220	580
Miscellaneous	500	500	334	166
Total governing body	151,573	151,573	125,594	25,979
General administration				
Personal services	697,067	714,067	706,845	7,222
Purchased services	131,553	141,285	144,408	(3,123)
Supplies	13,700	27,680	33,199	(5,519)
Miscellaneous	2,000	11,000	11,549	(549)
Capital Outlays	-	-	-	-
Total general administration	844,320	894,032	896,001	(1,969)
General administration fees:				
Miscellaneous	9,301	11,901	11,874	27
Total general government	1,005,194	1,057,506	1,033,469	24,037
Municipal court				
Personal services	112,762	112,762	102,013	10,749
Purchased services	44,034	44,034	28,966	15,068
Supplies	2,600	2,600	505	2,095
Miscellaneous	-	-	-	-
Total municipal court	159,396	159,396	131,484	27,912
Public safety:				
Police:				
Personal services	1,580,174	1,580,174	1,515,091	65,083
Purchased services	219,420	229,420	225,198	4,222
Supplies	86,849	86,849	88,031	(1,182)
Miscellaneous	1,500	1,500	1,050	450
Capital outlay	11,500	413,532	-	413,532
Total police	1,899,443	2,311,475	1,829,370	482,105
Total carried forward	3,064,033	3,528,377	2,994,323	534,054

City of Sandersville, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Total carried forward	$ 3,064,033	$ 3,528,377	$ 2,994,323	$ 534,054
Fire:				
Personal services	789,428	837,428	827,500	9,928
Purchased services	74,278	122,678	118,195	4,483
Supplies	27,300	29,700	31,208	(1,508)
Miscellaneous	500	500	865	(365)
Capital outlay	7,800	1,299,089	1,295,089	4,000
Total fire	899,306	2,289,395	2,272,857	16,538
Animal control:				
Personal services	159,369	159,369	150,205	9,164
Purchased services	21,600	21,600	18,126	3,474
Supplies	6,800	6,800	6,056	744
Miscellaneous	500	500	-	500
Capital outlay	-	-	-	-
Total animal control	188,269	188,269	174,387	13,882
EMA/E-911 Fee	144,000	145,500	145,500	-
Total public safety	3,131,018	4,934,639	4,422,114	512,525
Public works:				
Public works - operations:				
Personal services	189,304	189,304	171,667	17,637
Purchased services	24,116	38,016	37,849	167
Supplies	4,500	4,500	4,314	186
Miscellaneous	500	500	71	429
Capital outlays	-	-	4,965	(4,965)
Total - public works - operations	218,420	232,320	218,866	13,454
Street department				
Personal services	574,073	574,073	527,242	46,831
Purchased services	44,950	84,950	69,248	15,702
Supplies	74,800	74,800	65,854	8,946
Miscellaneous	500	500	650	(150)
Street repairs	30,000	30,000	76,244	(46,244)
Capital outlays	-	55,829	52,329	3,500
Total street department	724,323	820,152	791,567	28,585
Total carried forward	5,238,351	7,204,013	6,597,500	606,513

City of Sandersville, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Total brought forward	$ 5,238,351	$ 7,204,013	$ 6,597,500	$ 606,513
Fleet maintenance				
Personal services	69,598	69,598	69,749	(151)
Purchased services	9,370	9,370	8,786	584
Supplies	10,100	10,100	6,650	3,450
Miscellaneous	500	500	200	300
Capital Outlays	-	-	-	-
Total fleet maintenance	89,568	89,568	85,385	4,183
Parks and Cemetery				
Personal services	267,323	267,323	263,155	4,168
Purchased services	37,350	46,850	51,267	(4,417)
Supplies	19,900	19,900	15,446	4,454
Capital outlay	-	-	-	-
Miscellaneous	500	500	-	500
Total parks and cemetery	325,073	334,573	329,868	4,705
Total public works	1,357,384	1,476,613	1,425,686	50,927
Health and welfare				
Payments for senior center	35,150	35,150	35,150	-
Culture and recreation				
Disc Golf				
Personal services	-	-	-	-
Purchased services	3,600	3,600	3,599	1
Supplies	10,500	10,500	1,075	9,425
Capital outlay	8,000	8,000	-	8,000
Miscellaneous	6,000	6,000	-	6,000
Total disc golf	28,100	28,100	4,674	23,426
Parks:				
Payments to DAR	1,710	1,710	1,710	-
Forestry and nursery:				
Payments to Tree City	1,000	1,000	-	1,000
Total carried forward	5,718,952	7,694,114	7,054,287	639,827

City of Sandersville, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Total carried forward	5,718,952	7,694,114	7,054,287	639,827
Libraries:				
Payment to Rosa M. Tarbutton Library	44,187	44,187	44,187	-
Total culture and recreation	74,997	74,997	50,571	24,426
Housing and development:				
Planning and zoning				
Personal services	104,500	117,500	109,234	8,266
Purchased services	30,071	30,071	13,390	16,681
Supplies	3,350	3,350	1,202	2,148
Capital outlay	-	-	-	-
Miscellaneous	500	500	100	400
Total planning and zoning	138,421	151,421	123,926	27,495
Economic development and assistance				
Personal services	66,402	66,402	57,758	8,644
Purchased services	24,100	85,350	74,965	10,385
Supplies	1,600	4,410	10,697	(6,287)
UGA Archway	15,000	15,000	15,000	-
Historical society	7,000	22,000	22,000	-
Downtown development authority	12,000	12,000	12,000	-
Downtown tourism	-	-	-	-
Public facilities authority	-	50,000	50,000	-
Payment to WACO airport	19,000	19,000	19,000	-
Payment to WACO chamber of commerce	30,000	30,000	30,000	-
Total economic development and assistance	175,102	304,162	291,420	12,742
Total housing and development	313,523	455,583	415,346	40,237
Debt Service:				
Principal	-	-	31,302	(31,302)
Interest and fiscal charges	4,280	4,280	4,280	-
Total Debt Service	4,280	4,280	35,582	(31,302)
Total Expenditures	6,080,942	8,198,164	7,549,402	648,762
Other financing Uses:				
Transfers out	-	-	-	-
Total Expenditures and Transfers	$ 6,080,942	$ 8,198,164	$ 7,549,402	$ 648,762

City of Sandersville, Georgia
Comparative Balance Sheet
ARPA Fund
December 31, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 1,731,814	$ 968,332
Intergovernmental receivable	-	-
Total Assets	$ 1,731,814	$ 968,332
Liabilities and Fund Balances		
Liabilities		
Unearned revenues	$ 1,731,814	$ 968,332
Fund Balances		
Restricted	-	-
Total Liabilities and Fund Balances	$ 1,731,814	$ 968,332

City of Sandersville, Georgia

Schedule of Revenues and Changes in Fund Balances - Budget and Actual

ARPA Fund

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues:					
Intergovernmental	$ -	$ 244,609	$ 244,609	$ -	$ 39,760
Miscellaneous	-	-	-	-	-
Total Revenues	-	244,609	244,609	-	39,760
Expenditures:					
Capital Outlays	-	95,609	95,609	-	39,760
Excess of Revenues Over Expenditure	-	149,000	149,000	-	-
Other Financing (Uses)					
Transfers out	-	(149,000)	(149,000)	-	-
Net Change in Fund Balances	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Sandersville, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2022

	Hotel-Motel Tax	Confiscated Assets	Total Nonmajor Special Revenue Funds
Assets			
Cash and cash equivalents	$ 423,675	$ 19,200	$ 442,875
Intergovernmental receivable	-	-	-
Taxes receivable	6,523	-	6,523
Total Assets	$ 430,198	$ 19,200	$ 449,398
Liabilities			
Account payables	-	6,595	6,595
Fund Balances			
Restricted	$ 430,198	$ 12,605	$ 442,803
Unassigned (deficit)	-	-	-
Total Liabilities and Fund Balances	$ 430,198	$ 19,200	$ 449,398

City of Sandersville, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022

	Hotel-Motel Tax	Confiscated Assets	Total Nonmajor Special Revenue Funds
Revenues			
Taxes	$ 94,827	$ -	$ 94,827
Fines and forfeitures	-	1,260	1,260
Intergovernmental	-	-	-
Miscellaneous	100	206	306
Total Revenues	94,927	1,466	96,393
Expenditures			
Current:			
Public safety	-	3,985	3,985
Housing and development	37,971	-	37,971
Capital Outlay	-	-	-
Total Expenditures	37,971	3,985	41,956
Excess of Revenues Over Expenditures	56,956	(2,519)	54,437
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers (out)	(15,000)	-	(15,000)
Net Change in Fund Balances	41,956	(2,519)	39,437
Fund Balances Beginning of Year	388,242	15,124	403,366
Fund Balances End of Year	$ 430,198	$ 12,605	$ 442,803

City of Sandersville, Georgia
Comparative Balance Sheet
Hotel/Motel Tax Fund
December 31, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 423,675	$ 381,885
Hotel/motel taxes receivable	6,523	6,357
Total Assets	$ 430,198	$ 388,242
Fund Balances		
Restricted for housing and development	$ 430,198	$ 388,242

City of Sandersville, Georgia

Schedule of Revenues and Changes in Fund Balances - Budget and Actual

Hotel/Motel Tax Fund

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues:					
Hotel/motel taxes	$ 67,600	$ 67,600	$ 94,827	$ 27,227	$ 77,614
Miscellaneous	75	75	100	25	182
Total Revenues	67,675	67,675	94,927	27,252	77,796
Expenditures					
Current:					
Housing and development	29,540	29,540	37,971	(8,431)	31,784
Excess of Revenues Over Expenditures	38,135	38,135	56,956	18,821	46,012
Other Financing (Uses)					
Transfers out	(15,000)	(15,000)	(15,000)	-	-
Net Change in Fund Balances	$ 23,135	$ 23,135	41,956	$ 18,821	46,012
Fund Balances Beginning of Year			388,242		342,230
Fund Balances End of Year			$ 430,198		$ 388,242

City of Sandersville, Georgia
Comparative Balance Sheet
Confiscated Assets Fund
December 31, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 19,200	$ 21,719
Intergovernmental receivable	-	-
Total Assets	$ 19,200	$ 21,719
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 6,595	$ 6,595
Fund Balances		
Restricted for public safety	12,605	15,124
Total Liabilities and Fund Balances	$ 19,200	$ 21,719

City of Sandersville, Georgia

Schedule of Revenues and Changes in Fund Balances - Budget and Actual

Confiscated Assets Fund

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues:					
Fines and forfeitures	$ 1,100	$ 1,100	$ 1,260	$ 160	$ 10,313
Miscellaneous	-	-	206	206	-
Total Revenues	1,100	1,100	1,466	366	10,313
Expenditures					
Current:					
Public Safety	6,850	6,850	3,985	2,865	4,973
Capital Outlay	-	-	-	-	-
Total Expenditures	6,850	6,850	3,985	2,865	4,973
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,750)	(5,750)	(2,519)	3,231	5,340
Other Financing Uses					
Transfers Out	-	-	-	-	-
Net Change in Fund Balances	$ (5,750)	$ (5,750)	(2,519)	$ 3,231	5,340
Fund Balances Beginning of Year			15,124		9,784
Fund Balances End of Year			$ 12,605		$ 15,124

City of Sandersville, Georgia
Comparative Balance Sheet
T-SPLOST Fund
December 31, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 36,934	$ 437,141
Intergovernmental receivable	68,468	18,484
Total Assets	$ 105,402	$ 455,625
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Unearned revenue	-	-
Total Liabilities	-	-
Fund Balances		
Restricted for transportation	105,402	455,625
Total Fund Balances	105,402	455,625
Total Liabilities and Fund Balances	$ 105,402	$ 455,625

City of Sandersville, Georgia
Comparitve Statement of Expenditures
and Changes in Fund Balance
T-SPLOST Fund
December 31, 2022 and 2021

	2022	2021
Revenues:		
Sales Tax	$ 199,538	$ 182,664
Intergovernmental revenue	187,850	217,401
Total Revenues	387,388	400,065
Expenditures		
Public works	399,006	220,518
Capital Outlays	338,605	158,091
Total Expenditures	737,611	378,609
Excess (Deficiency) of Revenues Over (Under) Expenditures	(350,223)	21,456
Other Financing Sources		
Transfers out	-	-
Fund Balances Beginning of Year	455,625	434,169
Fund Balances End of Year	$ 105,402	$ 455,625

City of Sandersville, Georgia
Comparative Balance Sheet
2013 SPLOST Fund
December 31, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ -	$ 60,265
Receivables:		
Intergovernmental	-	-
Total Assets	$ -	$ 60,265
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Interfund payable	-	-
Total Liabilities	-	-
Fund Balances		
Restricted for capital purchases	-	60,265
Liabilities and Fund Balances	$ -	$ 60,265

City of Sandersville, Georgia
Comparative Statement of Expenditures
and Changes in Fund Balances
2013 SPLOST Fund
For the Years Ended December 31, 2022 and 2021

	2022	2021
Revenues		
Intergovernmental	$ -	$ 4,226
Expenditures		
Current:		
General government	$ -	$ -
Public works	-	-
Housing and economic development	-	-
Capital Outlay	60,265	415,514
Total Expenditures	60,265	415,514
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,265)	(411,288)
Other Financing Sources		
Transfers in	-	-
Net Change in Fund Balances	(60,265)	(411,288)
Fund Balances Beginning of Year	60,265	471,553
Fund Balances End of Year	$ -	$ 60,265

City of Sandersville, Georgia
Comparative Balance Sheet
2019 SPLOST Fund
December 31, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 950,082	$ 607,606
Receivables:		
Intergovernmental	49,008	66,077
Total Assets	$ 999,090	$ 673,683
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Interfund payable	-	-
Total Liabilities	-	-
Fund Balances		
Restricted for capital purchases	999,090	673,683
Liabilities and Fund Balances	$ 999,090	$ 673,683

City of Sandersville, Georgia
Comparative Statement of Expenditures
and Changes in Fund Balances
2019 SPLOST Fund
For the Years Ended December 31, 2022 and 2021

	2022	2021
Revenues		
Intergovernmental	$ 865,132	$ 619,866
Expenditures		
Current:		
General government	$ -	$ -
Public works	-	-
Housing and economic development	-	-
Debt Service:		
Principal	78,060	19,311
Interest	5,940	1,689
Capital Outlay	455,725	-
Total Expenditures	539,725	21,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	325,407	598,866
Other Financing Sources		
Transfers in	-	-
Net Change in Fund Balances	325,407	598,866
Fund Balances Beginning of Year	673,683	74,817
Fund Balances End of Year	$ 999,090	$ 673,683

City of Sandersville, Georgia
Comparative Balance Sheet
CDBG 2017 Fund
December 31, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ -	$ -
Intergovernmental receivable	-	13,438
Total Assets	$ -	$ 13,438
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Interfund payable	-	13,654
Total Liabilities	-	13,654
Fund Balances		
Restricted	-	-
Unassigned (deficit)	-	(216)
Total Fund Balances	-	(216)
Total Liabilities and Fund Balances	$ -	$ 13,438

City of Sandersville, Georgia
Comparitive Statement of Revenues and Changes in Fund Balances
CDBG 2017 Fund
For the Years Ended December 31, 2022 and 2021

	2022	2021
Revenues:		
Other	$ 216	$ -
Expenditures		
Housing and development	-	-
Capital Outlays	-	-
Total Expenditures	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	216	-
Other Financing Sources		
Transfer in	-	-
Fund Balances Beginning of Year	(216)	(216)
Fund Balances End of Year	$ -	$ (216)

City of Sandersville, Georgia
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2022

	CHIP 2018	Total Nonmajor Capital Projects Funds
Assets		
Cash and cash equivalents	$ 38	$ 38
Receivables:		
Intergovernmental	-	-
Sales taxes	-	-
Total Assets	$ 38	$ 38
Liabilities		
Accounts payable	$ -	$ -
Interfund payable	68	68
Unearned revenue	-	-
Total Liabilities	68	68
Fund Balances		
Restricted for transportation	-	-
Unassigned (deficit)	(30)	(30)
Total Liabilities and Fund Balances	$ 38	$ 38

City of Sandersville, Georgia

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Projects Funds

For the Year Ended December 31, 2022

	CHIP 2018	Total Nonmajor Capital Projects Funds
Revenues:		
Sales taxes	$ -	$ -
Intergovernmental	-	-
Total Revenues	-	-
Expenditures		
Current:		
Public works	-	-
Housing and development	-	-
Capital Outlay	-	-
Total Expenditures	-	-
Excess of Revenues Over Expenditures	-	-
Other Financing Sources (Uses)		
Transfers in	-	-
Transfers out	-	-
Total Other Financing Sources (Uses)	-	-
Net Change in Fund Balances	-	-
Fund Balances Beginning of Year	(30)	(30)
Fund Balances End of Year	$ (30)	$ (30)

City of Sandersville, Georgia
Comparative Balance Sheet
CHIP 2018 Fund
December 31, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 38	$ 38
Intergovernmental receivable	-	-
Total Assets	$ 38	$ 38
Liabilities and Fund Balances		
Liabilities		
Interfund payable	$ 68	$ 68
Fund Balances		
Restricted	-	-
Unassigned (deficit)	(30)	(30)
Total Fund Balances	(30)	(30)
Total Liabilities and Fund Balances	$ 38	$ 38

City of Sandersville, Georgia
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
CHIP 2018 Fund
For the Years Ended December 31, 2022 and 2021

	2022	2021
Revenues:		
Intergovernmental revenue	$ -	$ 19,908
Expenditures		
Housing and Development	-	19,938
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(30)
Other Financing Sources		
Transfer in	-	-
Net Change in Fund Balances	-	(30)
Fund Balances Beginning of Year	(30)	-
Fund Balances End of Year	$ (30)	$ (30)

City of Sandersville, Georgia
Comparative Statement of Net Position
Proprietary Fund - Water and Sewerage Fund
December 31, 2022 and 2021

	2022	2021
Assets		
Current Assets:		
Cash and cash equivalents	$ 2,651,587	$ 2,423,787
Investments	737,520	725,966
Receivable:		
Accounts (net)	298,521	267,816
Interfund	-	-
Due from OneGeorgia Authority	-	131,724
Prepaid expenses	-	-
Restricted assets:		
Cash	2,103,271	2,440,391
Inventories	50,075	46,927
Total Current Assets	5,840,974	6,036,611
Noncurrent Assets:		
Capital assets:		
Nondepreciable	227,880	168,636
Depreciable, net	20,853,456	10,761,677
Construction in progress	476,698	10,791,193
Total Noncurrent Assets	21,558,034	21,721,506
Total Assets	27,399,008	27,758,117
Liabilities		
Current Liabilities:		
Accounts payable	4,877	6,156
Accrued expenses payable	7,950	7,950
Loans payable	641,060	623,522
Customer deposits held	9,271	8,946
Total Current Liabilities	663,158	646,574
Long-term Liabilities (net of current portion):		
Loans payable	16,358,871	17,000,515
Total Liabilities	17,022,029	17,647,089
Net Position		
Net investment in capital assets	4,558,103	4,097,469
Restricted for debt service	2,103,271	2,440,391
Unrestricted	3,715,605	3,573,168
Total Net Position	$ 10,376,979	$ 10,111,028

City of Sandersville, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Water and Sewerage Fund
For the Years Ended December 31, 2022 and 2021

	2022	2021
Operating Revenues		
Charges for services	$ 2,836,112	$ 2,727,648
Miscellaneous	446	5,782
Total Operating Revenues	2,836,558	2,733,430
Operating Expenses		
Personal services - salaries	528,657	523,839
Personal services - benefits	219,190	218,819
Purchased services	483,124	478,596
Materials and supplies	222,415	198,316
Miscellaneous	39,200	44,980
Depreciation	719,900	695,497
Total Operating Expenses	2,212,486	2,160,047
Operating Income	624,072	573,383
Non-Operating Revenues (Expenses)		
Interest and dividend income	11,555	332
OneGeorgia grant	-	131,724
Interest and fiscal charges	(323,549)	(200,559)
Total Non-Operating Revenues (Expenses)	(311,994)	(68,503)
Income Before Contributions and Transfers In (Out)	312,078	504,880
Contributions	95,609	39,760
Transfer In	20,500	-
Transfers Out	(162,236)	(285,670)
Change in Net Position	265,951	258,970
Net Position Beginning of Year	10,111,028	9,852,058
Net Position End of Year	$ 10,376,979	$ 10,111,028

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Water and Sewerage Fund
For the Years Ended December 31, 2022 and 2021

	2022	2021
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	$ 2,805,853	$ 2,745,422
Cash payments to employees for services	(747,847)	(742,658)
Cash payments for goods and services	(617,117)	(577,426)
Other cash receipts (payments)	-	-
Net Cash Provided by (Used in) Operating Activities	1,440,889	1,425,338
Cash Flows from Noncapital Financing Activities		
Operating grants received	-	-
Interfund receivable	-	-
Transfers in	20,500	-
Transfers out	(162,236)	(285,670)
Net Cash Provided by (Used in) Noncapital Financing Activities	(141,736)	(285,670)
Cash Flows from Capital and Related Financing Activities		
Principal paid on notes	(624,106)	(776,343)
Interest paid on notes	(323,549)	(200,559)
GEFA loan fees	-	-
Proceeds from notes payable	-	5,867,180
Acquisition of capital assets	(460,819)	(3,529,127)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(1,408,474)	1,361,151
Cash Flows from Investing Activities		
Interest and dividend income	11,555	332
Investment earnings	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(97,766)	2,501,151
Cash and Cash Equivalents Beginning of Year	5,590,144	3,088,993
Cash and Cash Equivalents End of Year	$ 5,492,378	$ 5,590,144
Reconciliation to Statement of Net Position		
Cash and cash equivalents	$ 2,651,587	$ 2,423,787
Cash in Georgia Fund I	737,520	725,966
Restricted cash	2,103,271	2,440,391
Total Cash and Cash Equivalents	$ 5,492,378	$ 5,590,144

(continued)

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Water and Sewerage Fund
For the Years Ended December 31, 2022 and 2021

(continued)

	2022	2021
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 624,072	$ 573,383
Adjustments:		
Depreciation and amortization	719,900	695,497
Loss on sale of capital assets	-	-
(Increase) Decrease in Assets:		
Accounts receivable	101,019	11,989
Inventories	(3,148)	19,114
Prepaid expenses	-	-
Interfund receivable	-	119,977
Increase (Decrease) in Liabilities:		
Accounts payable	(1,279)	(3,172)
Accrued expenses payable	-	7,950
Customer deposits payable	325	600
Net Cash Provided by (Used in) Operating Activities	$ 1,440,889	$ 1,425,338

City of Sandersville, Georgia
Comparative Statement of Net Position
Proprietary Fund - Electrical Fund
December 31, 2022 and 2021

Assets	**2022**	**2021**
Current Assets:		
Cash and cash equivalents	$ 6,646,899	$ 8,424,129
Cash in Georgia Fund I	11,143,893	7,970,658
Investments	3,405	3,625
Receivable:		
Accounts (net)	2,434,054	2,581,147
Interfund	-	-
Intergovernmental	598,045	598,045
Inventories	676,866	645,086
Total Current Assets	21,503,162	20,222,690
Noncurrent Assets:		
Capital assets:		
Nondepreciable	53,621	53,621
Depreciable, net	2,782,405	2,147,202
Construction in progress	-	186,446
Total Noncurrent Assets	2,836,026	2,387,269
Total Assets	24,339,188	22,609,959
Liabilities		
Current Liabilities:		
Accounts payable	53,867	53,319
Accrued expenses payable	-	-
Sales tax payable	127,795	131,460
Interfund payable	-	-
Customer deposits payable	3,271,897	1,210,117
Total Current Liabilities	3,453,559	1,394,896
Net Position		
Investment in capital assets	2,836,026	2,387,269
Unrestricted	18,049,603	18,827,794
Total Net Position	$ 20,885,629	$ 21,215,063

City of Sandersville, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Electrical Fund
For the Years Ended December 31, 2022 and 2021

	2022	2021
Operating Revenues		
Charges for services	$ 38,617,225	$ 18,706,694
Miscellaneous	15,674	72,725
Total Operating Revenues	38,632,899	18,779,419
Operating Expenses		
Personal services - salaries	536,927	496,494
Personal services - benefits	161,111	169,251
Electricity purchased	35,608,872	13,876,167
Purchased services	449,359	415,557
Franchise fee	1,538,922	734,592
Materials and supplies	277,363	161,217
Miscellaneous	52,770	49,906
Depreciation	173,722	150,209
Total Operating Expenses	38,799,046	16,053,393
Operating Income (Loss)	(166,147)	2,726,026
Non-Operating Revenues (Expenses)		
Interest and dividend income	173,236	3,646
Change in fair market value of investments	-	-
Interest and fiscal charges	-	-
Federal Grant	-	-
Total Non-Operating Revenues (Expenses)	173,236	3,646
Income (Loss) Before Contributions and Transfers In (Out)	7,089	2,729,672
Contributions	-	-
Transfers In	16,500	119,977
Transfers Out	(353,023)	(446,463)
Change in Net Position	(329,434)	2,403,186
Net Position Beginning of Year	21,215,063	18,811,877
Net Position End of Year	$ 20,885,629	$ 21,215,063

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Electrical Fund
For the Years Ended December 31, 2022 and 2021

	2022	2021
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	$ 38,779,992	$ 17,486,293
Cash payments to employees for services	(698,038)	(665,745)
Cash payments for goods and services	(35,900,403)	(15,146,292)
Other cash receipts (payments)	-	-
Net Cash Provided by (Used in) Operating Activities	2,181,551	1,674,256
Cash Flows from Noncapital Financing Activities		
Operating grants received	-	-
Interfund receivable	-	-
Interfund payable	-	-
Transfers in (out)	(336,523)	(326,486)
Net Cash Provided by (Used in) Noncapital Financing Activities	(336,523)	(326,486)
Cash Flows from Capital and Related Financing Activities		
Capital grants	-	-
Interest paid	-	-
Acquisition of capital assets	(622,479)	(586,201)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(622,479)	(586,201)
Cash Flows from Investing Activities		
Investment earnings (loss)	173,236	2,563
Interest and dividend income	-	3,646
Net (purchase) sale of investments	220	-
Cash Flows from Investing Activities	173,456	6,209
Net Increase (Decrease) in Cash and Cash Equivalents	1,396,005	767,778
Cash and Cash Equivalents Beginning of Year	16,394,787	15,627,009
Cash and Cash Equivalents End of Year	$ 17,790,792	$ 16,394,787
Reconciliation to Statement of Net Position		
Cash and cash equivalents	$ 6,646,899	$ 8,424,129
Cash in Georgia Fund I	11,143,893	7,970,658
Total Cash and Cash Equivalents	$ 17,790,792	$ 16,394,787

(continued)

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Electrical Fund
For the Years Ended December 31, 2022 and 2021

(continued)

	2022	2021
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	$ (166,147)	$ 2,726,026
Adjustments:		
Depreciation	173,722	150,209
Loss on sale of capital assets	-	-
(Increase) Decrease in Assets:		
Accounts receivable	147,093	(1,293,126)
Inventories	(31,780)	(175,822)
Intergovernmental receivable	-	(598,045)
Interfund receivable	-	154,422
Increase (Decrease) in Liabilities:		
Accounts payable	548	(359)
Accrued expenses payable	-	-
Sales tax payable	(3,665)	99,288
Interfund payable	-	(119,977)
Customer deposits	2,061,780	731,640
Net Cash Provided by (Used in) Operating Activities	$ 2,181,551	$ 1,674,256

City of Sandersville, Georgia
Comparative Statement of Net Position
Proprietary Fund - Telecom Fund
December 31, 2022 and 2021

	2022	2021
Assets		
Current Assets:		
Cash and cash equivalents	$ 1,360,095	$ 555,823
Receivable:		
Accounts (net)	12,624	7,939
Interfund	-	-
Prepaid expenses	-	-
Inventory	9,821	9,821
Total Current Assets	1,382,540	573,583
Noncurrent Assets:		
Capital assets:		
Depreciable, net	96,514	122,011
Construction in progress	15,333	15,333
Total Assets	1,494,387	710,927
Liabilities		
Current Liabilities:		
Accounts payable	-	-
Accrued expenses payable	-	-
Customer deposits payable	50	50
Interfund payable	-	-
Total Current Liabilities	50	50
Long-term Liabilities (net of current portion):		
Due to electrical fund	-	-
Total Liabilities	50	50
Net Position		
Net investment in capital assets	111,847	137,344
Unrestricted	1,382,490	573,533
Total Net Position	$ 1,494,337	$ 710,877

City of Sandersville, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Telecom Fund
For the Years Ended December 31, 2022 and 2021

	2022	2021
Operating Revenues		
Charges for services	$ 101,966	$ 118,400
Miscellaneous	877,247	2,875
Total Operating Revenues	979,213	121,275
Operating Expenses		
Personal services - salaries	73,314	47,961
Personal services - benefits	20,649	10,211
Franchise fee	5,351	5,862
Purchased services	43,813	71,387
Materials and supplies	19,959	6,765
Depreciation	32,747	32,890
Miscellaneous	86	8,176
Total Operating Expenses	195,919	183,252
Income (Loss) Before Contributions and Transfers In (Out)	783,294	(61,977)
Capital Contributions	-	-
Transfers In	2,000	148,873
Transfers Out	(1,834)	(3,308)
Change in Net Position	783,460	83,588
Net Position Beginning of Year	710,877	627,289
Net Position End of Year	$ 1,494,337	$ 710,877

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Telecom Fund
For the Years Ended December 31, 2022 and 2021

	2022	2021
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	$ 974,528	$ 125,139
Cash payments to employees for services	(93,963)	(58,172)
Cash payments for goods and services	(69,209)	(240,266)
Net Cash Provided by (Used in) Operating Activities	811,356	(173,299)
Cash Flows from Noncapital Financing Activities		
Transfers in (out)	166	(3,308)
Net Cash Provided by (Used in) Noncapital Financing Activities	166	(3,308)
Cash Flows from Capital and Related Financing Activities		
Acquisition of capital assets	(7,250)	-
Net Increase (Decrease) in Cash and Cash Equivalents	804,272	(176,607)
Cash and Cash Equivalents Beginning of Year	555,823	583,557
Cash and Cash Equivalents End of Year	$ 1,360,095	$ 406,950
Reconciliation to Statement of Net Position		
Cash and cash equivalents	$ 1,360,095	$ 555,823

(continued)

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Telecom Fund
For the Years Ended December 31, 2022 and 2021

(continued)

	2022	2021
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 783,294	$ (61,977)
Adjustments:		
Depreciation	32,747	32,890
(Increase) Decrease in Assets:		
Accounts receivable	(4,685)	3,864
Inventories	-	-
Interfund receivable	-	797
Increase (Decrease) in Liabilities:		
Accounts payable	-	-
Accrued expenses payable	-	-
Interfund payable	-	(148,873)
Net Cash Provided by (Used in) Operating Activities	$ 811,356	$ (173,299)

City of Sandersville, Georgia
Comparative Statement of Net Position
Proprietary Fund - Solid Waste Fund
December 31, 2022 and 2021

	2022	2021
Assets		
Current Assets:		
Cash and cash equivalents	$ 238,520	$ 163,042
Due from FEMA	-	-
Accounts receivable (net)	116,785	106,832
Prepaid expenses	-	-
Total Current Assets	355,305	269,874
Noncurrent Assets:		
Capital assets:		
Depreciable, net	51,944	68,810
Total Assets	407,249	338,684
Liabilities		
Current Liabilities:		
Accounts payable	1,707	1,832
Current portion of notes payable	-	-
Interfund payable	-	-
Total Current Liabilities	1,707	1,832
Noncurrent Liabilities		
Notes Payable, net of current portion	-	-
Total Liabilities	1,707	1,832
Net Position		
Net investment in capital assets	51,944	68,810
Unrestricted	353,598	268,042
Total Net Position	$ 405,542	$ 336,852

City of Sandersville, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Solid Waste Fund
For the Years Ended December 31, 2022 and 2021

	2022	2021
Operating Revenues		
Charges for services	$ 1,223,718	$ 1,032,896
Miscellaneous	-	-
Total Operating Revenues	1,223,718	1,032,896
Operating Expenses		
Personal services - salaries	123,399	76,626
Personal services - benefits	50,345	33,240
Purchased services	907,513	794,503
Materials and supplies	21,522	20,497
Depreciation	16,866	16,867
Miscellaneous	645	9,883
Total Operating Expenses	1,120,290	951,616
Operating Income	103,428	81,280
Non-Operating Revenues (Expenses)		
Interest Expense	-	-
Federal Grant	-	-
Total Non-Operating Revenues	-	-
Income (Loss) Before Contributions and Transfers In (Out)	103,428	81,280
Transfers In (Out)	(34,738)	5,549
Capital Contributions	-	-
Change in Net Position	68,690	86,829
Net Position Beginning of Year	336,852	250,023
Net Position End of Year	$ 405,542	$ 336,852

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Solid Waste Fund
For the Years Ended December 31, 2022 and 2021

	2022	2021
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	$ 1,213,765	$ 1,009,095
Cash payments to employees for services	(173,744)	(109,865)
Cash payments for goods and services	(929,805)	(830,485)
Net Cash Provided by (Used in) Operating Activities	110,216	68,745
Cash Flows from Noncapital Financing Activities		
Operating grants received	-	-
Transfers in (out)	(34,738)	5,549
Net Cash Provided by (Used in) Noncapital Financing Activities	(34,738)	5,549
Cash Flows from Capital and Related Financing Activities		
Principal paid on notes	-	-
Interest paid on notes	-	-
Payments for capital acquisitions	-	-
Net Cash (Used in) Capital and Related Financing Activities	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	75,478	74,294
Cash and Cash Equivalents Beginning of Year	163,042	88,748
Cash and Cash Equivalents End of Year	$ 238,520	$ 163,042
Reconciliation to Statement of Net Position		
Cash and cash equivalents	$ 238,520	$ 163,042

(continued)

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Solid Waste Fund
For the Years Ended December 31, 2022 and 2021

(continued)

	2022	2021
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 103,428	$ 81,280
Adjustments:		
Depreciation	16,866	16,867
(Increase) Decrease in Assets:		
Accounts receivable	(9,953)	(23,801)
Prepaid expenses	-	-
Increase (Decrease) in Liabilities:		
Accounts payable	(125)	(52)
Interfund payable	-	(5,549)
Net Cash Provided by (Used in) Operating Activities	$ 110,216	$ 68,745

City of Sandersville, Georgia
Schedule of Projects Constructed with Special Sales Tax Proceeds
For the Year Ended December 31, 2022

Project	Original Estimated Cost	Revised Estimated Cost	Prior Year	Current Year	Total	Estimated Percentage of Completion
2013 Tax:						
Fire protection	$ 100,000	$ 100,000	$ 300,398	$ 35,684	$ 336,082	336.1%
Transportation improvements	500,000	500,000	414,554	-	414,554	82.9%
Economic development	400,000	400,000	12,527	-	12,527	3.1%
Capital outlays:						
Street department equipment	300,000	300,000	139,142	912	140,054	46.7%
Water & sewer system equipment & upgrades	500,000	500,000	-	-	-	0.0%
General & admin equipment	100,000	100,000	710,016	23,669	733,685	733.7%
Police department vehicles & equipment	200,000	200,000	311,978	-	311,978	156.0%
Electrical fund equipment	200,000	200,000	41,610	-	41,610	20.8%
2019 Tax:						
Fire protection	$ 100,000	$ 100,000	$ -	$ 112,130	$ 112,130	112.1%
Transportation improvements	500,000	500,000	-	-	-	0.0%
Economic development	400,000	400,000	-	-	-	0.0%
Capital outlays:						
Street department equipment	300,000	300,000	-	165,430	165,430	55.1%
Water & sewer system equipment & upgrades	500,000	500,000	-	-	-	0.0%
General & admin equipment	300,000	300,000	-	173,609	173,609	57.9%
Police department vehicles & equipment	200,000	200,000	21,000	88,556	109,556	54.8%
Electrical fund equipment	200,000	200,000	-	-	-	0.0%

SINGLE AUDIT SECTION

WRIGHT & WRIGHT, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
130 NORTH HARRIS STREET • POST OFFICE BOX 1014
SANDERSVILLE, GEORGIA 31082

CLYDE K. WRIGHT, CPA
BRIAN K. WRIGHT, CPA

Telephone (478) 552-6146
Facsimile (478) 552-6158

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 Mayor and Council
City of Sandersville, 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 Sandersville, Georgia, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City of Sandersville, Georgia's basic financial statements and have issued our report thereon dated June 28, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Sandersville, Georgia's internal control over financial reporting (internal control) as a basis for designing 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 of Sandersville, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Sandersville, Georgia's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 22-1 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Sandersville, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* described in the accompanying schedule of findings and questioned costs as items 22-2.

City of Sandersville, Georgia's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Sandersville, Georgia's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Sandersville, Georgia's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Wright & Wright, P.C.

Sandersville, Georgia
June 28, 2023

WRIGHT & WRIGHT, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
130 NORTH HARRIS STREET • POST OFFICE BOX 1014
SANDERSVILLE, GEORGIA 31082

CLYDE K. WRIGHT, CPA
BRIAN K. WRIGHT, CPA

Telephone (478) 552-6146
Facsimile (478) 552-6158

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

To the Mayor and Council
City of Sandersville, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Sandersville, Georgia's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City Sandersville, Georgia's major federal programs for the year ended December 31, 2022. The City of Sandersville, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Sandersville, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Sandersville, Georgia and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Sandersville, Georgia's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Sandersville, Georgia's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Sandersville, Georgia's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Sandersville, Georgia's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City of Sandersville, Georgia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Sandersville, Georgia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Sandersville, Georgia's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Wright & Wright, P.C.

Sandersville, Georgia
June 28, 2023

City of Sandersville, Georgia
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Grantor/ Pass-Through Program Title	Federal CFDA Number	Agency or Pass-through Grantor's Number	Federal Expenditures
U.S. Department of Transportation			
Passed-Through State of Georgia Department of Transportation			
Transportation Alternatives Program (TAP) Grant	20.205	N/A	$ 97,971
			97,971
U.S. Department of Treasury			
Direct Awards			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	244,609
Passed through Georgia Department of Planning and Budget			
COVID-19 - Public Safety Official and First Reponder's Grant	21.027	N/A	24,867
U.S. Department of Agriculture			
Direct Awards			
Community Facilities Loans and Grants - Grant Award	10.776	N/A	100,000
Community Facilities Loans and Grants - Loan	10.776	N/A	1,191,200
			1,291,200
Total Expenditures of Federal Awards			$ 1,658,647

See Notes to Schedule of Expenditures of Federal Awards.

City of Sandersville, Georgia
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Note 1 – Basis of Presentation

The Schedule of expenditures of expenditures of federal awards includes the federal grant activity of the City of Sandersville, Georgia (the "City") and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of 2 CFR Part 200, OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from the amounts presented in, or used in the preparation of the financial statements.

Note 2 – Measurement Focus

The determination of when an award is expended is based on when the activity related to the award occurred.

Note 3 – De Minimis Indirect Cost Rate

The City chose not to use the 10% de minimis cost rate for the year ended December 31, 2022.

Note 4 – Payments to Subrecipients

For the current year, the City did not pass federal funds through to subrecipients.

City of Sandersville, Georgia
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022

1. ***Summary of Auditor's Results***

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP	Unmodified	
Internal control over financial reporting:		
Material Weakness Identified?	X Yes	___ No
Signficant deficiencies identified	___ Yes	X None Reported
Noncompliance material to financial statements noted?	___ Yes	X No

Federal Awards

Internal controls over major programs:		
Material weaknesses identified?	___ Yes	X No
Signficant deficiencies identified	___ Yes	X None Reported
Type of auditor's report issued on compliance for major federal programs	Unmodified	
Any audit findings disclosed that are to be reported in accordance with the 2 CFR 200.516(a)?	___ Yes	X No

Identification of major programs:

66.458 Capitalization Grant for Clean Water State Revolving Fund
66.468 Capitalization Grant for Drnking Water State Revolving Fund

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000	
Auditee qualified as low-risk auditee	___ Yes	X No

2. *Financial Statement Findings and Questioned Costs*

Current Year Audit Findings

22-1 GASB 75 Actuarial Report

Condition: Gasb Statement No. 75, "Accounting and Financial Reporting for Postemployment benefits Other than Pensions" was effective for fiscal years ending after June 15, 2017. This statement supersedes GASB 45. The City failed to engage an actuary to prepare the appropriate actuarial strudy required by GASB 75 for the year ended December 31, 2022.

Effect: The deficiency identified above could result in a material misstatement to the City's government wide financial statements.

Recommendations: The City should have the appropriate actuarial study performed in a timely manner each year to ensure that the City properly reports its OPEB liability.

Management Response: We concur and will engage a qualified actuary to perform the study each year as required by GASB 75.

22-2 Budgetary

Condition: In the City's General Fund, actual expenditures exceeded budget appropriations in one department. This is a violation of state law.

Effect: Fiscal control and accountability over departmental expenditures may be jeopardized.

Recommendations: The City should monitor the budget and amend it when appropriate.

Management Response: Our City Council will analyze budgetary financial data periodically and amend the budget when appropriate.

Prior Year Audit Findings Follow-Ups

None reported.

3. *Federal Award Findings and Questioned Costs*

The audit of our basic financial statements and schedule of expenditures of federal awards disclosed no audit findings or questioned costs which are required to be reported under Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.*