CITY OF ST. MARYS, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2022

PREPARED BY
City Finance Department

CITY OF ST. MARYS, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2022

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

Letter of Transmittal ..... **i – iv**
Organizational Chart ..... **v**
List of Principal Officials ..... **vi**
Certificate of Achievement for Excellence in Financial Reporting ..... **vii**

FINANCIAL SECTION

Independent Auditor's Report ..... **1 − 4**
Management's Discussion and Analysis ..... **5 – 18**
Basic Financial Statements:
Government-wide Financial Statements:
Statement of Net Position ..... **19 and 20**
Statement of Activities ..... **21 and 22**
Fund Financial Statements:
Balance Sheet – Governmental Funds ..... **23 and 24**
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position **25**
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds ..... **26 and 27**
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities **28**
General Fund – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual ..... **29 and 30**
ARPA Fund – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual **31**
Statement of Net Position – Proprietary Funds **32**
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds **33**
Statement of Cash Flows – Proprietary Funds ..... **34 and 35**
Notes to Financial Statements ..... **36 – 63**

Required Supplementary Information:
Schedule of Changes in the City's Net Pension Liability and Related Ratios ..... **64 and 65**
Schedule of City Contributions – Retirement Plan **66**

CITY OF ST. MARYS, GEORGIA

FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2022

TABLE OF CONTENTS (CONTINUED)

Page

FINANCIAL SECTION (CONTINUED)

Combining and Individual Fund Statements and Schedules:

- **Combining Balance Sheet – Nonmajor Governmental Funds ..... 67 and 68**
- **Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds ..... 69 and 70**
- **Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Hotel/Motel Tax Fund 71**
- **Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Tax Allocation District Fund 72**
- **Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Confiscated Assets Fund 73**
- **Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Speed Detection Fund 74**
- **Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Multiple Grants Fund 75**
- **Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Debt Service Fund 76**
- **Schedules of Expenditures of Special Purpose Local Option Sales Tax – 2012 Issue and 2019 Issue 77**
- **Balance Sheet – Component Units 78**
- **Statement of Revenues, Expenditures and Changes in Fund Balances – Component Units 79**

STATISTICAL SECTION

- **Net Position by Activity 80**
- **Changes in Net Position ..... 81 and 82**
- **Fund Balances – Governmental Funds 83**
- **Changes in Fund Balances – Governmental Funds ..... 84 and 85**
- **General Governmental Tax Revenues by Source 86**
- **Assessed Value and Estimated Actual Value of Taxable Property 87**
- **Direct and Overlapping Property Tax Rates 88**
- **Principal Property Taxpayers 89**
- **Property Tax Levies and Collections 90**
- **Water Sewer Rates 91**
- **Ratios of Outstanding Debt by Type 92**
- **Ratios of General Bonded Debt Outstanding 93**

CITY OF ST. MARYS, GEORGIA

FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2022

TABLE OF CONTENTS (CONTINUED)

Page

STATISTICAL SECTION (CONTINUED)

Legal Debt Margin Information 94
Revenue Bond Coverage 95
Demographic Statistics 96
Principal Employers 97
Full-Time Equivalent City Government Employees by Function 98
Operating Indicators by Function 99
Capital Asset Statistics by Function 100

COMPLIANCE SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards* ..... 101 and 102
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance ..... 103 – 105
Schedule of Expenditures of Federal Awards 106
Notes to the Schedule of Expenditures of Federal Awards 107
Schedule of Findings and Questioned Costs ..... 108 and 109
Summary Schedule of Prior Year Findings 110

418 Osborne Street
St Marys, Georgia 31558
912-510-4000

December 29, 2022

To the Honorable Mayor, City Council, and Citizens of the City of St. Marys, Georgia:

The Finance Department is pleased to present this Annual Comprehensive Financial Report (“ACFR”) for the City of St. Marys, Georgia (the “City”) for the year ended June 30, 2022. A copy of this report is on file with the Finance Department for public inspection and is located in the Customer Service Department. A copy will be filed with the State Auditor's office to fulfill the requirements set forth.

Management assumes full responsibility for the completeness and reliability of the information contained in the report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than an absolute, assurance that the financial statements are free of any material misstatements. As management, we emphasize that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

Mauldin & Jenkins, Certified Public Accountants, has issued an unmodified ("clean") opinion on the City’s financial statements for the year ended June 30, 2022. The Independent Auditor’s Report is located at the front of the financial section of this report. Generally Accepted Accounting Principles (“GAAP”) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (“MD&A”). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the Independent Auditor's Report.

Government Overview

The City was established around 1792 and incorporated in 1802 by the State of Georgia is situated at the southeast corner of Georgia in Camden County. The City is the gateway to Cumberland Island National Seashore. According to the United States Census Bureau, the City has a total area of 20.3 square miles, of which 18.8 square miles of it is land, and 1.5 square miles of it is water. The City government serves a population of 18,521 per the July 1, 2021 estimated census. The City’s Charter states the City, a municipal corporation, shall exercise and enjoy all powers of self-government not specifically prohibited by the Constitution, the general laws of the State of Georgia, or by the Charter, including all powers, functions, rights, privileges, and immunities necessary or desirable to promote or protect the safety, health, peace, security, good order, comfort, convenience, and general welfare of the City and of its inhabitants and all implied powers necessary to carry into execution all powers granted as fully and completely as if these powers were enumerated in the Charter.

The City provides full service for its citizens, which includes police and fire protection, community planning and development, building-code enforcement services, construction/road repair, water and sewer utilities, along with other support duties for the City government. The City is authorized to levy a property tax on both real and personal property located within its boundaries. As set forth in the Charter, the City has a Mayor and six Council members elected for four-year terms of office. The Mayor shall be the Chief Executive Officer of the City and shall have general supervision over its affairs. Each Council member shall hold a designated Council post. All terms of office shall begin on the first Thursday after January 1 of the year following election to such office.

The financial reporting entity of the City includes all the funds of the City, as well as all of its component units. Component units are legally separate entities for which the City is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations and are included as part of the City. Each June, the Council adopts the budget for the upcoming year in the form of an ordinance. The annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, function, and department and is closely monitored throughout the year. Additionally, expenditures, revenues and performance data are monitored in order to ensure the successful implementation of the City's service plan. As conditions change or circumstances are altered, the budget process allows for amendments. The City, as a first-time submittal, received the Distinguished Budget Award from the Governmental Finance Officers Association (“GFOA”) for the fiscal year 2012 budget and had been awarded the honor for several years thereafter. The City received the Certificate of Achievement in Financial Reporting for the fiscal year 2014 and following years through fiscal year 2021.

Budget Adjustments/Amendments

From time to time, it becomes necessary for the City to adjust or amend the adopted budget. This process is regulated by the Official Code of Georgia Annotated (“O.C.G.A.”) along with local policies.

Per O.C.G.A. §36-81-3:

1. An increase in appropriations at the legal level of control of the local government, whether accomplished through a change in anticipated revenues in any fund or through a transfer of appropriations among departments, shall require the approval of the governing authority. Such an amendment shall be adopted by ordinance or resolution.

2. Transfers of appropriations with any fund below the local government's legal level of control shall require only the approval of the budget officer.

In the City, the amount for salaries and benefits for each department may not be increased without the approval of the City Council. However, department heads shall have the authority to transfer appropriations within a department (within the same fund) from one line item to another (other than increasing salaries and benefits) subject to the approval of the City Manager and/or the Finance Director.

Local Economy

The City is located in Camden County and is considered to be a bedroom community as well as a tourist destination. The federal government is a significant economic presence thanks to Kings Bay Naval Base and the United States Coast Guard. Besides the Naval Base, the City's top employer is Southeast Georgia Health Systems, which provides healthcare service to our area. As of June 2022, unemployment in the Camden County area was 3% compared to 6.1% nationally and 4.3% for the State of Georgia as a whole.

Palpable growth is evident when looking at the census numbers. The City's population has grown significantly since 1990 (from 8,187 to 18,521 based on the U.S. Census estimates). Growth has come from many factors, which include the Naval Base, United States Coast Guard, retirees, and others wanting to enjoy the warm climate, economic conditions, and proximity to major transit areas such as I-95 and the Jacksonville Airport.

The City has seen growth in building fees within the last few years. We look forward to additional residential growth along with commercial growth. This year ground was broken at the former site of the St. Marys Airport for the development of the St. Marys Commerce Park which will be managed by the Camden County Joint Development Authority. Ground was also broken at the former millsite this year by Jacoby Development for a mixed-use destination eco-tourism community, Cumberland Inlet which will consist of a state-of-the-art marina with wet and dry slips, vacation rentals, motorcoach resort, a recreational tank for first responder training, filming and check-out dives, build-for-rent units, a Rookery, and the possibility of new commercial establishments. Other interests include an Aquaponics facility, the development of exit 1, and several new residential developments.

Within the area, our sister city has seen growth in commercial and residential development. Along with the Camden County Joint Development Authority, the City's Economic Development Department continues to promote inclusive and sustainable economic growth not only to St. Marys, but also to our community.

Long-term Financial Planning

As of June 30, 2022, an unassigned fund balance in the General Fund was favorable to the policy guidelines set by the City for budgetary and planning purposes. It has been the goal to ensure the City maintains and continues to keep at a minimum, unassigned fund balance in its General Fund of no less than four months of regular General Fund operating revenues or regular General Fund operating expenditures (GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions)*. The City does plan to draw on fund balance in the fiscal year 2022 budget.

The City has made great strides to improve service levels and improve the financial integrity of the City. The fiscal year 2022 budget was, again, a challenge this year and is still seeing repercussions of the COVID-19 pandemic. The City maintained the budget due to the unforeseen future caused by the pandemic. The City tax digest saw an increase and the City elected to maintain the previous year millage rate of 6.586 mils. This resulted in an increase of .452 mils over the roll-back rate.

The budget presents a balance between continuing to provide an outstanding quality of life for our citizens while minimizing the cost associated with operations. It is the City Council's desire to maintain a stable financial position as we wait to see how the economy progresses in the future.

In addition to the annual operating budget, the City prepares a five-year capital plan that is updated on a yearly basis. The most recent plan update for years 2022 through 2026 identifies projects and funding that total $7.19 million and includes major categories of water and sewer, public buildings, parks and recreation, community development, drainage, streets, and traffic improvements. The General Fund is projected to contribute $2.24 million of the funding for the five-year plan.

Major Initiatives

The City continues its efforts to provide excellent service and to provide the best possible quality of life for its citizens.

The City Council has approved upgrades to city facilities, the construction of a city marina, drainage project, road, streets, and trails. Building a City marina will help improve tourism and attract more traffic in the City's downtown area to promote growth. The City will continue its efforts to work on drainage projects around the City to eliminate flooding. The City will continue to change over its meter program to increase efficiency with meter reading and billing. Also, the City continues to use Special Purpose Local Option Sales Tax ("SPLOST") VIII funds to help assist with its bond debt payment, which eliminates the cost being passed on to its citizens.

Acknowledgments

The preparation and completion of the ACFR represent the culmination of numerous efforts by many City employees. We want to express our sincere appreciation to all the staff of the City and the certified public accounting firm of Mauldin & Jenkins, LLC.

The ACFR reflects our ongoing commitment to the citizens of the City and all interested readers of this report to provide information in conformance with the highest standards of financial reporting.

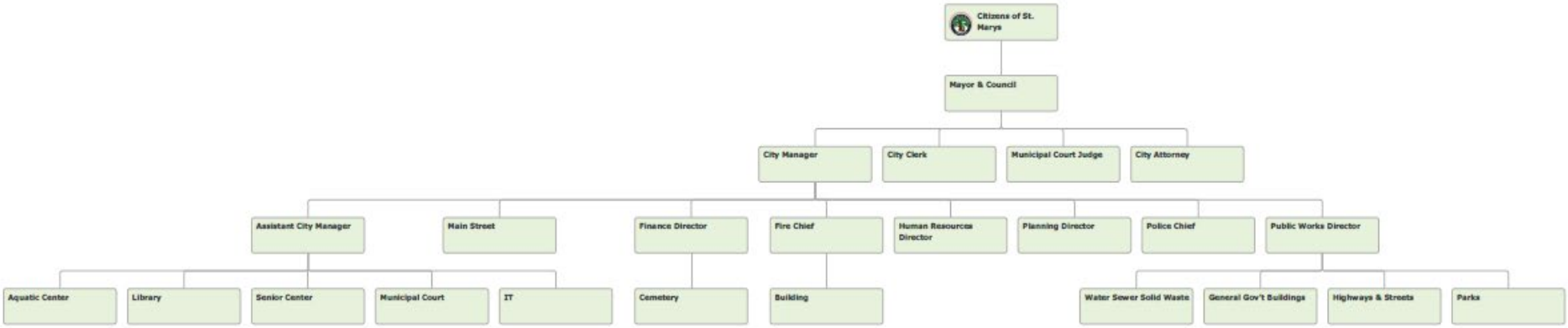
Respectfully submitted,



Marsha Klecan
Finance Director

CITY OF ST. MARYS, GEORGIA

ORGANIZATIONAL CHART
JUNE 30, 2022



CITY OF ST. MARYS, GEORGIA

LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2022

ELECTED

Mayor
John F. Morrissey

City Council

Artie Jones, Jr.	Post 1
Jim Goodman	Post 2
Jim Gant	Post 3
David Reilly	Post 4
Allen Rassi	Post 5
Lisa James	Post 6

APPOINTED

City Manager
Robert Horton

Deborah Walker-Reed	City Clerk
Marsha Klecan	Finance Director
Donna Larsen	Human Resources Director
Steven Blackerby	City Attorney
Michael Wilkie	Police Chief
Tom Lacker	Fire Chief
Chris Cox	City Engineer
Bobby Marr	Utilities Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of St. Marys
Georgia

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of St. Marys, Georgia
St. Marys, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of St. Mary's, Georgia (the "City") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

The City implemented Governmental Accounting Standards Board Statement No. 87, *Leases*, as of July 1, 2021 which significantly changed the reporting of the City's Leases. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 5 through 18), the Schedule of Changes in the City's Net Pension Liability and Related Ratios (on pages 64 and 65), the Schedule of City Contributions – Retirement Plan (on page 66), be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund statements, schedules of expenditures of special purpose local option sales tax proceeds as required by the Official Code of Georgia Annotated §48-8-121, and 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* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements, the schedules of expenditures of special purpose local option sales tax proceeds, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

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

Mauldin & Jenkins, LLC

Savannah, Georgia
December 29, 2022

CITY OF ST. MARYS, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Within this section of the City of St. Marys, Georgia's (the "City") annual financial statements, management is pleased to offer readers this narrative overview and analysis of the financial activities of the City of St. Marys, Georgia for the fiscal year ended June 30, 2022. The information presented here should be used in conjunction with the additional information provided in this annual comprehensive financial report, which follows this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City as of June 30, 2022, exceeded its liabilities and deferred inflows, by $76.7 million (net position). Of this amount, $21.9 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors. The City's total net position increased by $5.5 million.

- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of $19.8 million, an increase of $9.5 million in comparison with the prior year. Approximately 49% of this total amount, $9.7 million, is available for spending at the City's discretion (unassigned fund balance).

- As of the close of the current fiscal year, the City's business-type funds reported a combined ending net position of $45.4 million, an increase of $2.6 million in comparison with the prior year. Approximately 27% of this total amount, $12.2 million, is available for spending at the City's discretion (unrestricted net position).

- At the end of the current fiscal year, an unassigned fund balance for the General Fund was a positive $9.7 million, or a positive 75%, of total General Fund expenditures.

- During the current fiscal year, the City issued new revenue bonds in both the governmental activities ($7.6 million) and business-type activities ($32.4 million including the premium).

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis ("MD&A") is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components:

1) Government-wide financial statements
2) Fund financial statements
3) Notes to the financial statements

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. All governmental and business-type activities are consolidated to arrive at a total for the Primary Government. There are two government-wide statements, the statement of net position and the statement of activities, which are described below.

The *statement of net position* presents information on all the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. This statement is a tool to measure the City's financial health or financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. It is important to note that this statement consolidates the governmental fund's current financial resources (short-term) with capital assets and long-term liabilities. This statement presents information on four component units of the City.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, health and welfare, judicial, housing and development, culture and recreation, and interest on long-term debt. The business-type activities of the City include Water and Sewer, Sanitation and the Aquatic Center.

The government-wide financial statements can be found on pages 19 – 22 of this report.

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

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

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

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, ARPA Fund, Capital Projects Fund, and Special Purpose Local Option Sales Tax ("SPLOST") VIII Fund because they are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund.

The basic governmental fund financial statements can be found on pages 23 – 31 of this report.

Proprietary funds. The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Water and Sewer Fund, Solid Waste Fund, and Aquatic Center Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and the Solid Waste Fund, which are considered major funds of the City, and the Aquatic Center Fund, which is considered a nonmajor fund of the City.

The basic proprietary fund financial statements can be found on pages 32 – 35 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 36 – 63 of this report.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report presents schedule of changes in the City's net pension liability – defined benefit retirement plan and the schedule of City contributions – defined benefit retirement plan as Required Supplementary Information beginning on page 64 of this report.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds and enterprise funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 67 – 79 of this report.

Statistical Section. In addition to the basic financial statements and accompanying notes, this report also presents various supplementary and statistical information; such as, 10-year presentation of revenues, expenditures, and tax rates. This statistical section can be found on pages 80 – 100 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets plus deferred outflows of resources exceeded liabilities and deferred inflows of resources by $76.7 million at the close of the most recent fiscal year. The table below summarizes the City's net position for governmental activities, business-type activities, and the government as a whole.

City of St. Marys - Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	**2022**	2021	**2022**	2021
ASSETS						
Current and other assets	**$ 24,124,194**	$ 10,986,020	**$ 14,610,383**	$ 12,130,738	**$ 38,734,577**	$ 23,116,758
Capital assets	**20,668,884**	19,602,710	**60,597,752**	62,075,855	**81,266,636**	81,678,565
Total assets	**44,793,078**	30,588,730	**75,208,135**	74,206,593	**120,001,213**	104,795,323
Deferred outflows of resources	**-**	-	**3,100,998**	3,449,501	**3,100,998**	3,449,501
LIABILITIES						
Other liabilities	**3,499,140**	659,556	**1,108,656**	973,286	**4,607,796**	1,632,842
Long-term liabilities	**9,663,238**	1,152,038	**31,833,773**	33,946,923	**41,497,011**	35,098,961
Net pension liability	**190,605**	294,033	**-**	-	**190,605**	294,033
Total liabilities	**13,352,983**	2,105,627	**32,942,429**	34,920,209	**46,295,412**	37,025,836
Deferred inflows of resources	**73,632**	3,409	**-**	-	**73,632**	3,409
Net position:						
Net investment in capital assets	**18,959,263**	18,677,531	**32,009,685**	31,641,804	**50,968,948**	50,319,335
Restricted	**2,803,951**	2,096,502	**1,100,899**	1,100,899	**3,904,850**	3,197,401
Unrestricted	**9,603,249**	7,705,661	**12,256,120**	9,993,182	**21,859,369**	17,698,843
Total net position	**$ 31,366,463**	$ 28,479,694	**$ 45,366,704**	$ 42,735,885	**$ 76,733,167**	$ 71,215,579

At the end of the current fiscal year, the City is able to report positive balances in all categories of net position.

By far the largest portion of the City's net position, $50.9 million (66.4%), reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, $3.9 million (5.1%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of $21.9 million (28.5%) is the unrestricted net position that may be used to meet the government's ongoing obligations of the City.

Governmental activities during the fiscal year ended June 30, 2022, increased the City's net position by $2.9 million. Business-type activities during the same period increased the net position by $2.6 million for a total increase in net position of $5.5 million. The following table shows the revenue and expenses by activity for the total primary government.

City of St. Marys - Changes in Net Position

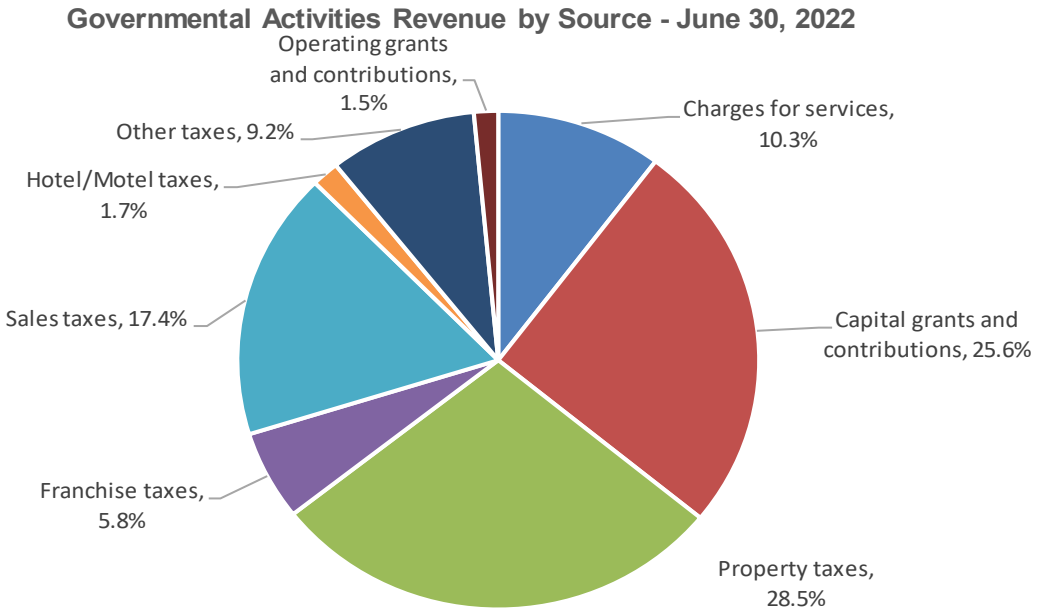
	Governmental Activities		Business-type Activities		Total	
	2022	2021	**2022**	2021	**2022**	2021
Revenues						
Program revenues:						
Charges for services	$ **1,856,783**	$ 1,627,443	$ **10,643,478**	$ 9,881,605	$ **12,500,261**	$ 11,509,048
Operating grants and contributions	**279,927**	-	**-**	-	**279,927**	-
Capital grants and contributions	**4,640,903**	3,372,958	**-**	-	**4,640,903**	3,372,958
General revenues:						
Property taxes	**5,155,470**	4,436,872	**-**	-	**5,155,470**	4,436,872
Franchise taxes	**1,049,054**	1,054,684	**-**	-	**1,049,054**	1,054,684
Sales taxes	**3,144,322**	2,692,904	**-**	-	**3,144,322**	2,692,904
Hotel/Motel taxes	**302,094**	177,155	**-**	-	**302,094**	177,155
Other taxes	**1,659,415**	1,626,457	**-**	-	**1,659,415**	1,626,457
Unrestricted investment earnings	**9,141**	7,980	**3,003**	1,981	**12,144**	9,961
Gain on sale of capital assets	**14,609**	-	**-**	3,356	**14,609**	3,356
Total revenues	**18,111,718**	14,996,453	**10,646,481**	9,886,942	**28,758,199**	24,883,395
Expenses						
Governmental activities:						
General government	**3,163,264**	3,070,770	**-**	-	**3,163,264**	3,070,770
Public safety	**5,024,583**	4,094,602	**-**	-	**5,024,583**	4,094,602
Public works	**2,229,887**	3,730,828	**-**	-	**2,229,887**	3,730,828
Health and welfare	**67,172**	182,863	**-**	-	**67,172**	182,863
Judicial	**222,579**	231,414	**-**	-	**222,579**	231,414
Culture and recreation	**1,143,003**	310,826	**-**	-	**1,143,003**	310,826
Housing and development	**1,135,621**	748,899	**-**	-	**1,135,621**	748,899
Interest on long-term debt	**196,889**	31,770	**-**	-	**196,889**	31,770
Business-type activities:						
Water and sewer	**-**	-	**8,299,828**	7,982,230	**8,299,828**	7,982,230
Solid waste	**-**	-	**1,277,431**	1,284,532	**1,277,431**	1,284,532
Aquatic center	**-**	-	**480,354**	487,717	**480,354**	487,717
Total expenses	**13,182,998**	12,401,972	**10,057,613**	9,754,479	**23,240,611**	22,156,451
Increase (decrease) in net position before transfers	**4,928,720**	2,594,481	**588,868**	132,463	**5,517,588**	2,726,944
Transfers	**(2,041,951)**	(1,500,000)	**2,041,951**	1,500,000	**-**	-
Increase in net position	**2,886,769**	1,094,481	**2,630,819**	1,632,463	**5,517,588**	2,726,944
Net position, beginning of year	**28,479,694**	27,385,213	**42,735,885**	41,103,422	**71,215,579**	68,488,635
Net position, end of year	$ **31,366,463**	$ 28,479,694	$ **45,366,704**	$ 42,735,885	$ **76,733,167**	$ 71,215,579

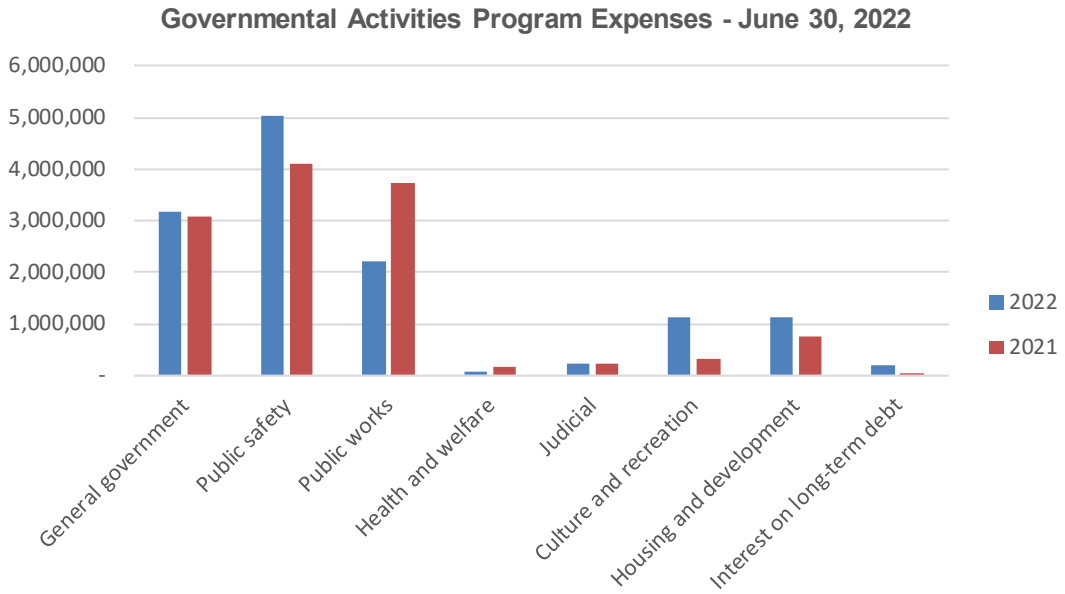
Changes in Net Position. The City's total revenues before transfers were $28.8 million in the fiscal year 2022. Expenses were $23.2 million. Governmental and business-type activities combined provided a $5.5 million increase in net position. This increase is primarily the result of increased property tax collections and increased capital grants during the current year.

Governmental activities revenues, before transfers, were $18.1 million and included $1.9 million for charges for services, $4.9 million for grants and contributions, and $11.3 million in taxes and other revenues. The most significant governmental activities expenses were for public safety of $5 million, public works of $2.2 million, and the general government of $3.2 million.

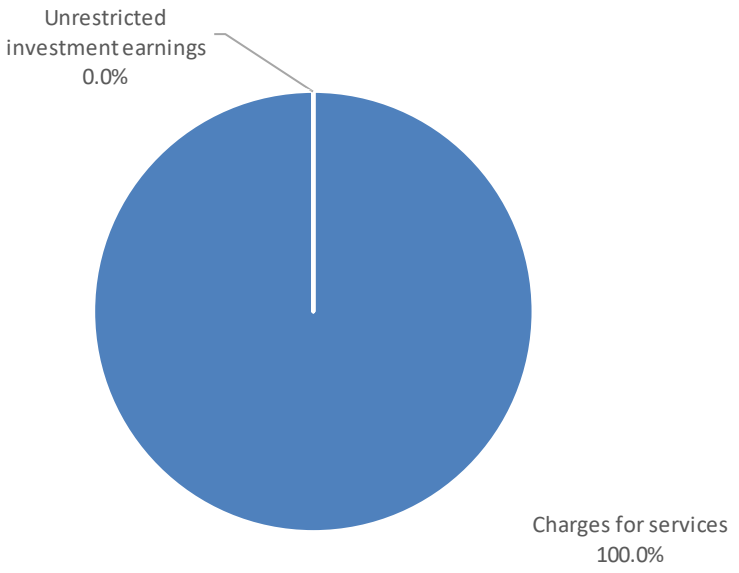
Business-type activity revenues, before transfers, were $10.6 million and included $10.6 million in charges for services and a very small amount of other revenues. The most significant business-type activity expenses were personal services of $1.5 million, purchased and contracted services of $3.1 million, and depreciation/amortization of $2.6 million.

	Total		Increase	Percentage
	2022	2021	(Decrease)	Change
Revenues				
Program revenues:				
Charges for services	$ **12,500,261**	$ 11,509,048	$ 991,213	8.6%
Operating grants and contributions	**279,927**	-	279,927	0.0%
Capital grants and contributions	**4,640,903**	3,372,958	1,267,945	37.6%
General revenues:				
Property taxes	**5,155,470**	4,436,872	718,598	16.2%
Franchise taxes	**1,049,054**	1,054,684	(5,630)	-0.5%
Sales taxes	**3,144,322**	2,692,904	451,418	16.8%
Hotel/Motel taxes	**302,094**	177,155	124,939	70.5%
Other taxes	**1,659,415**	1,626,457	32,958	2.0%
Unrestricted investment earnings	**12,144**	9,961	2,183	21.9%
Gain on sale of capital assets	**14,609**	3,356	11,253	0.0%
Total revenues	**28,758,199**	24,883,395	3,874,804	15.6%
Expenses				
Governmental activities:				
General government	**3,163,264**	3,070,770	92,494	3.0%
Public safety	**5,024,583**	4,094,602	929,981	22.7%
Public works	**2,229,887**	3,730,828	(1,500,941)	-40.2%
Health and welfare	**67,172**	182,863	(115,691)	-63.3%
Judicial	**222,579**	231,414	(8,835)	-3.8%
Culture and recreation	**1,143,003**	310,826	832,177	267.7%
Housing and development	**1,135,621**	748,899	386,722	51.6%
Interest on long-term debt	**196,889**	31,770	165,119	519.7%
Business-type activities:				
Water and sewer	**8,299,828**	7,982,230	317,598	4.0%
Solid waste	**1,277,431**	1,284,532	(7,101)	-0.6%
Aquatic center	**480,354**	487,717	(7,363)	-1.5%
Total expenses	**23,240,611**	22,156,451	1,084,160	4.9%
Increase in net position	**5,517,588**	2,726,944	2,790,644	102.3%
Net position, beginning of year	**71,215,579**	68,488,635	2,726,944	4.0%
Net position, end of year	$ **76,733,167**	$ 71,215,579	$ 5,517,588	7.7%

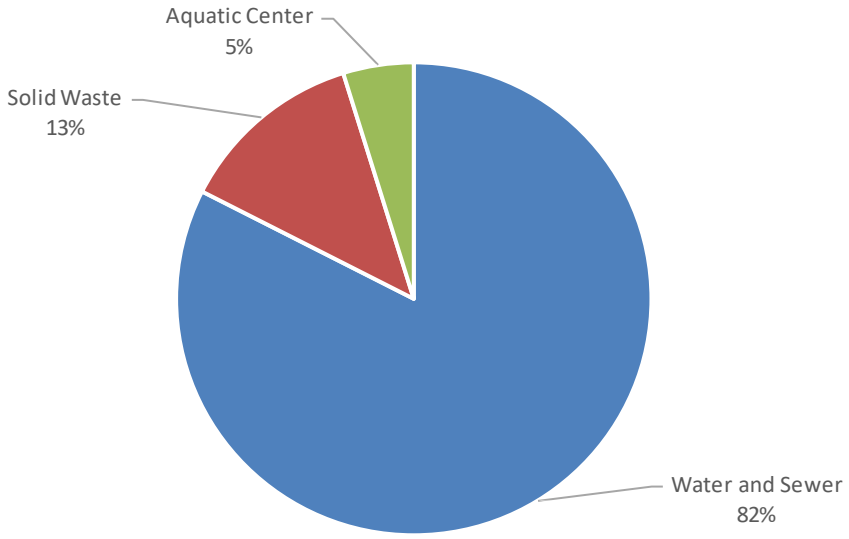

Governmental Activities Revenue by Source - June 30, 2022
Operating grants and contributions, 1.5%
Charges for services, 10.3%
Other taxes, 9.2%
Hotel/Motel taxes, 1.7%
Sales taxes, 17.4%
Capital grants and contributions, 25.6%
Franchise taxes, 5.8%
Property taxes, 28.5%


Governmental Activities Program Expenses - June 30, 2022
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
-
2022
2021
General government
Public safety
Public works
Health and welfare
Judicial
Culture and recreation
Housing and development
Interest on long-term debt

Business-Type Activities - Revenues By Source - June 30, 2022



Business-Type - Expenses By Source - June 30, 2022



Revenue Impacts. The most significant revenue changes included hotel/motel taxes and capital grants/contributions which increased 70.5% and 37.6%, respectively. The hotel/motel increase is the result of continued recovery from record pandemic lows. Increase in capital grants and contributions is the result of additional grant revenue recognized in the current year.

Expense Impacts. The most significant expense changes included public safety (increased 22.7%), public works (decreased 40.2%) and culture/recreation (increased 267.7%). These increases for public safety and culture/recreation are the result of continued increases from pandemic lows (conservative expenses). The public works expenses saw a significant decrease as there were fewer capital related expenditures for public works in the current year.

Financial Analysis of the City's Funds

The City of St. Marys uses fund accounting which ensures and demonstrates compliance with finance-related legal requirements.

Fund Balance

Fund	Fund Balance 6/30/2021	Revenues/ Sources	Expenses/ Uses	Over (under) Exp./Uses	Fund Balance 6/30/2022
General Fund	$ 8,238,093	$ 14,812,831	$ 13,042,091	$ 1,770,740	**$ 10,008,833**
ARPA Fund	-	947,885	947,885	-	**-**
Capital Projects Fund	-	7,600,000	600,000	7,000,000	**7,000,000**
SPLOST VIII Fund	940,479	2,393,488	1,500,000	893,488	**1,833,967**
Nonmajor Governmental Funds	1,087,683	2,447,294	2,579,988	(132,694)	**954,989**
Total	$ 10,266,255	$ 28,201,498	$ 18,669,964	$ 9,531,534	**$ 19,797,789**

Major Government Funds

As of June 30, 2022, the City's governmental funds reported a combined fund balance of $19.8 million, which is a net increase of $9.5 million from the previous year. General Fund's fund balance increased by $1.7 million and was $10 million at the end of the year. This increase was mainly due to increased post-pandemic revenue collection and proceeds from debt issuance (leases and financed purchases). The SPLOST VIII Fund's fund balance increased by $.9 million and was $1.8 million at the end of the year. The revenues exceeded the expenditures. These funds are restricted for capital projects and fluctuate based on current capital activity. The American Rescue Plan Act ("ARPA") Fund revenues and expenditures were the same during the current year resulting in no fund balance reported. This fund reports the City's spending of the Coronavirus State and Local Fiscal Recovery Funds. The Capital Projects Fund reported a fund balance of $7 million which is restricted for the use of the 2022 bond proceeds on economic development.

Enterprise Funds

The enterprise funds, which include the City's Water and Sewer Fund, Solid Waste Fund, and Aquatic Center Fund (nonmajor), reported a combined cash and cash equivalents balance of $13.8 million at the end of the fiscal year June 30, 2022. Of this amount, $2 million is reported as restricted assets.

The Water and Sewer Fund had ending net position of $43.8 million for the fiscal year 2022. This was an increase of $2.6 million from the previous year. Of the balance, $30.9 million is the net investment in capital assets, and $1.1 million is reported as restricted net position, leaving $11.8 million as unrestricted.

The Solid Waste Fund had ending net position of $.6 million for the fiscal year 2022, which was only a slight increase over the prior year.

The Aquatic Center Fund had ending net position balance of $1 million for the fiscal year 2022. There was a slight decrease from the previous year. Of the balance, $.9 million is invested in capital assets.

General Fund Budget Highlights:

The budget was prepared according to Georgia Law. The fiscal year 2022 original revenue budget was $10.63 million. The original budget was amended to $10.64 million. The total budgeted expenditures increased by $.3 million, or 2.6%, from the original budget due to capital projects. The City's final budgeted expenditures exceeded actual expenditures by $.7 million. The budget overruns in public safety, public works and judicial were the result of the implementation of Governmental Accounting Standards Board ("GASB") 87 (capital outlay expenditures recorded for new leases).

Capital Asset and Debt Administration

Capital Assets. At the end of the fiscal year June 30, 2022, governmental activities and business-type activities had capital assets of $81.3 million (net of accumulated depreciation) invested in land, buildings, system improvements, machinery and equipment, and recreation and park facilities. This represents a .5% decrease, or $.4 million overall. Governmental activities increased by $1.1 million and business-type activities decreased $1.5 million, or 5.4% and 2.4%, respectively. The governmental activities increase is the result of additions exceeding depreciation expense, while the business-type decrease is due to depreciation expense exceeding asset additions.

City of St. Marys Capital Assets (Net of Accumulated Depreciation)

	Governmental Activities		**Business-type Activities**		**Total**	
	2022	2021	**2022**	2021	**2022**	2021
Land	**$ 2,085,907**	$ 2,085,907	**$ 846,727**	$ 846,727	**$ 2,932,634**	$ 2,932,634
Construction in progress	**1,724,011**	208,881	**541,951**	-	**2,265,962**	208,881
Infrastructure	**10,531,970**	11,125,204	**55,569,571**	57,952,903	**66,101,541**	69,078,107
Buildings	**3,097,932**	3,314,798	**2,643,307**	2,750,701	**5,741,239**	6,065,499
Improvements	**1,576,740**	1,742,139	**-**	-	**1,576,740**	1,742,139
Machinery and equipment	**1,652,324**	1,125,781	**996,196**	525,524	**2,648,520**	1,651,305
	$ 20,668,884	$ 19,602,710	**$ 60,597,752**	$ 62,075,855	**$ 81,266,636**	$ 81,678,565

Additional information on the City's capital assets can be found in Note 5 of this report.

Debt Administration. The City's total long-term debt consists of revenue bonds, long-term notes, financed purchases, leases, and compensated absences.

At June 30, 2022, the City had $9.4 million of outstanding debt related to governmental activities and $31.8 million of outstanding debt related to business-type activities, for a total of $41.2 million compared to the previous year's total of $31.8 million. This is a decrease of $9.4 million. This increase is attributable to a $7.6 million revenue bond issuance for governmental activities, the implementation of GASB Statement No.87 which required the recording of additional leases, and additional financed purchase agreements entered into during the year. These amounts do not include compensated absences or the net pension liability.

At the end of 2022, governmental activities and business-type activities had bonded debt of $7.6 million and $29.5 million, respectively. This amount is secured by the full faith and credit of the City. The City maintains an "AA" rating from Standards & Poor's.

Additional information on the City's debt can be found in Note 7 of this report.

Factors Affecting the Fiscal Year 2023 Budget

The major increases in the fiscal year 2023 budget are due to capital equipment approved and new projects for the new year. Council implemented a cost of living increase as well as annual performance evaluation increases for City employees. The City-wide budget for fiscal year 2023 was set at $52,044,159. The City tax digest saw a significant increase for 2022. Council voted to adopt a millage rate lower than the previous year, however it was 0.492% above the current rollback rate. The taxes collected will enable the City to maintain its current level of service, provide significant capital equipment needs for public safety and public works, and to maintain the operation of the City.

Fiscal Year 2023 Major Initiatives

The City will continue its efforts by focusing on providing the most responsive and progressive public services within the resources provided so that our citizens can enjoy the best possible quality of life.

1. In Spring 2019, voters approved a 1% Special Purpose Local Option Sales Tax (“SPLOST”) VIII. These funds continue to be used for bond debt retirement to keep from passing the cost to citizens.

2. Council approved funds for marketing the City.

3. Road enhancements with the Local Maintenance Improvement Grant will continue.

4. Upgrades will continue at the Coast Guard facility housed with the Police Department.

Fiscal Year 2023 Major Initiatives (Continued)

5. The City is revising the Utility Master Plan.

6. The City will complete additional projects related to the Douglas Drive Drainage.

7. The City will continue the program to install read water meters.

8. The Gateway Marina Project will completed in the coming fiscal year.

9. The City has partnered with local businesses for the development of the Gateway property.

10. The City will refurbish the Tilden Morris Marshwalk.

11. The City continues to work toward bringing in new business and retaining current businesses in the City. The following tools will be considered to assist the City in this effort:

    - Identify vendors conducting business with various entities (i.e., base, school district, etc.) to ascertain potential opportunities for local vendors;
    - Continue business recruiting;
    - Develop a marketing plan for the community;
    - Create incentives to attract business.

The fiscal year 2023 projections continue to be conservative yet realistic.

Economic Factors

The City economy shows signs of improvement. This improvement is realized through the increase in sales tax collections as well as an increase in housing sales, residential and commercial buildings. This year Jacoby Development broke ground on the Cumberland Inlet project at the former Gilman Paper Mill site, and the site of the former St. Marys Airport is being developed into St. Marys Commerce Park. Cumberland Inlet will be a mixed-use development, and St. Marys Commerce Park will be an industrial park and has three businesses committed. Both projects are expected to bring more people to the area, contribute to economic prosperity and employment opportunities.

The City has seen growth in both commercial and residential building and is currently working with several potential developers, which includes a new development proposed at exit one.

Requests for Information

This financial report is designed to provide a general overview of the City of St. Marys' finances for citizens, taxpayers, customers, investors and creditors and all others with an interest in the City. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City Finance Department at the City of St. Marys, 418 Osborne Street, St. Marys, Georgia 31558, by telephone (912) 510-4000, or email at jennifer.brown@stmarysga.gov.

CITY OF ST. MARYS, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 20,875,768	$ 11,774,962	$ 32,650,730
Taxes receivable	134,618	-	134,618
Accounts receivable, net of allowances	1,319,053	748,347	2,067,400
Prepaid expenses	242,768	100,515	343,283
Due from other governments	717,437	-	717,437
Internal balances	86,231	(86,231)	-
Due from component units	32,299	-	32,299
Due from primary government	-	-	-
Restricted assets, cash and cash equivalents	-	1,979,513	1,979,513
Leased assets, net	716,020	93,277	809,297
Capital assets			
Non-depreciable	3,809,918	1,388,678	5,198,596
Depreciable, net of accumulated depreciation	16,858,966	59,209,074	76,068,040
Total assets	44,793,078	75,208,135	120,001,213
DEFERRED OUTFLOWS OF RESOURCES			
Deferred refunding loss	-	3,100,998	3,100,998
LIABILITIES			
Accounts payable	821,219	339,442	1,160,661
Accrued liabilities	123,544	287,475	411,019
Due to component units	33,247	-	33,247
Due to primary government	-	-	-
Customer deposits	-	465,609	465,609
Unearned revenue	2,521,130	16,130	2,537,260
Long-term liabilities			
Due within one year	902,567	2,662,756	3,565,323
Due in more than one year	8,951,276	29,171,017	38,122,293
Total liabilities	13,352,983	32,942,429	46,295,412
DEFERRED INFLOWS OF RESOURCES			
Pension	73,632	-	73,632
NET POSITION			
Net investment in capital assets	18,959,263	32,009,685	50,968,948
Restricted for capital projects	2,263,217	-	2,263,217
Restricted for debt service	450,803	1,100,899	1,551,702
Restricted for public safety	89,931	-	89,931
Unrestricted	9,603,249	12,256,120	21,859,369
Total net position	$ 31,366,463	$ 45,366,704	$ 76,733,167

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

Component Units			
Industrial Development Authority	Downtown Development Authority	Convention & Visitors Bureau	Cemetery Authority
$ 11,102	$ 37,792	$ 245,327	$ 278,702
-	-	-	-
-	-	146	5,167
-	-	1,700	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	33,247	-
-	-	-	-
332,234	620,000	-	-
-	-	-	-
343,336	657,792	280,420	283,869
-	-	-	-
-	1,858	10,072	-
-	-	846	-
-	-	-	-
-	-	32,299	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	1,858	43,217	-
-	-	-	-
332,234	620,000	-	-
-	-	-	-
-	-	-	-
-	-	-	-
11,102	35,934	237,203	283,869
$ 343,336	$ 655,934	$ 237,203	$ 283,869

CITY OF ST. MARYS, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government				
Governmental activities:				
General government	$ 3,163,264	$ 1,471,160	$ 44,559	$ 117,300
Public safety	5,024,583	295,760	-	-
Public works	2,229,887	83,256	-	3,285,800
Health and welfare	67,172	-	235,368	-
Judicial	222,579	-	-	-
Culture and recreation	1,143,003	6,607	-	1,237,803
Housing and development	1,135,621	-	-	-
Interest on long-term debt	196,889	-	-	-
Total governmental activities	13,182,998	1,856,783	279,927	4,640,903
Business-type activities:				
Water and sewer	8,299,828	8,899,347	-	-
Solid waste	1,277,431	1,306,230	-	-
Aquatic center	480,354	437,901	-	-
Total business-type activities	10,057,613	10,643,478	-	-
Total primary government	$ 23,240,611	$ 12,500,261	$ 279,927	$ 4,640,903
Component units				
Industrial Development Authority	$ 487	$ -	$ -	$ -
Downtown Development Authority	35,009	2,700	25,000	-
Convention and Visitors Bureau	217,329	1,779	337,594	-
Cemetery Authority	56,118	41,928	-	-
Total component units	$ 308,943	$ 46,407	$ 362,594	$ -
		General revenues:		
		Property taxes		
		Franchise taxes		
		Sales taxes		
		Hotel/motel taxes		
		Other taxes		
		Unrestricted investment earnings		
		Gain on sale of capital assets		
		Miscellaneous		
		Transfers		
		Total general revenues and transfers		
		Change in net position		
		Net position, beginning of year		
		Net position, end of year		

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

Net (Expenses) Revenues and Changes in Net Position						
			Component Units			
Governmental Activities	Business-type Activities	Total	Industrial Development Authority	Downtown Development Authority	Convention & Visitors Bureau	Cemetery Authority
$ (1,530,245)	$ -	$ (1,530,245)	$ -	$ -	$ -	$ -
(4,728,823)	-	(4,728,823)	-	-	-	-
1,139,169	-	1,139,169	-	-	-	-
168,196	-	168,196	-	-	-	-
(222,579)	-	(222,579)	-	-	-	-
101,407	-	101,407	-	-	-	-
(1,135,621)	-	(1,135,621)	-	-	-	-
(196,889)	-	(196,889)	-	-	-	-
(6,405,385)	-	(6,405,385)	-	-	-	-
-	599,519	599,519	-	-	-	-
-	28,799	28,799	-	-	-	-
-	(42,453)	(42,453)	-	-	-	-
-	585,865	585,865	-	-	-	-
(6,405,385)	585,865	(5,819,520)	-	-	-	-
-	-	-	(487)	-	-	-
-	-	-	-	(7,309)	-	-
-	-	-	-	-	122,044	-
-	-	-	-	-	-	(14,190)
-	-	-	(487)	(7,309)	122,044	(14,190)
5,155,470	-	5,155,470	-	-	-	-
1,049,054	-	1,049,054	-	-	-	-
3,144,322	-	3,144,322	-	-	-	-
302,094	-	302,094	-	-	-	-
1,659,415	-	1,659,415	-	-	-	-
9,141	3,003	12,144	7	21	84	13,898
14,609	-	14,609	-	-	-	-
-	-	-	-	1,266	10,453	148
(2,041,951)	2,041,951	-	-	-	-	-
9,292,154	2,044,954	11,337,108	7	1,287	10,537	14,046
2,886,769	2,630,819	5,517,588	(480)	(6,022)	132,581	(144)
28,479,694	42,735,885	71,215,579	343,816	661,956	104,622	284,013
$ 31,366,463	$ 45,366,704	$ 76,733,167	$ 343,336	$ 655,934	$ 237,203	$ 283,869

CITY OF ST. MARYS, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	General Fund	ARPA Fund	Capital Projects Fund	SPLOST VIII Fund
ASSETS				
Cash and cash equivalents	$ 8,527,323	$ 2,715,906	$ 7,000,000	$ 1,404,065
Taxes receivable	134,618	-	-	-
Accounts receivable	133,947	-	-	-
Prepaid items	242,768	-	-	-
Due from other governments	287,535	-	-	429,902
Due from other funds	1,472,763	-	-	-
Due from component units	32,299	-	-	-
Advance to other funds	30,000	-	-	-
Total assets	$ 10,861,253	$ 2,715,906	$ 7,000,000	$ 1,833,967
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 549,816	$ 195,651	$ -	$ -
Accrued liabilities	122,469	-	-	-
Due to component units	-	-	-	-
Unearned revenue	-	2,520,255	-	-
Due to other funds	68,890	-	-	-
Total liabilities	741,175	2,715,906	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - taxes	111,245	-	-	-
FUND BALANCES				
Non-spendable:				
Prepaid items	242,768	-	-	-
Advances to other funds	30,000	-	-	-
Restricted for:				
Capital projects	-	-	7,000,000	1,833,967
Debt service	-	-	-	-
Public safety	-	-	-	-
Unassigned	9,736,065	-	-	-
Total fund balances	10,008,833	-	7,000,000	1,833,967
Total liabilities, deferred inflows of resources and fund balances	$ 10,861,253	$ 2,715,906	$ 7,000,000	$ 1,833,967

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

Nonmajor Governmental Funds	Total Governmental Funds
$ 1,228,474	$ 20,875,768
-	134,618
1,185,106	1,319,053
-	242,768
-	717,437
68,890	1,541,653
-	32,299
-	30,000
$ 2,482,470	$ 24,893,596
$ 75,752	$ 821,219
1,075	123,544
33,247	33,247
875	2,521,130
1,416,532	1,485,422
1,527,481	4,984,562
-	111,245
-	242,768
-	30,000
429,250	9,263,217
450,803	450,803
89,931	89,931
(14,995)	9,721,070
954,989	19,797,789
$ 2,482,470	$ 24,893,596

CITY OF ST. MARYS, GEORGIA

RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION JUNE 30, 2022

Amounts reported for governmental activities in the Statement of Net Position are different because:		
Total governmental fund balances.	$	19,797,789
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		20,668,884
Leased assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		716,020
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Compensated absences		(237,597)
Net pension liability		(190,605)
Bonds		(7,600,000)
Leases		(726,001)
Note payable		(382,600)
Financed purchases		(717,040)
Certain pension related deferred inflows are not reported in the funds.		(73,632)
Certain property tax revenues are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.		111,245
Net position of governmental activities.	$	31,366,463

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

CITY OF ST. MARYS, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	General Fund	ARPA Fund	Capital Project Fund	SPLOST VIII Fund
Revenues				
Taxes	$ 10,957,225	$ -	$ -	$ -
Licenses and permits	850,602	-	-	-
Intergovernmental	-	946,541	-	2,392,983
Fines and forfeitures	215,862	-	-	-
Charges for services	104,482	-	-	-
Interest income	8,536	1,344	-	505
Other revenues	596,994	-	-	-
Total revenues	12,733,701	947,885	-	2,393,488
Expenditures				
Current:				
General government	2,409,435	279,927	-	-
Public safety	5,087,742	-	-	-
Public works	2,651,121	-	-	-
Health and welfare	67,411	-	-	-
Judicial	222,579	-	-	-
Culture and recreation	1,144,982	-	-	-
Housing and development	760,688	-	-	-
Capital outlay	-	67,575	-	-
Debt service:				
Principal	650,441	-	-	-
Interest and fiscal charges	47,692	-	-	-
Issuance costs	-	-	123,705	-
Total expenditures	13,042,091	347,502	123,705	-
Excess (deficiency) of revenues over (under) expenditures	(308,390)	600,383	(123,705)	2,393,488
Other financing sources (uses)				
Sale of capital assets	14,000	-	-	-
Leases	173,753	-	-	-
Debt issuance	595,142	-	7,600,000	-
Transfers in	1,296,235	-	-	-
Transfers out	-	(600,383)	(476,295)	(1,500,000)
Total other financing sources (uses)	2,079,130	(600,383)	7,123,705	(1,500,000)
Net change in fund balances	1,770,740	-	7,000,000	893,488
Fund balances, beginning of year	8,238,093	-	-	940,479
Fund balances, end of year	$ 10,008,833	$ -	$ 7,000,000	$ 1,833,967

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

Nonmajor Governmental Funds	Total Governmental Funds
$ 302,094	$ 11,259,319
-	850,602
1,579,457	4,918,981
77,143	293,005
-	104,482
605	10,990
11,700	608,694
1,970,999	18,046,073
-	2,689,362
-	5,087,742
-	2,651,121
-	67,411
-	222,579
-	1,144,982
377,844	1,138,532
938,849	1,006,424
-	650,441
25,492	73,184
-	123,705
1,342,185	14,855,483
628,814	3,190,590
-	14,000
-	173,753
-	8,195,142
476,295	1,772,530
(1,237,803)	(3,814,481)
(761,508)	6,340,944
(132,694)	9,531,534
1,087,683	10,266,255
$ 954,989	$ 19,797,789

CITY OF ST. MARYS, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balances - total governmental funds.	$	9,531,534
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:		
Capital outlay		2,407,080
Depreciation expense		(1,338,928)
Governmental funds report leased asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the shorter of their estimated useful lives or the lease term and reported as amortization expense:		
Lease asset additions		173,753
Amortization expense		(239,741)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations to other funds) is to decrease net position.		(1,978)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		51,036
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Debt issuance		(8,195,142)
Leases		(173,753)
Principal payments on bonds, notes, leases and financed purchases		650,441
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Compensated absences		(10,738)
Net pension liability and deferred inflows of resources related to pension		33,205
	$	2,886,769

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

CITY OF ST. MARYS, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	$ 9,221,754	$ 9,221,754	$ 10,957,225	$ 1,735,471
Licenses and permits	509,200	509,200	850,602	341,402
Fines and forfeitures	194,900	194,900	215,862	20,962
Interest	5,500	5,500	8,536	3,036
Charges for services	89,770	89,770	104,482	14,712
Miscellaneous	608,100	617,664	596,994	(20,670)
Total revenues	10,629,224	10,638,788	12,733,701	2,094,913
Expenditures				
Current				
General government:				
Legislative	267,585	268,662	288,326	(19,664)
Executive	376,080	378,233	330,300	47,933
Finance	1,118,885	1,109,347	1,045,528	63,819
Building and plant	320,770	320,770	276,171	44,599
Human resources	188,765	190,918	180,451	10,467
Information technology	276,620	277,697	288,659	(10,962)
Total general government	2,548,705	2,545,627	2,409,435	136,192
Public safety:				
Fire	2,047,170	2,170,316	2,222,827	(52,511)
Police	2,856,058	2,881,492	2,864,915	16,577
Total public safety	4,903,228	5,051,808	5,087,742	(35,934)
Public works;				
Public works administration	1,599,212	1,618,900	1,653,771	(34,871)
Highways and streets administration	764,410	768,500	891,511	(123,011)
Cemetery	156,105	209,905	105,839	104,066
Total public works	2,519,727	2,597,305	2,651,121	(53,816)
Judicial:				
Municipal court	193,545	194,622	222,579	(27,957)
Total judicial	193,545	194,622	222,579	(27,957)
Health and welfare:				
Senior citizens center	196,535	197,140	67,411	129,729
Total health and welfare	196,535	197,140	67,411	129,729
Culture and recreation:				
Culture and recreation administration	1,279,756	1,279,756	875,848	403,908
Library administration	329,600	357,938	269,134	88,804
Total culture and recreation	1,609,356	1,637,694	1,144,982	492,712

(Continued)

CITY OF ST. MARYS, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budget			Variance With
	Original	Final	Actual	Final Budget
Expenditures (Continued)				
Current (Continued)				
Housing and development:				
Protective inspection administration	$ 219,850	$ 222,003	$ 195,925	$ 26,078
Planning and zoning	349,480	438,751	342,125	96,626
Special facilities	24,550	24,550	14,840	9,710
Economic development	183,295	184,856	122,617	62,239
Code enforcement	106,457	108,141	85,181	22,960
Total housing and development	883,632	978,301	760,688	217,613
Debt service:				
Principal	518,128	518,128	650,441	(132,313)
Interest	34,648	34,648	47,692	(13,044)
Total debt service	552,776	552,776	698,133	(145,357)
Total expenditures	13,407,504	13,755,273	13,042,091	713,182
Deficiency of revenues under expenditures	(2,778,280)	(3,116,485)	(308,390)	2,808,095
Other financing sources				
Sale of capital assets	15,000	15,000	14,000	(1,000)
Debt issuance	322,056	322,056	595,142	273,086
Leases	-	-	173,753	173,753
Transfers in	1,201,746	1,455,777	1,296,235	(159,542)
Total other financing sources	1,538,802	1,792,833	2,079,130	286,297
Net change in fund balances	(1,239,478)	(1,323,652)	1,770,740	3,094,392
Fund balances, beginning of year	8,238,093	8,238,093	8,238,093	-
Fund balances, end of year	$ 6,998,615	$ 6,914,441	$ 10,008,833	$ 3,094,392

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

CITY OF ST. MARYS, GEORGIA

ARPA FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental	$ -	$ 3,231,109	$ 946,541	$ (2,284,568)
Interest income	-	-	1,344	1,344
Total revenues	-	3,231,109	947,885	(2,283,224)
Expenditures				
Current				
General government:		459,000	279,927	179,073
Capital outlay	-	2,704,700	67,575	2,637,125
Total expenditures	-	3,163,700	347,502	2,816,198
Excess of revenues over expenditures	-	67,409	600,383	532,974
Other financing uses				
Transfers out	-	(67,409)	(600,383)	(532,974)
Total other financing uses	-	(67,409)	(600,383)	(532,974)
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	$ -	$ -	$ -	$ -

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

CITY OF ST. MARYS, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

ASSETS	Major Enterprise Funds: Water and Sewer Fund	Major Enterprise Funds: Solid Waste Fund	Nonmajor Enterprise Fund: Aquatic Center Fund	Totals
CURRENT ASSETS				
Cash and cash equivalents	$ 11,253,273	$ 320,705	$ 200,984	$ 11,774,962
Restricted cash and cash equivalents	1,979,513	-	-	1,979,513
Accounts receivable, net	634,500	113,847	-	748,347
Prepaid expenses	94,315	1,867	4,333	100,515
Total current assets	13,961,601	436,419	205,317	14,603,337
NON-CURRENT ASSETS				
Leased assets	93,277	-	-	93,277
Capital assets				
Non-depreciable	1,388,678	-	-	1,388,678
Depreciable, net of accumulated depreciation	58,151,466	167,368	890,240	59,209,074
Total non-current assets	59,633,421	167,368	890,240	60,691,029
Total assets	73,595,022	603,787	1,095,557	75,294,366
DEFERRED OUTFLOWS OF RESOURCES				
Deferred refunding loss	3,100,998	-	-	3,100,998
LIABILITIES				
CURRENT LIABILITIES, PAYABLE FROM CURRENT ASSETS				
Accounts payable	273,613	29,116	36,713	339,442
Accrued interest payable	85,267	-	-	85,267
Other accrued liabilities	169,409	1,570	31,229	202,208
Due to other funds	56,231	-	-	56,231
Unearned revenue	-	-	16,130	16,130
Customer deposits	465,609	-	-	465,609
Current portion of compensated absences	43,158	5,165	3,108	51,431
Current portion of leases payable	46,286	-	-	46,286
Current portion of financed purchases	71,211	-	-	71,211
Current portion of notes payable	503,828	-	-	503,828
Current portion of bonds payable	1,990,000	-	-	1,990,000
Total current liabilities, payable from current assets	3,704,612	35,851	87,180	3,827,643
LONG-TERM LIABILITIES				
Revenue bonds payable, net	27,475,433	-	-	27,475,433
Leases payable	48,785	-	-	48,785
Financed purchases	300,317	-	-	300,317
Notes payable	1,346,482	-	-	1,346,482
Advances from other funds	-	-	30,000	30,000
Total long-term liabilities	29,171,017	-	30,000	29,201,017
Total liabilities	32,875,629	35,851	117,180	33,028,660
NET POSITION				
Net investment in capital assets	30,952,077	167,368	890,240	32,009,685
Restricted for debt service	1,100,899	-	-	1,100,899
Unrestricted	11,767,415	400,568	88,137	12,256,120
Total net position	$ 43,820,391	$ 567,936	$ 978,377	$ 45,366,704

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

CITY OF ST. MARYS, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Major Enterprise Funds		Nonmajor Enterprise Fund	
	Water and Sewer Fund	Solid Waste Fund	Aquatic Center Fund	Totals
OPERATING REVENUE				
Sanitation fees	$ -	$ 1,259,526	$ -	$ 1,259,526
Admission fees	-	-	278,699	278,699
Concessions	-	-	110,132	110,132
Water sales	3,256,826	-	-	3,256,826
Sewer sales	3,037,649	-	-	3,037,649
Tap and capacity recovery fees	1,047,342	-	-	1,047,342
Reconnection fees	63,659	-	-	63,659
Construction fees	1,195,101	-	-	1,195,101
Penalties	115,872	22,453	-	138,325
Miscellaneous	182,898	24,251	49,070	256,219
Total operating revenues	8,899,347	1,306,230	437,901	10,643,478
OPERATING EXPENSES				
Personnel services	1,271,775	92,697	181,714	1,546,186
Purchased and contracted services	1,881,665	1,144,285	43,636	3,069,586
Supplies	1,164,680	21,852	159,592	1,346,124
Depreciation and amortization	2,524,929	18,597	95,412	2,638,938
Total operating expenses	6,843,049	1,277,431	480,354	8,600,834
Operating income (loss)	2,056,298	28,799	(42,453)	2,042,644
NON-OPERATING REVENUES (EXPENSES)				
Interest income	3,003	-	-	3,003
Interest expense	(1,456,779)	-	-	(1,456,779)
Total non-operating expenses, net	(1,453,776)	-	-	(1,453,776)
Income (loss) before transfers	602,522	28,799	(42,453)	588,868
TRANSFERS				
Transfers in	2,041,951	-	-	2,041,951
Total transfers	2,041,951	-	-	2,041,951
Change in net position	2,644,473	28,799	(42,453)	2,630,819
Total net position, beginning of year	41,175,918	539,137	1,020,830	42,735,885
Total net position, end of year	$ 43,820,391	$ 567,936	$ 978,377	$ 45,366,704

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

CITY OF ST. MARYS, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Major Enterprise Funds		Nonmajor Enterprise Fund	
	Water and Sewer Fund	Solid Waste Fund	Aquatic Center Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 8,914,591	$ 1,300,481	$ 438,361	$ 10,653,433
Payments to suppliers	(2,969,535)	(1,234,134)	(208,281)	(4,411,950)
Payments to employees	(1,277,834)	(92,881)	(157,059)	(1,527,774)
Net cash provided by (used in) operating activities	4,667,222	(26,534)	73,021	4,713,709
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal payments on revenue bonds payable	(34,104,207)	-	-	(34,104,207)
Principal payments on notes payable	(489,035)	-	-	(489,035)
Principal payments on leases	(46,158)	-	-	(46,158)
Principal payments on financed purchases	(5,839)			(5,839)
Proceeds from long-term borrowings	32,764,360	-	-	32,764,360
Interest paid	(1,462,199)	-	-	(1,462,199)
Transfers in - SPLOST	2,041,951	-	-	2,041,951
Purchase of capital assets	(926,917)	(185,965)	-	(1,112,882)
Net cash used in capital and related financing activities	(2,228,044)	(185,965)	-	(2,414,009)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	3,003	-	-	3,003
Net cash provided by investing activities	3,003	-	-	3,003
Net change in cash	2,442,181	(212,499)	73,021	2,302,703
Cash and cash equivalents, beginning of year	10,790,605	533,204	127,963	11,451,772
Cash and cash equivalents, end of year	$ 13,232,786	$ 320,705	$ 200,984	$ 13,754,475
Classified as				
Cash and cash equivalents	$ 11,253,273	$ 320,705	$ 200,984	$ 11,774,962
Restricted assets:				
Current cash and cash equivalents	1,979,513	-	-	1,979,513
	$ 13,232,786	$ 320,705	$ 200,984	$ 13,754,475

(Continued)

CITY OF ST. MARYS, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Major Enterprise Funds		Nonmajor Enterprise Fund	
	Water & Sewer Fund	Solid Waste Fund	Aquatic Center Fund	Totals
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	$ 2,056,298	$ 28,799	(42,453)	$ 2,042,644
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	2,524,929	18,597	95,412	2,638,938
Change in assets and liabilities				
(Increase) decrease in accounts receivable	(41,050)	(5,749)	460	(46,339)
Decrease in prepaid expenses	189	430	-	619
Increase (decrease) in accounts payable	105,390	(68,427)	(2,059)	34,904
Increase in accrued liabilities	4,901	176	30,176	35,253
Increase in customer deposits	56,294	-	-	56,294
Decrease in compensated absences	(6,059)	(360)	(5,521)	(11,940)
Increase in unearned revenue	-	-	1,281	1,281
Decrease)in due to other funds/advances	(33,670)	-	(4,275)	(37,945)
Net cash provided by (used in) operating activities	$ 4,667,222	$ (26,534)	$ 73,021	$ 4,713,709

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City was incorporated August 15, 1910, under the provisions of the laws of the State of Georgia. A new City charter was adopted February 8, 1981. The City operates under a Council/City Manager form of government and provides the following services to its citizens: public safety, public works, recreation, public improvements, and general and administrative services.

As required by accounting principles generally accepted in the United States of America, these financial statements present the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. Blended component units, although legally separate entities, are, in substance, part of the City's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Discretely Presented Component Units

The Industrial Development Authority of St. Marys (the "IDA") is governed by a seven-member board, the majority of which are appointed by the City's City Council. The City is able to impose its will on the IDA, as it is funded by the City. The IDA is presented as a governmental fund-type component unit. Separate financial statements are not prepared for the IDA.

The Downtown Development Authority of St. Marys (the "DDA") is governed by a seven-member board, the majority of which are appointed by the City's City Council. The City is able to impose its will on the DDA as it is funded by the City. The DDA is presented as a governmental fund-type component unit. Separate financial statements are not prepared for the DDA.

The St. Marys Convention and Visitors Bureau (the "CVB") is governed by a nine-member board appointed by the City's City Council. The City is able to significantly influence the programs, projects and activities of the CVB, as it is funded entirely by the City, and its budget is approved and amended by City Council. The CVB is presented as a governmental fund-type component unit. Separate financial statements are not prepared for the CVB.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

The Oak Grove Cemetery Authority (the "Authority") is governed by a five-member board, the majority of which are appointed by the City's City Council. The City is able to impose its will on the Authority. The Authority is presented as a governmental fund-type component unit. Separate financial statements are not prepared for the Authority.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units.

For the most part, the effect of interfund activity has been removed from these statements, however, interfund services provided and used are not eliminated in the process of consolidation. Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities and business-type activities.

Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services. The statement of net position includes non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including lease liabilities, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The **Special Purpose Local Option Sales Tax ("SPLOST") VIII Fund** is used to account for the revenues and expenditures relating to the 2018 1% Special Purpose Local Option Sales Tax.

The **American Rescue Plan Act ("ARPA") Fund** is used to account for the revenues and expenditures relating to the grant funding received from the American Rescue Plan Act.

The **Capital Projects Fund** is used to account for the revenues and expenditures relating to proceeds received from the 2022 bonds for an economic development and revitalization project.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major proprietary funds:

The **Water and Sewer Fund** accounts for the activities necessary to provide water and sewer services to the City's residents.

The **Solid Waste Fund** accounts for the fees and expenses associated with garbage collection and disposal services provided to the City's residents.

Additionally, the City reports the following fund types:

The ***special revenue funds*** account for revenue sources that are legally restricted to expenditure for specific purposes.

The ***capital projects funds*** account for the acquisition and/or construction of capital facilities.

The ***debt service fund*** accounts for the debt service payments made on the 2022 bonds.

Amounts reported as *program revenues* include: 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets

Annual appropriated budgets are adopted for all funds. The budgets for the proprietary funds are for management control purposes and are not required to be reported. Budgets of governmental funds are adopted on a modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America for governmental funds. All appropriations lapse at fiscal year-end. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is not employed by the City.

E. Cash and Investments

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with an original maturity of three months or less from the date of acquisition. State statutes authorize the City to invest in the following: 1) obligations of Georgia or any other state; 2) obligations of the United States; 3) obligations fully insured or guaranteed by the United States government or one of its agencies; 4) obligations of any corporation of the United States government; 5) prime bankers' acceptances; 6) the State of Georgia local government investment pool; 7) repurchase agreements; and 8) obligations of any other political subdivisions of the State of Georgia. Any investment or deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of state or U.S. obligations. Investments are reported at fair value.

F. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other fund's (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

G. Restricted Assets

Certain proceeds of revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on both the government-wide and proprietary fund financial statements because their use is limited by applicable bond covenants.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2022, are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are accounted for using the consumption method.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital and right to use leased assets of the City are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20 – 50
Infrastructure	30
Improvements	5 – 50
Right to use leased machinery and equipment	3 – 10
Machinery and equipment	3 – 10

J. Compensated Absences

It is the City's policy to permit employees to accumulate a limited amount of earned but unused personal leave. All personal leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

K. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Bond issuance costs are expensed in the period incurred.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Long-Term Obligations (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Leases

The City is a lessee for noncancellable leases of vehicles. The City recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements and the proprietary fund level financial statements. The City recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease liabilities are reported with long-term liabilities on the statement of net position.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. 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 Balances – Generally, fund balances represent the difference between the assets, liabilities, and deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- ***Non-spendable*** – Fund balances are reported as non-spendable 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 adoption of a resolution. Only the City Council may modify or rescind the commitment.

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City's Finance Director 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.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

Net Position – Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital and leased assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

N. Management Estimates

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

O. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualified for reporting in this category. The deferred refunding loss, which is reported in the government-wide and proprietary fund statements of net position, results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category, one of which arises only under the modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The other item relates to the City's retirement plan and is reported in the government-wide statement of net position. The net difference between projected and actual earnings on pension plan investments is deferred and amortized against pension expense over a five-year period, resulting in recognition as a deferred inflow of resources.

P. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of St. Marys Retirement Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the respective plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. LEGAL COMPLIANCE

Budgets. The City employs the following procedures in establishing its annual budget:

1. Prior to June 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means for financing them.

2. Prior to any action by the Council, the Council holds a public hearing on the budget, giving notice in the official newspaper of the City, at least ten days prior to such hearing.

3. The budget is then revised and adopted or amended by the Council at a regular meeting in June.

NOTE 2. LEGAL COMPLIANCE (CONTINUED)

4. This budget may be revised during the year only by formal action of the Council in a regular or special called meeting. No increase to the budget may be made without a provision for financing such an increase.

5. Budgetary control is exercised at the department, function or activity, and major object of expenditures group for capital and grant projects within each fund. The legal level of budgetary control is the department level. Budgets for the City may be increased or decreased as the City Council deems appropriate. Budgets are adopted for the General and Special Revenue funds. Capital project funds adopt a project length budget. The supplementary budgetary appropriations made during the year were not material.

Actual Expenditures Exceeded Appropriations. The following funds actual expenditures exceeded appropriations as follows:

General Fund	
General government - legislative	19,664
General government - information technology	10,962
Public safety - fire	52,511
Public works - public works administration	34,871
Public works - highways and streets administration	123,011
Judicial - municipal court	27,957
Debt service - principal	132,313
Debt service - interest	13,044
Hotel/Motel Fund	
Housing and development	162,094
Debt Service Fund	
Debt service - interest	25,492

Fund Deficit. The Tax Allocation District Fund reported a fund deficit of $14,995 as of June 30, 2022. This deficit will be reduced by future revenues generated by the fund.

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2022, are summarized as follows:

Amounts as presented on the City-wide statement of net position:	
Cash and cash equivalents	$ 32,650,730
Restricted cash and cash equivalents	1,979,513
Component Units - cash and cash equivalents	572,923
Total	$ 35,203,166
Cash deposited with financial institutions	$ 34,377,409
Cash deposited with Georgia Fund 1	825,757
Total	$ 35,203,166

Credit risk. State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. It is the City's policy to limit its investments to those allowed and authorized by state law. As of June 30, 2022, the City's investment in Georgia Fund 1 was rated AAAf by Standard & Poor's.

As of June 30, 2022, the City had the following investment:

Investment	Maturity	Fair Value
Georgia Fund 1	43 day weighted-average	$ 825,757

Georgia Fund 1 was created under the Official Code of Georgia Annotated ("O.C.G.A.") §36-83-8 as a stable net asset value investment pool which follows Standard & Poor's criteria for AAAf rated money market funds. 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 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on $1 per share. The pool also adjusts the value of its investments to fair value as of year-end and the City's investment in Georgia Fund 1 is reported at fair value. The pool is regulated by the Georgia Office of State Treasurer.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy generally limits all operating investments to instruments that mature within one year. Asset investment funds shall be diversified to eliminate risk of loss resulting from the concentration of assets in a specific maturity, a specific issuer or a specific class of maturities.

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits. Custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal and state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2022, the City's deposits were fully collateralized in compliance with the state requirements.

Fair Value Measurements. The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy. The City does not maintain any other investments that would require reporting in the fair value hierarchy.

NOTE 4. RECEIVABLES

Property taxes are levied by the City based on the assessed value of property as of January 1. Property taxes attach as an enforceable lien on property as of February 20, 2022. Taxes were levied on November 17, 2021, and payable on or before January 19, 2022. Property taxes not collected by January 19th are considered and reported as delinquent taxes receivable. Property taxes levied for the year ended June 30, 2022, are recorded as receivables, net of estimated uncollectibles.

In the governmental funds, the net receivables collected during the year ended June 30, 2022, and expected to be collected by August 31, 2022, are recognized as revenues for the year ended June 30, 2022, whereas, net receivables estimated to be collectible subsequent to August 31, 2022, are recorded as revenue when received.

Receivables at June 30, 2022, for the City's individual major and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General	SPLOST VIII	Nonmajor Governmental Funds	Water and Sewer	Solid Waste	Total
Receivables						
Taxes	$ 165,323	$ -	$ -	$ -	$ -	$ 165,323
Accounts	133,947	-	1,185,106	1,086,820	181,611	2,587,484
Due from other governments	287,535	429,902	-	-	-	717,437
Less allowance for uncollectibles	(30,705)	-	-	(452,320)	(67,764)	(550,789)
Net total receivable	$ 556,100	$ 429,902	$ 1,185,106	$ 634,500	$ 113,847	$ 2,919,455

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2022, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities					
Capital assets, not being depreciated:					
Land	$ 2,085,907	$ -	$ -	$ -	$ 2,085,907
Construction in progress	208,881	1,515,130	-	-	1,724,011
Total	2,294,788	1,515,130	-	-	3,809,918
Capital assets, being depreciated:					
Infrastructure	16,851,439	-	-	-	16,851,439
Buildings	7,690,957	-	-	-	7,690,957
Improvements	6,853,512	-	(5,161)	-	6,848,351
Machinery and equipment	10,556,808	891,950	(10,530)	-	11,438,228
Total	41,952,716	891,950	(15,691)	-	42,828,975
Less accumulated depreciation for:					
Infrastructure	(5,726,235)	(593,234)	-	-	(6,319,469)
Buildings	(4,376,159)	(216,866)	-	-	(4,593,025)
Improvements	(5,111,373)	(163,421)	3,183	-	(5,271,611)
Machinery and equipment	(9,431,027)	(365,407)	10,530	-	(9,785,904)
Total	(24,644,794)	(1,338,928)	13,713	-	(25,970,009)
Total capital assets, being depreciated, net	17,307,922	(446,978)	(1,978)	-	16,858,966
Governmental activities capital assets, net	$ 19,602,710	$ 1,068,152	$ (1,978)	$ -	$ 20,668,884

NOTE 5. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 846,727	$ -	$ -	$ -	$ 846,727
Construction in progress	-	541,951	-	-	541,951
Total	846,727	541,951	-	-	1,388,678
Capital assets, being depreciated:					
Buildings	8,114,260	-	-	-	8,114,260
Infrastructure	95,966,326	-	-	-	95,966,326
Furniture, fixtures, and equipment	4,295,293	570,931	-	-	4,866,224
Total	108,375,879	570,931	-	-	108,946,810
Less accumulated depreciation for:					
Buildings	(5,363,559)	(107,394)	-	-	(5,470,953)
Infrastructure	(38,013,423)	(2,383,332)	-	-	(40,396,755)
Furniture, fixtures, and equipment	(3,769,769)	(100,259)	-	-	(3,870,028)
Total	(47,146,751)	(2,590,985)	-	-	(49,737,736)
Total capital assets, being depreciated, net	61,229,128	(2,020,054)	-	-	59,209,074
Business-type activities capital assets, net	$ 62,075,855	$ (1,478,103)	$ -	$ -	$ 60,597,752

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

Governmental activities:	
General government	$ 475,723
Public safety	370,470
Public works	399,342
Culture and recreation	93,393
Total governmental activities	$ 1,338,928
Business-type activities:	
Water and sewer fund	$ 2,476,976
Solid Waste fund	18,597
Aquatics center fund	95,412
Total business-type activities	$ 2,590,985

Component Units. The IDA and DDA maintain parcels of land with historical costs of $332,234 and $620,000, respectively.

NOTE 6. LEASED ASSETS

Leased asset activity for the fiscal year ended June 30, 2022, is as follows:

	Beginning Balance	Increases	Decreases	Remeasurements	Ending Balance
Governmental activities					
Leased assets, being amortized:					
Machinery and equipment	1,110,345	173,753	-	-	1,284,098
Total	1,110,345	173,753	-	-	1,284,098
Less accumulated amortization for:					
Machinery and equipment	(328,337)	(239,741)	-	-	(568,078)
Total	(328,337)	(239,741)	-	-	(568,078)
Total leased assets, being amortized, net	782,008	(65,988)	-	-	716,020
Governmental activities leased assets, net	$ 782,008	$ (65,988)	$ -	$ -	$ 716,020

	Beginning Balance	Increases	Decreases	Remeasurements	Ending Balance
Business-type activities					
Leased assets, being amortized:					
Machinery and equipment	230,033	-	-	-	230,033
Total	230,033	-	-	-	230,033
Less accumulated amortization for:					
Machinery and equipment	(88,803)	(47,953)	-	-	(136,756)
Total	(88,803)	(47,953)	-	-	(136,756)
Total leased assets, being amortized, net	141,230	(47,953)	-	-	93,277
Business-type activities leased assets, net	$ 141,230	$ (47,953)	$ -	$ -	$ 93,277

The City implemented the provisions of GASB Statement No. 87, *Leases*, as of July 1, 2021. Beginning balances were restated as a result of this implementation. As the lease liability and leased asset were the same, there was no effect on net position.

NOTE 7. LONG-TERM LIABILITIES

A. Revenue Bonds – Governmental Activities

In April 2022, the City issued its Development Authority of St. Marys Revenue Bond, Series 2022. The series 2022 bonds were issued to finance the costs of an economic development and revitalization project consisting of constructing and equipping certain real property for the development of an industrial park. Bond principal is due annually on July 1, and interest payments are due semi-annually on January 1 and July 1. The bond carries an interest rate of 3.45% per annum and payments extend through July 1, 2040.

Revenue bond debt service requirements to maturity are as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2023	$ -	$ 262,200	$ 262,200
2024	350,000	262,200	612,200
2025	360,000	250,125	610,125
2026	370,000	237,705	607,705
2027	380,000	224,940	604,940
2028 – 2032	2,085,000	919,254	3,004,254
2033 – 2037	2,420,000	537,338	2,957,338
2038 – 2040	1,635,000	113,851	1,748,851
Total	$ 7,600,000	$ 2,807,613	$ 10,407,613

B. Revenue Bonds – Business-type Activities

The City issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. The series 2021 bonds were issued to provide funds to (a) currently refund and redeem the outstanding Camden County Public Service Authority Refunding Revenue Bond (City of St. Marys Project), Series 2017 and (b) pay the necessary costs of issuing the Series 2021 bonds. The City's Water and Sewer Fund revenue bonds outstanding at June 30, 2022, are as follows:

Series 2021 $38,270,000 Water Revenue Bonds, due in annual installments of $1,990,000 to $2,690,000 through December 1, 2032, plus interest at 4%	$ 25,580,000

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

B. Revenue Bonds – Business-type Activities (Continued)

Revenue bond debt service requirements to maturity are as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2023	$ 1,990,000	$ 983,400	$ 2,973,400
2024	2,050,000	902,600	2,952,600
2025	2,115,000	819,300	2,934,300
2026	2,180,000	733,400	2,913,400
2027	2,250,000	644,800	2,894,800
2028 – 2032	12,305,000	1,797,300	14,102,300
2033	2,690,000	53,800	2,743,800
Total	$ 25,580,000	$ 5,934,600	$ 31,514,600

C. Note Payable – Direct Borrowing – Governmental Activities

In June 2019, the City entered into a note payable agreement with a financial institution to finance the purchase of a radio communication system. The note is payable monthly over a term of six years at a rate of 2.82%. The note payable debt service requirement to maturity is as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2023	$ 176,098	$ 20,803	$ 196,901
2024	178,472	18,429	196,901
2025	28,030	4,117	32,147
Total	$ 382,600	$ 43,349	$ 425,949

D. Notes Payable – Direct Borrowing – Business-type Activities

The City has incurred debt to the Georgia Environmental Facilities Authority (“GEFA”) for construction of various water and sewer system projects and various improvements to the water and sewer system.

These notes are as follows at June 30, 2022:

Interest Rate	Term	Fiscal Year Due Date	Amount
3.00%	20 years	2025	$ 931,158
3.81%	20 years	2033	600,398
1.09%	20 years	2035	130,353
1.40%	15 years	2035	188,402
			$ 1,850,311

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

D. Notes Payable (Continued)

The City's GEFA notes payable debt service requirements to maturity are as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2023	$ 503,828	$ 47,056	$ 550,884
2024	409,641	35,283	444,924
2025	378,855	26,559	405,414
2026	88,274	21,110	109,384
2027	72,252	16,361	88,613
2028 – 2032	332,235	39,809	372,044
2033 – 2035	65,226	622	65,848
Total	$ 1,850,311	$ 186,800	$ 2,037,111

E. Financed Purchases – Governmental Activities

The City has entered into various financed purchase agreements to finance the purchase of certain equipment. Title transfers at the end of each term which extend through May 2027 and carry annual interest rates from 3-4%. Monthly payments on these agreement range from $539 to $12,160. The City's governmental activities financed purchase debt service requirements to maturity are as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2023	$ 243,450	$ 30,811	$ 274,261
2024	115,711	12,584	128,295
2025	119,219	9,076	128,295
2026	122,832	5,463	128,295
2027	115,828	1,739	117,567
Total	$ 717,040	$ 59,673	$ 776,713

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

F. Financed Purchases – Business-type Activities

In June 2022, the City's business-type activities have entered into two financed purchase agreements to finance the purchase a track hoe and radios. Title transfers at the end of each term which extend through May 2027 and carry annual interest rate of 2.99%. Monthly payments on these agreements are $6,779. The City's business-type activities financed purchase debt service requirements to maturity are as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2023	$ 71,211	$ 10,138	$ 81,349
2024	73,370	7,979	81,349
2025	75,594	5,755	81,349
2026	77,885	3,464	81,349
2027	73,468	1,103	74,571
Total	$ 371,528	$ 28,439	$ 399,967

G. Leases

The City has entered into a lease agreement with enterprise fleet management as lessee for financing vehicles. The leases have been recorded at the present value of the future minimum lease payments as of the date the vehicles are received. The City uses the implicit interest rate provided by Enterprise to compute the net present value which ranges from 2-4.5%. Lease terms on the leases range from 3 – 5 years.

Lease payments to maturity for the governmental activities leases are as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2023	$ 245,422	$ 20,762	$ 266,184
2024	197,562	12,705	210,267
2025	163,719	6,853	170,572
2026	92,898	2,463	95,361
2027	26,400	411	26,811
Total	$ 726,001	$ 43,194	$ 769,195

Lease payments to maturity for the business-type activities leases are as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2023	$ 46,286	$ 2,821	$ 49,107
2024	37,205	1,041	38,246
2025	11,580	155	11,735
Total	$ 95,071	$ 4,017	$ 99,088

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

G. Leases (Continued)

Long-term liability activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds	$ -	$ 7,600,000	$ -	$ 7,600,000	$ -
Financed purchases	359,705	595,142	(237,807)	717,040	243,450
Note payable	565,474	-	(182,874)	382,600	176,098
Leases	782,008	173,753	(229,760)	726,001	245,422
Net pension liability	294,033	80,838	(184,266)	190,605	-
Compensated absences	226,859	317,532	(306,794)	237,597	237,597
Governmental activity long-term liabilities	$ 2,228,079	$ 8,767,265	$ (1,141,501)	$ 9,853,843	$ 902,567
Business-type activities:					
Bonds payable	$ 31,544,207	$ 28,140,000	$ (34,104,207)	$ 25,580,000	$ 1,990,000
Bond premium	-	4,246,993	(361,561)	3,885,432	-
Total bonds	31,544,207	32,386,993	(34,465,768)	29,465,432	1,990,000
Notes payable	2,339,345	-	(489,034)	1,850,311	503,828
Financed purchases	-	377,367	(5,839)	371,528	71,211
Leases	141,229	-	(46,158)	95,071	46,286
Compensated absences	63,371	85,566	(97,506)	51,431	51,431
Business-type activity long-term liabilities	$ 34,088,152	$ 32,849,926	$ (35,104,305)	$ 31,833,773	$ 2,662,756

For governmental activities, compensated absences and the net pension liability are generally liquidated by the General Fund.

The City implemented the provisions of GASB Statement No. 87, *Leases*, as of July 1, 2021. Beginning balances for lease liabilities were restated as a result of this implementation. As the lease liability and leased asset were the same, there was no effect on net position.

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2022, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	$ 1,416,532
General Fund	Water and sewer fund	56,231
Nonmajor governmental funds	General Fund	68,890
		$ 1,541,653

Advance To	Advance From	
General Fund	Nonmajor enterprise fund	$ 30,000

These balances resulted from time lag between the dates the: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. Additionally, at June 30, 2022, the City's General Fund has advanced the Aquatic Center Fund $30,000.

The composition of interfund transfers as of June 30, 2022, is as follows:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor governmental funds	$ 1,237,803
General Fund	ARPA Fund	58,432
Nonmajor governmental funds	Capital Project Fund	476,295
Water and Sewer Fund	ARPA Fund	541,951
Water and Sewer Fund	SPLOST Fund	1,500,000
		$ 3,814,481

Transfers are used to: 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected in the General Fund to finance various programs accounts for in other funds in accordance with budgetary authorizations.

NOTE 9. PENSION PLANS

A. Plan Description

The City of St. Marys Retirement Plan (the "Plan") is an agent multiple-employer noncontributory defined benefit pension plan administered by Georgia Municipal Association through the Georgia Municipal Employees Benefit System ("GMEBS"). The Plan covers all City employees who had attained a service period of one year or more by the date that the Plan was closed to new entrants in 1996. The City has authorized the GMEBS Board to establish and amend all Plan provisions.

NOTE 9. PENSION PLANS (CONTINUED)

A. Plan Description (Continued)

GMEBS issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to Georgia Municipal Association, Employee Benefit Section, P.O. Box 105377, Atlanta, Georgia 30348.

B. Benefits Provided

The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. Employees, during the time the Plan was open to new entrants, were eligible for participation after one year of continuous service. Participants became vested after ten years of service.

C. Employee Participation

At June 30, 2022, the following employees were covered by the Plan:

Inactive plan members or beneficiaries currently receiving benefits	28
Inactive plan members entitled to, but not receiving benefits	8
Total	36

D. Contributions

The funding policy for the Plan is to contribute an actuarially determined amount equal to the recommended contribution each year. The City makes all contributions to the Plan. The City is required to contribute at an actuarially determined rate. As there are no active participants, the contribution has remained at the 2011 dollar amount and is no longer being shown as a percentage of payroll.

E. Net Pension Liability

The City's net pension liability was measured as of September 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021, with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2021.

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

Inflation	2.25%
Salary increases	2.25%, plus service based merit increases
Investment rate of return	7.375%

NOTE 9. PENSION PLANS (CONTINUED)

E. Net Pension Liability (Continued)

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with gender-distinct rates, set forward two years for males and one year for females.

The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2021 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%	

* Rates shown are net of the 2.25% assumed rate of inflation.

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 plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

NOTE 9. PENSION PLANS (CONTINUED)

E. Net Pension Liability (Continued)

Changes in the Net Pension Liability of the City. The changes in the components of the net pension liability of the City for the year ended June 30, 2022, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning Balance	$ 898,402	$ 604,369	$ 294,033
Changes for the year			
Interest	62,746	-	62,746
Differences between expected and actual experience	8,915	-	8,915
Contributions - employer	-	44,381	(44,381)
Net investment income	-	139,885	(139,885)
Benefit payments, including refunds of employee contributions	(95,214)	(95,214)	-
Administrative expense	-	(9,177)	9,177
Net changes	(23,553)	79,875	(103,428)
Ending Balance	$ 874,849	$ 684,244	$ 190,605

The required schedule of changes in the City's net pension liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

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

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	$ 242,031	$ 190,605	$ 144,497

NOTE 9. PENSION PLANS (CONTINUED)

E. Net Pension Liability (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2021, and the current sharing pattern of costs between employer and employee.

F. Pension Expense and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the City recognized pension expense of $11,176 and deferred inflows of resources related to pensions of $73,632 resulting from an investment earnings difference between projected and actual investments. This deferred inflow of resources will be recognized in pension expense as follows:

Year ending June 30,		
2023	$	(17,977)
2024		(14,745)
2025		(21,405)
2026		(19,505)
Total	$	(73,632)

NOTE 10. DEFINED CONTRIBUTION PENSION PLAN

The City has established a defined contribution pension plan (the “Plan”) that is administered by the Variable Annuity Life Insurance Company for all of its full-time employees. The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. Plan provisions and contribution requirements are established and may be amended by the City Council. At June 30, 2022, there were 89 plan members.

Employees are not required to contribute to the Plan. Employees may contribute a portion of their gross salary up to a maximum of $19,500 for the year ended June 30, 2022. The Plan allows employees to increase, decrease, stop and restart deferrals as often as they wish without penalties or fees. The City contributes an amount equal to 7% of each participant’s compensation. Total employer contributions for the year ended June 30, 2022, were $849,806. Total employee contributions for the year ended June 30, 2022 were $337,979.

NOTE 11. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the coastal Georgia area, is a member of the Coastal Regional Commission ("CRC") and is required to pay annual dues thereto. During the year ended June 30, 2022, the City paid $22,257 in such dues. Membership in the CRC is required by the O.C.G.A. §50-8-34 which provides for the organizational structure of regional development commissions in Georgia. The CRC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional development commission. Separate financial statements may be obtained from the Coastal Regional Commission, P.O. Box 1917, Brunswick, Georgia 31521.

NOTE 12. RELATED ORGANIZATIONS

The City Council is responsible for the appointment of a board member to the Southeast Georgia Consolidated Housing Authority. However, the City has no further accountability for this organization. During the year ended June 30, 2022, the City did not provide any contributions to the Southeast Georgia Consolidated Housing Authority.

NOTE 13. RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member City contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all costs taxed against 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 past three years have not exceeded the coverages.

NOTE 14. HOTEL/MOTEL LODGING TAX

The City imposes a hotel/motel tax on lodging facilities within the City. The tax was assessed at 6%. Expenditures of the tax were used to promote tourism as required by O.C.G.A. §48-13-50. For the year ended June 30, 2022, $302,094 of hotel/motel tax was collected. Of the total collected, 100% was used for the promotion of tourism.

NOTE 15. COMMITMENTS AND CONTINGENCIES

Litigation

The City is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions arising in the course of City operations. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

Grant Contingencies

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

Construction Commitments

In addition to the liabilities enumerated in the balance sheet at June 30, 2022, the City has contractual commitments on uncompleted contracts of $152,058.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST. MARYS, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY
AND RELATED RATIOS
FOR THE FISCAL YEARS ENDED JUNE 30,

	2022	2021	2020	2019
Total pension liability				
Interest on total pension liability	**$ 62,746**	$ 64,418	$ 63,277	$ 65,937
Differences between expected and actual experience	**8,915**	10,887	25,920	11,400
Changes of assumptions	**-**	-	-	-
Benefit payments, including refunds of employee contributions	**(95,214)**	(100,731)	(110,034)	(115,574)
Other changes	**-**	-	45,957	-
Net change in total pension liability	**(23,553)**	(25,426)	25,120	(38,237)
Total pension liability - beginning	**898,402**	923,828	898,708	936,945
Total pension liability - ending (a)	**$ 874,849**	$ 898,402	$ 923,828	$ 898,708
Plan fiduciary net position				
Contributions - employer	**$ 44,381**	$ 44,381	$ 37,456	$ 36,135
Net investment income	**139,885**	52,602	14,929	65,859
Benefit payments, including refunds of member contributions	**(95,214)**	(100,731)	(110,034)	(115,574)
Administrative expenses	**(9,177)**	(9,046)	(8,999)	(9,943)
Net change in plan fiduciary net position	**79,875**	(12,794)	(66,648)	(23,523)
Plan fiduciary net position - beginning	**604,369**	617,163	683,811	707,334
Plan fiduciary net position - ending (b)	**$ 684,244**	$ 604,369	$ 617,163	$ 683,811
City's net pension liability - ending (a) - (b)	**$ 190,605**	$ 294,033	$ 306,665	$ 214,897
Plan fiduciary net position as a percentage of the total pension liability	**78.2%**	67.3%	66.8%	76.1%
Covered payroll	**$ -**	$ -	$ -	$ -
Net pension liability as a percentage of covered payroll	**0.0%**	0.0%	0.0%	0.0%

Notes to the Schedule:

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

2018	2017	2016	2015
$ 71,041	$ 65,625	$ 67,785	$ 69,743
(3,979)	124,702	12,987	1,546
13,951	-	-	2,191
(121,442)	(119,457)	(97,821)	(99,674)
-	-	-	-
(40,429)	70,870	(17,049)	(26,194)
977,374	906,504	923,553	949,747
$ 936,945	$ 977,374	$ 906,504	$ 923,553
$ 35,443	$ 22,683	$ 19,285	$ 19,285
97,638	76,881	12,598	88,859
(121,442)	(119,457)	(97,821)	(99,674)
(11,048)	(7,861)	(7,167)	(5,996)
591	(27,754)	(73,105)	2,474
706,743	734,497	807,602	805,128
$ 707,334	$ 706,743	$ 734,497	$ 807,602
$ 229,611	$ 270,631	$ 172,007	$ 115,951
75.5%	72.3%	81.0%	87.4%
$ -	$ 47,778	$ 49,178	$ 49,178
0.0%	566.4%	349.8%	235.8%

CITY OF ST. MARYS, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS - RETIREMENT PLAN
FOR THE FISCAL YEARS ENDED JUNE 30,

	2022	2021	2020	2019	2018
Actuarially determined contribution	**$ 45,056**	$ 44,381	$ 37,456	$ 37,456	$ 35,443
Contributions in relation to the actuarially determined contribution	**45,056**	44,381	44,381	37,456	35,443
Contribution deficiency (excess)	**$ -**	$ -	$ (6,925)	$ -	$ -
Covered payroll	**$ -**	$ -	$ -	$ -	$ -
Contributions as a percentage of covered payroll	**0.0%**	0.0%	0.0%	0.0%	0.0%

	2017	2016
Actuarially determined contribution	$ 19,285	$ 19,285
Contributions in relation to the actuarially determined contribution	19,285	19,285
Contribution deficiency (excess)	$ -	$ -
Covered payroll	$ 47,778	$ 47,778
Contributions as a percentage of covered payroll	40.4%	40.4%

Notes to the Schedule:

Valuation Date	January 1, 2021
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return On Investments	7.375%
Projected Salary Increases	2.25%, plus service based merit increases
Cost-of-living Adjustment	0.00%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF ST. MARYS, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Hotel/Motel Tax Fund – To account for excise taxes on lodgings and accommodations.

Tax Allocation District Fund – To account for the additional incremental property tax within the City's tax allocation district.

Confiscated Assets Fund – To account for confiscated and condemned funds received and disbursed for law enforcement expenditures.

Speed Detection Fund – To account for funds received from the City's speed detection cameras and disbursed for law enforcement expenditures.

Multiple Grants Fund – To account for small grants received from various agencies.

CAPITAL PROJECT FUNDS

Special Purpose Local Option Sales Tax ("SPLOST") Fund – To account for the revenues and expenditures relating to the 2008 and 2013 1% Special Purpose Local Option Sales Tax.

Local Maintenance and Improvement Grant ("LMIG") Fund – To account for appropriations and expenditures related to various City construction projects.

DEBT SERVICE FUND

Debt Service Fund – To account for the payments made on the City's Series 2022 revenue bonds.

CITY OF ST. MARYS, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	Special Revenue				
ASSETS	Hotel/Motel Tax Fund	Tax Allocation District	Confiscated Assets Fund	Speed Detection Fund	Multiple Grants Fund
Cash and cash equivalents	$ -	$ 204,171	$ 12,780	$ 77,151	$ 54,319
Receivables	33,247	-	-	-	1,151,859
Due from other funds	-	29,177	-	-	39,713
Total assets	$ 33,247	$ 233,348	$ 12,780	$ 77,151	$ 1,245,891
LIABILITIES AND FUND BALANCE (DEFICIT)					
LIABILITIES					
Accounts payable	$ -	$ -	$ -	$ -	$ 75,752
Accrued liabilities	-	1,075	-	-	-
Due to component units	33,247	-	-	-	-
Unearned revenue	-	875	-	-	-
Due to other funds	-	246,393	-	-	1,170,139
Total liabilities	33,247	248,343	-	-	1,245,891
FUND BALANCE (DEFICIT)					
Restricted for:					
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Public safety	-	-	12,780	77,151	-
Unassigned	-	(14,995)	-	-	-
Total fund balance (deficit)	-	(14,995)	12,780	77,151	-
Total liabilities and fund balance (deficit)	$ 33,247	$ 233,348	$ 12,780	$ 77,151	$ 1,245,891

Capital Projects			Total
SPLOST	LMIG Fund	Debt Service Fund	Nonmajor Governmental Funds
$ 6	$ 429,244	$ 450,803	$ 1,228,474
-	-	-	1,185,106
-	-	-	68,890
$ 6	$ 429,244	$ 450,803	$ 2,482,470
$ -	$ -	$ -	$ 75,752
-	-	-	1,075
-	-	-	33,247
-	-	-	875
-	-	-	1,416,532
-	-	-	1,527,481
6	429,244	-	429,250
-	-	450,803	450,803
-	-	-	89,931
-	-	-	(14,995)
6	429,244	450,803	954,989
$ 6	$ 429,244	$ 450,803	$ 2,482,470

CITY OF ST. MARYS, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue				
	Hotel/Motel Tax Fund	Tax Allocation District	Confiscated Assets Fund	Speed Detection Fund	Multiple Grants Fund
REVENUES					
Taxes	$ 302,094	$ -	$ -	$ -	$ -
Intergovernmental	-	41,550	-	-	1,313,553
Fines and forfeitures	-	-	-	77,143	-
Interest	-	95	7	8	-
Miscellaneous	-	11,700	-	-	-
Total revenues	302,094	53,345	7	77,151	1,313,553
EXPENDITURES					
Current:					
Public safety	-	-	-	-	-
Housing and development	302,094	-	-	-	75,750
Capital outlay	-	-	-	-	-
Debt service					
Interest and fiscal charges	-	-	-	-	-
Total expenditures	302,094	-	-	-	75,750
Excess (deficiency) of revenues over (under) expenditures	-	53,345	7	77,151	1,237,803
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(1,237,803)
Total other financing sources (uses)	-	-	-	-	(1,237,803)
Change in fund balances	-	53,345	7	77,151	-
FUND BALANCE (DEFICIT), beginning of year	-	(68,340)	12,773	-	-
FUND BALANCE (DEFICIT), end of year	$ -	$ (14,995)	$ 12,780	$ 77,151	$ -

Capital Projects			Total
SPLOST	LMIG Fund	Debt Service Fund	Nonmajor Governmental Funds
$ -	$ -	$ -	$ 302,094
-	224,354	-	1,579,457
-	-	-	77,143
355	140	-	605
-	-	-	11,700
355	224,494	-	1,970,999
-	-	-	-
-	-	-	377,844
938,849	-	-	938,849
-	-	25,492	25,492
938,849	-	25,492	1,342,185
(938,494)	224,494	(25,492)	628,814
-	-	476,295	476,295
-	-	-	(1,237,803)
-	-	476,295	(761,508)
(938,494)	224,494	450,803	(132,694)
938,500	204,750	-	1,087,683
$ 6	$ 429,244	$ 450,803	$ 954,989

CITY OF ST. MARYS, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL HOTEL/MOTEL TAX FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	$ 140,000	$ 140,000	$ 302,094	$ 162,094
Total revenues	140,000	140,000	302,094	162,094
Expenditures				
Current:				
Housing and development	140,000	140,000	302,094	(162,094)
Total expenditures	140,000	140,000	302,094	(162,094)
Net change in fund balances	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

CITY OF ST. MARYS, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL TAX ALLOCATION DISTRICT FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental	$ 50,000	$ 50,000	$ 41,550	$ (8,450)
Interest	-	-	95	95
Miscellaneous	-	-	11,700	11,700
Total revenues	50,000	50,000	53,345	3,345
Expenditures				
Capital outlay	50,000	50,000	-	50,000
Total expenditures	50,000	50,000	-	50,000
Net change in fund balances	-	-	53,345	53,345
Fund deficit, beginning of year	(68,340)	(68,340)	(68,340)	-
Fund deficit, end of year	$ (68,340)	$ (68,340)	$ (14,995)	$ 53,345

CITY OF ST. MARYS, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL CONFISCATED ASSETS FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Interest	$ -	$ -	$ 7	$ 7
Total revenues	-	-	7	7
Expenditures				
Current:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	-	-	7	7
Fund balance, beginning of year	12,773	12,773	12,773	-
Fund balance, end of year	$ 12,773	$ 12,773	$ 12,780	$ 7

CITY OF ST. MARYS, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL SPEED DETECTION FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Fines and forfeitures	$ -	$ -	$ 77,143	$ 77,143
Interest	-	-	8	8
Total revenues	-	-	77,151	77,151
Expenditures				
Current:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	-	-	77,151	77,151
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ 77,151	$ 77,151

CITY OF ST. MARYS, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL MULTIPLE GRANTS FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental	$ 1,751,746	$ 1,954,475	$ 1,313,553	$ (640,922)
Total revenues	1,751,746	1,954,475	1,313,553	(640,922)
Expenditures				
Current:				
Housing and development	550,000	550,000	75,750	474,250
Total expenditures	550,000	550,000	75,750	474,250
Excess of revenues over expenditures	1,201,746	1,404,475	1,237,803	(166,672)
Other financing uses				
Transfers out	(1,201,746)	(1,404,475)	(1,237,803)	166,672
Total other financing uses	(1,201,746)	(1,404,475)	(1,237,803)	166,672
Net change in fund balances	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

CITY OF ST. MARYS, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL DEBT SERVICE FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budget			Variance With
	Original	Final	Actual	Final Budget
Expenditures				
Debt service				
Interest and fiscal charges	$ -	$ -	$ 25,492	$ (25,492)
Total expenditures	-	-	25,492	(25,492)
Deficiency of revenues under expenditures	-	-	(25,492)	(25,492)
Other financing sources				
Transfers in	-	-	476,295	476,295
Total other financing sources	-	-	476,295	476,295
Net change in fund balances	-	-	450,803	450,803
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ 450,803	$ 450,803

CITY OF ST. MARYS, GEORGIA

SCHEDULES OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SPLOST 2012

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Bond debt	$ 11,000,000	$ 11,000,000	$ 7,648,250	$ -	$ 7,648,250
Improvements	4,327,918	4,327,918	2,143,738	938,849	3,082,587
Equipment/vehicles capital outlay	2,503,375	2,503,375	288,461	-	288,461
Totals	$ 17,831,293	$ 17,831,293	$ 10,080,449	$ 938,849	$ 11,019,298

SPLOST 2019

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Bond debt	$ 9,600,000	$ 9,600,000	$ 2,750,000	$ 1,500,000	$ 4,250,000
Improvements	2,525,729	2,525,729	-	-	-
Equipment/vehicles capital outlay	1,250,000	1,250,000	-	-	-
Totals	$ 13,375,729	$ 13,375,729	$ 2,750,000	$ 1,500,000	$ 4,250,000

CITY OF ST. MARYS, GEORGIA

DISCRETELY PRESENTED COMPONENT UNITS

Industrial Development Authority – Responsible for the development and coordination of economic growth projects in the City and for the redevelopment of property owned or acquired by the City for the best economic use for the citizens of the City.

Downtown Development Authority – Responsible for the development and coordination of economic growth projects in the City and for the redevelopment of property owned or acquired by the City for the best economic use for the citizens of the City.

Convention & Visitors Center Bureau – Established to foster and promote tourism within the City.

Cemetery Authority – Established to account for the operation, care and maintenance of the Historic Oak Grove Cemetery.

CITY OF ST. MARYS, GEORGIA

BALANCE SHEET
COMPONENT UNITS
JUNE 30, 2022

ASSETS	Industrial Development Authority	Downtown Development Authority	Convention & Visitors Bureau	Cemetery Authority
Cash and cash equivalents	$ 11,102	$ 37,792	$ 245,327	$ 278,702
Accounts receivable	-	-	146	5,167
Prepaid items	-	-	1,700	-
Due from primary government	-	-	33,247	-
Total assets	$ 11,102	$ 37,792	$ 280,420	$ 283,869
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable	$ -	$ 1,858	$ 10,072	$ -
Due to primary government	-	-	32,299	-
Accrued expenses	-	-	846	-
Total liabilities	-	1,858	43,217	-
FUND BALANCE				
Unassigned	11,102	35,934	237,203	283,869
Total fund balances	11,102	35,934	237,203	283,869
Total liabilities and fund balance	$ 11,102	$ 37,792	$ 280,420	$ 283,869

CITY OF ST. MARYS, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Industrial Development Authority	Downtown Development Authority	Convention & Visitors Bureau	Cemetery Authority
REVENUES				
Intergovernmental revenue	$ -	$ 25,000	$ 337,594	$ -
Charges for services	-	-	1,779	41,928
Rental income	-	2,700	-	-
Interest revenue	7	21	84	13,898
Miscellaneous	-	1,266	10,453	148
Total revenues	7	28,987	349,910	55,974
EXPENDITURES				
Current:				
Housing and development	487	35,009	217,329	56,118
Net change in fund balance	(480)	(6,022)	132,581	(144)
FUND BALANCE, beginning of year	11,582	41,956	104,622	284,013
FUND BALANCE, end of year	$ 11,102	$ 35,934	$ 237,203	$ 283,869

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of St. Marys, Georgia's (the "City") Annual Comprehensive Financial Report ("ACFR") presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the City's overall financial health.

Contents **Page**

Financial Trends ..... **80 – 86**
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity ..... **87 – 91**
These schedules contain information to help the reader assess the City's most significant local revenue sources.

Debt Capacity ..... **92 – 95**
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information ..... **96 and 97**
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information ..... **98 – 100**
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the City's financial reports for the relevant year.

CITY OF ST. MARYS, GEORGIA

NET POSITION BY ACTIVITY
LAST TEN FISCAL YEARS

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Net investment in capital assets	$ 17,535,360	$ 16,700,483	$ 16,237,254	$ 15,368,187	$ 14,854,805	$ 14,015,824	$ 15,613,634	$ 18,789,097	$ 18,677,531	**$ 18,959,263**
Restricted	550,242	1,182,601	1,116,711	1,704,547	1,886,056	2,567,159	3,349,525	2,667,851	2,096,502	**2,803,951**
Unrestricted	5,155,188	5,597,625	5,832,944	6,376,327	5,992,197	5,369,412	6,444,403	5,928,265	7,705,661	**9,603,249**
Total governmental activities net position	$ 23,240,790	$ 23,480,709	$ 23,186,909	$ 23,449,061	$ 22,733,058	$ 21,952,395	$ 25,407,562	$ 27,385,213	$ 28,479,694	**$ 31,366,463**
Business-type activities:										
Net investment in capital assets	$ 29,671,562	$ 28,338,804	$ 29,984,972	$ 32,154,292	$ 32,075,270	$ 27,807,151	$ 28,031,822	$ 31,641,871	$ 31,641,804	**$ 32,009,685**
Restricted	1,425,145	1,606,046	1,554,362	1,608,546	2,049,167	1,840,323	1,840,323	1,629,514	1,100,899	**1,100,899**
Unrestricted	4,940,356	4,989,481	5,367,531	5,422,506	5,144,676	11,081,797	11,181,187	7,832,037	9,993,182	**12,256,120**
Total business-type activities net position	$ 36,037,063	$ 34,934,331	$ 36,906,865	$ 39,185,344	$ 39,269,113	$ 40,729,271	$ 41,053,332	$ 41,103,422	$ 42,735,885	**$ 45,366,704**
Primary government:										
Net investment in capital assets	$ 47,206,922	$ 45,039,287	$ 46,222,226	$ 47,522,479	$ 46,930,075	$ 41,822,975	$ 43,645,456	$ 50,430,968	$ 50,319,335	**$ 50,968,948**
Restricted	1,975,387	2,788,647	2,671,073	3,313,093	3,935,223	4,407,482	5,189,848	4,297,365	3,197,401	**3,904,850**
Unrestricted	10,095,544	10,587,106	11,200,475	11,798,833	11,136,873	16,451,209	17,625,590	13,760,302	17,698,843	**21,859,369**
Total primary government net position	$ 59,277,853	$ 58,415,040	$ 60,093,774	$ 62,634,405	$ 62,002,171	$ 62,681,666	$ 66,460,894	$ 68,488,635	$ 71,215,579	**$ 76,733,167**

Note: GASB 68 was implemented during fiscal year 2015.

CITY OF ST. MARYS, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General revenues and other changes in net position										
Primary government										
Governmental activities:										
Property taxes	$ 3,191,238	$ 3,321,216	$ 3,219,206	$ 3,585,232	$ 3,520,121	$ 3,722,766	$ 4,339,628	$ 4,585,293	$ 4,436,872	**$ 5,155,470**
Franchise taxes	887,266	905,317	1,070,546	1,011,980	996,179	969,126	1,032,606	1,043,888	1,054,684	**1,049,054**
Sales taxes	1,905,129	1,907,852	1,916,715	1,795,049	1,753,020	1,844,924	2,005,315	2,151,902	2,692,904	**3,144,322**
Hotel/motel taxes	103,943	118,907	138,298	140,460	157,570	139,172	140,216	128,652	177,155	**302,094**
Other taxes	1,111,129	1,146,466	1,187,316	1,260,860	1,348,895	1,408,542	1,466,945	1,553,550	1,626,457	**1,659,415**
Unrestricted investment earnings	7,775	8,460	8,007	4,859	5,034	5,867	6,360	7,417	7,980	**9,141**
Gain on sale of capital assets	-	-	12,963	-	-	-	8,378	-	-	**14,609**
Miscellaneous	-	131	19,825	3,586	2,351	-	-	-	-	**-**
Transfers	(67,400)	(102,639)	(3,031,768)	(3,896,100)	(1,669,300)	(1,654,050)	(1,228,969)	(1,250,000)	(1,500,000)	**(2,041,951)**
Total governmental activities general revenues and changes in net position	7,139,080	7,305,710	4,541,108	3,905,926	6,113,870	6,436,347	7,770,479	8,220,702	8,496,052	**9,292,154**
Business-type activities										
Unrestricted investment earnings	4,710	3,898	4,498	4,726	7,867	16,731	23,922	13,142	1,981	**3,003**
Gain on sale of assets	28,662	-	26,185	3,779	-	7,684	10,796	-	3,356	**-**
Miscellaneous	20,101	5,583	4,390	22,385	22,055	-	-	-	-	**-**
Transfers	67,400	102,639	3,031,768	3,896,100	1,669,300	1,654,050	1,228,969	1,250,000	1,500,000	**2,041,951**
Total business type activities general revenues and changes in net position	120,873	112,120	3,066,841	3,926,990	1,699,222	1,678,465	1,263,687	1,263,142	1,505,337	**2,044,954**
Total primary government general revenues and other changes in net position	7,259,953	7,417,830	7,607,949	7,832,916	7,813,092	8,114,812	9,034,166	9,483,844	10,001,389	**11,337,108**
Change in net position										
Governmental activities	275,506	235,972	(123,109)	262,152	(716,003)	(780,663)	3,455,167	1,977,651	1,094,481	**2,886,769**
Business-type activities	(1,853,455)	(1,102,732)	1,972,534	2,278,479	83,769	1,460,158	324,061	50,090	1,632,463	**2,630,819**
Total primary government change in net position	$ (1,577,949)	$ (866,760)	$ 1,849,425	$ 2,540,631	$ (632,234)	$ 679,495	$ 3,779,228	$ 2,027,741	$ 2,726,944	**$ 5,517,588**

[a] Revenue growth from year to year due mostly to increased rates for services due to rising energy costs.

CITY OF ST. MARYS, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General revenues and other changes in net position										
Primary government										
Governmental activities:										
Property taxes	$ 3,191,238	$ 3,321,216	$ 3,219,206	$ 3,585,232	$ 3,520,121	$ 3,722,766	$ 4,339,628	$ 4,585,293	$ 4,436,872	**$ 5,155,470**
Franchise taxes	887,266	905,317	1,070,546	1,011,980	996,179	969,126	1,032,606	1,043,888	1,054,684	**1,049,054**
Sales taxes	1,905,129	1,907,852	1,916,715	1,795,049	1,753,020	1,844,924	2,005,315	2,151,902	2,692,904	**3,144,322**
Hotel/motel taxes	103,943	118,907	138,298	140,460	157,570	139,172	140,216	128,652	177,155	**302,094**
Other taxes	1,111,129	1,146,466	1,187,316	1,260,860	1,348,895	1,408,542	1,466,945	1,553,550	1,626,457	**1,659,415**
Unrestricted investment earnings	7,775	8,460	8,007	4,859	5,034	5,867	6,360	7,417	7,980	**9,141**
Gain on sale of capital assets	-	-	12,963	-	-	-	8,378	-	-	**14,609**
Miscellaneous	-	131	19,825	3,586	2,351	-	-	-	-	**-**
Transfers	(67,400)	(102,639)	(3,031,768)	(3,896,100)	(1,669,300)	(1,654,050)	(1,228,969)	(1,250,000)	(1,500,000)	**(2,041,951)**
Total governmental activities general revenues and changes in net position	7,139,080	7,305,710	4,541,108	3,905,926	6,113,870	6,436,347	7,770,479	8,220,702	8,496,052	**9,292,154**
Business-type activities										
Unrestricted investment earnings	4,710	3,898	4,498	4,726	7,867	16,731	23,922	13,142	1,981	**3,003**
Gain on sale of assets	28,662	-	26,185	3,779	-	7,684	10,796	-	3,356	**-**
Miscellaneous	20,101	5,583	4,390	22,385	22,055	-	-	-	-	**-**
Transfers	67,400	102,639	3,031,768	3,896,100	1,669,300	1,654,050	1,228,969	1,250,000	1,500,000	**2,041,951**
Total business type activities general revenues and changes in net position	120,873	112,120	3,066,841	3,926,990	1,699,222	1,678,465	1,263,687	1,263,142	1,505,337	**2,044,954**
Total primary government general revenues and other changes in net position	7,259,953	7,417,830	7,607,949	7,832,916	7,813,092	8,114,812	9,034,166	9,483,844	10,001,389	**11,337,108**
Change in net position										
Governmental activities	275,506	235,972	(123,109)	262,152	(716,003)	(780,663)	3,455,167	1,977,651	1,094,481	**2,886,769**
Business-type activities	(1,853,455)	(1,102,732)	1,972,534	2,278,479	83,769	1,460,158	324,061	50,090	1,632,463	**2,630,819**
Total primary government change in net position	$ (1,577,949)	$ (866,760)	$ 1,849,425	$ 2,540,631	$ (632,234)	$ 679,495	$ 3,779,228	$ 2,027,741	$ 2,726,944	**$ 5,517,588**

[a] Revenue growth from year to year due mostly to increased rates for services due to rising energy costs.

CITY OF ST. MARYS, GEORGIA

FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
General Fund										
Nonspendable	$ 115,494	$ 97,190	$ 107,651	$ 113,760	$ 284,805	$ 102,159	$ 140,530	$ 219,391	$ 144,474	**$ 272,768**
Restricted	6,250	6,250	6,250	6,250	-	25,000	-	-	-	**-**
Unassigned	4,959,599	5,437,868	6,001,980	6,573,053	6,146,644	5,700,629	6,935,073	5,993,853	8,093,619	**9,736,065**
Total General Fund	5,081,343	5,541,308	6,115,881	6,693,063	6,431,449	5,827,788	7,075,603	6,213,244	8,238,093	**10,008,833**
All other governmental funds										
Nonspendable, reported in										
Special Revenue Funds	77	-	-	-	-	-	-	-	-	**-**
Restricted, reported in										
Special Revenue Funds	543,992	406,443	406,443	406,443	408,143	415,091	214	214	12,773	**89,931**
Capital Projects Funds	-	769,908	704,018	1,291,854	1,477,913	2,127,068	3,349,311	2,667,637	2,083,729	**9,263,217**
Debt Service Fund	-	-	-	-	-	-	-	-	-	**450,803**
Unassigned	(4,024)	-	-	-	-	-	(201,853)	(140,270)	(68,340)	**(14,995)**
Total all other governmental funds	540,045	1,176,351	1,110,461	1,698,297	1,886,056	2,542,159	3,147,672	2,527,581	2,028,162	**9,788,956**
Total all governmental funds	$ 5,621,388	$ 6,717,659	$ 7,226,342	$ 8,391,360	$ 8,317,505	$ 8,369,947	$ 10,223,275	$ 8,740,825	$ 10,266,255	**$ 19,797,789**

CITY OF ST. MARYS, GEORGIA

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	$ 7,276,692	$ 7,430,502	$ 7,742,339	$ 7,818,328	$ 7,757,088	$ 8,088,289	$ 8,995,271	$ 9,172,707	$ 10,315,475	**$ 11,259,319**
Licenses and permits	348,420	360,696	384,527	470,557	519,316	599,329	489,223	464,527	577,940	**850,602**
Intergovernmental	1,311,362	1,009,573	3,654,763	4,686,684	2,444,807	3,386,191	3,337,784	2,362,156	3,372,799	**4,918,981**
Fines and forfeitures	369,934	331,474	249,957	302,847	209,762	228,945	161,689	182,998	339,546	**293,005**
Charges for services	67,652	92,955	85,531	81,706	86,323	96,162	116,115	81,489	81,792	**104,482**
Interest income	7,775	8,460	8,827	5,313	5,484	6,345	7,253	7,480	8,139	**10,990**
Contributions and donations	-	131	19,825	3,586	2,351	-	-	-	-	**-**
Other revenues	641,499	497,486	581,534	530,568	570,951	1,824,619	1,885,135	2,055,574	628,165	**608,694**
Total revenues	10,023,334	9,731,277	12,727,303	13,899,589	11,596,082	14,229,880	14,992,470	14,326,931	15,323,856	**18,046,073**
Expenditures										
Current:										
General government	1,732,397	1,738,710	1,836,652	1,911,051	2,069,025	5,253,261	3,302,377	3,755,946	2,610,685	**2,689,362**
Public safety	3,795,139	3,723,237	3,730,462	4,841,963	3,854,980	4,204,586	3,885,279	4,144,992	4,189,246	**5,087,742**
Public works	1,510,809	1,603,428	1,659,960	1,703,434	2,153,565	1,828,184	3,367,540	3,258,701	2,250,370	**2,651,121**
Health and welfare	111,221	118,747	129,908	129,467	145,040	129,591	144,634	164,977	182,994	**67,411**
Judicial	188,216	176,296	165,599	176,330	187,872	188,376	173,498	164,426	231,414	**222,579**
Culture and recreation	439,315	346,379	406,381	459,233	460,441	362,028	366,767	486,505	289,898	**1,144,982**
Housing and development	460,368	650,942	579,536	625,370	699,243	720,609	687,998	1,210,689	750,318	**1,138,532**
Capital outlay	982,128	219,605	2,072,855	2,350,735	328,513	25,320	549,756	827,854	1,327,713	**1,006,424**
Debt service:										
Principal	51,055	40,653	10,188	15,024	197,898	246,183	326,990	497,775	434,018	**650,441**
Interest and fiscal charges	1,885	808	42	2,151	25,381	25,614	30,958	47,516	31,770	**196,889**
Total expenditures	9,272,533	8,618,805	10,591,583	12,214,758	10,121,958	12,983,752	12,835,797	14,559,381	12,298,426	**14,855,483**
Excess (deficiency) of revenues over (under) expenditures	750,801	1,112,472	2,135,720	1,684,831	1,474,124	1,246,128	2,156,673	(232,450)	3,025,430	**3,190,590**

(Continued)

CITY OF ST. MARYS, GEORGIA

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Other financing sources (uses)										
Proceeds from the sale of capital assets	$ 2,500	$ -	$ 12,963	$ -	$ -	$ 16,851	$ 8,378	$ -	$ -	**$ 14,000**
Issuance of note payable	-	-	-	1,160,987	-	-	-	-	-	**-**
Issuance of debt	-	-	-	-	121,321	443,513	917,246	-	-	**8,368,895**
Transfers in	307,674	295,352	-	100,116	261,385	26,218	704,310	722,288	39,680	**1,772,530**
Transfers out	(307,674)	(315,500)	(1,640,000)	(1,780,916)	(1,930,685)	(1,680,268)	(1,933,279)	(1,972,288)	(1,539,680)	**(3,814,481)**
Total other financing sources	2,500	(20,148)	(1,627,037)	(519,813)	(1,547,979)	(1,193,686)	(303,345)	(1,250,000)	(1,500,000)	**6,340,944**
Net change in fund balances	$ 753,301	$ 1,092,324	$ 508,683	$ 1,165,018	$ (73,855)	$ 52,442	$ 1,853,328	$ (1,482,450)	$ 1,525,430	**$ 9,531,534**
Debt service as a percentage of noncapital expenditures	0.60%	0.49%	0.10%	0.16%	2.33%	2.24%	3.95%	3.95%	4.21%	**6.81%**

CITY OF ST. MARYS, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(in thousands)

Fiscal Year	Property Tax	Franchise Tax	Sales Tax	Hotel/Motel Tax	Other [1]	Total
2013	$ 3,177,293	$ 887,267	$ 1,905,129	$ 103,943	$ 1,548,132	$ 7,621,764
2014	3,351,960	905,317	1,907,852	118,907	1,146,466	7,430,502
2015	3,219,206	1,070,545	1,916,715	138,298	1,187,316	7,532,080
2016	3,623,352	1,011,979	1,795,049	140,460	1,260,860	7,831,700
2017	3,520,121	996,179	1,753,020	157,570	1,348,895	7,775,785
2018	3,674,169	969,126	1,844,924	139,172	1,460,899	8,088,290
2019	4,314,071	1,032,606	2,005,315	140,216	1,503,063	8,995,271
2020	4,254,119	1,043,888	2,151,902	128,652	1,594,146	9,172,707
2021	4,714,375	1,054,684	2,692,904	177,155	1,676,358	10,315,476
2022	**5,060,998**	**1,049,054**	**3,144,322**	**302,094**	**1,702,850**	**11,259,319**

Notes: [1] Includes alcohol business taxes, hotel/motel taxes, insurance premium taxes and franchise fees.

CITY OF ST. MARYS, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Digest Tax Year	Real and Personal Property	Motor Vehicle	Motor Homes	Other Property [a]	Less: Tax-Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a % of Actual Value
2013	2012	$ 554,314,317	$ 33,340,400	$ 1,157,065	$ -	$ 12,241,670	$ 576,570,112	5.32	$ 1,441,425,280	40%
2014	2013	504,286,654	35,668,380	1,126,965	-	13,743,563	527,338,436	5.32	1,318,346,090	40%
2015	2014	496,366,175	31,256,660	1,085,535	62,406	12,971,648	515,799,128	5.35	1,289,497,820	40%
2016	2015	496,146,425	22,194,870	1,206,391	107,589	13,020,628	506,634,647	6.00	1,266,586,618	40%
2017	2016	506,736,859	16,144,250	1,174,178	211,540	15,242,710	509,024,117	6.00	1,272,560,293	40%
2018	2017	530,237,860	11,898,750	1,127,255	91,622	15,342,710	528,012,777	6.00	1,320,031,943	40%
2019	2018	585,686,467	8,819,800	1,241,502	-	10,666,412	585,081,357	6.50	1,462,703,393	40%
2020	2019	587,870,913	7,341,110	1,292,712	211,727	19,665,894	577,050,568	6.60	1,442,626,420	40%
2021	2020	599,872,675	6,155,100	1,640,292	18,419	29,632,199	578,054,287	6.59	1,445,135,718	40%
2022	**2021**	**654,247,245**	**5,127,590**	**1,473,558**	**1,995**	**31,068,350**	**629,782,038**	**6.59**	**1,574,455,095**	**40%**

Source: Camden County Tax Commissioner.

[a] Other property consists of agricultural, utilities, heavy truck, etc.

CITY OF ST. MARYS, GEORGIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per $1,000 of assessed value)

Fiscal Year	Digest Year	City Direct Rate	Overlapping Rates			Total Direct and Overlapping Rates
			Camden County	Camden County Board of Education	State	
2013	2012	5.321	11.700	15.500	0.250	32.771
2014	2013	5.321	11.700	15.500	0.150	32.671
2015	2014	5.351	11.940	15.820	0.100	33.211
2016	2015	6.000	12.940	16.000	0.500	35.440
2017	2016	6.000	13.940	16.000	-	35.940
2018	2017	6.000	13.940	16.000	-	35.940
2019	2018	6.500	13.405	16.000	-	35.905
2020	2019	6.600	15.790	16.000	-	38.390
2021	2020	6.586	15.790	16.000	-	38.376
2022	**2021**	**6.586**	**15.562**	**15.360**	**-**	**37.508**

Source: Camden County Tax Commissioner.

CITY OF ST. MARYS, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2022			2013		
Taxpayer	Taxable Assessed Value (In thousands)	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value (In thousands)	Rank	Percentage of Total City Taxable Assessed Value
Georgia Power Company	**$ 25,037,120**	**1**	**3.98%**	$ 15,380,793	1	1.07%
GA Park Place Apartments	**15,156,488**	**2**	**2.41%**	-		0.00%
Sreit Retreat at Hidden Bay	**13,319,581**	**3**	**2.11%**	-		0.00%
NLP Brant Creek LLC	**13,296,750**	**4**	**2.11%**	-		0.00%
JDI Cumberland Inlet LLC	**8,861,250**	**5**	**1.41%**	9,035,697	5	0.63%
FKHJ Four LLC	**7,411,420**	**6**	**1.18%**	-		0.00%
Express Scripts Inc	**6,717,808**	**7**	**1.07%**	-		0.00%
Camden Reserve LLC	**6,365,496**	**8**	**1.01%**	-		0.00%
Walmart Real Estate	**5,692,422**	**9**	**0.90%**	14,413,342	2	1.00%
Georgia Pacific St. Marys LLC	**5,211,748**	**10**	**0.83%**	13,603,312	3	0.94%
Old Weed & Ready Plantation LLC	**-**		**0.00%**	11,214,829	4	0.78%
Walmart Stores East LP	**-**		**0.00%**	7,660,285	6	0.53%
Camden Telephone & Telegraph	**-**		**0.00%**	7,213,838	7	0.50%
Tritex Real Estate Advisors	**-**		**0.00%**	6,442,900	8	0.45%
Winding River LLC	**-**		**0.00%**	5,304,374	9	0.37%
Osprey Cove Real Estate LLC	**-**		**0.00%**	4,924,772	10	0.34%
Total	**$ 107,070,083**		**17.00%**	$ 95,194,142		6.60%

Source: City of St. Marys Finance and Tax Department.

CITY OF ST. MARYS, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Digest Tax Year	Taxes Levied for the Fiscal Year [a]	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Taxes Outstanding
			Amount	Percentage of Levy		Amount	Percentage of Levy	
2012	2011	$ 3,234,429	$ 2,986,509	92.33%	$ 149,593	$ 3,136,102	96.96%	$ 98,327
2013	2012	2,757,956	2,622,660	95.09%	28,517	2,651,177	96.13%	106,780
2014	2013	2,571,779	2,536,290	98.62%	32,095	2,568,385	99.87%	3,394
2015	2014	2,760,041	2,704,564	97.99%	29,925	2,734,489	99.07%	25,552
2016	2015	3,039,808	2,863,049	94.19%	-	2,863,049	94.19%	176,759
2017	2016	3,054,145	2,853,424	93.43%	-	2,853,424	93.43%	200,721
2018	2017	3,168,077	3,027,631	95.57%	81,438	3,109,069	98.14%	59,008
2019	2018	3,737,645	3,617,590	96.79%	71,519	3,689,109	98.70%	48,536
2020	2019	3,796,129	3,640,050	95.89%	92,569	3,732,619	98.33%	63,510
2021	2020	3,807,443	3,794,131	99.65%	-	3,794,131	99.65%	13,312
2022	**2021**	**4,147,745**	**4,020,002**	**96.92%**	**-**	**4,020,002**	**96.92%**	**127,743**

Source: City of St. Marys Finance and Tax Department.

[a] Digest tax year levied actually fund the following fiscal year (i.e., taxes levied for 2019 are used for fiscal year ended in 2020).

CITY OF ST. MARYS, GEORGIA

WATER SEWER RATES
LAST TEN FISCAL YEARS

Fiscal Year	Gallons of Water Consumed	Total Direct Rate				
		Water Base Rate	Per Gallon Variable Rate		Wastewater Base Rate	Per Gallon Variable Rate	
			0 Through 6,000 (per 1,000)	6,001 and Over (per 1,000)		0 Through 6,000 (per 1,000)	6,001 and Over (per 1,000)
2012	527,599,000	$ 20.45	2.860	3.280	$ 20.45	2.860	3.280
2013	335,285,000	20.45	2.860	3.280	20.45	2.860	3.280
2014	408,472,868	20.45	2.860	3.280	20.45	2.860	3.280
2015	414,243,799	20.45	2.860	3.280	20.45	2.860	3.280
2016	427,130,000	20.45	2.860	3.280	20.45	2.860	3.280
2017	434,247,200	20.45	2.860	3.280	20.45	2.860	3.280
2018	434,530,600	20.45	2.860	3.280	20.45	2.860	3.280
2019	433,825,910	20.45	2.860	3.280	20.45	2.860	3.280
2020	460,253,600	20.45	2.860	3.280	20.45	2.860	3.280
2021	464,523,400	20.45	2.860	3.280	20.45	2.860	3.280
2022	**487,564,600**	**20.45**	**2.860**	**3.280**	**20.45**	**2.860**	**3.280**

Source: City of St. Marys Water Department.

CITY OF ST. MARYS, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Estimated Actual Value of Taxable Property [1]	Percentage of Personal Income	Per Capita [1]
	Notes Payable	Revenue Bonds	Leases	Financed Purchases	Water Revenue Bonds	Notes Payable	Leases	Financed Purchases				
2013	$ -	$ -	$ -	$ 50,983	$ 43,585,000	$ 4,134,321	$ -	$ -	$ 47,770,304	3.31%	8.0%	$ 2,691
2014	-	-	-	10,330	43,285,000	3,862,414	-	-	47,157,744	3.58%	8.3%	2,627
2015	-	-	-	-	41,320,000	3,581,972	-	-	44,901,972	3.48%	7.6%	2,499
2016	-	-	-	1,145,963	39,245,000	3,359,584	-	-	43,750,547	3.45%	7.3%	2,419
2017	-	-	-	1,069,386	40,560,000	3,398,847	-	138,965	45,167,198	3.55%	7.2%	2,507
2018	-	-	-	1,266,716	37,984,207	3,092,592	-	84,054	42,427,569	3.21%	6.7%	2,332
2019	917,246	-	-	939,726	36,054,207	3,048,334	-	33,148	40,992,661	2.80%	7.5%	2,208
2020	743,687	-	-	615,510	34,094,207	2,579,314	-	-	38,032,718	2.64%	5.0%	1,964
2021	565,474	-	-	359,705	31,544,207	2,339,345	-	-	34,808,731	2.41%	4.4%	1,879
2022	**382,600**	**7,600,000**	**726,001**	**717,040**	**25,580,000**	**1,850,311**	**95,071**	**371,528**	**37,322,551**	**2.37%**	**	**

** Information not readily available

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

[1] See Assessed Value and Estimated Actual Value of Taxable Property for property values and Demographic and Economic Statistics for population data.

CITY OF ST. MARYS, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property [1]	Per Capita [1]
2013	$ 41,099,251	7.13%	$ 2,287
2014	41,162,534	7.81%	2,276
2015	39,522,534	7.66%	2,193
2016	37,745,227	7.45%	2,074
2017	1,880,000	0.37%	101
2018	-	0.00%	-
2019	-	0.00%	-
2020	-	0.00%	-
2021	-	0.00%	-
2022	**-**	**0.00%**	**-**

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

[1] See Assessed Value and Estimated Actual Value of Taxable Property for property values and Demographic and Economic Statistics for population data.

CITY OF ST. MARYS, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(In thousands)

	Fiscal Year									
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Debt limit	$ 64,196	$ 58,881	$ 54,108	$ 52,877	$ 51,966	$ 50,902	$ 52,801	$ 58,508	$ 57,805	**$ 62,978**
Total net debt applicable to limit	41,099	41,163	39,523	37,745	1,880	-	-	-	-	**-**
Legal debt margin	$ 23,097	$ 17,718	$ 14,585	$ 15,132	$ 50,086	$ 50,902	$ 52,801	$ 58,508	$ 57,805	**$ 62,978**
Total net debt applicable to the limit as a percentage of debt limit	64.02%	69.91%	73.04%	71.38%	3.62%	0.00%	0.00%	0.00%	0.00%	**0.00%**

Legal Debt Margin Calculation for Fiscal Year 2022	
Total assessed value	**$ 660,850**
Less Exempt	**31,068**
Total taxable assessed value	**629,782**
Debt limit (10% of total taxable assessed value)	**62,978**
Debt applicable to limit	**-**
Legal debt margin	**$ 62,978**

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

[(a)] Digest tax year levied actually funds for the following fiscal year (i.e., taxes levied for 2021 are used for fiscal year ended in 2022).

CITY OF ST. MARYS, GEORGIA

REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS
(in thousands)

Fiscal Year	Operating Revenue [1]	Direct Operating Expenses [2]	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2013	$ 6,068	$ 3,236	$ 2,832	$ 260	$ 165	$ 425	6.66
2014	6,079	3,139	2,940	255	167	422	6.97
2015	6,285	3,330	2,955	255	162	417	7.09
2016	6,430	3,468	2,962	275	151	426	6.95
2017	6,779	3,564	3,215	550	249	799	4.02
2018	7,324	3,605	3,719	286	1,044	1,330	2.80
2019	6,886	3,826	3,060	1,930	1,014	2,944	1.04
2020	6,787	3,891	2,896	1,960	962	2,922	0.99
2021	8,219	4,177	4,042	2,550	900	3,450	1.17
2022	**8,899**	**4,318**	**4,581**	**2,560**	**987**	**3,547**	**1.29**

Note: Amounts above are in thousands.

(1) Operating revenue includes operating revenue and interest of the water and sewer fund.

(2) Direct operating expenses do not include depreciation or amortization expense.

CITY OF ST. MARYS, GEORGIA

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population [1]	Personal Income [1] (In thousands)	Per Capita Personal Income [2]	Unemployment Rate [3]
2013	17,755	$ 598,817	$ 33,727	9.60%
2014	17,949	569,432	31,725	7.50%
2015	17,968	588,523	32,754	6.00%
2016	18,088	598,749	33,102	5.50%
2017	18,019	628,034	34,854	4.60%
2018	18,196	634,203	34,854	3.80%
2019	18,567	547,021	29,462	3.80%
2020	19,361	760,152	39,262	5.40%
2021	18,521	795,384	42,945	3.00%
2022	**	**	**	**

** Information not readily available

[1] **Source** - U.S. Bureau of the Census.
[2] **Source** - U.S. Bureau of Economic Analysis.
[3] **Source** - U.S. Bureau of Labor Statistics for all of Camden County.

CITY OF ST. MARYS, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2022			2013		
Employer	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Southeast Georgia Health System	319	1	1.72%	300	2	1.73%
Walmart Store East	275	2	1.48%	300	2	1.73%
City of St. Marys	132	3	0.71%	177	4	1.02%
General Dynamics	125	4	0.67%	-		0.00%
Georgia Pacific	50	5	0.27%	73	6	0.42%
Coastal Home Care LLC	48	6	0.26%	-		0.00%
Winn Dixie Store #0070	40	7	0.22%	-		0.00%
BAE Systems	39	8	0.21%	-		0.00%
Pilot Travel Center	37	9	0.20%	55	7	0.32%
Sarpj Papa Johns 2746	25	10	0.13%	-		0.00%
Express Scripts	-		0.00%	690	1	3.97%
ATN Inc AMTEL	-		0.00%	85	5	0.49%
Corys Thunder	-		0.00%	31	8	0.18%
Harvey's #2393	-		0.00%	25	9	0.14%
Belk	-		0.00%	23	10	0.13%
Total	1,090		5.89%	1,759		10.12%

Source: City of St. Marys Planning and Building Department.

CITY OF ST. MARYS, GEORGIA

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

Function	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
General government	9	9	9	9	8	8	8	8	8	**10**
Public safety:										
Police department	36	36	34	34	34	34	34	34	34	**36**
Fire department	29	26	26	26	26	26	26	26	26	**26**
Public works	20	20	18	18	18	18	24	24	24	**24**
Health and welfare	2	2	2	2	2	3	2	2	2	**2**
Judicial	1	1	1	1	1	1	1	1	1	**1**
Culture and recreation	5	5	6	6	5	6	7	8	8	**8**
Housing and development	7	7	6	6	11	9	8	7	7	**7**
Business-type activities:										
Water and sewer	35	34	34	34	34	34	36	36	36	**36**
Solid waste	1	1	2	2	2	2	2	2	2	**2**
Aquatic center	9	-	-	-	-	-	9	9	9	**9**
Total	153	141	138	138	140	140	157	157	157	**161**

Source: City Finance Department.

CITY OF ST. MARYS, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government:										
Building permits issued	282	316	287	108	93	263	186	226	402	**225**
Building inspections conducted	1,621	1,815	2,110	2,367	3,282	3,705	3,004	2,733	3,866	**
Police:										
Physical arrests	652	376	515	518	568	581	384	**	**	**495**
Other violations	2,128	2,542	1,753	1,443	571	403	394	**	**	**669**
Traffic violations	3,088	3,208	2,713	3,081	2,287	2,182	1,618	**	**	**1,058**
Fire										
Emergency room	1,733	1,417	1,011	1,193	1,276	1,435	1,453	1,523	1,650	**1,800**
Fires extinguished	75	60	51	68	78	58	61	55	55	**73**
Inspections	250	50	70	300	325	336	315	315	600	**671**
Water:										
New connections	29	36	29	43	44	107	156	216	250	**300**
Volume (thousands of gallons per day)	1,103	1,363	1,388	1,430	1,471	1,410	1,409	1,330	1,477	**1,524**
Wastewater:										
Average daily sewage treatment (thousands of gallons per day)	1,900	1,985	1,468	1,903	2,992	2,244	1,805	2,740	3,675	**3,972**

** Information was not readily available.

Sources: Various City departments.

CITY OF ST. MARYS, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police stations	1	1	1	1	1	1	1	1	1	**1**
Fire stations	3	3	3	3	3	3	3	3	3	**3**
Public works - streets (miles)	107	107	107	107	107	107	107	107	107	**107**
Water:										
Fire hydrants	1,135	1,135	1,135	1,150	1,150	1,150	1,150	1,150	1,150	**1,150**
Storage capacity (thousands of gallons)	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	**1,250**
Wastewater:										
Treatment capacity (thousands of gallons)	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	**4,500**

Sources: Various City departments.

COMPLIANCE SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

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

To the Honorable Mayor and City Council
City of St. Marys, Georgia
St. Marys, Georgia

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

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 City'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.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 29, 2022

MAULDIN & JENKINS
CPAs & ADVISORS

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

To the Honorable Mayor and City Council
City of St. Marys, Georgia
St. Marys, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of St. Marys, Georgia's (the "City") 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 City's major federal programs for the year ended June 30, 2022. The City'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 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 June 30, 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 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'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'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'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'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'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'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'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.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 29, 2022

CITY OF ST. MARYS, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-through Grantor/Program Title	Federal AL Number	Grant Identification Number	Total Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development				
(Passed through the Georgia Department of Community Affairs)				
Community Development Block Grant - Mitigation	14.228	B-19-DP-13-0002	$ 75,751	$ -
Total U.S. Department of Housing and Urban Development Programs			75,751	-
U.S. Department of Defense				
Community Economic Adjustment Asssistance for Compatible Use and Joint Land Use Studies	12.610	HQ00041110037	52,900	-
Total U.S. Department of Defense Programs			52,900	-
U.S. Department of Treasury				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	947,885	
Total U.S. Department of Treasury Programs			947,885	-
U.S. Environmental Protection Agency				
(Passed through the Georgia Environmental Protection Division)				
Nonpoint Source Implementation Grants	66.460	751-190038	19,198	-
Total U.S. Environmental Protection Agency Programs			19,198	-
U.S. Department of the Interior				
(Passed through the Georgia Department of Natural Resources)		GA-Y-F19AP00379/		
Sportfishing and Boating Safety Act Program	15.622	CRD-BIG2-04	1,364,901	-
Total U.S. Department of the Interior Programs			1,364,901	-
Total Expenditures of Federal Awards			$ 2,460,635	$ -

CITY OF ST. MARYS, GEORGIA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards ("SEFA") includes the federal award activity of the City of St. Marys, Georgia (the "City") under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the 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). Because the SEFA presents only a selected portion of the operations of the City, it is not intended to and does not present the net position, changes in net position, or cash flows of the City.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3. INDIRECT COST RATE

The City has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4. NON-CASH ASSISTANCE

No federal awards were expended in the form of non-cash assistance during the fiscal year ended June 30, 2022.

NOTE 5. SUBRECIPIENTS

The City did not pass funding through to subrecipients during the fiscal year ended June 30, 2022.

CITY OF ST. MARYS, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SECTION I
SUMMARY OF AUDIT 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 weaknesses identified?	___ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	___ Yes __X__ None reported
Noncompliance material to financial statements noted?	___ Yes __X__ No

Federal Awards

Internal control over financial reporting: Material weaknesses identified?	___ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	___ Yes __X__ None reported
Type of auditor's report issued	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	___ Yes __X__ No

Identification of major programs:

AL Number	Name of Federal Program or Cluster
15.622	**U.S. Department of the Interior**: Sportfishing and Boating Safety Act
21.027	**U.S. Department of Treasury:** Coronavirus State and Local Fiscal Recovery Fund and ARPA First Responders Grant

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

CITY OF ST. MARYS, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SECTION II
FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Not applicable.

CITY OF ST. MARYS, GEORGIA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

STATUS OF PRIOR YEAR AUDIT FINDINGS

None reported.