

CITY OF SENOIA, GEORGIA

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT

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**CITY OF SENOIA, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021**

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members of City Council
City of Senoia, Georgia

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Senoia, Georgia, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Senoia, Georgia's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Senoia, Georgia, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and ARPA Fund 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 of Senoia, Georgia and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 of Senoia, Georgia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Senoia, Georgia's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Schedule of Changes in the Pension Liability and Related Ratios information on pages 4-13 and 57-59 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Senoia, Georgia's basic financial statements. The accompanying combining and individual fund financial statements, budgetary schedules, schedules of projects financed with special purpose option sales tax proceeds, schedule of development impact fees, 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 Requirement for Federal Awards* (collectively, "the supplementary information") 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City of Senoia, Georgia's basic financial statements for the year ended December 31, 2020, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, discretely presented component unit, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Senoia, Georgia's basic financial statements as a whole. The individual fund financial statements related to the 2020 financial statements 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 related directly to the underlying accounting and other records used to prepare the 2020 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2020 individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 2022, on our consideration of the City of Senoia, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Senoia, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Senoia, Georgia's internal control over financial reporting and compliance.



Snellville, Georgia
August 22, 2022

CITY OF SENOIA MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Senoia, we offer readers of the City of Senoia's financial statements this narrative overview and analysis of the financial activities of the City of Senoia for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with their review of the financial statements.

Financial Highlights

- The assets and deferred outflows of the City of Senoia exceeded its liabilities and deferred inflows at December 31, 2021 by \$34,155,808. Of this amount, unrestricted net position of \$5,913,368 may be used to meet the government's ongoing obligations to citizens and creditors.
- The total net position increased by \$3,870,738. Of this amount an increase of \$3,226,817 was associated with governmental activities and an increase of \$643,921 was associated with business-type activities.
- As of the close of the current fiscal year, the City of Senoia's governmental funds reported combined ending fund balances of \$9,097,812, an increase of \$1,806,833 in comparison with the prior year. Of this amount \$4,284,527 is unassigned and available for spending and \$4,813,285 is either in a nonspendable form or restricted for capital projects and other specific future uses.
- At the end of the current year, unassigned fund balance for the general fund was \$4,284,527 or 96.9 percent of total General Fund expenditures.
- The City of Senoia's total long-term obligations (including accrued compensated absences and net pension liability) increased by \$1,492,344 to a total of \$7,931,773. The City made principal payments on its capital leases, revenue bonds and GEFA notes of \$946,505. During 2021 the City obtained additional financing with GEFA to finance the construction of a new sewer treatment facility. Total drawdowns under the loan agreement as of December 31, 2021 amounted to \$2,803,942.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Senoia's basic financial statements. The City of Senoia's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 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 of Senoia's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government'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 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.

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 of Senoia include general government, public safety and courts, highways and streets, cemetery, parks and recreation, planning and zoning, and downtown development. The business-type activities of the City are water, sewer and solid waste management.

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 of Senoia 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 the two.

The City maintains four major governmental funds. The City's major governmental funds are the General Fund, American Rescue Program Act (ARPA) Fund and two SPLOST Capital Project 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 all major funds.

The City of Senoia adopts an annual budget for all of its governmental funds. Budgetary comparison statements have been provided for the General Fund and ARPA Fund to demonstrate compliance with the FY 2021 budget. A project length budget has been adopted for the SPLOST Capital Projects Funds and are presented in the individual fund financial statements. A budget was also adopted for the non-major funds for FY 2021 which are also presented in the individual fund financial statements.

Proprietary funds. Enterprise funds (a component of proprietary 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, Sewer, Stormwater and Solid Waste Management activities. All of the City's enterprise funds are considered by the City to be major funds.

Proprietary funds provide the same type of information as government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the City's major funds.

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.

Other information. In addition to the basic financial statement and accompanying notes, this report also presents certain other supplementary information which consists of individual fund financial statements with prior year comparisons.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At December 31, 2021, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$34,155,808. The City's net position reflect its investment in capital assets (62.7 percent), less any related debt used to acquire those assets that is still outstanding. Capital assets are used to provide services to citizens and they are not available for future spending. Although the investment in 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. Of the total net position, \$6,811,310 (19.9 percent) is restricted for capital projects and other specified activities and \$5,913,368 (17.4 percent) is unrestricted.

City of Senoia's Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 9,739,434	\$ 7,959,246	\$ 4,735,332	\$ 4,479,319	\$ 14,474,766	\$ 12,438,565
Capital assets	11,475,706	10,124,253	17,521,692	14,782,928	28,997,398	24,907,181
Deferred outflows	<u>154,621</u>	<u>249,151</u>	<u>53,483</u>	<u>86,180</u>	<u>208,104</u>	<u>335,331</u>
Total assets and deferred outflows	<u>21,369,761</u>	<u>18,332,650</u>	<u>22,310,507</u>	<u>19,348,427</u>	<u>43,680,268</u>	<u>37,681,077</u>
Current liabilities	468,839	423,081	1,006,734	713,566	1,475,573	1,136,647
Long-term liabilities	300,452	713,483	7,468,663	5,505,091	7,769,115	6,218,574
Deferred inflows	<u>207,871</u>	<u>30,304</u>	<u>71,901</u>	<u>10,482</u>	<u>279,772</u>	<u>40,786</u>
Total liabilities and deferred inflows	<u>977,162</u>	<u>1,166,868</u>	<u>8,547,298</u>	<u>6,229,139</u>	<u>9,524,460</u>	<u>7,396,007</u>
Net position:						
Net investment in capital assets	11,475,706	9,975,129	9,955,424	9,223,221	21,431,130	19,198,350
Restricted	4,655,533	3,563,488	2,155,777	2,154,538	6,811,310	5,718,026
Unrestricted	<u>4,261,360</u>	<u>3,627,165</u>	<u>1,652,008</u>	<u>1,741,529</u>	<u>5,913,368</u>	<u>5,368,694</u>
Total net position	<u>\$ 20,392,599</u>	<u>\$ 17,165,782</u>	<u>\$ 13,763,209</u>	<u>\$ 13,119,288</u>	<u>\$ 34,155,808</u>	<u>\$ 30,285,070</u>

A portion of the net position (19.9 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$5,913,368) may be used to meet the government's ongoing obligations to citizens and creditors.

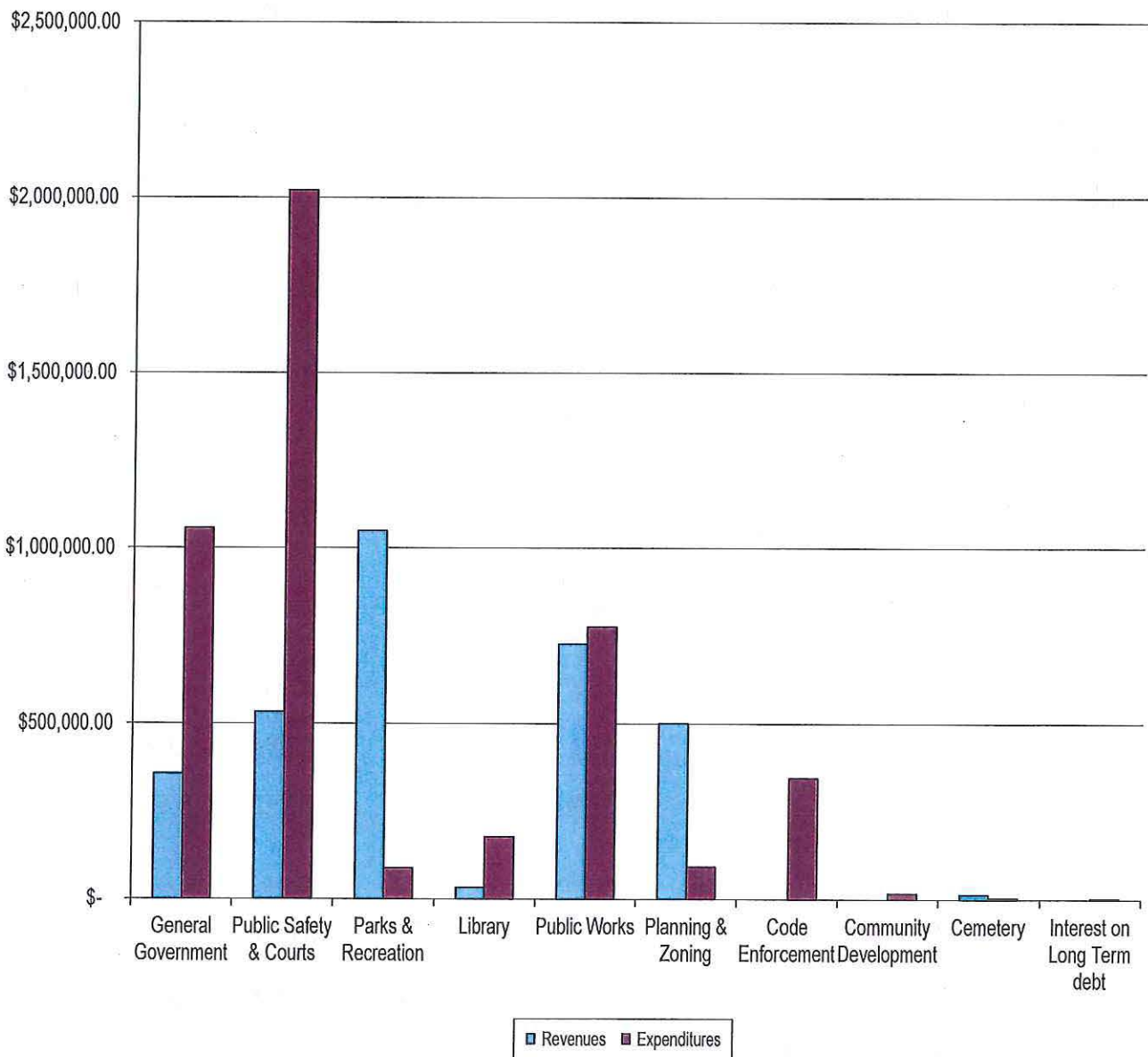
Governmental activities. Governmental activities increased the City of Senoia's net position by \$3,226,817, thereby accounting for 83.9% of the total increase in the net position of the City of Senoia. Key elements of this increase are as follows:

**City of Senoia's Change in Net Position
For The Years Ended December 31, 2021 and 2020**

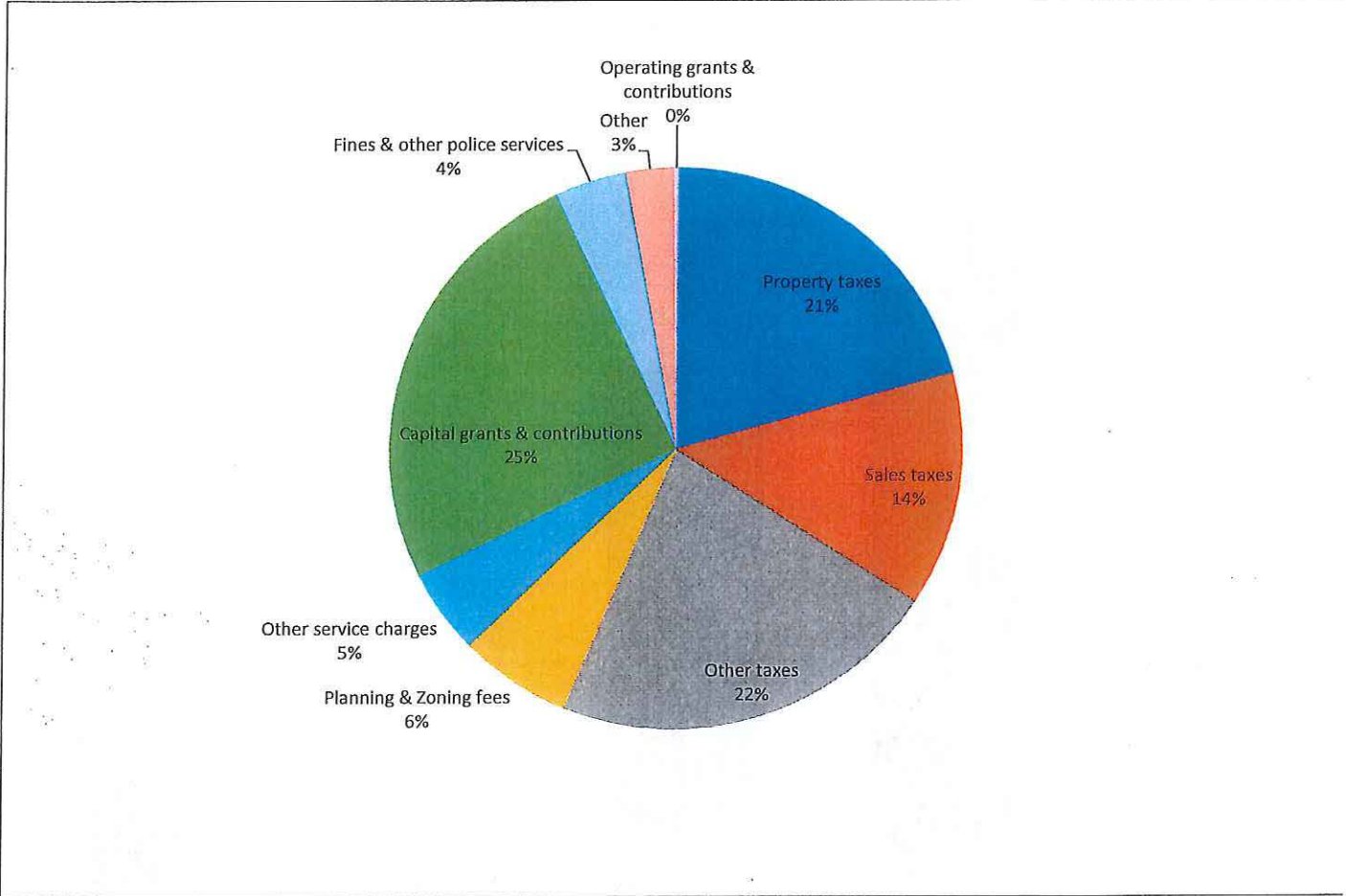
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues						
Charges for services	\$ 1,197,418	\$ 706,871	\$ 3,040,414	\$ 2,877,785	\$ 4,237,832	\$ 3,584,656
Operating grants and contributions	18,427	331,385	-	-	18,427	331,385
Capital grants and contributions	1,995,440	2,785,243	1,010,521	621,495	3,005,961	3,406,738
General Revenues						
Property taxes	1,618,602	1,458,056	-	-	1,618,602	1,458,056
Sales taxes	1,058,001	916,726	-	-	1,058,001	916,726
Other taxes	910,732	809,918	-	-	910,732	809,918
Intergovernmental	823,800	-	-	-	823,800	-
Interest	2,814	3,780	1,942	3,477	4,756	7,257
Other	211,701	184,278	1,878	1,154	213,579	185,432
	<u>7,836,935</u>	<u>7,196,257</u>	<u>4,054,755</u>	<u>3,503,911</u>	<u>11,891,690</u>	<u>10,700,168</u>
Expenses:						
General government	1,055,790	896,850	-	-	1,055,790	896,850
Public safety and courts	2,020,347	1,860,617	-	-	2,020,347	1,860,617
Public Works	774,433	470,527	-	-	774,433	470,527
Cemetery	3,365	2,207	-	-	3,365	2,207
Parks and recreation	87,488	62,081	-	-	87,488	62,081
Library	176,483	7,666	-	-	176,483	7,666
Planning and zoning	91,609	95,474	-	-	91,609	95,474
Code enforcement	344,402	275,670	-	-	344,402	275,670
Community Development	16,318	26,223	-	-	16,318	26,223
Interest on long-term debt	2,270	5,549	-	-	2,270	5,549
Water	-	-	1,542,814	1,291,391	1,542,814	1,291,391
Sewer	-	-	1,344,777	1,065,142	1,344,777	1,065,142
Solid waste	-	-	428,397	331,015	428,397	331,015
Stormwater	-	-	132,459	73,098	132,459	73,098
	<u>4,572,505</u>	<u>3,702,864</u>	<u>3,448,447</u>	<u>2,760,646</u>	<u>8,020,952</u>	<u>6,463,510</u>
Increase (decrease) in net assets before transfers	3,264,430	3,493,393	606,308	743,265	3,870,738	4,236,658
Transfers	(37,613)	61,653	37,613	(61,653)	-	-
Increase (decrease) in net position	3,226,817	3,555,046	643,921	681,612	3,870,738	4,236,658
Net position - beginning of year, adjusted	<u>17,165,782</u>	<u>13,610,736</u>	<u>13,119,288</u>	<u>12,437,676</u>	<u>30,285,070</u>	<u>26,048,412</u>
Net position - end of year	<u>\$ 20,392,599</u>	<u>\$ 17,165,782</u>	<u>\$ 13,763,209</u>	<u>\$ 13,119,288</u>	<u>\$ 34,155,808</u>	<u>\$ 30,285,070</u>

- Overall, governmental activities revenues increased \$640,678 due in part to the ARPA funding in the amount of \$823,800 and the State of Georgia Department of Transportation grants amounting to approximately \$716,708. The majority of the DOT grant monies were for the SR 16 / Pylant Street project and the Ivey Ridge Trail project. There was an increase in charges for services of \$490,500 which included administrative fees charged to the City's enterprise funds of \$292,700. A notable increase in local option sales tax of approximately \$141,275 also occurred during the year.
- Governmental activities expenses had a significant increase of \$869,600. The increase was created by 1) the increase in manpower (salaries and benefits) in the police department; 2) increase in expenses in the Code Enforcement department due to an increase in permitting activities; 3) a contribution to the County for library purposes in the amount of \$168,700 out of impact fees and; 4) several street paving projects.

Expenses and Program Revenues-Governmental Activities

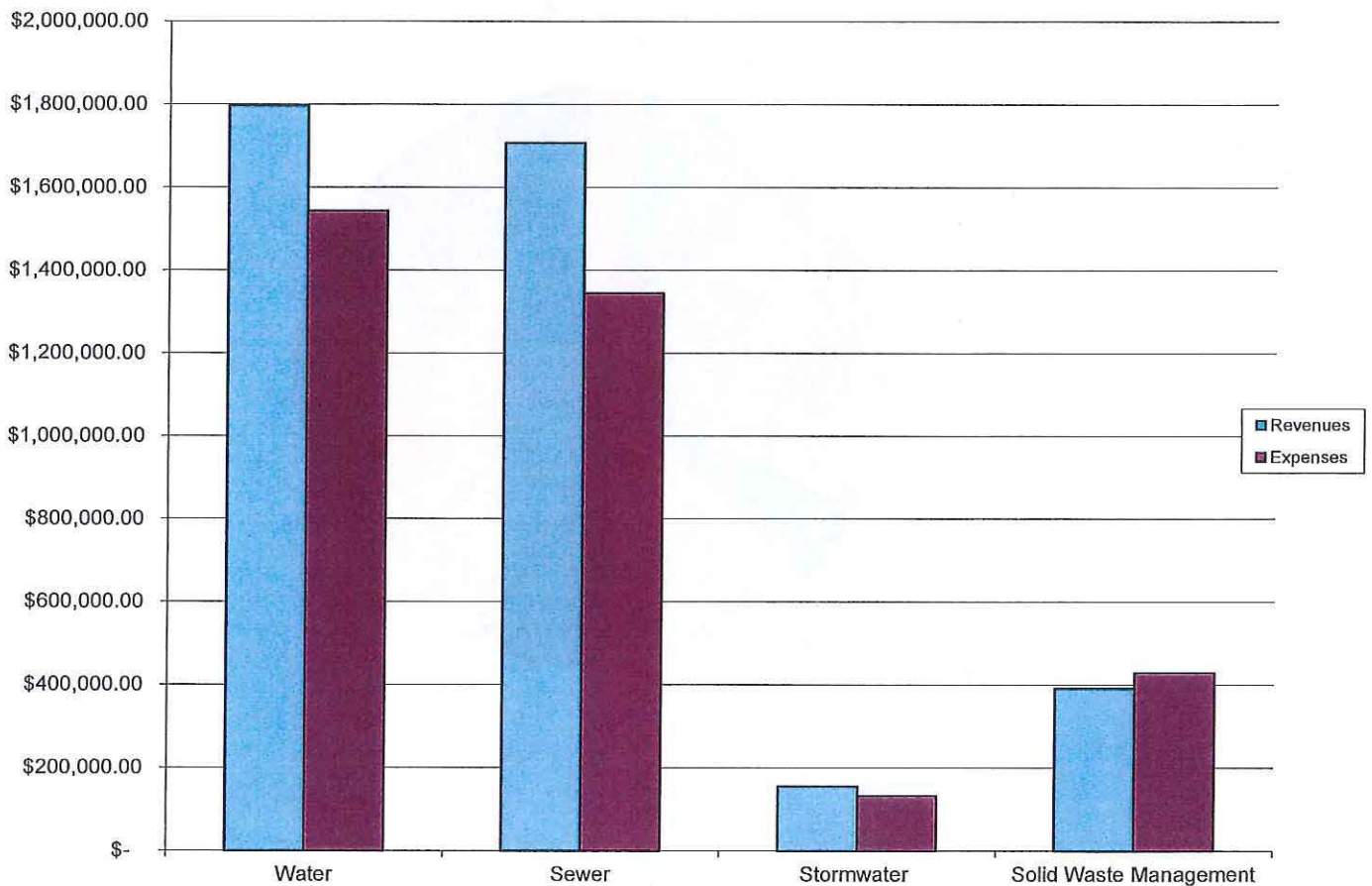


Revenue by Source-Governmental Activities



Business-type activities. Business-type activities increased the City’s net position by \$643,921 of which an increase of \$256,372 was from Water activities, an increase of \$363,671 was from Sewer activities and an increase of \$714 was from Solid Waste Management Activities. The City created the Stormwater Management Fund during f/y/e 12/31/2014 to account for the cost of setting up a stormwater management program, including the means of financing such a program. The Stormwater Management Fund had a positive change in net position for the year of \$23,164. During FY 2018 the City began incurring engineering cost for studies to expand and improve the City’s sewer system and a Main Street drainage system. The goal for these studies is to be able to improve the City’s infrastructure so that current and future citizens of the City can be better served. The increase in net position of the Water and Sewer Funds were the result of a significant increase in development inside the City which led to capital contributions (tap fees) to the Water Fund of \$355,738 and the Sewer Fund of \$654,783.

Expenses and Program Revenues-Business-Type Activities



Financial Analysis of the Government’s Funds

As noted earlier, the City of Senoia used fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The purpose of the City’s governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

At December 31, 2021, the City's governmental funds reported combined ending fund balances of \$9,097,812 an increase of \$1,806,833 in comparison to the prior year. Of this amount, \$4,284,527 (49.9 percent) is unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been committed 1) to pay for capital items most of which is funded by the proceeds of the Special Purpose Local Option Sales Tax and Development Impact Fees (\$3,552,777); 2) for Police Activities (\$2,643); 3) park and street improvements of \$276,267; 4) nonspendable amounts for prepaid items which are not available for current government's spending discretion (\$157,752) and 5) specified grant purposes under the ARPA grant of \$823,846.

The General Fund is the City's chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$4,284,527 while the total fund balance totaled \$4,718,546. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 96.9 percent of the total general fund expenditures, while total fund balance represents 106.7 percent of that same amount.

The City of Senoia received \$950,239 in Special Purpose Local Option Sales Taxes in 2021. SPLOST funds were used during 2021 for street improvements and related costs in the amount of \$462,746; the purchase of the Senoia Community Center from the County for \$305,000; and park and recreational improvements of \$551,219 which included construction of the Ivey Ridge Trail project..

During 2021, the City received \$823,800 in American Rescue Program Act (ARPA) grant monies. These monies can only be used for eligible projects specified under the grant agreement. No expenditures have been incurred from these funds as of December 31, 2021.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the proprietary funds at the end of the year were \$1,652,008 of which the Water Fund had \$616,412, the Sewer Fund had \$943,757, the Stormwater Fund had \$94,705 and the Solid Waste Management Fund had \$(2,866). Other factors concerning the finances of proprietary funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The original General Fund budget of \$4,167,832 was amended to \$4,698,035 a difference of \$530,203. The most significant budget amendments were for expenses to a private contractor the city uses for permitting activities, debt service expenditures and various capital outlay items..

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities at December 31, 2021 amounts to \$28,997,398 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, automobiles and equipment, sidewalks, bridges and roads.

Major capital asset events during the current fiscal year included the following:

- \$2,631,800 for engineering and construction of the Keg Creek sewer improvements.
- \$180,000 for baffle curtains at the sewer plant.
- \$67,000 for 2 workmaster tractors.
- \$70,000 for a filtration system at the wells.
- \$136,000 to complete the SR 16 and Pylant St. road improvements.
- \$202,000 for four new city vehicles.
- \$305,000 for the purchase of the Senoia Community Center from the County.
- \$540,000 for construction of the Ivey Ridge Trail project.

Additional information on the City's capital assets can be found in note 7.

Long-term obligations. At the end of the current fiscal year, the City had \$7,931,773 in outstanding long-term obligations consisting of the following:

City of Senoia's Outstanding Debt

	<u>Balance</u>
Governmental Activities -	
Accrued compensated absences	\$ 112,379
Capital leases	-
Net pension liability	188,073
Business-Type Activities -	
Revenue Bonds	4,150,471
GEFA notes payable	3,415,797
Capital leases	-
Net pension liability	<u>65,053</u>
Total	<u>\$ 7,931,773</u>

The City's total debt (including compensated absences and net pension liability) increased by \$1,492,344. During 2021, the City began drawing down on a GEFA loan to finance a new sewer plant. Total drawdowns for the year amounted to \$2,803,942. Additional information on the City's long-term debt can be found in note 8.

Status of the City of Senoia's Economy

The City continues to have a healthy growth through building permits for residential and commercial facilities during the year.

An outpatient clinic has purchased property and plans on building a facility in Senoia. Several retail and restaurants are currently being built.

A manufacturing company has purchased land with plans to build a facility in the city limits.

Ongoing projects including new projects:

- The permits for the drainage improvements are expected soon for Main Street.
- The Keg Creek sewer treatment facility construction has reached midpoint of completion.
- Two trails have been completed which brings the City closer to finalizing the connectivity project.
- Additional shading structures are being added to Seavy Park.
- We are in the planning phase of the water/sewer infrastructure project that is being funded by The American Rescue Plan Act Funds.

Requests for Information

This financial report is designed to provide a general overview of the City of Senoia's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. Questions concerning this report or requests for additional information can be obtained by contacting the City at (770) 599-3679 or at the following address:

City of Senoia
Finance Department
P.O. Box 310
Senoia, GA 30276-0310

CITY OF SENOIA, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Downtown Dev. Auth.	Development Authority
Assets and Deferred Outflows					
Assets					
Cash and Cash Equivalents	\$ 5,944,125	\$ 335,625	\$ 6,279,750	\$ 63,929	\$ 5,979
Receivables, Net					
Taxes	847,406	-	847,406	-	-
Intergovernmental	441,342	-	441,342	-	-
Fines	32,523	-	32,523	-	-
Accounts	3,165	333,366	336,531	950	-
Other	-	-	-	-	-
Internal balances	(1,905,835)	1,905,835	-	-	-
Due from Primary Government	-	-	-	-	-
Inventory	-	4,729	4,729	-	-
Prepaid Items	157,752	-	157,752	-	-
Restricted Assets -					
Cash	4,218,956	2,046,628	6,265,584	23,227	-
Investments	-	109,149	109,149	-	-
Non-Depreciable Capital Assets	2,899,596	5,113,278	8,012,874	1,000	-
Depreciable Capital Assets, Net	8,576,110	12,408,414	20,984,524	111,672	-
Total Assets	21,215,140	22,257,024	43,472,164	200,778	5,979
Deferred Outflows					
Deferred pension outflows	154,621	53,483	208,104	-	-
Total Assets and Deferred Outflows	21,369,761	22,310,507	43,680,268	200,778	5,979

See accompanying notes to the basic financial statements.

Continued

CITY OF SENOIA, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Downtown Dev. Auth.	Development Authority
Liabilities and Deferred Inflows					
Liabilities					
Accounts Payable					
Trade	\$ 89,074	\$ 68,730	\$ 157,804	\$ 1,289	\$ -
Construction	285,756	546,702	832,458	-	-
Accrued Liabilities -					
Salaries	27,414	12,314	39,728	-	-
Compensated absences	-	37,763	37,763	-	-
Customer deposits	4,100	168,385	172,485	1,850	-
Interest	-	-	-	142	-
Due to primary government	-	-	-	-	-
Unearned Revenues	62,495	-	62,495	-	-
Payable From Restricted Assets-					
Revenue bonds	-	111,293	111,293	-	-
Notes payable	-	51,365	51,365	-	-
Capital lease	-	-	-	-	-
Accrued interest	-	10,182	10,182	-	-
Long-Term Liabilities -					
Debt Due Within One Year	-	-	-	28,282	-
Debt Due In More Than One Year	112,379	7,403,610	7,515,989	-	-
Net Pension Liability	188,073	65,053	253,126	-	-
Total Liabilities	769,291	8,475,397	9,244,688	31,563	-
Deferred Inflows					
Deferred Pension Inflows	207,871	71,901	279,772	-	-
Total Liabilities and Deferred Inflows	977,162	8,547,298	9,524,460	31,563	-
Net Position					
Net investment in capital assets	11,475,706	9,955,424	21,431,130	84,390	-
Restricted for -					
Police activities	2,643	-	2,643	-	-
Capital projects	3,552,777	-	3,552,777	-	-
Park and street improvements	276,267	-	276,267	-	-
Specified grant purposes	823,846	-	823,846	-	-
Veteran Memorial	-	-	-	23,227	-
Debt covenants	-	2,155,777	2,155,777	-	-
Unrestricted	4,261,360	1,652,008	5,913,368	61,598	5,979
Total Net Position	\$ 20,392,599	\$ 13,763,209	\$ 34,155,808	\$ 169,215	\$ 5,979

See accompanying notes to the basic financial statements.

Concluded

CITY OF SENOIA, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental Activities:				
General Government	\$ 1,055,790	\$ 356,502	\$ -	\$ -
Public Safety and Courts	2,020,347	314,051	17,224	201,099
Public Works	774,433	-	1,203	725,477
Cemetery	3,365	13,700	-	-
Parks and Recreation	87,488	11,950	-	1,036,509
Library	176,483	-	-	32,355
Planning and Zoning	91,609	501,215	-	-
Code Enforcement	344,402	-	-	-
Development Authorities	16,318	-	-	-
Interest on Long-Term Debt	2,270	-	-	-
Total Governmental Activities	<u>4,572,505</u>	<u>1,197,418</u>	<u>18,427</u>	<u>1,995,440</u>
Business-Type Activities:				
Water	1,542,814	1,440,913	-	355,738
Sewer	1,344,777	1,052,380	-	654,783
Solid Waste Management	428,397	391,498	-	-
Stormwater Management	132,459	155,623	-	-
Total Business-Type Activities	<u>3,448,447</u>	<u>3,040,414</u>	<u>-</u>	<u>1,010,521</u>
Total Primary Government	<u>\$ 8,020,952</u>	<u>\$ 4,237,832</u>	<u>\$ 18,427</u>	<u>\$ 3,005,961</u>
Component Unit:				
Downtown Development Authority	\$ 71,999	\$ 73,485	\$ 43,055	\$ -
Development Authority	450	3,500	320	-
Total Component Units	<u>\$ 72,449</u>	<u>\$ 76,985</u>	<u>\$ 43,375</u>	<u>\$ -</u>

General Revenues:
Taxes:
Property
Franchise
Local option sales
Insurance premium
Other
Intergovernmental
Investment earnings
Gain on disposal of capital assets
Other
Total General Revenues
Transfers
Total General Revenues and Transfers
Change in Net Position
Net Position - Beginning of Year
Net Position - End of Year

See accompanying notes to the basic financial statements.

**Net (Expense) Revenue and
Changes in Net Position**

<u>Primary Government</u>			<u>Component Units</u>	
<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>	<u>Downtown Dev. Auth.</u>	<u>Development Authority</u>
\$ (699,288)	\$ -	\$ (699,288)	\$ -	\$ -
(1,487,973)	-	(1,487,973)	-	-
(47,753)	-	(47,753)	-	-
10,335	-	10,335	-	-
960,971	-	960,971	-	-
(144,128)	-	(144,128)	-	-
409,606	-	409,606	-	-
(344,402)	-	(344,402)	-	-
(16,318)	-	(16,318)	-	-
(2,270)	-	(2,270)	-	-
<u>(1,361,220)</u>	<u>-</u>	<u>(1,361,220)</u>	<u>-</u>	<u>-</u>
-	253,837	253,837	-	-
-	362,386	362,386	-	-
-	(36,899)	(36,899)	-	-
<u>-</u>	<u>23,164</u>	<u>23,164</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>602,488</u>	<u>602,488</u>	<u>-</u>	<u>-</u>
<u>(1,361,220)</u>	<u>602,488</u>	<u>(758,732)</u>	<u>-</u>	<u>-</u>
-	-	-	44,541	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,370</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>44,541</u>	<u>3,370</u>
1,618,602	-	1,618,602	-	-
276,107	-	276,107	-	-
1,058,001	-	1,058,001	-	-
282,580	-	282,580	-	-
352,045	-	352,045	-	-
823,800	-	823,800	-	-
2,814	1,942	4,756	-	-
135,599	1,878	137,477	-	-
76,102	-	76,102	-	-
<u>4,625,650</u>	<u>3,820</u>	<u>4,629,470</u>	<u>-</u>	<u>-</u>
<u>(37,613)</u>	<u>37,613</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>4,588,037</u>	<u>41,433</u>	<u>4,629,470</u>	<u>-</u>	<u>-</u>
3,226,817	643,921	3,870,738	44,541	3,370
17,165,782	13,119,288	30,285,070	124,674	2,609
<u>\$ 20,392,599</u>	<u>\$ 13,763,209</u>	<u>\$ 34,155,808</u>	<u>\$ 169,215</u>	<u>\$ 5,979</u>

CITY OF SENOIA, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General	Special Revenue Fund	Capital Project Funds		Non-Major Funds	Total Governmental Funds
		ARPA	SPLOST 5	SPLOST 6		
Assets						
Cash	\$ 5,944,125	\$ 856,846	\$ 486,485	\$ 1,938,989	\$ 936,636	\$ 10,163,081
Receivables-						
Accounts	3,165	-	-	-	-	3,165
Taxes	847,406	-	-	-	-	847,406
Fines	32,523	-	-	-	-	32,523
Intergovernmental	-	-	262,007	179,335	-	441,342
Due from other funds	33,000	-	120,132	-	2,531	155,663
Due from component unit	-	-	-	-	-	-
Prepaid items	157,752	-	-	-	-	157,752
Total assets	<u>\$ 7,017,971</u>	<u>\$ 856,846</u>	<u>\$ 868,624</u>	<u>\$ 2,118,324</u>	<u>\$ 939,167</u>	<u>\$ 11,800,932</u>
Liabilities						
Accounts payable -	\$ 89,074	\$ -	\$ 285,756	\$ -	\$ -	374,830
Accrued salaries and wages	27,414	-	-	-	-	27,414
Other accrued items	-	-	-	-	-	-
Due to other funds	2,028,498	33,000	-	-	-	2,061,498
Deposits	4,100	-	-	-	-	4,100
Unearned revenues	62,495	-	-	-	-	62,495
Total liabilities	<u>2,211,581</u>	<u>33,000</u>	<u>285,756</u>	<u>-</u>	<u>-</u>	<u>2,530,337</u>
Deferred Inflows of Resources						
Unavailable revenues	87,844	-	84,939	-	-	172,783
Fund balance						
Nonspendable	157,752	-	-	-	-	157,752
Restricted for -						
Capital projects	-	-	497,929	2,118,324	936,524	3,552,777
Police services	-	-	-	-	2,643	2,643
Specified grant purposes	-	823,846	-	-	-	823,846
Park and street improvements	276,267	-	-	-	-	276,267
Assigned for -						
Appropriation for next year's budget	-	-	-	-	-	-
Unassigned	4,284,527	-	-	-	-	4,284,527
Total fund balance	<u>4,718,546</u>	<u>823,846</u>	<u>497,929</u>	<u>2,118,324</u>	<u>939,167</u>	<u>9,097,812</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 7,017,971</u>	<u>\$ 856,846</u>	<u>\$ 868,624</u>	<u>\$ 2,118,324</u>	<u>\$ 939,167</u>	<u>\$ 11,800,932</u>

See accompanying notes to the basic financial statements.

CITY OF SENOIA, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances -- total governmental funds	\$ 9,097,812
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	11,475,706
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds: Unavailable revenues	172,783
Deferred inflows and outflows related to the net pension liability is not a current asset or liability: Deferred outflows Deferred inflows	154,621 (207,871)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds: Long-term portion of compensated absences Net pension liability Capital lease obligation Accrued interest payable	(112,379) (188,073) - <u>-</u>
Net position of governmental activities.	<u>\$ 20,392,599</u>

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

**CITY OF SENOIA, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2021**

	General	Special Revenue Fund	Capital Project Funds		Non- Major Funds	Total Governmental Funds
		ARPA	SPLOST 5	SPLOST 6		
REVENUES						
Taxes	\$ 3,516,626	\$ -	\$ -	\$ -	\$ -	\$ 3,516,626
Licenses and Permits	587,812	-	-	-	-	587,812
Fines, Fees and Forfeitures	336,904	-	-	-	-	336,904
Charges for Services	339,529	-	-	-	339,637	679,166
Intergovernmental	80,278	823,800	719,660	950,239	-	2,573,977
Interest	2,430	69	124	351	191	3,165
Rental income	11,950	-	-	-	-	11,950
Other	38,859	-	-	-	-	38,859
Total revenues	<u>4,914,388</u>	<u>823,869</u>	<u>719,784</u>	<u>950,590</u>	<u>339,828</u>	<u>7,748,459</u>
EXPENDITURES						
Current						
Governing Body	28,391	-	-	-	-	28,391
General Government	923,000	23	-	176	-	923,199
Government Buildings	77,345	-	-	-	-	77,345
Municipal Court	276,151	-	-	-	-	276,151
Public Safety	1,573,061	-	-	-	-	1,573,061
Highways and Streets	524,190	-	-	-	-	524,190
Cemetery	1,157	-	-	-	-	1,157
Parks	2,365	-	-	-	-	2,365
Planning and Zoning	94,758	-	-	-	-	94,758
Development Authorities	15,953	-	-	-	-	15,953
Code Enforcement	344,029	-	-	-	-	344,029
Debt Service -						
Principal	149,124	-	-	-	-	149,124
Interest	7,289	-	-	-	-	7,289
Capital Outlay	405,708	-	1,019,312	305,000	417,515	2,147,535
Total expenditures	<u>4,422,521</u>	<u>23</u>	<u>1,019,312</u>	<u>305,176</u>	<u>417,515</u>	<u>6,164,547</u>
Excess of revenues over (under) expenditures	491,867	823,846	(299,528)	645,414	(77,687)	1,583,912
Other financing sources (uses):						
Proceeds from capital lease obligation	-	-	-	-	-	-
Proceeds from disposition of capital assets	260,534	-	-	-	-	260,534
Transfers	(37,613)	-	-	-	-	(37,613)
Total other financing sources (uses):	<u>222,921</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>222,921</u>
Net change in fund balance	714,788	823,846	(299,528)	645,414	(77,687)	1,806,833
Fund balance - beginning	<u>4,003,758</u>	<u>-</u>	<u>797,457</u>	<u>1,472,910</u>	<u>1,016,854</u>	<u>7,290,979</u>
Fund balance - ending	<u>\$ 4,718,546</u>	<u>\$ 823,846</u>	<u>\$ 497,929</u>	<u>\$ 2,118,324</u>	<u>\$ 939,167</u>	<u>\$ 9,097,812</u>

See accompanying notes to the basic financial statements.

CITY OF SENOIA, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

Net change in fund balances -- total governmental funds \$ 1,806,833

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	1,867,333
Depreciation	(421,243)

The net effect of other miscellaneous transactions involving capital assets (i.e. sales, trade-ins and donations) is to decrease net position. This is the amount of net book value of assets disposed of during the current period:

Sales or abandonment of assets	(94,636)
Contributions of capital asset to Stormwater Fund	-

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the difference between the beginning and ending deferred revenue balances related to timing differences.

Unavailable revenues	(77,422)
----------------------	----------

Proceeds from long-term debt obligations provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Proceeds from debt issues	-
Repayments of principal	149,124

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:

Change in net pension liability and related deferred items	20,437
Change in accrued interest payable	5,019
Change in long-term portion of accrued compensated absences	<u>(28,628)</u>

Change in net position of governmental activities. \$ 3,226,817

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

CITY OF SENOIA, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -- BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021.

	BUDGET AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 3,123,200	\$ 3,405,244	\$ 3,516,626	\$ 111,382
Licenses and Permits	271,500	448,051	587,812	139,761
Intergovernmental Grants	65,000	65,000	80,278	15,278
Charges for Services	419,432	419,432	339,529	(79,903)
Fines, Fees and Forfeitures	255,200	255,200	336,904	81,704
Investment Income	3,500	3,500	2,430	(1,070)
Rents	14,000	14,000	11,950	(2,050)
Miscellaneous	20,000	20,000	38,859	18,859
Total revenues	<u>4,171,832</u>	<u>4,630,427</u>	<u>4,914,388</u>	<u>283,961</u>
EXPENDITURES				
Current				
Governing Body	37,000	37,000	28,391	8,609
Financial Administration	1,249,640	1,027,534	923,000	104,534
Government Buildings	78,300	84,058	77,345	6,713
Municipal Court	268,300	290,222	276,151	14,071
Public Safety	1,525,800	1,615,632	1,573,061	42,571
Public Works	529,682	555,140	524,190	30,950
Cemetery	-	-	1,157	(1,157)
Code Enforcement	244,760	371,203	344,029	27,174
Parks	3,000	3,000	2,365	635
Planning and Zoning	98,450	108,585	94,758	13,827
Development Authorities	14,300	22,065	15,953	6,112
Debt Service				
Principal	78,600	156,413	149,124	7,289
Interest	8,000	8,000	7,289	711
Capital Outlay	32,000	419,183	405,708	13,475
Total expenditures	<u>4,167,832</u>	<u>4,698,035</u>	<u>4,422,521</u>	<u>275,514</u>
Excess of revenues over (under) expenditures	4,000	(67,608)	491,867	559,475
Other financing sources (uses):				
Proceeds from capital lease	-	-	-	-
Proceeds from disposition of capital assets	-	-	260,534	260,534
Transfers	-	-	(37,613)	(37,613)
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>222,921</u>	<u>222,921</u>
Net change in fund balance	4,000	(67,608)	714,788	782,396
Fund balance - beginning	4,003,758	4,003,758	4,003,758	-
Fund balance - ending	<u>\$ 4,007,758</u>	<u>\$ 3,936,150</u>	<u>\$ 4,718,546</u>	<u>\$ 782,396</u>

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

CITY OF SENOIA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
ARPA FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues:				
Intergovernmental	\$ -	\$ 823,800	\$ 823,800	\$ -
Interest	-	-	69	69
Total Revenue	-	823,800	823,869	69
Expenditures:				
Current				
Administrative	-	1,000	23	977
Capital Outlay	-	-	-	-
Total Expenditures	-	1,000	23	977
Excess of Revenues Over (Under) Expenditures Before Other Sources and (Uses)	-	822,800	823,846	1,046
Other Sources and (Uses)				
Transfers	-	-	-	-
Total Other Sources and (Uses)	-	-	-	-
Net change in fund balance	-	822,800	823,846	1,046
Fund Balance - Beginning of Year	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 822,800</u>	<u>\$ 823,846</u>	<u>\$ 1,046</u>

No expenditures were anticipated for 2021.

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

CITY OF SENOIA, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021

	<u>Water</u>	<u>Sewer</u>	<u>Sanitation</u>	<u>Stormwater</u>	<u>Total</u>
ASSETS					
Current assets					
Cash	\$ 2,000	\$ 333,625	\$ -	\$ -	\$ 335,625
Receivables-					
Accounts (net)	159,628	133,651	28,013	12,074	333,366
Other	-	-	-	-	-
Due from other funds	727,608	1,095,596	-	82,631	1,905,835
Inventory	4,729	-	-	-	4,729
Restricted assets					
Cash	91,764	1,954,864	-	-	2,046,628
Investments	109,149	-	-	-	109,149
Total current assets	<u>1,094,878</u>	<u>3,517,736</u>	<u>28,013</u>	<u>94,705</u>	<u>4,735,332</u>
Noncurrent assets					
Capital assets					
Land	45,647	1,430,674	-	175,461	1,651,782
Construction in progress	14,747	3,395,658	-	51,091	3,461,496
Buildings	270,317	-	-	-	270,317
Improvements other than buildings	5,618,142	10,426,388	-	822,277	16,866,807
Vehicles	35,150	192,685	-	-	227,835
Machinery and equipment	1,413,127	734,429	-	-	2,147,556
Accumulated depreciation	(3,054,081)	(3,951,126)	-	(98,894)	(7,104,101)
Capital assets (net of depreciation)	<u>4,343,049</u>	<u>12,228,708</u>	<u>-</u>	<u>949,935</u>	<u>17,521,692</u>
Total noncurrent assets	<u>4,343,049</u>	<u>12,228,708</u>	<u>-</u>	<u>949,935</u>	<u>17,521,692</u>
Total assets	<u>5,437,927</u>	<u>15,746,444</u>	<u>28,013</u>	<u>1,044,640</u>	<u>22,257,024</u>
Deferred items					
Deferred pension outflows	33,505	19,978	-	-	53,483
Total assets and deferred items	<u>5,471,432</u>	<u>15,766,422</u>	<u>28,013</u>	<u>1,044,640</u>	<u>22,310,507</u>

See accompanying notes to the basic financial statements.

CITY OF SENOIA, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021

	<u>Water</u>	<u>Sewer</u>	<u>Sanitation</u>	<u>Stormwater</u>	<u>Total</u>
LIABILITIES					
Current liabilities					
Accounts payable -					
Trade	\$ 25,323	\$ 12,528	\$ 30,879	\$ -	\$ 68,730
Construction	-	546,702	-	-	546,702
Customer deposits	168,385	-	-	-	168,385
Due to other funds	-	-	-	-	-
Accrued compensated absences	21,504	16,259	-	-	37,763
Accrued salaries	7,909	4,405	-	-	12,314
Current liabilities payable from restricted assets -					
Revenue bonds	-	111,293	-	-	111,293
Notes	51,365	-	-	-	51,365
Capital lease	-	-	-	-	-
Accrued interest	2,141	8,041	-	-	10,182
Total current liabilities	<u>276,627</u>	<u>699,228</u>	<u>30,879</u>	<u>-</u>	<u>1,006,734</u>
Long-term liabilities					
Revenue bonds	-	4,039,178	-	-	4,039,178
Notes payable	560,490	2,803,942	-	-	3,364,432
Capital lease	-	-	-	-	-
Net pension liability	40,753	24,300	-	-	65,053
Total long-term liabilities	<u>601,243</u>	<u>6,867,420</u>	<u>-</u>	<u>-</u>	<u>7,468,663</u>
Total liabilities	<u>877,870</u>	<u>7,566,648</u>	<u>30,879</u>	<u>-</u>	<u>8,475,397</u>
Deferred items					
Deferred pension outflows	45,043	26,858	-	-	71,901
Net Position					
Net investment in capital assets	3,731,194	5,274,295	-	949,935	9,955,424
Restricted for capital projects	-	-	-	-	-
Restricted under debt covenants	200,913	1,954,864	-	-	2,155,777
Unrestricted	616,412	943,757	(2,866)	94,705	1,652,008
Total Net Position	<u>\$ 4,548,519</u>	<u>\$ 8,172,916</u>	<u>\$ (2,866)</u>	<u>\$ 1,044,640</u>	<u>\$ 13,763,209</u>

See accompanying notes to the basic financial statements.

CITY OF SENOIA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Water</u>	<u>Sewer</u>	<u>Sanitation</u>	<u>Stormwater</u>	<u>Total</u>
OPERATING REVENUES					
Charges for services -					
Sales and services	\$ 1,391,001	\$ 952,102	\$ 391,498	\$ 155,623	\$ 2,890,224
Penalties and reconnect fees	36,183	-	-	-	36,183
Miscellaneous	13,729	100,278	-	-	114,007
Total operating revenues	<u>1,440,913</u>	<u>1,052,380</u>	<u>391,498</u>	<u>155,623</u>	<u>3,040,414</u>
OPERATING EXPENSES					
Purchase of product / service	229,533	-	354,462	-	583,995
Salaries and related cost	404,257	305,331	-	-	709,588
Supplies and materials	132,574	38,529	-	-	171,103
Repairs and maintenance	148,003	105,816	-	-	253,819
Utilities	41,424	107,016	-	-	148,440
Administrative fees	100,616	100,616	71,470	20,000	292,702
Depreciation and amortization	197,528	268,167	-	20,194	485,889
Other	181,088	62,236	2,465	92,265	338,054
Total operating expenses	<u>1,435,023</u>	<u>987,711</u>	<u>428,397</u>	<u>132,459</u>	<u>2,983,590</u>
Operating income (loss)	<u>5,890</u>	<u>64,669</u>	<u>(36,899)</u>	<u>23,164</u>	<u>56,824</u>
Non-operating revenues and (expenses)					
Interest earned	657	1,285	-	-	1,942
Gain (Loss) on sale of capital assets	1,878	-	-	-	1,878
Loan costs	-	(149,000)	-	-	(149,000)
Interest expense	(107,791)	(208,066)	-	-	(315,857)
Total non-operating revenues (expenses)	<u>(105,256)</u>	<u>(355,781)</u>	<u>-</u>	<u>-</u>	<u>(461,037)</u>
Income before transfers and capital contributions	(99,366)	(291,112)	(36,899)	23,164	(404,213)
Capital contributions -					
SPLOST Fund	-	-	-	-	-
General Fund	-	-	-	-	-
Developers	355,738	654,783	-	-	1,010,521
Transfers	-	-	37,613	-	37,613
Change in net position	256,372	363,671	714	23,164	643,921
NET POSITION - BEGINNING	<u>4,292,147</u>	<u>7,809,245</u>	<u>(3,580)</u>	<u>1,021,476</u>	<u>13,119,288</u>
NET POSITION - ENDING	<u>\$ 4,548,519</u>	<u>\$ 8,172,916</u>	<u>\$ (2,866)</u>	<u>\$ 1,044,640</u>	<u>\$ 13,763,209</u>

See accompanying notes to the basic financial statements.

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**CITY OF SENOIA, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Water</u>	<u>Sewer</u>	<u>Sanitation</u>	<u>Stormwater</u>	<u>Total</u>
Cash flows from operating activities:					
Cash received from customers and users	\$ 1,424,039	\$ 1,038,271	\$ 388,120	\$ 153,420	\$ 3,003,850
Cash paid to suppliers for goods	(926,222)	(482,958)	(425,733)	(115,377)	(1,950,290)
Cash paid to employees	(321,186)	(222,233)	-	-	(543,419)
Net cash provided from operating activities	<u>176,631</u>	<u>333,080</u>	<u>(37,613)</u>	<u>38,043</u>	<u>510,141</u>
Cash flows from investing activities:					
Interest received	657	1,285	-	-	1,942
(Purchase) / redemption of investments	(491)	-	-	-	(491)
Net cash from investing activities	<u>166</u>	<u>1,285</u>	<u>-</u>	<u>-</u>	<u>1,451</u>
Cash flows from non-capital financing activities:					
Transfers	-	-	37,613	-	37,613
Change in net pension liability and related deferred items	(4,430)	(2,640)	-	(19,469)	(26,539)
Change in due to/from other funds	316,657	(764,676)	-	-	(448,019)
Net cash flows from non-capital financing activities	<u>312,227</u>	<u>(767,316)</u>	<u>37,613</u>	<u>(19,469)</u>	<u>(436,945)</u>
Cash flows from capital financing activities:					
Proceeds from long-term debt	-	2,803,942	-	-	2,803,942
Principal payments on long-term debt	(690,858)	(106,523)	-	-	(797,381)
Interest paid	(108,147)	(203,086)	-	-	(311,233)
Capital contributions	355,738	654,783	-	-	1,010,521
Purchase / construction of capital assets	(323,187)	(2,572,598)	-	(18,574)	(2,914,359)
Loan costs	-	(149,000)	-	-	(149,000)
Proceeds from sale of capital assets	8,000	6,122	-	-	14,122
Net cash flows from capital financing activities	<u>(758,454)</u>	<u>433,640</u>	<u>-</u>	<u>(18,574)</u>	<u>(343,388)</u>
Net cash flows	(269,430)	689	-	-	(268,741)
Cash and cash equivalents - beginning	<u>363,194</u>	<u>2,287,800</u>	<u>-</u>	<u>-</u>	<u>2,650,994</u>
Cash and cash equivalents - ending	<u>\$ 93,764</u>	<u>\$ 2,288,489</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,382,253</u>

See accompanying notes to the basic financial statements.

**CITY OF SENOIA, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS**

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED
 BY OPERATING ACTIVITIES**

	<u>Water</u>	<u>Sewer</u>	<u>Sanitation</u>	<u>Stormwater</u>	<u>Total</u>
Operating income (loss)	\$ 5,890	\$ 64,669	\$ (36,899)	\$ 23,164	\$ 56,824
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	197,528	268,167	-	20,194	485,889
Land contribution to the Housing Authority	-	-	-	-	-
(Increase) decrease in receivables	(37,086)	(14,109)	(3,378)	(2,203)	(56,776)
(Increase) decrease in inventory	-	-	-	-	-
Increase (decrease) in accounts payable	(4,773)	720	2,664	(3,112)	(4,501)
Increase (decrease) in customer deposits	20,212	-	-	-	20,212
Increase (decrease) in accrued liabilities	(5,140)	13,633	-	-	8,493
 Total adjustments	<u>170,741</u>	<u>268,411</u>	<u>(714)</u>	<u>14,879</u>	<u>453,317</u>
 Net cash from operating activities	<u>\$ 176,631</u>	<u>\$ 333,080</u>	<u>\$ (37,613)</u>	<u>\$ 38,043</u>	<u>\$ 510,141</u>
 Non-cash transactions -					
Contribution of land to the Senoia Housing Authority	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Contribution of land from a developer to be used for the construction site of a new sewer plant	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

**CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Presentation

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

B. The Reporting Entity

The City of Senoia, Georgia (the City) was established in 1866 and is located in Coweta County about 40 miles south of Atlanta. The City provides a full range of services to approximately 3,400 residents. These services are provided in whole by the City. These services include public safety, highways and streets, water and sewer, sanitation, public improvements, planning and zoning, parks and recreation, library, cemetery and general administrative services.

Governmental Accounting Standards Board Statement (GASB) No. 14, as amended by GASB No. 61 defines the reporting entity for determining which potential component units should be included in a primary government's financial statements. Inclusion is based on organization's for which the primary government is financially accountable. In addition, the primary government may determine, through exercise of management's professional judgment, that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the reporting entity's financial statements from being misleading. In such instances, the organization should be included as a component unit. The criteria for determining financial accountability includes appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits or to impose specific financial burdens on the City regardless of whether the organization has a separate elected or appointed governing board. Blended component units, although legally separate entities, are, in substance part of the government's operations and are reported with similar funds of the primary government. As a result the City has included the Downtown Development Authority and the Development Authority of the City of Senoia as discretely presented component units in the City's financial report. The City has excluded from the City's financial report the Senoia Housing Authority, a related party, since the City is not responsible for the Authority's financial burdens.

Aggregate discretely presented component units –

One of the component unit columns in the Government – Wide Financial Statements includes the financial data of City of Senoia, Georgia Downtown Development Authority. This component unit is reported in a separate column to emphasize that it is legally separate from the City. The City of Senoia, Georgia Downtown Development Authority was organized to develop and promote commerce, industry and general welfare within the downtown area of the City. The City appoints the Authority's board members and reviews the annual budget. Funding of the Authority is provided by the City's General Fund and contributions from individuals and private companies. Separate financial statements for the Authority are not issued.

In 2013 the City created the Development Authority of the City of Senoia. This Authority is also included in the Government-Wide Financial Statements of the City of Senoia, Georgia as a discretely presented component unit. The Development Authority was created to develop and promote for the public good and general welfare trade, commerce, industry and employment opportunities in the City and to exercise the powers contained in the development authorities law of the State of Georgia. The City also appoints this Authority's board members and reviews the annual budget. Funding of the Authority is provided by the City's General Fund and other resources approved under the development authorities law. Separate financial statements for the Authority are not issued.

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

C. Basic Financial Statements—Government-Wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type.

The government-wide Statement of Net Position presents the financial condition of the governmental and business-type activities of the City at year end. The statement is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts—net investment in capital assets, restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. The City does not allocate indirect cost. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity self-financing or draws from the general revenues of the City.

The net costs (by function) are normally covered by general revenue (property, sales or use taxes, intergovernmental revenues, interest income, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

D. Basic Financial Statements-Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds, if any, are aggregated and presented in a single column. The City considers the General Fund, the ARPA Fund and both SPLOST Capital Project Funds to be major funds. The Confiscated Asset Fund and the Development Impact Fee Fund are considered non-major funds.

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

General Fund – The General Fund is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

American Rescue Plan Act (ARPA) Special Revenue Fund – This fund is used to account for the monies received and the related expenditures under the American Rescue Plan Act. Recipients may use award funds to cover eligible costs incurred during the period that begins March 3, 2021 and ends December 31, 2024.

The SPLOST Capital Projects Funds – These funds are used by the City to account for acquisition and construction of major capital facilities that were approved by the voters of Coweta County, Georgia through the special purpose local option sales tax referendums.

Proprietary Fund Type – Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The City's proprietary funds are classified as enterprise funds. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

The Water Enterprise Fund – This fund is used to account for activities connected with the development, operation and maintenance of water in the City of Senoia and parts of Coweta County.

The Sewer Enterprise Fund – This fund is used to account for activities connected with the development, operation and maintenance of sewer in the City of Senoia and parts of Coweta County.

Solid Waste Management Enterprise Fund - The Solid Waste Management Enterprise Fund is used to account for the revenues generated from the charges for sanitation and recycling services provided to the residential and commercial users of the City.

Stormwater Utility Fund – This fund accounts for activities associated with the City's stormwater runoff. Stormwater activities are financed with stormwater charges that began to be assessed by the City during 2016.

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

E. Measurement Focus

Government-wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus. All assets, liabilities, and deferred inflows and outflows of resources associated with the operation of the City are included on the statement of net position.

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

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

On the proprietary funds financial statements, operating revenues are those that flow directly from the operations of the activity, i.e. charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide the goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

F. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

Government-wide financial statements are presented on the accrual basis of accounting; proprietary funds also use the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

(See Independent Auditor’s Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

F. Basis of Accounting, continued

Those revenues susceptible to accrual are taxes, state and federal grants, fines, interest revenue and charges for services. Major revenues that are determined not to be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable include licenses, penalties and miscellaneous revenues which are recorded as revenues when received in cash. Those revenues that are measurable but are not collected within 60 days after year end are recorded as unavailable revenues.

G. Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. For purposes of the statement of cash flows, the Enterprise Funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

The City's investments consist of certificates of deposit with a maturity date greater than three months from the date of purchase. For reporting purposes, all investments are recorded at fair value.

In applying GASB Statement No. 31, the City utilized the following methods and assumptions as of December 31, 2021:

1. Fair value is based on quoted market prices as of the valuation date;
2. The investment portfolio did not hold investments in any of the following: a) items required to be reported at amortized costs; b) items subject to involuntary participation in an external pool; and, c) items associated with a fund other than the fund to which the income is assigned.

The City's policy is to hold investments until maturity.

H. Inventory

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory, if any, in the General Fund consists of expendable supplies held for consumption. The cost is recorded as expenditure at the time individual inventory items are used, rather than in the period purchased. Reported inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Inventories of the Water and Sewer Funds, if any, consist of various repair parts and supplies.

I. Prepaid Expenses

Payments made to vendors for service that will benefit periods beyond December 31, 2021 are recorded as prepaid items and are expensed during the period benefited.

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

J. Restricted Assets

Certain proceeds from the Water and Sewer Enterprise Fund's revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. The "revenue bond current debt service" account is used to segregate resources accumulated for debt service payments over the next twelve months. The "debt service reserve fund" account is used to report resources set aside to make up potential future deficiencies in the revenue bond current debt service account.

K. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

Capital assets purchased or acquired with an original cost of \$3,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	30-50 years
Improvement other than buildings	25-50 years
Infrastructure	30-50 years
Office equipment	10-20 years
Furniture and fixtures	10-20 years
Vehicles	5-10 years
Machinery and equipment	5-10 years

The City only reports infrastructure assets purchased subsequent to December 31, 2003.

L. Bond Premiums, Discounts and Issuance Cost

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. For proprietary fund types and government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method while issuance costs are expensed in the year incurred. Bonds payable are reported at their unpaid balance.

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

M. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as liability in the fund financial statements only to the extent that they are due for payment during the current year. Long-term loans are recognized as a liability on the governmental fund financial statements when due.

N. Revenues

Substantially all governmental fund revenues are accrued. When applicable, property taxes are billed and collected within the same period in which the taxes are levied. In applying GASBS No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

O. Expenditures

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

P. Compensated Absences

The City accrues accumulated unpaid vacation and sick leave benefits, which will be paid to employees upon separation from service, when earned (or estimated to be earned) by the employee. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations. In accordance with the provisions of Statement No. 16 of the Governmental Accounting Standards Board, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

Q. Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

R. Encumbrances

Encumbrances accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City.

(See Independent Auditor's Report).

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

S. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow 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 / expenditures) until then. The City has one item that qualifies for reporting in this category as of December 31, 2021 which is deferred pension outflows recognized in the Statement of Net Position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: property taxes, probation fines, and intergovernmental revenues. In addition, the City recognizes deferred pension inflows in its Statement of Net Position under governmental activities.

T. Fund Balance – Governmental Funds

As of December 31, 2021, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of City of Senoia’s Council. Senoia’s Council is the highest level of decision making authority for the City. Commitments may be established, modified, or rescinded only through ordinances approved by City Council prior to end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Only the City Council may assign amounts for specific purposes through passage of a resolution. Unlike commitments, assignments generally only exist temporarily and do not normally have to have an additional action taken for their removal.

Unassigned – all other spendable amounts.

(See Independent Auditor’s Report).

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

T. Fund Balance – Governmental Funds, Continued

As of December 31, 2021, fund balances are composed of the following:

	Non-Spendable - Prepays	Restricted				Unassigned
		Capital Outlay	Police Activities	Park & Street Improvements	Grant Purposes	
General Fund	\$ 157,752	\$ -	\$ -	\$ 276,267	\$ -	\$ 4,284,527
ARPA Fund	-	-	-	-	823,846	-
SPLOST Fund #5	-	497,929	-	-	-	-
SPLOST Fund #6	-	2,118,324	-	-	-	-
Non-Major Funds	-	936,524	2,643	-	-	-
Total	\$ 157,752	\$ 3,552,777	\$ 2,643	\$ 276,267	\$ 823,846	\$ 4,284,527

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions.

U. Net Position

Net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows. Net position invested in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The City’s government-wide statement of net position reports \$6,811,310 in restricted net position, of which \$4,379,266 is restricted by enabling legislation.

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

V. Contributions of Capital

Contributions of capital in the proprietary fund financial statements arise from outside contributions of capital assets, tap-on fees to the extent they exceed the cost of connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

W. Estimates

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

(See Independent Auditor’s Report).

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

X. Budgets and Budgetary Accounting

The City Council adopts an annual budget for all of the City’s funds. Public hearings are conducted to obtain taxpayer comments. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted by the passage of a resolution. Any revisions that alter the total expenditures of any department must be approved by City Council. Formal budgetary integration is employed as a management control device during the year.

Governmental fund type budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control which is the department level. Expenditures may not exceed the appropriations within a fund. Final budgets amounts, as reported in the financial statements, are amended in June, 2022. All annual appropriations lapse at year end.

Y. 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 Senoia Retirement Plan (SRP) and additions to/deductions from SRP’s fiduciary net position have been determined on the same basis as they are reported in the SRP. For this purpose, benefit payments (including refunds of employee contributions, if applicable) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

2. CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The City follows the State’s requirement for all deposits in excess of Federal Deposit Insurance be collateralized by securities equal to at least 110% of the excess deposits. As of December 31, 2021, \$12,256,556 of the government’s bank balance of \$12,756,556 was exposed to custodial credit risk as follows:

The City’s deposits are classified as follows at December 31, 2021:

Uninsured and uncollateralized	\$ -
Collateralized with securities held by pledging financial institution or its agent	<u>12,256,556</u>
Total	<u>\$ 12,256,556</u>

Investments

Investments - Statutes authorize the City to invest in obligations of the United States and of its agencies and instrumentalities, bonds of the State of Georgia and its agencies, instrumentalities and political subdivisions, and certificates of deposit of national or state banks that are fully insured or collateralized by United States obligations.

Investments as of December 31, 2021, consisted of certificates of deposits and are included in the above-mentioned bank balances. Investments are stated at cost plus accrued interest, which approximates fair value.

(See Independent Auditor’s Report).

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

3. PROPERTY TAX

Property taxes were levied on August 16, 2021 and are due 60 days after the receipt of the tax notice. Property taxes attach as an enforceable lien on the property as of January 1. A local option sales tax is in force. Proceeds from this tax are remitted to the City on a monthly basis and are utilized to give property tax owners tax relief. The City has obtained the service of Coweta County to bill and collect the City’s property taxes. The County remits monies collected to the City on a semi-monthly basis. Property taxes receivable at December 31, 2021 amounted to \$384,287.

4. INTERGOVERNMENTAL REVENUES AND RECEIVABLES

Intergovernmental revenues and receivables reported in the fund financial statements for the year ended December 31, 2021 consist of the following:

	<u>Revenue</u>	<u>Receivable</u>
General Fund		
CARES Act - First Responders	\$ 17,224	\$ -
LMIG	63,054	-
ARPA Fund		
ARPA Grant	823,800	-
SPLOST 5 Fund		
Georgia Department of Transportation - Street Improvements	175,570	82,739
Georgia Department of Transportation - Trail Construction	423,958	179,268
LMIG	120,132	
SPLOST 6 Fund		
Coweta County, Georgia - SPLOST Agreement	<u>950,239</u>	<u>179,335</u>
 Total Capital Contributions from grants	 <u>\$ 2,573,977</u>	 <u>\$ 441,342</u>

(See Independent Auditor’s Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

5. RECEIVABLES

Receivables at year end, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>SPLOST 5</u>	<u>SPLOST 6</u>	<u>Major</u>	<u>Total</u>
Taxes	\$ 847,406	\$ -	\$ -	\$ -	\$ 847,406
Fines	45,023	-	-	-	45,023
Accounts	3,165	-	-	-	3,165
Intergovernmental	-	262,007	179,335	-	441,342
Gross Receivables	895,594	262,007	179,335	-	1,336,936
Less: Allowance for Uncollectibles	(12,500)	-	-	-	(12,500)
Net Total Receivables	<u>\$ 883,094</u>	<u>\$ 262,007</u>	<u>\$ 179,335</u>	<u>\$ -</u>	<u>\$ 1,324,436</u>

Proprietary Funds

	<u>Water</u>	<u>Sewer</u>	<u>Solid Waste Management</u>	<u>Stromwater Management</u>	<u>Total</u>
Accounts	\$ 194,628	\$ 163,651	\$ 44,013	\$ 14,574	\$ 416,866
Less: Allowance for Uncollectibles	(35,000)	(30,000)	(16,000)	(2,500)	(83,500)
Net Total Receivable	<u>\$ 159,628</u>	<u>\$ 133,651</u>	<u>\$ 28,013</u>	<u>\$ 12,074</u>	<u>\$ 333,366</u>

6. INTER-FUND TRANSACTIONS

Individual fund interfund receivable and payable balances at December 31, 2021 were as follows:

Payable To	General	Payable From			Totals
		ARPA	SPLOST 5	Non- Major	
General	\$ -	\$ 33,000	\$ -	\$ -	\$ 33,000
SPLOST 5	120,132	-	-	-	120,132
Non-Major	2,531	-	-	-	2,531
Stormwater	82,631	-	-	-	82,631
Water	727,608	-	-	-	727,608
Sewer	1,095,596	-	-	-	1,095,596
Totals	<u>\$ 2,028,498</u>	<u>\$ 33,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,061,498</u>

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

6. INTER-FUND TRANSACTIONS, Continued

The City’s General Fund’s operating bank account receives all deposits from the General Fund, and from the Water, Sewer, and Stormwater Fund’s operations. All monies collected for the Water, Sewer and Stormwater Funds and all expenditures paid for the Water, Sewer and Stormwater Funds are made through the General Fund’s operating bank account. The cumulative net amount over the years (receipts over expenditures) is either due to or due from the Water, Sewer and Stormwater Funds. The amount due to SPLOST 5 from the General Fund is for reimbursement of LMIG funds deposited into the General Fund but were used for a SPLOST project. The amount due from the ARPA Fund to the General Fund is due to an error in the amount transferred to the ARPA Fund.

Individual fund interfund transfers for the year ended December 31, 2021 were as follows:

Transfer To	Transfer From		
	Solid Waste	General	Totals
General	\$ -	\$ -	\$ -
Solid Waste	-	37,613	37,613
Total	\$ -	\$ 37,613	\$ 37,613

During the fiscal year ended December 31, 2021, the Solid Waste Fund transferred \$37,613 to the General Fund as a result of net cash flows.

(See Independent Auditor’s Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

7. PROPERTY, PLANT AND EQUIPMENT

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 1,716,287	\$ 5,000	\$ -	\$ 1,721,287
Construction in progress	3,629,601	813,780	(3,265,072)	1,178,309
Total	<u>5,345,888</u>	<u>818,780</u>	<u>(3,265,072)</u>	<u>2,899,596</u>
Capital assets being depreciated:				
Buildings and improvements	2,273,498	319,150	-	2,592,648
Improvements other than buildings	428,077	5,500	-	433,577
Infrastructure	3,058,750	3,603,412	-	6,662,162
Machinery and equipment	865,678	172,422	(36,771)	1,001,329
Office equipment	99,529	-	-	99,529
Vehicles, including related equipment	1,264,010	207,794	(185,377)	1,286,427
Furniture and fixtures	109,365	5,347	-	114,712
Total capital assets being depreciated	<u>8,098,907</u>	<u>4,313,625</u>	<u>(222,148)</u>	<u>12,190,384</u>
Less accumulated depreciation for:				
Buildings and improvements	761,447	57,818	-	819,265
Improvements other than buildings	178,519	13,766	-	192,285
Infrastructure	749,207	147,935	-	897,142
Machinery and equipment	568,301	68,353	(9,913)	626,741
Office equipment	82,858	4,852	-	87,710
Vehicles, including related equipment	890,900	124,675	(117,598)	897,977
Furniture and other equipment	89,310	3,844	-	93,154
Total accumulated depreciation	<u>3,320,542</u>	<u>421,243</u>	<u>(127,511)</u>	<u>3,614,274</u>
Total capital assets being depreciated, net	<u>4,778,365</u>	<u>3,892,382</u>	<u>(94,637)</u>	<u>8,576,110</u>
Governmental capital assets, net	<u>\$ 10,124,253</u>	<u>\$ 4,711,162</u>	<u>\$ (3,359,709)</u>	<u>\$ 11,475,706</u>

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

General Government	28,400
Police	166,576
Highways and Streets	155,899
Planning and Zoning	-
Cemetery	2,207
Parks and Recreation	60,684
Library	7,477
Total depreciation expense	<u>\$ 421,243</u>

See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

7. PROPERTY, PLANT AND EQUIPMENT – (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital assets, not being depreciated:				
Land	\$ 1,651,782	\$ -	\$ -	\$ 1,651,782
Construction in progress	829,678	2,631,818	-	3,461,496
Total	<u>2,481,460</u>	<u>2,631,818</u>	<u>-</u>	<u>5,113,278</u>
Capital assets being depreciated:				
Buildings and improvements	241,597	28,720	-	270,317
Improvements other than buildings	16,641,257	225,550	-	16,866,807
Vehicles	245,836	-	(18,000)	227,836
Machinery and equipment	1,822,078	350,812	(25,334)	2,147,556
Total capital assets being depreciated	<u>18,950,768</u>	<u>605,082</u>	<u>(43,334)</u>	<u>19,512,516</u>
Less accumulated depreciation for:				
Buildings and improvements	87,118	6,279	-	93,397
Improvements other than buildings	5,765,743	339,316	-	6,105,059
Vehicles	156,185	18,605	(18,000)	156,790
Machinery and equipment	640,254	121,689	(13,087)	748,856
Total capital assets being depreciated	<u>6,649,300</u>	<u>485,889</u>	<u>(31,087)</u>	<u>7,104,102</u>
Total capital assets being depreciated, net	<u>12,301,468</u>	<u>119,193</u>	<u>(12,247)</u>	<u>12,408,414</u>
Business-Type Activities capital assets, net	<u>\$ 14,782,928</u>	<u>\$ 2,751,011</u>	<u>\$ (12,247)</u>	<u>\$ 17,521,692</u>

Depreciation expense was charged to functions/programs as follows:

Water	\$ 197,528
Sewer	268,167
Stormwater	<u>20,194</u>
Total depreciation expense	485,889
Added through transfer from governmental funds	<u>-</u>
Total	<u>\$ 485,889</u>

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

8. LONG-TERM DEBT

Changes in Long-Term Debt

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended December 31, 2021:

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
Governmental Activities					
Capital Leases - Equipment	\$ 149,124	\$ -	\$ (149,124)	\$ -	\$ -
Accrued Compensated Absences	83,752	28,627	-	112,379	-
Total Governmental Activity					
Long-Term Debt	<u>\$ 232,876</u>	<u>\$ 28,627</u>	<u>\$ (149,124)</u>	<u>\$ 112,379</u>	<u>\$ -</u>
Business-Type Activities					
Revenue Bonds - GMAC	\$ 45,000	\$ -	\$ (45,000)	\$ -	\$ -
Revenue Bonds - Rural Dev	4,256,994	-	(106,523)	4,150,471	111,293
GEFA Notes Payable	660,090	2,803,942	(48,235)	3,415,797	51,365
Capital Lease	597,623	-	(597,623)	-	-
Total Business-Type Activity					
Long-Term Debt	<u>\$ 5,559,707</u>	<u>\$ 2,803,942</u>	<u>\$ (797,381)</u>	<u>\$ 7,566,268</u>	<u>\$ 162,658</u>

The City's General Fund is typically used to liquidate all governmental activity long-term liabilities.

The Water Enterprise Fund is used to liquidate the revenue bonds – GMAC a GEFA Note. The Sewer Fund is used to liquidate the revenue bonds – Rural Development and a GEFA Note.

Governmental Activities Long-Term Debt –

Capital Lease Obligations –

Equipment –

The City has entered into a lease-purchase and security agreement for the purchase of six police vehicles and related equipment. The City intends to continue to abide by the terms of the lease agreement and eventually own the assets. The assets and related liability are recorded at the present value of future payments due under the lease. The original cost of the assets amounted to \$288,278 and had \$41,183 of depreciation expense recorded for the year. Accumulated depreciation on the equipment amounted to \$161,300 as of December 31, 2021. The interest rate associated with the lease agreement is 3.52%.

The lease was retired during 2021.

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

8. LONG-TERM DEBT - (Continued)

Business-Type Activities Long-Term Debt –

The City issues revenue bonds and enters into construction note agreements with the Georgia Environmental Facilities Authority where in both types of debt the government pledges income derived from the acquired or constructed assets to pay debt service. Amounts outstanding at the end of the current fiscal year related to bonds and notes issued in prior years and the current year to finance construction projects to improve the City’s water distribution and wastewater treatment facilities.

Water and Sewer Long-Term Debt – Continued

Water and Sewer Enterprise Fund long-term liabilities outstanding at year end are as follows:

Water Revenue Bonds in the amount of \$812,000, with interest at 5.0%, annual principal and interest payments ranging from \$49,250 to \$51,500 until December 2021	\$ ---
Water capital lease payable to a Georgia corporation in the total amount of \$615,721, interest imputed at 10.35%, due in equal monthly installments of \$6,749, matures in 2035	---
Water note payable to the Georgia Environmental Facilities Authority, in the amount of \$1,014,166, interest at 4%, matures in 2031	611,855
Sewer construction note payable to GEFA, in the amount of \$14,900,000, interest at 2.52%. draw-downs as of December 31, 2021 amounted to	2,803,942
Sewer Revenue Bonds in the amount of \$5,430,300, interest at 4.375%, payable in monthly installments of \$24,200, matures June 2044	<u>4,150,471</u>
Total Business-Type Activities Long-Term Debt	<u>\$7,566,268</u>

The City is using the above mentioned construction note to finance a new sewer treatment facility. Total cost of the new facility is expected to be approximately \$19,000,000 and will be financed with additional increases in the GEFA note.

(See Independent Auditor’s Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

8. LONG-TERM DEBT - (Continued)

Annual repayment requirements to amortize all long-term obligations, except for the construction note which is not yet closed, as they mature are as follows:

F/Y/E December 31,	Sewer Fund		Water Fund		Total	
	Revenue Bonds		Notes Payable		Principal	Interest
	Principal	Interest	Principal	Interest		
2022	\$ 111,293	\$ 179,347	\$ 51,365	\$ 23,672	162,658	203,019
2023	116,260	174,380	53,565	21,472	169,825	195,852
2024	121,450	169,190	55,858	19,179	177,308	188,369
2025	126,871	163,769	58,250	16,787	185,121	180,556
2026	132,535	158,105	60,744	14,293	193,279	172,398
2027	138,451	152,189	63,345	11,692	201,796	163,881
2028	144,631	146,009	66,057	8,980	210,688	154,989
2029	151,087	139,553	68,886	6,151	219,973	145,704
2030	157,831	132,809	71,835	3,202	229,666	136,011
2031	164,876	125,764	61,950	14,108	226,826	139,872
2032	172,236	118,404	-	-	172,236	118,404
2033	179,925	110,715	-	-	179,925	110,715
2034	187,956	102,684	-	-	187,956	102,684
2035	196,346	94,294	-	-	196,346	94,294
2036	205,110	85,530	-	-	205,110	85,530
2037	214,266	76,374	-	-	214,266	76,374
2038	223,831	66,809	-	-	223,831	66,809
2039	233,822	56,818	-	-	233,822	56,818
2040	244,259	46,381	-	-	244,259	46,381
2041	255,163	35,477	-	-	255,163	35,477
2042	266,552	24,088	-	-	266,552	24,088
2043	278,451	12,189	-	-	278,451	12,189
2044	127,269	9,970	-	-	127,269	9,970
	<u>\$ 4,150,471</u>	<u>\$ 2,380,848</u>	<u>\$ 611,855</u>	<u>\$ 139,536</u>	<u>\$ 4,762,326</u>	<u>\$ 2,520,384</u>

During 2020, the City has entered into a lease-purchase and security agreement for the purchase of a meter reading system and related equipment. The City intended to continue to abide by the terms of the lease agreement and eventually own the assets. The assets and related liability were recorded at the present value of future payments due under the lease. The original cost of the assets amounted to \$615,721. During 2021, the city retired the obligation by paying off the remaining balance owed under the lease agreement.

(See Independent Auditor's Report

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

9. UNAVAILABLE REVENUES

Unavailable revenues as of December 31, 2021, reported in the Governmental Fund’s balance sheet, consisted of the following revenue items which had been earned and were measurable but were not received within 60 days after year end and therefore were not considered available:

Property taxes	\$ 61,321
Fines and forfeitures	26,523
Intergovernmental	<u>84,939</u>
Total unavailable revenues - Governmental Funds	<u>\$ 172,783</u>

10. RELATED ORGANIZATION

Related organizations are excluded from the financial reporting entity because the City’s accountability does not extend beyond making appointments. Audited financial statements are available from the respective organizations.

The City of Senoia Housing Authority is considered a related organization. The Authority operates a multi-family housing facility which is located within the city limits. The citizens who serve as the governing board are appointed by the Mayor and Council. The City has no significant influence over the management budget or policies of the Authority

11. JOINT VENTURES

Three Rivers Regional Commission

Under Georgia law, the City, in conjunction with other cities and counties in the Metro Atlanta area, is a member of the Three Rivers Regions Commission. Membership in this organization is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the Commission in Georgia. The Board’s membership includes the chief elected official of each county and four representatives from each member county. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the Center. Separate financial statements may be obtained from:

Three Rivers Regional Commission
13273 Hwy 34 East,
P.O. Box 1600
Franklin, Georgia 30217

(See Independent Auditor’s Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

12. RISK MANAGEMENT

The City of Senoia is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City is a member of Georgia Interlocal Risk Management Agency. This membership allows the City to share liability, crime, motor vehicle and property damage risks.

Coverages are as follows:

Coverage Description – Property:	
Buildings and contents – (Blanket)	\$11,958,991
Automobile physical damage	Per Application on file with GIRMA
Coverage Description – Casualty:	
Comprehensive general liability	\$1,000,000
Automobile liability	\$1,000,000
Errors and omissions (Public Officials)	\$1,000,000
Employee benefits liability	\$1,000,000
Pollution liability	\$1,000,000
Coverage Description – Crime:	
Blanket bond – employees required to be bonded	\$500,000
Blanket bond – all other employees	\$500,000
Depositors forgery	\$500,000
Money and securities – loss inside and outside premises	\$500,000
Deductible:	
All coverages are subject to a per occurrence deductible of	\$1,000

Coverage Exceptions:

Coverage Subject to a Retroactive Date:

Public officials and employee benefits liability coverages are subject to a retroactive date of 1/1/1989.

Chapter 85 Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. The Georgia Interlocal Risk Management Agency (GIRMA) is a municipal interlocal risk management agency to function as an unincorporated non-profit instrumentality of its member municipalities – GIRMA establishes and administers one or more group self insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government.

The basis for estimating the liabilities for unpaid claims is “IBNR” established by an actuary.

During the year ended December 31, 2021, the City paid no claims. The City has not compiled a record of the claims paid up to the \$1,000 deductible for the prior years. The City is not aware of any claims which the City is liable for (up to the \$1,000) which were outstanding and unpaid at December 31, 2021. No provisions have been made in the financial statements for the year ended December 31, 2021 for any estimate of potential unpaid claims.

(See Independent Auditor’s Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

12. Risk Management (continued)

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, the City of Senoia became a member of the Georgia Municipal Associated Workers' Compensation Self Insurance Fund. The liability of the fund to the employees of any employer (City of Senoia) is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and / or employer's liability.

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, in the funds being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

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

13. CONTINGENCIES

Amounts received or receivable from grant agencies are subject to audit and adjustments by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

There were no lawsuits or complaints as of December 31, 2021 that management believes will have a material effect on the financial condition of the City.

14. EMPLOYEE BENEFIT PENSION PLANS

Defined Benefit Plan -

Plan Description

The City, as authorized by the City Council, has established a defined benefit pension plan (The City of Senoia Retirement Plan) covering all full-time employees. The City's pension plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

14. EMPLOYEE BENEFIT PENSION PLANS – (Continued)

Defined Benefit Plan -

Plan Description, continued

As provided by State law, benefit provisions for Participants in GMEBS are established and amended by the respective employers. As authorized by the City Council, the Plan provides pension benefits and death and disability benefits for Plan members and beneficiaries. All employees, excluding elected officials, who work thirty hours or more per week, are eligible to participate immediately upon hiring. Benefits vest after five years of service. A City employee who retires at age 65 with five years of service is entitled to benefits of 1.50% of final average earnings in excess of covered compensation. An employee may elect early retirement at age 55 provided he or she has a minimum of 25 years total credited service to receive full benefits, otherwise early retirement may be elected after only 10 years of service for reduced benefits. Ten years of service is required for nonservice related disability benefits. Disability benefits are paid out at 20% of an employee's current salary. Death benefits are calculated using an actuarial reserve.

At July 1, 2021, the date of the most recent actuarial valuation, there were 67 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	11
Terminated vested participants not yet receiving benefits	21
Active employees - vested	24
Active employees - nonvested	<u>11</u>
Total	<u>67</u>

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standard law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets State minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan is to contribute an amount equal to or greater than the recommended contribution described below. For fiscal year 2021, the actuarially determined contribution rate was 6.75% of covered payroll.

For fiscal year ended December 31, 2021, the City's recommended and actual contribution was \$120,355 which was actuarially determined and is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The amount of employer contributions recognized in the actuarial report date July 1, 2021 and recognized as an expense in the Government-Wide Statement of Activity was \$92,847.

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

14. EMPLOYEE BENEFIT PENSION PLANS – (Continued)

Defined Benefit Plan –

**Pension Liabilities, Pension Expense, and Deferred Outflows and
Deferred Outflows of Resources Related to Pensions**

At December 31, 2021, the City reported a liability of \$253,126 for its net pension liability. The net pension liability was measured as of March 31, 2021 and was determined by an actuarial valuation as of July 1, 2021. The changes in the Net Pension Liability for the year ended March 31, 2021 (the measurement date) were as follow:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at beginning of year	\$ 1,920,390	\$ 1,273,543	\$ 646,847
Changes for the year-			
Service cost	79,596	-	79,596
Interest	145,414	-	145,414
Differences between expected and actual experience	62,395	-	62,395
Contributions - Employer	-	105,276	(105,276)
Net investment income	-	583,303	(583,303)
Benefit payments, including refunds of employee contributions	(56,552)	(56,552)	-
Administrative expense	-	(7,453)	7,453
Other	-	-	-
Net Changes	<u>230,853</u>	<u>624,574</u>	<u>(393,721)</u>
Balance at end of year	<u>\$ 2,151,243</u>	<u>\$ 1,898,117</u>	<u>\$ 253,126</u>

Effective July 1, 2018, the Plan was amended to provide for immediate participation for Employees. This change has no impact on service credited under the Plan and has no impact on benefits. As a result of this change, all Employees are now included in the valuation. This change has minimal impact on the Plan's liability.

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

14. EMPLOYEE BENEFIT PENSION PLANS – (Continued)

Defined Benefit Plan –

For the year ended December 31, 2021, the City recognized pension expense and deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Service cost	\$ 79,596
Interest on The Pension Liability (TPL)	145,414
Administrative expenses	7,453
Expected return on assets	(95,446)
Expensed portion of current year period differences between expected and actual experience in TPL	12,479
Expensed portion of current year period assumption changes	-
Expensed portion of current year period differences between projected and actual investment earnings	(97,573)
Current year recognition of deferred inflows and outflows established in prior years	<u>40,924</u>
 Total expense	 <u>\$ 92,847</u>

**Pension Liabilities, Pension Expense, and Deferred Outflows and
Deferred Outflows of Resources Related to Pensions, Continued**

\$90,266 reported as deferred outflows of resources related to pensions resulting from the City's contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

F/Y/E December 31,	Deferred Outflows	Deferred Inflows
2022	\$ 39,991	\$ (75,172)
2023	39,991	(48,609)
2024	25,377	(58,420)
2025	12,479	(97,571)
2026	<u>-</u>	<u>-</u>
	<u>\$ 117,838</u>	<u>\$ (279,772)</u>

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

14. EMPLOYEE BENEFIT PENSION PLANS – (Continued)

Defined Benefit Plan –

Outstanding balances of deferred outflows/inflows of resources related to pensions as of December 31, 2021 are as follow:

	Outflows	Inflows
Contributions subsequent to the measurement date	\$ 90,266	\$ -
Demographic	111,166	(16,383)
Investment	-	(260,803)
Assumption change	<u>6,672</u>	<u>(2,586)</u>
Total	<u>\$ 208,104</u>	<u>\$ (279,772)</u>

Actuarial Assumptions

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

Actuarial Assumptions:

Net Investment Rate of Return	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost of Living Adjustments	N/A
Mortality Rates -	
Healthy	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with multiplier of 1.25
Disabled	Sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with multiplier of 1.25
Plan Termination Basis	1994 Group Annuity Reserving Unisex Table

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

(See Independent Auditor’s Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

14. EMPLOYEE BENEFIT PENSION PLANS – (Continued)

Defined Benefit Plan –

The long-term 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 March 31, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	45.00%	6.40%
International equity	20.00%	7.05%
Domestic fixed income	20.00%	1.15%
Real estate	10.00%	4.50%
Global fixed income	5.00%	1.25%
Cash	<u>0.00%</u>	
Total	100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 7.375 percent. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at the actuarially determined contribution rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Net Pension Liability
 To Changes in the Discount Rate*

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

	1% Decrease	Current Rate	1% Increase
	<u>6.375%</u>	<u>7.375%</u>	<u>8.375%</u>
Net Pension Liability	\$ 574,976	\$ 253,126	\$ (11,756)

Pension Plan Net Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued City of Senoia Retirement Plan financial report.

(See Independent Auditor’s Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

15. RESTRICTED ASSETS

Pursuant to the Water and Sewer Revenue Bonds, the City was required to create various funds and accounts. Balances in these bond restricted funds and other various restricted funds and accounts as of December 31, 2021 are as follows:

Revenue Bond Restricted Assets -	
Debt service account	\$ 91,764
Debt service reserve fund	552,669
Renewal and extension fund	1,511,344
Capital projects-	
Special purpose local option sales funds	2,425,474
Development impact fee funds	933,993
ARPA Fund	856,846
Confiscated asset funds	<u>2,643</u>
	<u>\$ 6,374,733</u>

16. CONDUIT DEBT OBLIGATION

In June 2014 the Development Authority of the City of Senoia, Georgia issued \$11,905,000 aggregate principal amount of Charter School Revenue Bonds Series 2014A and \$580,000 aggregate principal amount of Charter School Taxable Revenue Bonds Series 2014B. Proceeds from the sale of the Series 2014 Bonds was loaned to Georgia Charter Educational Foundation, Inc., a Georgia Nonprofit Corporation in accordance with the terms of the loan agreement dated June 1, 2014. The proceeds will be used for the purpose of acquiring the charter school building and all other ancillary structures, improvements etc... on approximately 11.2 acres of land. The Series 2014 Bonds do not constitute a debt, moral obligation, liability, or a loan, or credit or pledge of full faith and credit of the taxpayers of the City of Senoia, Georgia. Accordingly, the bonds have not been reported as liabilities in the accompanying financial statements. As of December 31, 2021, \$11,505,000 was outstanding under the bond issues. During 2021, the Development Authority approved a reissuance of the Series 2014A Bonds to: (1) change the term of, and applicable interest rates; (2) reduce the Bond Reserve Requirement; and (3) Modify certain financial covenants of the Borrower.

17. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosures, as a part of the combined statements - overview, of certain information concerning individual funds including-

- A) Deficit fund balances or net position balances of individual funds – As of December 31, 2021, the City’s Sanitation Fund had a deficit net position balance of \$2,866 which is expected to be funded through future additional revenues.
- B) Excess expenditures over budget – None of the City’s Funds had any expenditures that materially (if over 5 percent and greater than \$5,000) exceeded its corresponding appropriations at the department level (the legal level of control).

(See Independent Auditor’s Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

18. DOWNTOWN DEVELOPMENT AUTHORITY DISCLOSURES

Capital Assets –

Capital asset activity for the year ended December 31, 2021 for the Authority was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 1,000	\$ -	\$ -	\$ 1,000
Construction in progress	-	-	-	-
Total	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
Capital assets being depreciated:				
Buildings and improvements	127,537	10,275	-	137,812
Furniture and fixtures	10,379	-	-	10,379
Machinery and equipment	38,773	-	-	38,773
Total capital assets being depreciated	<u>176,689</u>	<u>10,275</u>	<u>-</u>	<u>186,964</u>
Less accumulated depreciation for:				
Buildings and improvements	38,257	4,523	-	42,780
Furniture and fixtures	10,379	-	-	10,379
Machinery and equipment	19,680	2,453	-	22,133
Total capital assets being depreciated	<u>68,316</u>	<u>6,976</u>	<u>-</u>	<u>75,292</u>
Total capital assets being depreciated, net	<u>108,373</u>	<u>3,299</u>	<u>-</u>	<u>111,672</u>
Capital assets, net	<u>\$ 109,373</u>	<u>\$ 3,299</u>	<u>\$ -</u>	<u>\$ 112,672</u>

Long-Term Debt –

In June 2012 the Authority borrowed \$85,000 to help finance improvements to the Welcome Center. The note has been renewed several times and currently bears interest at the rate of 5.95% and is due in equal monthly installments of \$594.11 until December 2022. A summary of changes in long-term debt for the Authority for the year ended December 31, 2021 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
Note payable	\$ 33,532	\$ -	\$ (5,250)	\$ 28,282	\$ 28,282

Annual repayment requirements under the note payable agreement are as follow:

F/Y/E DECEMBER 31,	PRINCIPAL	INTEREST	TOTAL
2022	\$ 28,282	\$ 1,555	\$ 29,837
	<u>\$ 28,282</u>	<u>\$ 1,555</u>	<u>\$ 29,837</u>

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

19. Subsequent Events

In January 2022, the City issued Water & Sewer Revenue Refunding Bonds, Series 2022 in the principal amount of \$4,350,000. The bonds were issued to pay-off the Series 2003 A & B USDA loans of \$4,166,888, the 2005 GEFA loan of \$609,658 and to pay all bond issue costs. The bonds were issued at a premium of \$596,247 less an underwriters' discount of \$43,500 and incur interest at rates of 3.00% and 4.00%. The savings over the next 23 years is \$882,000 or a present value of \$818,000.

(See Independent Auditor's Report)

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CITY OF SENOIA, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS

	Fiscal Year End									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total Pension Liability										
Service cost	\$ 79,596	\$ 75,855	\$ 73,097	\$ 71,138	\$ 67,336	\$ 69,310	\$ 56,627			
Interest	145,414	132,758	119,656	100,745	97,991	90,242	79,906			
Differences between expected and actual experience	62,395	45,103	23,262	67,668	(98,300)	(26,937)	33,025	(Historical information prior to implementation of GASB 67/68 is not required)		
Other	-	(4,309)	-	20,016	-	-	(571)			
Benefit payments	(56,552)	(46,530)	(41,639)	(32,721)	(30,260)	(35,013)	(36,222)			
Net changes in total pension liability	230,853	202,877	174,376	226,846	36,767	97,602	132,765			
Total pension liability - beginning	1,920,390	1,717,513	1,543,137	1,316,291	1,279,524	1,181,922	1,049,157			
Total pension liability - ending	<u>\$ 2,151,243</u>	<u>\$ 1,920,390</u>	<u>\$ 1,717,513</u>	<u>\$ 1,543,137</u>	<u>\$ 1,316,291</u>	<u>\$ 1,279,524</u>	<u>\$ 1,181,922</u>			
Plan Fiduciary Net Position										
Contributions - employer	\$ 105,276	\$ 96,619	\$ 81,063	\$ 91,124	\$ 74,837	\$ 75,746	\$ 73,462			
Net investment income	583,303	(98,676)	46,155	135,577	117,810	2,967	75,669	(Historical information prior to implementation of GASB 67/68 is not required)		
Benefit payments	(56,552)	(46,530)	(41,639)	(32,721)	(30,260)	(35,013)	(36,222)			
Administrative expense	(7,453)	(9,295)	(7,759)	(7,575)	(7,649)	(4,937)	(4,414)			
Other	-	-	-	-	-	-	-			
Net change in fiduciary net position	624,574	(57,882)	77,820	186,405	154,738	38,763	108,495			
Plan fiduciary net position - beginning	1,273,543	1,331,425	1,253,605	1,067,200	912,462	873,699	765,204			
Plan fiduciary net position - ending	<u>\$ 1,898,117</u>	<u>\$ 1,273,543</u>	<u>\$ 1,331,425</u>	<u>\$ 1,253,605</u>	<u>\$ 1,067,200</u>	<u>\$ 912,462</u>	<u>\$ 873,699</u>			
Net Pension Liability										
Net pension liability	\$ 253,126	\$ 646,847	\$ 386,088	\$ 289,532	\$ 249,091	\$ 367,062	\$ 308,223			
Plan's fiduciary net position as a percentage of the total pension liability	88.23%	66.32%	77.52%	81.24%	81.08%	71.31%	73.92%	(Historical information prior to implementation of GASB 67/68 is not required)		
Covered-employee payroll	1,761,945	1,763,048	\$ 1,612,946	\$ 1,630,233	\$ 1,525,090	\$ 1,509,140	\$ 1,412,558			
Net pension liability as a percentage of covered payroll	14.37%	36.69%	23.94%	17.76%	16.33%	24.32%	21.82%			

CITY OF SENOIA, GEORGIA
 SCHEDULE OF CONTRIBUTIONS
 LAST 10 FISCAL YEARS

	Fiscal Year End									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contributions	120,355	100,249	93,875	76,792	86,311	80,603	74,127			
Contributions in relation to the actuarially determined contribution	(120,355)	(100,249)	(93,875)	(76,792)	(86,311)	(80,603)	(74,127)			
Contribution deficiency (excess)	-	-	-	-	-	-	-	-		
										(Historical information prior to implementation of GASB 67/68 is not required)
Covered-employee payroll	1,761,945	1,763,048	1,612,946	1,630,233	1,525,090	1,412,528	1,285,779			
Contributions as a percentage of covered-employee payroll	6.83%	5.69%	5.82%	4.71%	5.66%	5.71%	5.77%			

CITY OF SENOIA, GEORGIA
NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021

Note 1

Significant methods and assumptions used in calculating the actuarially determined calculations are as follow:

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	N/A
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Actuarial Assumptions:

Net Investment Rate of Return	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost of Living Adjustments	0.00%
Mortality Rates -	
Healthy	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with multiplier of 1.25
Disabled	Sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with multiplier of 1.25
Plan Termination Basis	1994 Group Annuity Reserving Unisex Table

No significant factors changed that significantly affected trends in the amounts reported such as changes in benefit terms, the size or composition of the population covered by the benefit terms. However, the assumptions used changed as follows:

- Net Investment Rate of Return decreased from 7.50% to 7.375%
- Projected Salary Increases decreased from 2.75% TO 2.25%.

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**CITY OF SENOIA, GEORGIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	SPECIAL REVENUE	CAPITAL PROJECTS	Total
	Confiscated Fund	Development Impact Fee Fund	Non-Major Governmental Funds
ASSETS			
Cash	\$ 2,643	\$ 933,993	\$ 936,636
Receivables -			
Intergovernmental	-	-	-
Due from other funds	-	2,531	2,531
	-	2,531	2,531
Total Assets	\$ 2,643	\$ 936,524	\$ 939,167
 LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY			
Liabilities:			
Accounts payable	\$ -	\$ -	-
Unearned revenues	-	-	-
	-	-	-
Total Liabilities	-	-	-
Deferred Inflows:			
Unavailable revenues	-	-	-
	-	-	-
Fund Balance:			
Restricted -			
Police activities	2,643	-	2,643
Capital outlay	-	936,524	936,524
Unassigned	-	-	-
	-	-	-
Total Fund Equity	2,643	936,524	939,167
Total Liabilities, Deferred Outflows and Fund Balance	\$ 2,643	\$ 936,524	\$ 939,167

CITY OF SENOIA, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>SPECIAL REVENUE</u>	<u>CAPITAL PROJECTS</u>	<u>Total Non-Major Governmental Funds</u>
	<u>Confiscated Fund</u>	<u>Development Impact Fee Fund</u>	
Revenues:			
Impact fees	\$ -	\$ 339,637	\$ 339,637
Intergovernmental	-	-	-
Forfeitures	-	-	-
Interest	-	191	191
Miscellaneous	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>-</u>	<u>339,828</u>	<u>339,828</u>
Expenditures:			
Current			
Contract services	-	-	-
Supplies	-	-	-
Capital Outlay	-	417,515	417,515
	<u>-</u>	<u>417,515</u>	<u>417,515</u>
Total Expenditures	<u>-</u>	<u>417,515</u>	<u>417,515</u>
Excess of Revenues Over (Under)			
Expenditures Before Other Sources and (Uses)	-	(77,687)	(77,687)
Other Sources and (Uses)			
Proceeds from disposal of capital assets	-	-	-
Proceeds from debt issue	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under)			
Expenditures and Other Uses	-	(77,687)	(77,687)
Fund Balance - Beginning of Year	<u>2,643</u>	<u>1,014,211</u>	<u>1,016,854</u>
Fund Balance - End of Year	<u>\$ 2,643</u>	<u>\$ 936,524</u>	<u>\$ 939,167</u>

**CITY OF SENOIA, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2021 AND 2020**

	2021	2020
ASSETS		
Cash	\$ 5,944,125	\$ 5,073,468
Receivables:		
Taxes	847,406	616,767
Fines	32,523	57,822
Other	3,165	595
Due from other funds	33,000	1,542
Due from component unit	-	-
Prepaid expenses	157,752	87,933
Total Assets	\$ 7,017,971	\$ 5,838,127
LIABILITIES		
Accounts payable	\$ 89,074	\$ 91,409
Accrued expenses		
Salaries and wages	27,414	18,220
Other	-	1,944
Due to other funds	2,028,498	1,438,348
Deposits	4,100	2,000
Unearned revenues	62,495	183,189
Total Liabilities	2,211,581	1,735,110
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues	87,844	99,259
FUND BALANCE:		
Nonspendable	157,752	87,933
Restricted - park and street improvements	276,267	276,267
Unassigned	4,284,527	3,639,558
Total Fund Balance	4,718,546	4,003,758
 Total Liabilities, Deferred Inflows of Resources and Fund Balance	 \$ 7,017,971	 \$ 5,838,127

**CITY OF SENOIA, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
REVENUES		
Taxes	\$ 3,516,626	\$ 3,135,546
Licenses and permits	587,812	437,362
Intergovernmental grants	80,278	282,658
Charges for services	339,529	71,454
Fines, fees and forfeitures	336,904	244,235
Investment income	2,430	3,604
Rental income	11,950	7,200
Miscellaneous	38,859	128,341
Total revenues	<u>4,914,388</u>	<u>4,310,400</u>
EXPENDITURES		
Current		
Governing Body	28,391	27,840
Financial Administration	923,000	763,561
Government Buildings	77,345	80,858
Municipal Court	276,151	210,177
Public Safety	1,573,061	1,449,189
Highways and Streets	524,190	392,554
Cemetery	1,157	-
Parks	2,365	1,723
Planning and Zoning	94,758	95,363
Development Authorities	15,953	23,929
Code Enforcement	344,029	271,823
Debt Service		
Principal	149,124	70,781
Interest	7,289	7,740
Capital Outlay	405,708	87,754
Total expenditures	<u>4,422,521</u>	<u>3,483,292</u>
Excess of revenues over (under) expenditures	491,867	827,108
Other financing sources (uses):		
Proceeds from capital lease	-	-
Proceeds from disposal of capital assets	260,534	147,049
Transfers	(37,613)	61,653
Total other financing sources (uses):	<u>222,921</u>	<u>208,702</u>
Net change in fund balance	714,788	1,035,810
Fund balance - beginning	<u>4,003,758</u>	<u>2,967,948</u>
Fund balance - ending	<u>\$ 4,718,546</u>	<u>\$ 4,003,758</u>

CITY OF SENOIA, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES - COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2020

	<u>2021</u>			<u>2020</u>
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	
REVENUES				
Taxes				
Property taxes	\$ 1,429,000	\$ 1,387,401	\$ (41,599)	\$ 1,307,056
Motor vehicle	144,000	216,190	72,190	158,582
Franchise	401,500	389,022	(12,478)	355,031
Local option sales	1,039,044	1,058,001	18,957	916,726
Alcohol beverage	104,700	150,271	45,571	105,974
Premium	268,000	282,580	14,580	269,284
Intangible	15,000	25,844	10,844	18,143
Transfer	4,000	6,052	2,052	4,750
Other	-	1,265	1,265	-
Total taxes	<u>3,405,244</u>	<u>3,516,626</u>	<u>111,382</u>	<u>3,135,546</u>
Licenses and permits				
Business licenses and permits	448,051	587,812	139,761	437,362
Intergovernmental				
	65,000	80,278	15,278	282,658
Charges for services				
Planning and Zoning fees	85,700	20,595	(65,105)	35,889
Convenience fees	11,000	8,470	(2,530)	11,278
Police services	8,000	4,062	(3,938)	6,537
Cemetery fees	20,000	13,700	(6,300)	17,300
Administration fees - other funds	<u>294,732</u>	<u>292,702</u>	<u>(2,030)</u>	<u>450</u>
Total charges for services	419,432	339,529	(79,903)	71,454
Fines and forfeitures				
	255,200	336,904	81,704	244,235
Interest				
	3,500	2,430	(1,070)	3,604
Rents				
	14,000	11,950	(2,050)	7,200
Miscellaneous				
Contributions	-	6,220	6,220	89,121
Other	<u>20,000</u>	<u>32,639</u>	<u>12,639</u>	<u>39,220</u>
Total miscellaneous	20,000	38,859	18,859	128,341
Total Revenues	<u>\$ 4,630,427</u>	<u>\$ 4,914,388</u>	<u>\$ 283,961</u>	<u>\$ 4,310,400</u>

CITY OF SENOIA, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2020

	<u>2021</u>			<u>2020</u>
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	
EXPENDITURES				
Current				
GOVERNING BODY				
Personal services and benefits	\$ 26,000	\$ 25,836	\$ 164	\$ 22,646
Purchased/contracted services	11,000	2,555	8,445	5,194
Total Governing Body	<u>37,000</u>	<u>28,391</u>	<u>8,609</u>	<u>27,840</u>
FINANCIAL ADMINISTRATION				
Personal services and benefits	495,627	472,241	23,386	442,428
Purchased/contracted services	335,300	421,455	(86,155)	287,277
Supplies	196,607	29,304	167,303	33,856
Total Financial Administration	<u>1,027,534</u>	<u>923,000</u>	<u>104,534</u>	<u>763,561</u>
GOVERNMENT BUILDINGS				
Personal services and benefits	-	-	-	-
Purchased/contracted services	34,625	55,014	(20,389)	55,008
Supplies	49,433	22,331	27,102	25,850
Total Government Buildings	<u>84,058</u>	<u>77,345</u>	<u>6,713</u>	<u>80,858</u>
MUNICIPAL COURT				
Personal services and benefits	133,822	127,823	5,999	110,599
Purchased/contracted services	43,600	43,700	(100)	36,356
Supplies	2,600	5,227	(2,627)	2,110
Other costs	110,200	99,401	10,799	61,112
Total Municipal Court	<u>290,222</u>	<u>276,151</u>	<u>14,071</u>	<u>210,177</u>

CITY OF SENOIA, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2020

	<u>2021</u>			<u>2020</u>
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	
PUBLIC SAFETY				
POLICE SERVICES				
Personal services and benefits	\$ 1,213,873	\$ 1,181,536	\$ 32,337	\$ 1,091,339
Purchased/contracted services	279,670	280,417	(747)	246,376
Supplies	<u>122,089</u>	<u>111,108</u>	<u>10,981</u>	<u>111,474</u>
Total Police Services	<u>1,615,632</u>	<u>1,573,061</u>	<u>42,571</u>	<u>1,449,189</u>
FIRE SERVICES				
Purchased/contracted services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fire Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Public Safety	<u>1,615,632</u>	<u>1,573,061</u>	<u>42,571</u>	<u>1,449,189</u>
HIGHWAYS AND STREETS				
Personal services and benefits	253,590	242,530	11,060	201,575
Purchased/contracted services	160,750	169,381	(8,631)	80,144
Supplies	<u>140,800</u>	<u>112,279</u>	<u>28,521</u>	<u>110,835</u>
Total Highways and Streets	<u>555,140</u>	<u>524,190</u>	<u>30,950</u>	<u>392,554</u>
CEMETERY				
Purchased/contracted services	<u>-</u>	<u>1,157</u>	<u>(1,157)</u>	<u>-</u>
Total Cemetery	<u>-</u>	<u>1,157</u>	<u>(1,157)</u>	<u>-</u>
LIBRARY				
Purchased/contracted services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Library	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
PARKS				
Purchased/contracted services	<u>3,000</u>	<u>2,365</u>	<u>635</u>	<u>1,723</u>
Total Parks	<u>3,000</u>	<u>2,365</u>	<u>635</u>	<u>1,723</u>

CITY OF SENOIA, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2020

	<u>2021</u>			<u>2020</u>
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	
PLANNING AND ZONING				
Personal services and benefits	\$ 80,235	\$ 91,654	\$ (11,419)	\$ 89,339
Purchased/contracted services	27,650	2,778	24,872	4,629
Supplies	700	326	374	1,395
Total Planning and Zoning	<u>108,585</u>	<u>94,758</u>	<u>13,827</u>	<u>95,363</u>
DEVELOPMENT AUTHORITIES				
Personal services and benefits	22,065	15,953	6,112	10,780
Purchased/contracted services	-	-	-	13,149
Supplies	-	-	-	-
Total Community Development	<u>22,065</u>	<u>15,953</u>	<u>6,112</u>	<u>23,929</u>
CODE ENFORCEMENT				
Personal services and benefits	65,943	57,293	8,650	65,135
Purchased/contracted services	302,060	283,773	18,287	201,397
Supplies	3,200	2,963	237	5,291
Total Code Enforcement	<u>371,203</u>	<u>344,029</u>	<u>27,174</u>	<u>271,823</u>
DEBT SERVICE:				
Principal	156,413	149,124	7,289	70,781
Interest	8,000	7,289	711	7,740
Total Debt Service	<u>164,413</u>	<u>156,413</u>	<u>8,000</u>	<u>78,521</u>
CAPITAL OUTLAY				
Financial Administration	71,608	71,608	-	8,938
Court	3,000	270	2,730	758
Police Services	96,725	91,368	5,357	20,968
Highways and Streets	243,850	241,663	2,187	57,090
Parks	4,000	799	3,201	-
Code Enforcement	-	-	-	-
Planning and Zoning	-	-	-	-
Total Capital Outlay	<u>419,183</u>	<u>405,708</u>	<u>13,475</u>	<u>87,754</u>
Total Expenditures	<u>\$ 4,698,035</u>	<u>\$ 4,422,521</u>	<u>\$ 275,514</u>	<u>\$ 3,483,292</u>

**CITY OF SENOIA, GEORGIA
 ARPA FUND
 BALANCE SHEET
 DECEMBER 31, 2021**

	2021
ASSETS	
Cash	\$ <u>856,846</u>
Total Assets	\$ <u><u>856,846</u></u>
 LIABILITIES AND FUND EQUITY	
Liabilities:	
Accounts payable	\$ -
Due to other funds	<u>33,000</u>
Total Liabilities	<u>33,000</u>
Fund Equity:	
Restricted for specified grant purposes	<u>823,846</u>
Total Fund Equity	<u>823,846</u>
Total Liabilities and Fund Equity	<u><u>\$ 856,846</u></u>

CITY OF SENOIA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
ARPA FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues:				
Intergovernmental	\$ -	\$ 823,800	\$ 823,800	\$ -
Interest	-	-	69	69
Total Revenue	-	823,800	823,869	69
Expenditures:				
Current				
Administrative	-	1,000	23	977
Capital Outlay	-	-	-	-
Total Expenditures	-	1,000	23	977
Excess of Revenues Over (Under)				
Expenditures Before Other Sources and (Uses)	-	822,800	823,846	1,046
Other Sources and (Uses)				
Transfers	-	-	-	-
Total Other Sources and (Uses)	-	-	-	-
Net change in fund balance	-	822,800	823,846	1,046
Fund Balance - Beginning of Year	-	-	-	-
Fund Balance - End of Year	\$ -	\$ 822,800	\$ 823,846	\$ 1,046

No expenditures were anticipated for 2021.

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

**CITY OF SENOIA, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
BALANCE SHEET
DECEMBER 31, 2021 AND 2020**

	2021	2020
ASSETS		
Cash	\$ 2,643	\$ 2,643
Total Assets	\$ 2,643	\$ 2,643
 LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ -	\$ -
Unearned revenues	-	-
Total Liabilities	-	-
Fund Equity:		
Restricted for police activities	2,643	2,643
Total Fund Equity	2,643	2,643
Total Liabilities and Fund Equity	\$ 2,643	\$ 2,643

CITY OF SENOIA, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
CONFISCATED ASSETS SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues:				
Forfeitures	\$ 2,400	\$ 2,400	\$ -	\$ (2,400)
Interest	50	50	-	(50)
Total Revenue	<u>2,450</u>	<u>2,450</u>	<u>-</u>	<u>(2,450)</u>
Expenditures:				
Current				
Police activity	2,450	2,450	-	2,450
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,450</u>	<u>2,450</u>	<u>-</u>	<u>2,450</u>
Excess of Revenues Over (Under)				
Expenditures Before Other Sources and (Uses)	-	-	-	-
Other Sources and (Uses)				
Transfers	-	-	-	-
Total Other Sources and (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund Balance - Beginning of Year	<u>2,643</u>	<u>2,643</u>	<u>2,643</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 2,643</u>	<u>\$ 2,643</u>	<u>\$ 2,643</u>	<u>\$ -</u>

CITY OF SENOIA, GEORGIA
SPLOST 5 CAPITAL PROJECTS FUND
BALANCE SHEET
DECEMBER 31, 2021 AND 2020

ASSETS	2021	2020
Cash	\$ 486,485	\$ 405,094
Due from other governments	262,007	664,609
Due from other funds	120,132	-
Total assets	\$ 868,624	\$ 1,069,703
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 285,756	\$ 121,300
Due to other funds	-	-
	285,756	121,300
Deferred inflows of resources		
Unavailable revenues	84,939	150,946
Fund balance		
Reserved for specified purposes	497,929	797,457
Total fund balance	497,929	797,457
Total liabilities and fund balance	\$ 868,624	\$ 1,069,703

CITY OF SENOIA, GEORGIA
SPLOST 5 CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
REVENUES		
Intergovernmental - Coweta County	\$ -	\$ -
Intergovernmental - DOT	719,660	2,023,226
Interest	<u>124</u>	<u>155</u>
Total revenues	<u>719,784</u>	<u>2,023,381</u>
EXPENDITURES		
Administrative	-	-
Capital Outlay -		
Administrative	5,347	-
Public Safety	-	-
Road and street projects	462,746	2,185,488
Park and recreation projects	<u>551,219</u>	<u>31,900</u>
Total expenditures	<u>1,019,312</u>	<u>2,217,388</u>
Excess of revenues over (under) expenditures	(299,528)	(194,007)
Other financing sources (uses)		
Transfers	<u>-</u>	<u>-</u>
 Net change in fund balance	 (299,528)	 (194,007)
Fund Balance -		
Beginning	<u>797,457</u>	<u>991,464</u>
Ending	<u>\$ 497,929</u>	<u>\$ 797,457</u>

**CITY OF SENOIA, GEORGIA
SCHEDULE OF PROJECTS FINANCED
WITH SPECIAL SALES TAX #5 PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

<u>PROJECTS</u>	<u>ORIGINAL ESTIMATED COST</u>	<u>EXPENDITURES</u>			<u>ESTIMATED PERCENT COMPLETE</u>
		<u>BEGINNING OF YEAR</u>	<u>CURRENT YEAR</u>	<u>TO DATE</u>	
City Hall	\$ 120,000	\$ 419	\$ 5,347	\$ 5,766	4.8%
Public Safety	200,000	63,344	-	63,344	31.7%
Road, streets, bridges and sidewalks	1,250,000	4,228,777	462,746	4,691,523	375.3%
Parks and Recreationsl	1,250,000	713,660	551,219	1,264,879	101.2%
Public Works	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	0.0%
	<u>\$ 3,120,000</u>	<u>\$ 5,006,200</u>	<u>\$ 1,019,312</u>	<u>\$ 6,025,512</u>	

CITY OF SENOIA, GEORGIA
 SPLOST 6 CAPITAL PROJECTS FUND
 BALANCE SHEET
 DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
Cash	\$ 1,938,989	\$ 1,326,135
Due from other governments	179,335	146,775
Due from other funds	-	-
Total assets	\$ 2,118,324	\$ 1,472,910
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ -	\$ -
Due to other funds	-	-
	-	-
 Deferred inflows of resources		
Unavailable revenues	-	-
	-	-
 Fund balance		
Reserved for specified purposes	2,118,324	1,472,910
Total fund balance	2,118,324	1,472,910
Total liabilities and fund balance	\$ 2,118,324	\$ 1,472,910

CITY OF SENOIA, GEORGIA
SPLOST 6 CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
REVENUES		
Intergovernmental - Coweta County	\$ 950,239	\$ 823,597
Intergovernmental - DOT	-	-
Interest	351	191
Total revenues	950,590	823,788
EXPENDITURES		
Administrative	176	-
Capital Outlay -		
General Government	-	5,824
Public Safety	-	-
Public Works	-	59,987
Road and street projects	-	-
Park and recreation projects	305,000	-
Total expenditures	305,176	65,811
Excess of revenues over (under) expenditures	645,414	757,977
Other financing sources (uses)		
Transfers	-	-
 Net change in fund balance	 645,414	 757,977
Fund Balance -		
Beginning	1,472,910	714,933
Ending	\$ 2,118,324	\$ 1,472,910

**CITY OF SENOIA, GEORGIA
SCHEDULE OF PROJECTS FINANCED
WITH SPECIAL SALES TAX #6 PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

<u>PROJECTS</u>	<u>ORIGINAL</u>	<u>EXPENDITURES</u>			<u>ESTIMATED PERCENT COMPLETE</u>
	<u>ESTIMATED COST</u>	<u>BEGINNING OF YEAR</u>	<u>CURRENT YEAR</u>	<u>TO DATE</u>	
City Hall	\$ -	\$ 5,845	\$ 176	\$ 6,021	#DIV/0!
Public Safety	699,132	-	-	-	0.0%
Road, streets, bridges and sidewalks	1,500,000	-	-	-	0.0%
Parks and Recreation	1,435,000	-	305,000	305,000	21.3%
Public Works	<u>300,000</u>	<u>59,987</u>	<u>-</u>	<u>59,987</u>	20.0%
	<u>\$ 3,934,132</u>	<u>\$ 65,832</u>	<u>\$ 305,176</u>	<u>\$ 371,008</u>	

**CITY OF SENOIA, GEORGIA
DEVELOPMENT IMPACT FEE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2021 AND 2020**

	2021	2020
Assets		
Cash	\$ 933,993	\$ 1,015,753
Due from other governments	-	-
Due from other funds	2,531	-
Total Assets	\$ 936,524	\$ 1,015,753
 Liabilities Deferred Inflows of Resources and Fund Equity		
Liabilities:		
Accounts payable	\$ -	\$ -
Unearned revenues	-	-
Due to other funds	-	1,542
	-	1,542
Deferred inflows of resources		
Unavailable revenues	-	-
Fund equity:		
Restricted for capital outlay	936,524	1,014,211
Total Fund Equity	936,524	1,014,211
Total Liabilities and Fund Equity	\$ 936,524	\$ 1,015,753

CITY OF SENOIA, GEORGIA
DEVELOPMENT IMPACT FEE FUND
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2021</u>			<u>2020</u>
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	
Revenues				
Impact fees	\$ 494,415	\$ 339,637	\$ (154,778)	\$ 202,311
Intergovernmental	-	-	-	-
Interest	500	191	(309)	155
Total Revenues	<u>494,915</u>	<u>339,828</u>	<u>(155,087)</u>	<u>202,466</u>
Expenditures				
Current				
Bank charges	-	-	-	-
Administrative fees	-	-	-	-
Capital outlay				
Administration	-	-	-	-
Police	154,814	79,814	75,000	-
Library	168,754	168,754	-	-
Parks	171,347	168,947	2,400	8,739
Total Expenditures	<u>494,915</u>	<u>417,515</u>	<u>77,400</u>	<u>8,739</u>
Excess of Revenues Over (Under) Expenditures Before Other Sources and (Uses)	-	(77,687)	(77,687)	193,727
Other Sources and (Uses) Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	(77,687)	(77,687)	193,727
Fund Balance - Beginning	<u>1,014,211</u>	<u>1,014,211</u>	<u>-</u>	<u>820,484</u>
Fund Balance - End of Year	<u>\$ 1,014,211</u>	<u>\$ 936,524</u>	<u>\$ (77,687)</u>	<u>\$ 1,014,211</u>

CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
Current assets		
Cash	\$ 2,000	\$ 271,548
Receivables-		
Accounts (net)	159,628	122,542
Inventory	4,729	4,729
Due to other funds	727,608	1,044,265
Restricted assets		
Cash	91,764	91,646
Investments	109,149	108,658
Total current assets	1,094,878	1,643,388
Noncurrent assets		
Capital assets		
Land	45,647	45,647
Construction in progress	14,747	14,747
Improvements other than buildings	5,618,142	5,570,454
Buildings	270,317	241,597
Machinery and equipment	1,413,127	1,179,015
Vehicles	35,150	35,150
Accumulated depreciation	(3,054,081)	(2,863,097)
Capital assets (net of depreciation)	4,343,049	4,223,513
Total noncurrent assets	4,343,049	4,223,513
Total assets	5,437,927	5,866,901
Deferred items		
Deferred pension outflows	33,505	53,988
Total assets and deferred items	5,471,432	5,920,889

CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2021 AND 2020

	2021	2020
LIABILITIES		
Current liabilities		
Accounts payable	\$ 25,323	\$ 30,096
Accrued expenses		
Customer deposits	168,385	148,173
Salaries	7,909	4,920
Compensated absences	21,504	29,633
Due to other funds	-	-
Current liabilities payable from restricted assets		
Revenue bonds	-	45,000
Notes	51,365	49,256
Capital lease	-	20,062
Accrued interest	2,141	2,498
Total current liabilities	276,627	329,638
Long-term liabilities		
Revenue bonds	-	-
Notes payable	560,490	610,833
Capital lease	-	577,562
Net pension liability	40,753	104,142
Total long-term liabilities	601,243	1,292,537
Total liabilities	877,870	1,622,175
Deferred items		
Deferred pension inflows	45,043	6,567
Net Position		
Net investment in capital assets	3,731,194	2,920,800
Restricted under debt ordinance	200,913	200,304
Unrestricted	616,412	1,171,043
Total Net Position	\$ 4,548,519	\$ 4,292,147

CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
OPERATING REVENUES		
Sales and service	\$ 1,391,001	\$ 1,225,625
Penalties	36,183	26,949
Miscellaneous	13,729	27,348
Total operating revenues	1,440,913	1,279,922
OPERATING EXPENSES		
Purchase of product	229,533	109,695
Salaries and related cost	404,257	457,328
Supplies and materials	132,574	134,012
Repairs and maintenance	148,003	131,721
Utilities	41,424	35,400
Administrative fees	100,616	-
Depreciation and amortization	197,528	185,460
Other	181,088	159,166
Total operating expenses	1,435,023	1,212,782
Operating income (loss)	5,890	67,140
Non-operating revenues and (expenses)		
Interest earned	657	1,684
Gain (Loss) on sale of capital asset	1,878	1,154
Interest expense	(107,791)	(78,609)
Total non-operating revenues (expenses)	(105,256)	(75,771)
Income before transfers and capital contributions	(99,366)	(8,631)
Capital contributions -		
Developers	355,738	219,442
Others	-	-
Transfers	-	-
Change in net position	256,372	210,811
NET POSITION - BEGINNING	4,292,147	4,081,336
NET POSITION - ENDING	\$ 4,548,519	\$ 4,292,147

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CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Cash flows from operating activities:		
Cash received from customers and users	\$ 1,424,039	\$ 1,312,643
Cash paid to suppliers for goods and services	(926,222)	(677,056)
Cash paid to employees	(321,186)	(323,700)
Net cash provided from operating activities	176,631	311,887
Cash flows from investing activities:		
Interest received	657	1,684
(Purchase) / redemption of investments	(491)	(490)
Net cash from investing activities	166	1,194
Cash flows from non-capital financing activities:		
Transfers	-	-
Change in net pension liability and related deferred items	(4,430)	11,153
Change in due to/from other funds	316,657	(171,840)
Net cash flows from non-capital financing activities	312,227	(160,687)
Cash flows from capital financing activities:		
Proceeds from long-term debt	-	-
Principal payments on long-term debt	(690,858)	(86,467)
Interest paid	(108,147)	(81,534)
Capital contributions	355,738	219,442
Proceeds from sale of capital assets	8,000	1,154
Purchase / construction of capital assets	(323,187)	(204,284)
Net cash flows from capital financing activities	(758,454)	(151,689)
Net cash flows	(269,430)	705
Cash and cash equivalents - beginning	363,194	362,489
Cash and cash equivalents - ending	\$ 93,764	\$ 363,194

**CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
STATEMENTS OF CASH FLOWS**

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED
BY OPERATING ACTIVITIES**

	<u>2021</u>	<u>2020</u>
Operating income (loss)	\$ 5,890	\$ 67,140
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	197,528	185,460
(Increase) decrease in receivables	(37,086)	15,021
(Increase) decrease in inventory	-	-
Increase (decrease) in accounts payable	(4,773)	28,034
Increase (decrease) in customer deposits	20,212	17,700
Increase (decrease) in accrued liabilities	(5,140)	(1,468)
 Total adjustments	 <u>170,741</u>	 <u>244,747</u>
 Net cash from operating activities	 <u>\$ 176,631</u>	 <u>\$ 311,887</u>
 Non-cash transactions -		
Contribution of land to the Senoia Housing Authority.	 <u>\$ -</u>	 <u>\$ -</u>

CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2021 AND 2020

ASSETS	<u>2021</u>	<u>2020</u>
Current assets		
Cash	\$ 333,625	\$ 333,566
Receivables-		
Accounts (net)	133,651	119,542
Due from other funds	1,095,596	330,920
Restricted assets		
Cash	<u>1,954,864</u>	<u>1,954,234</u>
Total current assets	<u>3,517,736</u>	<u>2,738,262</u>
Noncurrent		
Capital assets		
Land	1,430,674	1,430,674
Construction in progress	3,395,658	763,840
Improvements other than buildings	10,426,388	10,267,101
Vehicles	192,685	210,685
Machinery and equipment	734,429	643,064
Accumulated depreciation	<u>(3,951,126)</u>	<u>(3,707,503)</u>
Capital assets (net of depreciation)	<u>12,228,708</u>	<u>9,607,861</u>
Total assets	<u>15,746,444</u>	<u>12,346,123</u>
Deferred items		
Deferred pension outflows	<u>19,978</u>	<u>32,192</u>
Total assets and deferred items	<u>15,766,422</u>	<u>12,378,315</u>

**CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2021 AND 2020**

	2021	2020
LIABILITIES		
Current liabilities		
Accounts payable		
Trade	\$ 12,528	\$ 11,808
Construction	546,702	224,163
Accrued compensated absences	16,259	3,677
Accrued salaries	4,405	3,354
Current liabilities payable from restricted assets		
Revenue bonds	111,293	106,537
Accrued interest	8,041	3,062
Total current liabilities	699,228	352,601
Long-term liabilities		
Revenue bonds	4,039,178	4,150,457
Notes	2,803,942	
Net pension liability	24,300	62,097
Total long-term liabilities	6,867,420	4,212,554
Total liabilities	7,566,648	4,565,155
Deferred items		
Deferred pension inflows	26,858	3,915
Net Position		
Net investments in capital assets	8,078,237	5,350,867
Restricted as to debt covenants	1,954,864	1,954,234
Unrestricted	(1,860,185)	504,144
Total Net Position	\$ 8,172,916	\$ 7,809,245

**CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Sales and service	\$ 952,102	\$ 884,590
Miscellaneous	100,278	208,761
Total operating revenues	<u>1,052,380</u>	<u>1,093,351</u>
OPERATING EXPENSES		
Salaries and related cost	305,331	293,282
Supplies and materials	38,529	49,548
Repairs and maintenance	105,816	141,609
Utilities	107,016	111,952
Administrative fees	100,616	
Depreciation and amortization	268,167	237,439
Other	62,236	42,694
Total operating expenses	<u>987,711</u>	<u>876,524</u>
Operating income (loss)	<u>64,669</u>	<u>216,827</u>
Non-operating revenues and (expenses)		
Interest earned	1,285	1,793
Loan costs	(149,000)	-
Interest expense	(208,066)	(188,618)
Total non-operating revenues (expenses)	<u>(355,781)</u>	<u>(186,825)</u>
Income before transfers and capital contributions	(291,112)	30,002
Capital contributions -		
Community Development Block Grant Developers	654,783	402,053
Change in net position	363,671	432,055
NET POSITION - BEGINNING	<u>7,809,245</u>	<u>7,377,190</u>
NET POSITION - ENDING	<u>\$ 8,172,916</u>	<u>\$ 7,809,245</u>

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**CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
Cash flows from operating activities:		
Cash received from customers and users	\$ 1,038,271	\$ 1,070,655
Cash paid to suppliers for goods	(482,958)	(182,603)
Cash paid to employees	(222,233)	(234,900)
Net cash provided from operating activities	333,080	653,152
Cash flows from investing activities:		
Interest received	1,285	1,793
Net cash from investing activities	1,285	1,793
Cash flows from non-capital financing activities:		
Change in net pension liability and related deferred items	(2,640)	6,649
Change in due to/from other funds	(764,676)	(149,377)
Net cash flows from non-capital financing activities	(767,316)	(142,728)
Cash flows from capital financing activities:		
Proceeds from long-term debt	2,803,942	-
Payments on long-term debt	(106,523)	(101,951)
Interest paid	(203,086)	(188,689)
Loan costs	(149,000)	-
Purchase / construction of capital assets	(2,572,598)	(600,038)
Proceeds from disposition of assets	6,122	-
Capital contributions from developers	654,783	402,053
Net cash flows from capital financing activities	433,640	(488,625)
Net cash flows	689	23,592
Cash and cash equivalents - beginning	2,287,800	2,264,208
Cash and cash equivalents - ending	\$ 2,288,489	\$ 2,287,800

**CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
STATEMENTS OF CASH FLOWS**

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED
BY OPERATING ACTIVITIES**

	<u>2021</u>	<u>2020</u>
Operating income (loss)	\$ 64,669	\$ 216,827
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	268,167	237,439
(Increase) decrease in receivables	(14,109)	(22,696)
Increase (decrease) in accounts payable	720	234,742
Increase (decrease) in accrued liabilities	<u>13,633</u>	<u>(13,160)</u>
 Total adjustments	 <u>268,411</u>	 <u>436,325</u>
 Net cash from operating activities	 <u>\$ 333,080</u>	 <u>\$ 653,152</u>
 Non-cash transactions -		
Contribution of land from a developer to be used for the construction site of a new sewer plant.	<u>\$ -</u>	<u>\$ -</u>

CITY OF SENOIA, GEORGIA
SOLID WASTE MANAGEMENT FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
Current assets		
Receivables, net -		
Accounts	\$ 28,013	\$ 24,635
Total current assets	28,013	24,635
Total assets	28,013	24,635
LIABILITIES		
Current liabilities		
Accounts payable	30,879	28,215
Total current liabilities	30,879	28,215
Long-term liabilities	-	-
Total liabilities	30,879	28,215
NET POSITION		
Investment in capital assets	-	-
Unrestricted	(2,866)	(3,580)
Total Net Position	\$ (2,866)	\$ (3,580)

**CITY OF SENOIA, GEORGIA
SOLID WASTE MANAGEMENT FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE YEARS DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Charges for services	\$ 391,498	\$ 362,336
Total operating revenues	<u>391,498</u>	<u>362,336</u>
OPERATING EXPENSES		
Purchase of product	354,462	329,515
Administrative charges	71,470	-
Other	<u>2,465</u>	<u>1,500</u>
Total operating expenses	<u>428,397</u>	<u>331,015</u>
Operating income (loss)	(36,899)	31,321
Transfers	<u>37,613</u>	<u>(61,653)</u>
Change in net position	714	(30,332)
NET POSITION - BEGINNING	<u>(3,580)</u>	<u>26,752</u>
NET POSITION - ENDING	<u>\$ (2,866)</u>	<u>\$ (3,580)</u>

**CITY OF SENOIA, GEORGIA
SOLID WASTE MANAGEMENT FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE YEARS DECEMBER 31, 2021 AND 2020**

	2021	2020
Cash flows from operating activities:		
Cash received from customers and users	\$ 388,120	\$ 364,453
Cash paid to suppliers for goods	(425,733)	(302,800)
Cash paid to employees	-	-
Net cash provided from operating activities	(37,613)	61,653
Cash flows from investing activities:		
Other	-	-
Net cash from investing activities	-	-
Cash flows from non-capital financing activities:		
Transfers	37,613	(61,653)
Net cash flows from non-capital financing activities	37,613	(61,653)
Cash flows from capital financing activities:		
Purchase of capital assets	-	-
Net cash flows from capital financing activities	-	-
Net cash flows	-	-
Cash and cash equivalents - beginning	-	-
Cash and cash equivalents - ending	\$ -	\$ -

**CITY OF SENOIA, GEORGIA
SOLID WASTE MANAGEMENT FUND
STATEMENTS OF CASH FLOWS**

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED
BY OPERATING ACTIVITIES**

	<u>2021</u>	<u>2020</u>
Operating income (loss)	<u>\$ (36,899)</u>	<u>\$ 31,321</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	-	-
(Increase) decrease in receivables	(3,378)	2,117
Increase (decrease) in accounts payable	<u>2,664</u>	<u>28,215</u>
Total adjustments	<u>(714)</u>	<u>30,332</u>
Net cash from operating activities	<u><u>\$ (37,613)</u></u>	<u><u>\$ 61,653</u></u>

CITY OF SENOIA, GEORGIA
STORMWATER MANAGEMENT FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
Current assets		
Receivables, net -		
Accounts	\$ 12,074	\$ 9,871
Due from other funds	82,631	63,163
Total current assets	94,705	73,034
Noncurrent assets		
Capital assets -		
Land	175,461	175,461
Construction in progress	51,091	51,091
Improvements other than buildings	822,277	803,702
Accumulated depreciation	(98,894)	(78,700)
Capital assets (net of depreciation)	949,935	951,554
Total assets	1,044,640	1,024,588
 LIABILITIES		
Current liabilities		
Accounts payable	-	3,112
Due to other funds	-	-
Total current liabilities	-	3,112
Long-term liabilities	-	-
Total liabilities	-	3,112
 NET POSITION		
Investment in capital assets	949,935	951,554
Unrestricted	94,705	69,922
Total Net Position	\$ 1,044,640	\$ 1,021,476

**CITY OF SENOIA, GEORGIA
STORMWATER MANAGEMENT FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE YEARS DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Charges for services	\$ 155,623	\$ 142,176
Total operating revenues	<u>155,623</u>	<u>142,176</u>
OPERATING EXPENSES		
Professional fees	81,270	41,054
Administrative fees	20,000	-
Other	10,995	12,223
Depreciation	20,194	19,821
Total operating expenses	<u>132,459</u>	<u>73,098</u>
Operating income (loss)	23,164	69,078
Capital contributions - General and SPLOST Funds Transfers	<u>-</u>	<u>-</u>
Change in net position	23,164	69,078
NET POSITION - BEGINNING	<u>1,021,476</u>	<u>952,398</u>
NET POSITION - ENDING	<u>\$ 1,044,640</u>	<u>\$ 1,021,476</u>

**CITY OF SENOIA, GEORGIA
STORMWATER MANAGEMENT FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE YEARS DECEMBER 31, 2021 AND 2020**

	2021	2020
Cash flows from operating activities:		
Cash received from customers and users	\$ 153,420	\$ 143,201
Cash paid to suppliers for goods	(115,377)	(50,165)
Cash paid to employees	-	-
Net cash provided from operating activities	38,043	93,036
Cash flows from investing activities:		
Other	-	-
Net cash from investing activities	-	-
Cash flows from non-capital financing activities:		
Transfers	-	-
Increase in due to other funds	(19,469)	(80,611)
Net cash flows from non-capital financing activities	(19,469)	(80,611)
Cash flows from capital financing activities:		
Purchase of capital assets	(18,574)	(12,425)
Net cash flows from capital financing activities	(18,574)	(12,425)
Net cash flows	-	-
Cash and cash equivalents - beginning	-	-
Cash and cash equivalents - ending	\$ -	\$ -

**CITY OF SENOIA, GEORGIA
 STORMWATER MANAGEMENT FUND
 STATEMENTS OF CASH FLOWS**

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED
 BY OPERATING ACTIVITIES**

	<u>2021</u>	<u>2020</u>
Operating income (loss)	\$ 23,164	\$ 69,078
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	20,194	19,821
(Increase) decrease in receivables	(2,203)	1,025
Increase (decrease) in accounts payable	<u>(3,112)</u>	<u>3,112</u>
Total adjustments	<u>14,879</u>	<u>23,958</u>
Net cash from operating activities	<u>\$ 38,043</u>	<u>\$ 93,036</u>
 Non-cash transactions -		
Transfers of a completed capital project from Governmental-Type Funds to the Stormwater Fund.	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SENOIA, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2021 AND 2020**

Assets	<u>2021</u>	<u>2020</u>
Assets:		
Cash	\$ 63,929	\$ 47,348
Accounts receivable	950	-
Due from primary government		4,394
Restricted cash	<u>23,227</u>	<u>-</u>
Total Assets	<u>\$ 88,106</u>	<u>\$ 51,742</u>
Liabilities and Fund Equity		
Liabilities:		
Accounts payable	\$ 1,289	\$ 892
Customer deposits	<u>1,850</u>	<u>1,850</u>
Total Liabilities	<u>3,139</u>	<u>2,742</u>
Fund equity:		
Fund Balance -		
Restricted - Veteran purposes	23,227	-
Unassigned	<u>61,740</u>	<u>49,000</u>
Total Fund Equity	<u>84,967</u>	<u>49,000</u>
Total Liabilities and Fund Equity	<u>\$ 88,106</u>	<u>\$ 51,742</u>

CITY OF SENOIA, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
Revenues:		
Intergovernmental	\$ -	\$ 4,937
Events and promotions	94,340	7,965
Rents	22,200	11,100
Miscellaneous	<u>-</u>	<u>-</u>
Total Revenues	<u>116,540</u>	<u>24,002</u>
Expenditures:		
Purchased / contracted services	20,578	22,279
Supplies	5,338	2,258
Payments to others - Façade Grants	-	-
Capital outlay	10,275	-
Event expenditures	37,252	8,086
Debt service -		
Principal	5,250	4,938
Interest	<u>1,880</u>	<u>2,192</u>
Total Expenditures	<u>80,573</u>	<u>39,753</u>
Excess of revenues over (under) expenditures	35,967	(15,751)
Other financing sources (uses):		
Proceeds from note issue	-	-
Proceeds from sale of asset	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>
Net change in fund balance	35,967	(15,751)
Fund Balance - Beginning of year	<u>49,000</u>	<u>64,751</u>
Fund Balance - End of year	<u>\$ 84,967</u>	<u>\$ 49,000</u>

**CITY OF SENOIA, GEORGIA
DEVELOPMENT AUTHORITY
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2021 AND 2020**

Assets	<u>2021</u>	<u>2020</u>
Assets:		
Cash	\$ 5,979	\$ 2,609
Accounts receivable	-	-
Note receivable	-	-
Total Assets	<u>\$ 5,979</u>	<u>\$ 2,609</u>
Liabilities and Fund Equity		
Liabilities:		
Due to primary government	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>
Fund equity:		
Fund Balance - Unassigned	<u>5,979</u>	<u>2,609</u>
Total Fund Equity	<u>5,979</u>	<u>2,609</u>
Total Liabilities and Fund Equity	<u>\$ 5,979</u>	<u>\$ 2,609</u>

**CITY OF SENOIA, GEORGIA
DEVELOPMENT AUTHORITY
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
Revenues:		
From Primary Government	\$ 320	\$ 13,149
Commissions	<u>3,500</u>	<u>-</u>
Total Revenues	<u>3,820</u>	<u>13,149</u>
Expenditures:		
Purchased / contracted services	320	3,920
Supplies	130	-
Payments to others - Façade Grants	-	-
Capital outlay	-	-
Debt service -		
Principal	-	-
Interest	<u>-</u>	<u>-</u>
Total Expenditures	<u>450</u>	<u>3,920</u>
Excess of revenues over (under) expenditures	3,370	9,229
Other financing sources (uses):		
Proceeds from note issue	-	-
Proceeds from sale of asset	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>
Net change in fund balance	3,370	9,229
Fund Balance - Beginning of year	<u>2,609</u>	<u>(6,620)</u>
Fund Balance - End of year	<u>\$ 5,979</u>	<u>\$ 2,609</u>

COMPLIANCE SECTION

CITY OF SENOIA, GEORGIA
SCHEDULE OF PROJECTS FINANCED
WITH SPECIAL SALES TAX #5 PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2021

<u>PROJECT</u>	<u>ORIGINAL ESTIMATED COST</u>	<u>EXPENDITURES</u>			<u>ESTIMATED PERCENT COMPLETE</u>
		<u>BEGINNING OF YEAR</u>	<u>CURRENT YEAR</u>	<u>TO DATE</u>	
City Hall	\$ 120,000	\$ 419	\$ 5,347	\$ 5,766	0.0%
Public Safety	200,000	63,344	-	63,344	31.7%
Roads, streets, bridges and sidewalks	1,250,000	4,228,777	462,746	4,691,523	375.3%
Parks and Recreation	1,250,000	713,660	551,219	1,264,879	101.2%
Public Works	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	0.0%
	<u>\$ 3,120,000</u>	<u>\$ 5,006,200</u>	<u>\$ 1,019,312</u>	<u>\$ 6,025,512</u>	

Note - Above expenditures include \$2,519,377 of prior year and \$719,660 of current year expenditures paid with grant funds.

CITY OF SENOIA, GEORGIA
SCHEDULE OF PROJECTS FINANCED
WITH SPECIAL SALES TAX #6 PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2021

PROJECT	ORIGINAL	EXPENDITURES			ESTIMATED PERCENT COMPLETE
	ESTIMATED COST	BEGINNING OF YEAR	CURRENT YEAR	TO DATE	
Administrative	\$ -	\$ 5,845	\$ 176	\$ 6,021	0.0%
Public Safety	699,132	-	-	-	0.0%
Roads, streets, bridges and sidewalks	1,500,000	-	-	-	0.0%
Parks and Recreation	1,435,000	-	305,000	305,000	21.3%
Public Works	<u>300,000</u>	<u>59,987</u>	<u>-</u>	<u>59,987</u>	20.0%
	<u>\$ 3,934,132</u>	<u>\$ 65,832</u>	<u>\$ 305,176</u>	<u>\$ 371,008</u>	

CITY OF SENOIA, GEORGIA
SCHEDULE OF DEVELOPMENT IMPACT FEES
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>LIBRARY</u>	<u>POLICE</u>	<u>PARKS</u>	<u>CIE COST RECOVERY</u>	<u>ADMIN</u>	<u>TOTAL</u>
Receipts -						
Prior years	\$ 402,634	\$ 311,976	\$ 1,514,689	\$ 15,413	\$ 65,864	\$ 2,310,576
Current year	<u>32,352</u>	<u>32,105</u>	<u>263,784</u>	<u>1,684</u>	<u>9,903</u>	<u>339,828</u>
Total receipts	<u>434,986</u>	<u>344,081</u>	<u>1,778,473</u>	<u>17,097</u>	<u>75,767</u>	<u>2,650,404</u>
Expenditures -						
Prior years	246,745	203,692	781,800	8,940	55,188	1,296,365
Current year	<u>168,754</u>	<u>79,814</u>	<u>168,947</u>	<u>-</u>	<u>-</u>	<u>417,515</u>
Total expenditures	<u>415,499</u>	<u>283,506</u>	<u>950,747</u>	<u>8,940</u>	<u>55,188</u>	<u>1,713,880</u>
Balance at end of year	<u>\$ 19,487</u>	<u>\$ 60,575</u>	<u>\$ 827,726</u>	<u>\$ 8,157</u>	<u>\$ 20,579</u>	<u>\$ 936,524</u>

Note - Expenditures are net of Federal and State grant revenues and interfund transfers / reimbursements of expenditures.

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INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and Members of City Council
City of Senoia, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of City of Senoia, Georgia, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Senoia's basic financial statements and have issued our report thereon dated August 22, 2022.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses. We consider the deficiencies described as items 2006.001, 2021.001 and 2021.002 in the accompanying schedule of findings and questioned costs to be material weaknesses.

Compliance and Other Matters

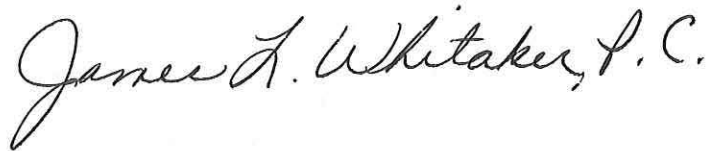
As part of obtaining reasonable assurance about whether City of Senoia, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and is described in the accompanying schedule of findings and questioned costs as item 2021.003.

City of Senoia, Georgia's Response to Findings

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

Purpose of this Report

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



Snellville, Georgia
August 22, 2022

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

To the Honorable Mayor and Members of City Council
City of Senoia, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Senoia, Georgia's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on City of Senoia, Georgia's major federal program for the year ended December 31, 2021. City of Senoia, Georgia's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Senoia, Georgia complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2021.

Basis for Opinions

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 City of Senoia, Georgia and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance for its major federal program. Our audit does not provide a legal determination of City of Senoia, Georgia's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Senoia, Georgia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Senoia, Georgia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Senoia, Georgia's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021.001 to be a material weakness.

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 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.

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

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.



Snellville, Georgia
August 22, 2022

CITY OF SENOIA, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Transportation			
Passed through the Georgia Department of Transportation Highway Planning and Construction Cluster Federal-Aid Highway Program	20.205	P.I. #0012610	\$ 108,181
Passed through the Georgia Department of Transportation Highway Planning and Construction Cluster Federal-Aid Highway Program	20.205	P.I. #0012879	<u>426,028</u>
Total Highway Planning and Construction Cluster			<u>534,209</u>
Total U.S. Department of Transportation			<u><u>534,209</u></u>
U.S. Environmental Protection Agency			
Passed through the Georgia Environmental Facilities Authority Clean Water State Revolving Fund Cluster Capitalization Grants for Clean Water State Revolving Funds	66.458	CW2018001	<u>2,670,291</u>
Total U.S. Environmental Protection Agency			<u><u>2,670,291</u></u>
U.S. Department of Treasury			
Georgia Governor's Office of Planning & Budget COVID-19 - American Rescue Plan	21.019	0010157	-
Georgia Governor's Office of Planning & Budget COVID-19 - First Responders Supplement	21.019	0010157	<u>17,224</u>
Total U.S. Department of Treasury			<u><u>17,224</u></u>
Total expenditures of federal awards			<u><u>\$ 3,221,724</u></u>

See accompanying notes to schedule of expenditures of federal awards.

CITY OF SENOIA, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of City of Senoia, Georgia under programs of the federal government for the year ended December 31, 2021. The information in the 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 Schedule presents only a selected portion of the operations of City of Senoia, Georgia, it is not intended to and does not present the financial position, changes in net assets, or cash flows of City of Senoia, Georgia.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The City elected not to utilize the 10% de minimus indirect cost rate.

**CITY OF SENOIA, GEORGIA
 SCHEDULE OF FINDINGS AND QUESTIONED COST
 FOR THE YEAR ENDED DECEMBER 31, 2021**

SECTION I

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes

Significant deficiency(ies) identified? no

Noncompliance material to financial statements noted? yes

Federal Awards

Internal Control over major federal programs:

Material weakness(es) identified yes

Significant deficiency(ies) identified? no

Type of auditor's report issued on compliance for major federal programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? no

Identification of major programs:

CFDA NUMBER	Name of Federal Program or Cluster
66.458	Capitalization Grants for Clean Water State Revolving Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee no

**CITY OF SENOIA, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

SECTION II

B. FINDINGS--FINANCIAL STATEMENT AUDITS	QUESTIONED COST
<p>2006.001 RECEIVABLE RECONCILIATION AND REVENUE RECOGNITION - REPEAT FINDING</p> <p>Condition: The City does not reconcile its receivables from such items as property taxes, probation fines and utility billings.</p> <p>Criteria: A detailed list of receivables should be reconciled to the general ledger on a monthly basis.</p> <p>Effect: Errors or irregularities could go undetected by employees in the normal course of performing their duties. Significant errors were found during the 2018 audit where utility revenues were overstated by approximately \$100,000.</p> <p>Cause: Accounting personnel has not had a significant amount of training in the area of reconciliations.</p> <p>Recommendation: Management should ensure that accounting personnel obtain the necessary training in order to properly perform reconciliations on a monthly basis.</p> <p>View of responsible officials and planned corrective action: Management agrees with the finding. Management will provide the accounting staff with the amount of training needed in order to properly reconcile accounts receivable.</p>	<p>N/A</p>
<p>2021.001 MATERIAL AMOUNTS OF ACCOUNTS PAYABLE NOT RECORDED ON THE CITY'S BOOKS AT YEAR END.</p> <p>Condition: The City did not record \$947,869 of accounts payable owed by the City as of year end, of which, \$829,706 were related to federal assistance programs.</p> <p>Criteria: Liabilities, accounts payable, should be recorded in the period the service is performed or the asset is received.</p> <p>Effect: The City financial statements reported accounts payable that were under-stated by \$947,869.</p> <p>Cause: Newly hired personnel had not been properly trained or supervised during the time they were hired by the City.</p> <p>Recommendation: Management should ensure that accounting personnel obtain the necessary training in order to properly perform their duties and that there are properly supervised.</p> <p>View of responsible officials and planned corrective action: Management agrees with the finding. Management will provide the accounting staff with the amount of training and supervision they need to properly perform their duties.</p>	<p>N/A</p>

**CITY OF SENOIA, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

SECTION II

B. FINDINGS--FINANCIAL STATEMENT AUDITS

**QUESTIONED
COST**

2021.002 LOAN COST RECORDED IN THE WRONG FUND

Condition:	Loan costs in the amount of \$136,000 were recorded in the Water Fund instead of the Sewer Fund for which the related loan was incurred.	N/A
Criteria:	Cost should be recorded in the proper fund.	
Effect:	The City's Water Fund overstated expenses by \$136,000 while the City's Sewer Fund understated expenses by \$136,000.	
Cause:	City personnel improperly coded withdrawals from the bank to the water fund and supervisory personnel did not identify the issue.	
Recommendation:	Management should ensure that a proper review of financial statement are performed in a reasonable time after month-end and that any significant entries to the general ledger are properly reviewed for propriety as to purpose and coding.	
View of responsible officials and planned corrective action:		
	Management agrees with the finding. Management will ensure that a proper and timely review of the City's financial statements is performed by appropriate employees responsible for the integrity of the financial statements.	

2021.003 LMIG FUNDS TO BE TRANSFERRED TO THE SPLOST FUND WHERE RELATED EXPENDITURES WERE INCURRED

Condition:	Eligible expenditures for LMIG projects were paid out of the SPLOST 5 bank account. However, the LMIG monies were deposited into the General Fund bank account, therefore, the General Fund owes the SPLOST 5 fund \$120,132 as of December 31, 2021.	N/A
Criteria:	LMIG grant funds should be deposited into the fund that will be financing the eligible LMIG projects.	
Effect:	The General Fund owes the SPLOST 5 fund \$120,132 as of December 31, 2021.	
Cause:	Supervisory personnel were not keeping track of LMIG funding and the related expenditures as to the proper fund accounting.	
Recommendation:	Management should implement controls over grant contracts and the related accounting to insure transactions are being accounted for in proper funds of the City.	
View of responsible officials and planned corrective action:		
	Management agrees with the finding. Management will implement accounting controls over grant contracts to insure that the related grant funds received by the City and the related expenditures are recorded in the same fund.	

**CITY OF SENOIA, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

SECTION III

FEDERAL AWARDS FINDINGS AND QUESTIONED COST

**QUESTIONED
COST**

U.S. Environmental Protection Agency

**2021.001 MATERIAL AMOUNTS OF ACCOUNTS PAYABLE NOT
RECORDED ON THE CITY'S BOOKS AT YEAR END.**

Condition:	The City did not record \$947,869 of accounts payable owed by the City as of year end, of which, \$829,706 were related to federal assistance programs, including \$546,702 related to the major federal awards program.	N/A
Criteria:	Liabilities, accounts payable, should be recorded in the period the service is performed or the asset is received.	
Effect:	The City financial statements reported accounts payable that were under-stated by \$947,869.	
Cause:	Newly hired personnel had not been properly trained or supervised during the time they were hired by the City.	
Recommendation:	Management should ensure that accounting personnel obtain the necessary training in order to properly perform their duties and that there are properly supervised.	
View of responsible officials and planned corrective action:	Management agrees with the finding. Management will provide the accounting staff with the amount of training and supervision they need to properly perform their duties.	

**CITY OF SENOIA, GEORGIA
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021**

2006.001 Receivable Reconciliation and Revenue Recognition

Condition: The City does not reconcile its receivables from such items as property taxes, probation fines and utility billings which could lead to errors and irregularities going undetected by employees in the normal course of performing their duties.

Context: During our audit work, significant adjustments have had to be made to adjust the general ledger balances in various receivable accounts to the detail subsidiary ledger listings.

Status: During 2020, the City hired an experienced finance director with sufficient skills and knowledge to be able to perform proper reconciliations of receivables in a timely manner. The new finance director is working hard to implement controls over all balance sheet items, including receivable reconciliations. However, as of December 31, 2021, due to computer programming issues, some of the utility software problems are still unsolved.

2013.002 Lack of Reconciliation Procedures Over Accrued Liability Accounts

Condition: The City does not reconcile accrued liability accounts which could lead to errors and irregularities going undetected by employees in the normal course of performing their duties.

Context: During our testing of the City's accrued liability accounts, we noted significant debit balances in accrued health insurance withholding accounts. After we performed reconciliations of the liability accounts, we determined the balances should be zero, which required significant adjustments to the City general fund's balance sheet and expenditures.

Status: During 2020, the City hired an experienced finance director with sufficient skills and knowledge to be able to perform proper reconciliations of all balance sheet accounts in a timely manner. The new finance director is working hard to implement controls over all balance sheet items. During 2021, the reconciliations over accrued liability account have been performed and no significant audit entries were required related to accrued liability accounts.

**CITY OF SENOIA, GEORGIA
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021**

**2020.001 GRANT REIMBURSEMENT REQUEST
 AND SUBSEQUENT PAYMENTS**

Condition: Grant reimbursement requests were not recorded on the City's general ledger nor monitored to insure reimbursement request were actually being received.

Context: During our testing of the City's grant transactions, we noticed that the City did not receive a check from the Grantor in the amount of \$176,919.70 that was written in October 2020 by the Grantor. City personnel were unaware that the check had not been received as of March 2, 2021.

Status: During 2020, the City hired an experienced finance director with sufficient skills and knowledge to be able to perform proper reconciliations of all balance sheet accounts in a timely manner. During 2021, the new finance director did implement control ledgers that would allow her to monitor the billings and receipts of all grants.

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William "Dub" Pearman, III
Mayor

Harold Simmons
City Manager



Department of Audits
Medicaid and Local Government Audit Division
270 Washington Street, SW
Room 1-156
Atlanta, Georgia 30334-8400

The following is management's response to the findings noted in the auditor's report for the year ended December 31, 2021 and dated August 22, 2022 for the City of Senoia, Georgia.

FINDINGS—FINANCIAL STATEMENT AUDITS

2006.001 RECEIVABLE RECONCILIATION AND REVENUE RECOGNITION

The City does not reconcile its receivables from such items as property taxes, probation fines and utility billings.

CORRECTIVE ACTION PLAN:

Management agrees with the finding. The finance director is currently working with the software company concerning issues with the accounting system. The City continues having problems with obtaining the necessary information from the tax commissioner's office. The Finance Director will continue to work toward a solution in 2022.

2021.001 MATERIAL AMOUNTS OF ACCOUNTS PAYABLE NOT RECORDED ON THE CITY'S BOOKS AT YEAR END.

The City did not record \$947,869 of accounts payable owed by the City as of yearend, \$829,706 were related to federal assistance programs.

CORRECTIVE ACTION PLAN:

Management is training accounting personnel on the appropriate steps to record invoices paid through accounts payable at yearend.

2021.002 LOAN COST RECORDED IN THE WRONG FUND

The City of Senoia • P.O. Box 310 • Senoia, GA 30276

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www.senoia.com

Loan costs in the amount of \$136,000 were recorded in the water fund instead of the Sewer Fund for which the related loan was incurred.

CORRECTIVE ACTION PLAN:

Accounting personnel will review the financial statements to assure entries are being recorded to the correct fund.

2021.003 LMIG FUNDS TO BE TRANSFERRED TO THE SPLOST FUND WHERE RELATED EXPENDITURES WERE INCURRED.

Eligible expenditures for LMIG projects were paid out of the SPLOST 5 bank account. However, the LMIG monies were deposited into the General Fund bank account, therefore, the General Fund owes the SPLOST 5 fund \$120,132 as of December 31, 2021.

CORRECTIVE ACTION PLAN:

The General Fund will reimburse the SPLOST 5 fund in September 1, 2022. Management will implement accounting controls to ensure grant funds are received and expended from the same fund.

FEDERAL AWARDS FINDINGS AND QUESTIONED COST

2021.001 MATERIAL AMOUNTS OF ACCOUNTS PAYABLE NOT RECORDED ON THE CITY'S BOOKS AT YEAR END.

The did not record \$947,869 of accounts payable owed by the City as of yearend, of which \$829,706 were related to federal assistance programs.

CORRECTIVE ACTION PLAN:

Management is training accounting personnel on the appropriate steps to record invoices paid through accounts payable at yearend.

Should you have any additional questions or comments please contact me at your earliest convenience.

Sincerely,

A handwritten signature in black ink, appearing to be "H Simmons", enclosed within a large, hand-drawn oval.

Harold Simmons, City Manager
City of Senoia, Georgia