

CITY OF JONESBORO, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021



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TABLE OF CONTENTS

	Page
<u>INTRODUCTORY SECTION</u>	
Letter of Transmittal	i-v
Organizational Chart	vi
Principal Officials	vii
Listing of Principal Appointed Officials	viii
 <u>FINANCIAL SECTION</u>	
Independent Auditor's Report	1-3
Management Discussion and Analysis	4-10
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	11-12
Statement of Activities	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds	14-15
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	16
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	17-18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual General Fund	20
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual ARPA Fund	21
Statements of Net Position – Proprietary Fund	22
Statements of Revenues, Expenditures, and Changes in Fund Net Position – Proprietary Fund	23
Statements of Cash Flows – Proprietary Fund	24
Notes to the Basic Financial Statements	25-43
Required Supplementary Information:	
Schedule of Changes in the City's Net Pension Liability and Related Ratios	44-45
Schedule of City Contributions	46-47
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	49-50
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	51-52
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Special Revenue Fund – Confiscated Assets Fund	53
Special Revenue Fund – DEA Confiscated Assets	54
Special Revenue Fund – LMIG Fund	55

Special Revenue Fund – Hotel Motel Tax Fund	56
Special Revenue Fund – Technology Fund	57
Special Revenue Fund – Downtown Development Authority	58
Capital Projects Fund – Urban Redevelopment Agency	59
Schedule of Projects Constructed with Special Purpose Sales Tax	60

STATISTICAL SECTION

Net Position by Activity	62
Changes in Net Position	63-64
Fund Balances, Governmental Funds	65
Changes in Fund Balances, Governmental Funds	66
Assessed Value and Estimated Actual Value of Taxable Property	67
Property Tax Rates	68
Principal Property Taxpayers	69
Property Tax Levies and Collections	70
Local Option Sales Tax History	71
Ratios of Outstanding Debt by Type	72
Legal Debt Margin Information	73
Direct and Overlapping Governmental Activities Debt	74
Demographic and Economic Statistics	75
Ten Largest Employers in Jonesboro	76
Full Time Equivalent City Employees by Department	77
Operating Indicators by Function	78
Capital Asset Statistics by Function	79

COMPLIANCE SECTION

Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with <i>Government Auditing Standards</i>	81-82
Schedule of Findings and Questioned Costs	83
Summary Schedule of Prior Year Findings	84-85
Management’s Corrective Action Plan	86

INTRODUCTORY SECTION

CITY OF JONESBORO, GEORGIA

OFFICE OF THE CITY MANAGER

Ricky L. Clark, Jr.

124 NORTH AVENUE, JONESBORO, GEORGIA 30236



To the Honorable Mayor, Distinguished Members of City Council and the Citizens of the City of Jonesboro, Georgia:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed, certified public accountants. Pursuant to that requirement, I hereby issue the annual comprehensive financial report of the City of Jonesboro, Georgia (the "City") for the fiscal year ended December 31, 2021.

The annual comprehensive financial report (ACFR) consists of management's representations concerning the finances of the City of Jonesboro, Georgia. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Jonesboro, Georgia has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Jonesboro's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Jonesboro's financial statements have been audited by Fulton and Kozak, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Jonesboro for the fiscal year ended December 31, 2021, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Jonesboro's financial statements for the fiscal year ended December 31, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Government Auditing Standards required the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements. This report is included in this annual comprehensive financial report. GAAP requires that management provide a narrative introduction, overview, and analysis

to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Jonesboro's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Jonesboro, incorporated in 1859, is the county seat for Clayton County, Georgia, and lies within the Metropolitan Atlanta area approximately ten miles south of Atlanta-Hartsfield International Airport and 15 miles south of Atlanta's downtown business district. The City enjoys access to interstate highways I-75 and I-285, as well as US Highway 19/14 that traverses north to south and is known as Tara Boulevard. The City of Jonesboro currently occupies a land area of 2.6 square miles and a population of 5,134 citizens and serves a daytime population of over 12,000 people.

The City of Jonesboro is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state laws to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The City of Jonesboro is a municipal corporation created by and chartered through the laws of the State of Georgia. The City operates under the Council-Manager form of government. Policymaking and legislative authority are vested in the governing council, which consists of a mayor and a six-member council. The governing body is responsible for, among other things, approving ordinances, adopting the budget, appointing committees, and hiring the City Manager and the City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the governing body and overseeing the day-to-day operations of the City. The City Manager is vested with the authority and responsibility to provide for the effective and efficient delivery of municipal services and to attend to the management of municipal affairs within legislative and legal parameters established by federal, state and local laws and legislations

The council is elected on a non-partisan basis. Councilmembers are elected to a four-year staggered term with three council persons elected every two years. The mayor is elected for a four-year term. The mayor and the sitting council members are elected at large, without regard to specific residency within the City. Each member of Governing body is required to reside within the City.

The City provides a full range of services, including police protection; solid waste; planning and zoning; recreational activities and cultural events. Additional information on the individual funds which perform these services can be found in Note 1 in the notes to the financial statements.

The annual budget serves as the foundation for the City of Jonesboro's financial planning and control. All departments of the City are required to submit a departmental plan for appropriation to the City Manager by the end of August. The City Manager uses this request as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the Council for review prior to December 15th. The Council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than December 31, the close of the City's

fiscal year. The appropriated budget is prepared by fund, function, (e.g., public safety) and department (e.g., police). Department directors may request transfers of appropriations within a department. These transfers require approval of the City Manager. Transfers of appropriations between departments or an increase in any salary category require the approval of the Governing body. Budget to actual comparison is provided in this report for each governmental fund for which and appropriated budget has been adopted. For the General Fund and the ARPA Fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the General Fund and the ARPA Fund with appropriated annual budgets, this comparison is presented beginning on page 53 for the capital projects and special revenue funds.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Jonesboro operates.

Current Economic Condition

Jonesboro offers business and industry the convenience and access that comes with convenient proximity to Hartsfield-Jackson Atlanta International airport. The City is serviced by 2 major interstates and a railroad mainline that can handle multiple trains per day, connecting the City to Georgia's 5,000 miles of rails lines capable of transport more than 70 million gross tons per year.

The local economy continues to experience a gradual recovery from the effects of the COVID-19 pandemic. Local option sales tax revenues continue to increase from the prior year's receipts. An analysis of hotel-motel occupancy tax revenues at the time of this letter reveals that by the end of Fiscal Year 2022 the occupancy levels will be on a trend of recovery from the impacts of the pandemic. The assessed values of properties are expected to increase for the next fiscal year in response to the nationwide housing demands and increased commercial and residential development. The local unemployment rate is 4.1%, slightly higher than the 3.2% unemployment rates experienced in 2020 but significantly lower than the 7.9% unemployment rates of 2019.

Long-term Financial Planning

The City's long-term financial status is dependent on continuing growth and diversification of the City's revenue base. Jonesboro remains undeterred in its efforts to transform itself into a pedestrian-friendly destination complete with quality restaurants, upscale shopping and to retain and improve housing options.

Construction of the Jonesboro Broad Street Plaza and City Green was completed in fiscal year 2021. The new Plaza is a keystone in the larger efforts to revitalize the downtown area and is expected to attract businesses and patronage to the area. The City Green can be leased/rented for private or public functions at customary rates. During the first half of fiscal year 2021, most of the scheduled events were cancelled due to the pandemic. In recent months, the economy is showing

signs of recovery and stability resulting in a steady level of activity of these new amenities and proving that these initiatives are a solid wise investment.

The City renovated and expanded a formerly under-utilized greenspace into a 5.7 acre park area that connects to the downtown commercial district and residential neighborhoods. Lee Street park features a fountain, playground, walking trail and a weekend farmer's market. The park has two stages and hosts a free summer concert series that draws thousands of attendees. Lee Street Park, directly across the street from Lee Street Elementary School, has become a popular downtown destination and was awarded a Development of Excellence Award from ARC in 2016. Most days, residents can be seen walking the trails or playing on the playground. The revitalization of the Jonesboro Lee Street Park has been a great addition to the City.

In early 2021, the City had a groundbreaking ceremony on a new City Center municipal complex adjacent to Lee Street Park. The new two-story facility will feature state of the art accommodations to house the City's administrative staff, Public Safety, Community Development, Code Enforcement and Municipal Court personnel. The building will feature an open atrium and space for community gatherings.

In early 2022, the City supported the construction of a new Senior residence facility, Hearthside Jonesboro, to be located at the intersection of North Avenue and Main Street. This housing option will be within walking distance to dining, recreational facilities, banking, and other amenities.

Economic development continues to be a concerted effort on the part of the governing body of the City of Jonesboro. The purpose is to influence the direction of private sector investment toward opportunities that can lead to sustained economic growth for its citizens and the community at-large. Sustained economic growth provides sufficient incomes for Jonesboro's local labor force, profitable business opportunities for employers, and tax revenues for maintaining the infrastructure to support this continued growth. Unlike community development which is a process for making a community a better place to live and work, economic development is purely and simply the creation of wealth in which community benefits are created. To this end, the City of Jonesboro's primary economic initiatives continue to focus on the following:

- Business Retention and Expansion - enhancing existing businesses
- Business Expansion & Start-ups- attracting new business

Major Initiatives

During the 2021 fiscal year, the City received approximately \$1,852,000 in State and Local Fiscal Recovery funds. This program will allow the City to rebound from the effects of the pandemic and resume expanding governmental services as outlined in the OPB guidance.

Management Discussion and Analysis

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should

be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Awards

The City of Jonesboro does intend to submit this report to the Government Finance Officers Association (GFOA) for its consideration for awarding the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year 2021 Annual Comprehensive Financial Report (ACFR). Management believes that the report meets the Certificate of Achievement Program's requirements for the highest standards in government accounting and financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

The Government Finance Officers Association of the United States and Canada (GFOA) will be considering this first submission for the award as no previous years have been submitted for consideration. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

A Certificate of Achievement is valid for a period of one year only.

Acknowledgements

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the City of Jonesboro. Each member of each department has our sincere appreciation for the contribution and assistance made in the preparation of this report. Without the leadership and support of the governing body of the City of Jonesboro, presentation of this report would not have been possible.

We also thank the Finance Staff, Mayor, and members of City Council for their interest and support in planning and conducting the financial operations of the City in a professional, responsible, and progressive manner.

Respectfully submitted,

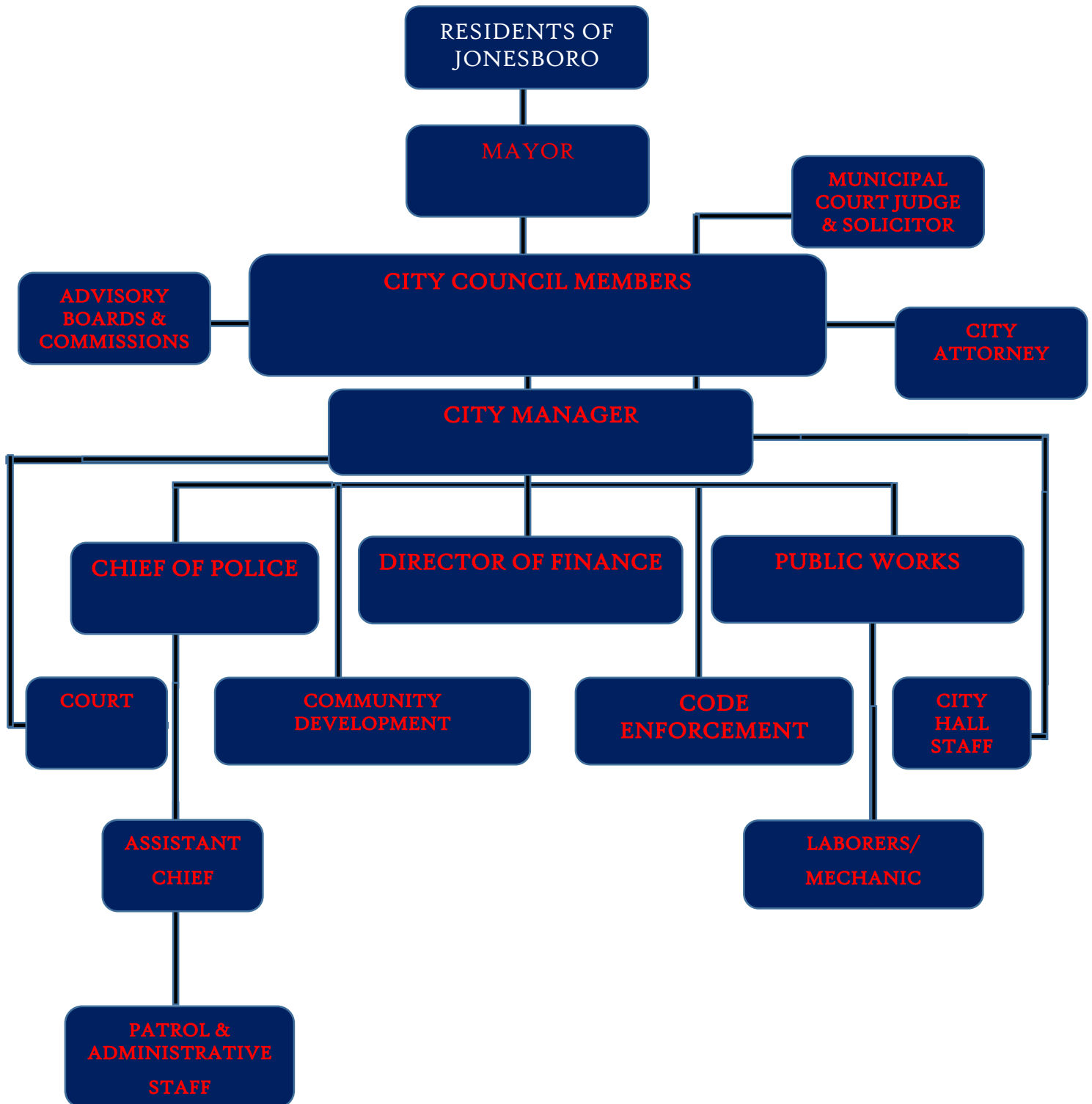
A handwritten signature in blue ink, appearing to read "R. Clark Jr.", with a stylized flourish at the end.

Ricky L. Clark, Jr.
City Manager

A handwritten signature in blue ink, appearing to read "Nina Robinson", with a horizontal line extending to the right.

Nina Robinson
Finance Director

**CITY OF JONESBORO
ORGANIZATIONAL CHART**



PRINCIPAL OFFICIALS



Mayor Joy Day



Bobby Lester



Tracey Messick



Billy Powell



Donya Sartor



Pat Sebo



Ed Wise

LISTING OF PRINCIPAL APPOINTED OFFICIALS



City Manager, Ricky L. Clark, Jr.

DEPARTMENT DIRECTORS

Tommy L. Henderson	Chief of Police
Derry Walker	Code Enforcement Officer
Shenika Wright	Court Administrator
David Allen	Director of Community Development
Nina Robinson	Director of Finance
Derry Walker	Director of Public Works, Interim

CITY ATTORNEY

Fincher Denmark, LLC

CITY JUDGE

Chief Judge Charles Keith Wood Jr.

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Jonesboro, Georgia as of December 31, 2021 and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparisons for the General Fund and the ARPA Fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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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 Jonesboro, 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 Jonesboro, 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, amount other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10, the Schedule of Changes in the City's Net Pension Liability and Related Ratios on pages 44-45, and the Schedule of City Contributions on pages 46-47 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 Jonesboro, Georgia's basic financial statements. The introductory section, the combining and individual nonmajor fund financial statements and schedules, and the Schedule of Projects Constructed with Special Purpose Local Option Sales Tax are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other

additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the Schedule of Projects Constructed with Special Purpose Local Option Sales Tax are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2022, on our consideration of the City of Jonesboro, 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 Jonesboro, 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 Jonesboro, Georgia's internal control over financial reporting and compliance.



Morrow, Georgia
July 28, 2022

CITY OF JONESBORO MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Jonesboro, we offer readers of the City of Jonesboro's financial statements this narrative overview and analysis of the financial activities of the City of Jonesboro for fiscal year ended December 31, 2021.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$25,535,532 (*net position*). Of this amount, \$7,023,330 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$457,634.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$15,518,542, an increase of \$7,322,881 in comparison with the prior year. Of this amount \$215,451 is non-spendable, \$8,059,881 is restricted, \$290,571 is assigned, and \$6,952,639 is unassigned. The unassigned of \$6,952,639 consists of various assets netted against their respective liabilities. See page 16 for a detail and reconciliation to the governmental activities net position.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$6,952,639 or 128 percent of total general fund expenditures.
- The City's total long-term debt increased by \$12,881,530 during the current fiscal year. Components of this change include payments made on bond payable and capital leases netted with new capital leases and bond proceeds received in the current year.

Overview of the financial statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise 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'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 City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City include general government, public safety, street, sanitation, and public works. The business-type activity of the City is solid waste management. The government-wide financial statements can be found on pages 11 through 13 of this report.

CITY OF JONESBORO MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued

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

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

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

The City of Jonesboro maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the nine special revenue funds, and the two capital project funds.

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

The basic governmental fund financial statements can be found on pages 14 through 19 of this report.

Proprietary fund. The City maintains one type of proprietary fund. *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 a utility enterprise fund to account for its sanitation operation.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sanitation operation which is considered to be a major fund of the City.

The basic proprietary fund financial statements can be found on pages 22 through 24 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 through 43 of this report.

CITY OF JONESBORO
MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued

Government-wide financial analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Jonesboro, assets exceeded liabilities by \$25,535,532 at the close of the most recent fiscal year.

A portion of the City's net position (44 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt that is still outstanding used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Jonesboro, Georgia
Net Position
Governmental Activities

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Current and other assets	\$ 18,255,558	\$ 8,677,792	\$ 9,577,766
Capital assets	<u>32,823,108</u>	<u>25,719,292</u>	<u>7,103,816</u>
Total assets	<u>51,078,666</u>	<u>34,397,084</u>	<u>16,681,582</u>
 Deferred outflows of resources	 <u>128,454</u>	 <u>487,315</u>	 <u>(358,861)</u>
 Current liabilities	 2,839,389	 293,818	 2,545,571
Long-term liabilities	<u>22,579,893</u>	<u>9,698,363</u>	<u>12,881,530</u>
Total liabilities	<u>25,419,282</u>	<u>9,992,181</u>	<u>15,427,101</u>
 Deferred inflows of resources	 <u>554,811</u>	 <u>106,452</u>	 <u>448,359</u>
 Net position:			
Net investment in capital assets	10,263,491	17,332,841	(7,069,350)
Restricted	8,059,881	2,128,461	5,931,420
Unrestricted	<u>6,909,655</u>	<u>5,324,464</u>	<u>1,585,191</u>
Total net position	\$ <u>25,233,027</u>	\$ <u>24,785,766</u>	\$ <u>447,261</u>

CITY OF JONESBORO
MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued

City of Jonesboro, Georgia
Net Position
Business-Type Activities

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Current and other assets	\$ 303,674	\$ 413,052	\$ (109,378)
Capital assets	<u>188,830</u>	<u>19,179</u>	<u>169,651</u>
Total assets	<u>492,504</u>	<u>432,231</u>	<u>60,273</u>
Current liabilities	<u>189,999</u>	<u>140,099</u>	<u>49,900</u>
Total liabilities	<u>189,999</u>	<u>140,099</u>	<u>49,900</u>
Net position:			
Net investment in capital assets	188,830	19,179	169,651
Unrestricted	<u>113,675</u>	<u>272,953</u>	<u>(159,278)</u>
Total net position	<u>\$ 302,505</u>	<u>\$ 292,132</u>	<u>\$ 10,373</u>

City of Jonesboro, Georgia
Net Position
Total

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Current and other assets	\$ 18,559,232	\$ 9,090,844	\$ 9,468,388
Capital assets	<u>33,011,938</u>	<u>25,738,471</u>	<u>7,273,467</u>
Total assets	<u>51,571,170</u>	<u>34,829,315</u>	<u>16,741,855</u>
Deferred outflows of resources	<u>128,454</u>	<u>487,315</u>	<u>(358,861)</u>
Current liabilities	3,029,388	433,917	2,595,471
Long-term liabilities	<u>22,579,893</u>	<u>9,698,363</u>	<u>12,881,530</u>
Total liabilities	<u>25,609,281</u>	<u>10,132,280</u>	<u>15,477,001</u>
Deferred inflows of resources	<u>554,811</u>	<u>106,452</u>	<u>448,359</u>
Net position:			
Net investment in capital assets	10,452,321	17,352,020	(6,899,699)
Restricted	8,059,881	2,128,461	5,931,420
Unrestricted	<u>7,023,330</u>	<u>5,597,417</u>	<u>1,425,913</u>
Total net position	<u>\$ 25,535,532</u>	<u>\$ 25,077,898</u>	<u>\$ 457,634</u>

CITY OF JONESBORO
MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued

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

The government's net position increased by \$457,634 during the current fiscal year.

The following tabulation summarizes the components of the City's change in net position.

City of Jonesboro, Georgia
Change in Net Position

(In millions of dollars)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenue:						
Program Revenues:						
Charges for services	\$ 2.8	\$ 2.1	\$ 0.2	\$ 0.2	\$ 3.0	\$ 2.3
Capital grants and contributions	1.7	2.8	0.0	0.0	1.7	2.8
General Revenues:						
Taxes	3.6	2.8	0.0	0.0	3.6	2.8
Other	<u>0.1</u>	<u>0.4</u>	<u>0.0</u>	<u>0.0</u>	<u>0.2</u>	<u>0.4</u>
Total Revenues	<u>8.2</u>	<u>8.0</u>	<u>0.2</u>	<u>0.2</u>	<u>8.5</u>	<u>8.2</u>
Expenses:						
Primary government:						
Administrative	1.5	1.8	0.0	0.0	1.5	1.8
Police	3.2	2.7	0.0	0.0	3.2	2.7
Streets and public works	2.0	1.9	0.0	0.0	2.0	1.9
Interest on long-term debt	0.5	0.1	0.0	0.0	0.5	0.1
Bond issuance costs	0.4	0.0	0.0	0.0	0.4	0.0
Solid waste	<u>0.0</u>	<u>0.0</u>	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>
Total Expenses	<u>7.7</u>	<u>6.5</u>	<u>0.2</u>	<u>0.2</u>	<u>8.0</u>	<u>6.7</u>
Increase in net position	0.5	1.5	0.0	0.0	0.5	1.5
Net position – beginning of year	<u>24.8</u>	<u>23.3</u>	<u>0.3</u>	<u>0.3</u>	<u>25.1</u>	<u>23.5</u>
Net position – end of year	<u>\$ 25.2</u>	<u>\$ 24.8</u>	<u>\$ 0.3</u>	<u>\$ 0.3</u>	<u>\$ 25.5</u>	<u>\$ 25.1</u>

Expenses and Program Revenues

For the most part, increases in expenses closely paralleled inflation and growth in the demand for services.

CITY OF JONESBORO
MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued

Financial Analysis

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Jonesboro's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Jonesboro's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current year, the City's governmental funds reported combined ending fund balances of \$15,518,542, an increase of \$7,322,881 in comparison with the prior year. Of this amount, \$6,952,639 constitutes *unassigned fund balance*, which is available for spending at the City's discretion.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$6,952,639. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 128 percent of total general fund expenditures.

The fund balance of the City's general fund increased by \$1,232,064 during the current fiscal year. The primary factor in this increase was the additional funding received to cover the costs of the major capital projects.

Capital assets and debt administration

Capital assets. The City's investment in capital assets as of December 31, 2021, amounts to \$33,011,938 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, vehicles, machinery and equipment, and infrastructure. The total increase in the City's investment in capital assets for the current fiscal year was 28.3%.

City of Jonesboro, Georgia
Capital Assets

	Governmental Activities	Business-type Activities	Total Current	Prior
Land	\$ 2,406,550	\$ -	\$ 2,406,550	\$ 2,406,550
Buildings	3,146,280	-	3,146,280	3,340,897
Improvements	94,701	-	94,701	94,701
Vehicles	878,904	390,730	1,269,634	1,046,526
Machinery and equipment	856,835	42,052	898,887	782,062
Infrastructure	23,245,586	-	23,245,586	14,992,166
Construction in progress	8,361,818	-	8,361,818	8,360,946
Parks and recreation	3,514,265	-	3,514,265	3,514,265
Less accumulated depreciation	<u>(9,681,831)</u>	<u>(243,952)</u>	<u>(9,925,783)</u>	<u>(8,799,642)</u>
Net	<u>\$ 32,823,108</u>	<u>\$ 188,830</u>	<u>\$ 33,011,938</u>	<u>\$ 25,738,471</u>

Additional information on the City of Jonesboro's capital assets can be found in Note 4-D on page 33 and 34 of this report.

CITY OF JONESBORO
MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued

Long-term debt. At the end of the current year, the City had total bond debt outstanding of \$21,370,000; capital leases outstanding of \$381,609; and installment debt outstanding of \$93,174. The full amount comprises debt backed by the full faith and credit of the City.

Additional information on the City's long-term debt can be found in Note 4-F on pages 36 through 38 of this report.

Requests for Information

This financial report is designed to provide a general overview of the City of Jonesboro's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

The Office of the City Clerk
City of Jonesboro
124 North Avenue
Jonesboro, Georgia 30236

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

Assets	Governmental Activities	Business-Type Activities	Total
Cash	\$ 9,388,459	\$ 294,996	\$ 9,683,455
Receivables			
Taxes	304,918	-	304,918
Intergovernmental	521,453	-	521,453
Other	511,100	-	511,100
Prepaid items	31,615	-	31,615
Property held for sale	183,836	-	183,836
Internal balances	(8,678)	8,678	-
Restricted assets: cash	7,322,855	-	7,322,855
Capital assets:			
Land	2,406,550	-	2,406,550
Buildings	3,146,280	-	3,146,280
Improvements	94,701	-	94,701
Vehicles	878,904	390,730	1,269,634
Machinery and equipment	856,835	42,052	898,887
Infrastructure	23,245,586	-	23,245,586
Construction in progress	8,361,818	-	8,361,818
Parks and recreation	3,514,265	-	3,514,265
Accumulated depreciation	(9,681,831)	(243,952)	(9,925,783)
Total assets	<u>51,078,666</u>	<u>492,504</u>	<u>51,571,170</u>
Deferred outflows of resources			
Pension	<u>128,454</u>	<u>-</u>	<u>128,454</u>
Total deferred outflows of resources	<u>128,454</u>	<u>-</u>	<u>128,454</u>
Liabilities			
Accounts payable	1,205,082	10,735	1,215,817
Accounts payable – retainage	714,834	-	714,834
Intergovernmental payables	2,388	-	2,388
Accrued liabilities			
Payroll deductions	47,404	1,544	48,948
Accrued expenses	25,496	-	25,496
Accrued salaries	83,332	-	83,332
Accrued interest	209,428	-	209,428
Unearned revenue	551,425	177,720	729,145
Long-term liabilities			
Note payable due within one year	5,668	-	5,668
Capital leases due within one year	141,734	-	141,734
Bond payable due within one year	170,000	-	170,000
Note payable due in more than one year	87,506	-	87,506
Capital leases due in more than one year	239,875	-	239,875
Bond payable due in more than one year	21,200,000	-	21,200,000
Compensated absences	387,557	-	387,557
Net pension liability	<u>347,553</u>	<u>-</u>	<u>347,553</u>
Total liabilities	<u>\$ 25,419,282</u>	<u>\$ 189,999</u>	<u>\$ 25,609,281</u>

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

CITY OF JONESBORO, GEORGIA
STATEMENT OF NET POSITION – (CONTINUED)
DECEMBER 31, 2021

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Deferred inflows of resources			
Pension	\$ 554,811	\$ -	\$ 554,811
Total deferred inflows of resources	<u>554,811</u>	<u>-</u>	<u>554,811</u>
Net position			
Net investment in capital assets	10,263,491	188,830	10,452,321
Restricted for –			
Capital projects	7,772,301	-	7,772,301
Police activities	160,855	-	160,855
Hotel/Motel	126,725	-	126,725
Unrestricted	<u>6,909,655</u>	<u>113,675</u>	<u>7,023,330</u>
Total net position	<u>\$ 25,233,027</u>	<u>\$ 302,505</u>	<u>\$ 25,535,532</u>

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

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

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges For Services	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Governmental activities:						
Administrative	\$ 1,501,091	\$ 1,350,221	\$ -	\$ (150,870)	\$ -	\$ (150,870)
Police	3,247,215	1,263,472	-	(1,983,743)	-	(1,983,743)
Streets and public works	2,018,159	-	1,711,423	(306,736)	-	(306,736)
Community Development	48,850	142,998	-	94,148	-	94,148
Interest on long-term debt	531,898	-	-	(531,898)	-	(531,898)
Bond issuance costs	408,255	-	-	(408,255)	-	(408,255)
Total governmental activities	<u>7,755,468</u>	<u>2,756,691</u>	<u>1,711,423</u>	<u>(3,287,354)</u>	<u>-</u>	<u>(3,287,354)</u>
Business-type activities:						
Sanitation	<u>223,996</u>	<u>221,489</u>	<u>-</u>	<u>-</u>	<u>(2,507)</u>	<u>(2,507)</u>
Total business-type activities	<u>223,996</u>	<u>221,489</u>	<u>-</u>	<u>-</u>	<u>(2,507)</u>	<u>(2,507)</u>
Total	<u>\$ 7,979,464</u>	<u>\$ 2,978,180</u>	<u>\$ 1,711,423</u>	<u>\$ (3,287,354)</u>	<u>\$ (2,507)</u>	<u>\$ (3,289,861)</u>
General revenues:						
Property taxes				\$ 1,039,969	\$ -	\$ 1,039,969
Franchise taxes				562,355	-	562,355
Sales taxes				1,728,892	-	1,728,892
Alcoholic beverage taxes				215,412	-	215,412
Hotel motel taxes				82,242	-	82,242
Investment earnings				597	-	597
Contributions not restricted to specific programs				32,075	-	32,075
Miscellaneous				235,467	12,880	248,347
Loss from disposal of capital assets				<u>(162,394)</u>	<u>-</u>	<u>(162,394)</u>
Total general revenues				<u>3,734,615</u>	<u>12,880</u>	<u>3,747,495</u>
Change in net position				447,261	10,373	457,634
Net position – beginning of period				<u>24,785,766</u>	<u>292,132</u>	<u>25,077,898</u>
Net position – end of period				<u>\$ 25,233,027</u>	<u>\$ 302,505</u>	<u>\$ 25,535,532</u>

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

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

	<u>General Fund</u>	<u>SPLOST 2021</u>	<u>ARPA Fund</u>	<u>Urban Redevelopment Agency</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Current assets:						
Cash	\$ 6,760,777	\$ 768,427	\$ 333,109	\$ -	\$ 1,526,146	\$ 9,388,459
Restricted cash	-	-	-	7,322,855	-	7,322,855
Taxes receivable	304,918	-	-	-	-	304,918
Intergovernmental receivables	216,148	193,800	-	111,505	-	521,453
Other receivables	491,056	-	-	-	20,044	511,100
Due from other funds	1,707	-	295,000	-	2,970	299,677
Prepaid items	31,615	-	-	-	-	31,615
Properties held for sale	<u>123,818</u>	<u>-</u>	<u>-</u>	<u>60,018</u>	<u>-</u>	<u>183,836</u>
Total current assets	<u>7,930,039</u>	<u>962,227</u>	<u>628,109</u>	<u>7,494,378</u>	<u>1,549,160</u>	<u>18,563,913</u>
 Total assets	 <u>\$ 7,930,039</u>	 <u>\$ 962,227</u>	 <u>\$ 628,109</u>	 <u>\$ 7,494,378</u>	 <u>\$ 1,549,160</u>	 <u>\$ 18,563,913</u>
Liabilities						
Current liabilities:						
Accounts payable	\$ 143,646	\$ -	\$ 76,684	\$ 979,327	\$ 5,425	\$ 1,205,082
Accounts payable – retainage	-	-	-	714,834	-	714,834
Intergovernmental payable	2,388	-	-	-	-	2,388
Payroll deductions	47,404	-	-	-	-	47,404
Accrued expenses	25,496	-	-	-	-	25,496
Accrued wages	83,332	-	-	-	-	83,332
Due to other funds	306,648	-	-	-	1,707	308,355
Unearned revenue	<u>-</u>	<u>-</u>	<u>551,425</u>	<u>-</u>	<u>-</u>	<u>551,425</u>
Total current liabilities	<u>608,914</u>	<u>-</u>	<u>628,109</u>	<u>1,694,161</u>	<u>7,132</u>	<u>2,938,316</u>
Deferred inflow of resources						
Unavailable revenue – property taxes	<u>\$ 107,055</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 107,055</u>

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

CITY OF JONESBORO, GEORGIA
BALANCE SHEET – CONTINUED
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General Fund	SPLOST 2021	ARPA Fund	Urban Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
Fund balances						
Non-spendable: Prepaid items	\$ 31,615	\$ -	\$ -	\$ -	\$ -	\$ 31,615
Non-spendable: Properties held for sale	123,818	-	-	60,018	-	183,836
Restricted: capital projects	-	962,227	-	5,740,199	1,069,875	7,772,301
Restricted: police activities	-	-	-	-	160,855	160,855
Restricted: hotel/motel	-	-	-	-	126,725	126,725
Assigned: Main Street	-	-	-	-	184,573	184,573
Assigned: cemetery	52,253	-	-	-	-	52,253
Assigned: tree fund	53,745	-	-	-	-	53,745
Unassigned	<u>6,952,639</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,952,639</u>
Total fund balances	<u>7,214,070</u>	<u>962,227</u>	<u>-</u>	<u>5,800,217</u>	<u>1,542,028</u>	<u>15,518,542</u>
 Total liabilities, deferred inflow of resources, and fund balances	 <u>\$ 7,930,039</u>	 <u>\$ 962,227</u>	 <u>\$ 628,109</u>	 <u>\$ 7,494,378</u>	 <u>\$ 1,549,160</u>	 <u>\$ 18,563,913</u>

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

CITY OF JONESBORO, 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	\$ 15,518,542
Amounts reported for government activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	32,823,108
Some of the City’s taxes will be collected after year-end, but are not available soon enough to pay for the current period’s expenditures, and therefore are reported as deferred inflow of resources in the funds.	107,055
Net pension liability	(347,553)
Deferred outflows of resources related to the recording of the net pension liability are recognized as expense over time and, therefore, are not reported in the funds.	128,454
Deferred inflows of resources related to the recording of the net pension liability are not due and payable in the current period and, therefore, are not reported in the funds.	(554,811)
Long-term liabilities, including bonds payable, capital leases, notes payable, compensated absences, and accrued interest are not due and payable in the current period and therefore are not reported in the funds.	<u>(22,441,768)</u>
Net position of governmental activities	\$ <u>25,233,027</u>

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

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

	General Fund	SPLOST 2021	ARPA Fund	Urban Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 3,671,931	\$ -	\$ -	\$ -	\$ 48,457	\$ 3,720,388
Licenses and permits	1,226,551	-	-	-	-	1,226,551
Intergovernmental	116,729	1,055,338	375,071	111,505	52,780	1,711,423
Charges for services	123,670	-	-	-	-	123,670
Fines and forfeitures	1,186,678	-	-	-	49,182	1,235,860
Interest on investments	583	-	-	-	14	597
Contributions and donations	32,075	-	-	-	-	32,075
Miscellaneous	225,777	-	-	9,690	116,541	352,008
Program receipts	-	-	-	-	27,612	27,612
Issuer fees	-	-	-	-	15,482	15,482
Membership fees	-	-	-	-	10,975	10,975
Total revenues	<u>6,583,994</u>	<u>1,055,338</u>	<u>375,071</u>	<u>121,195</u>	<u>321,043</u>	<u>8,456,641</u>
EXPENDITURES						
Current:						
Administrative	1,388,818	-	46,486	-	54,343	1,489,647
Police	2,556,945	-	180,852	-	48,000	2,785,797
Street and public works	921,748	93,111	71,049	-	10	1,085,918
Community development	-	-	-	-	43,441	43,441
Capital outlay:						
Police	140,673	-	-	-	-	140,673
Street and public works	90,583	-	76,684	8,061,666	107,859	8,336,792
Debt service:						
Principal	291,078	-	-	6,000,000	5,417	6,296,495
Interest	55,995	-	-	271,960	4,775	332,730
Bond issuance costs	-	-	-	408,255	-	408,255
Total expenditures	<u>5,445,840</u>	<u>93,111</u>	<u>375,071</u>	<u>14,741,881</u>	<u>263,845</u>	<u>20,919,748</u>
Excess of revenues over (under) expenditures	\$ <u>1,138,154</u>	\$ <u>962,227</u>	\$ <u>-</u>	\$ <u>(14,620,686)</u>	\$ <u>57,198</u>	\$ <u>(12,463,107)</u>

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

CITY OF JONESBORO, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – CONTINUED
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>General Fund</u>	<u>SPLOST 2021</u>	<u>ARPA Fund</u>	<u>Urban Redevelopment Agency</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Other financing sources:						
Transfers	\$ (42,078)	\$ -	\$ -	\$ -	\$ 42,078	\$ -
Proceeds from capital lease	104,827	-	-	-	-	104,827
Proceeds from bonds	-	-	-	19,650,000	-	19,650,000
Proceeds from disposal of assets	<u>31,161</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,161</u>
Total other financing sources	<u>93,910</u>	<u>-</u>	<u>-</u>	<u>19,650,000</u>	<u>42,078</u>	<u>19,785,988</u>
Net change in fund balance	1,232,064	962,227	-	5,029,314	99,276	7,322,881
Fund balance:						
Beginning of period	<u>5,982,006</u>	<u>-</u>	<u>-</u>	<u>770,903</u>	<u>1,442,752</u>	<u>8,195,661</u>
End of period	<u>\$ 7,214,070</u>	<u>\$ 962,227</u>	<u>\$ -</u>	<u>\$ 5,800,217</u>	<u>\$ 1,542,028</u>	<u>\$ 15,518,542</u>

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

**CITY OF JONESBORO, 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**

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

Net changes in fund balances – total governmental funds		\$ 7,322,881
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. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay for the current period	8,447,595	
Depreciation expense for the current period	<u>(1,150,224)</u>	7,297,371
Property taxes are reported as revenues in the funds when the resources are measurable and available. Property taxes are reported as revenues in the Statement of Activities when they represent a legally enforceable claim.		
		(91,518)
Governmental funds report proceeds from the sale of capital assets, whereas in the statement of activities, a gain or loss will be reported. Therefore, the change in fund balance will differ from the change in net position by the net book value of the capital assets sold.		
		(193,555)
Repayment of the principal of long-term debt consumes the current financial resources of governmental funds, however, has no effect on net position.		
Proceeds from bonds	(19,650,000)	
Bond principal payments	6,165,000	
Proceeds from capital lease	(104,827)	
Capital lease principal payments	126,078	
Note payable principal payments	<u>5,417</u>	(13,458,332)
The net pension liability did not require the use of current financial resources and therefore is not reported as expenditures in governmental funds.		
		17,400
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.		
Accrued interest	(199,168)	
Compensated absences	<u>(247,818)</u>	<u>(446,986)</u>
Change in net position of governmental activities		\$ <u>447,261</u>

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

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

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Taxes:				
Property	\$ 751,300	\$ 751,400	\$ 1,131,487	\$ 380,087
Franchise	342,000	342,000	562,355	220,355
Sales	1,450,000	1,655,000	1,728,892	73,892
Alcoholic beverages	135,000	135,000	215,412	80,412
Hotel/Motel	-	25,200	33,785	8,585
Licenses and permits	884,700	997,482	1,226,551	229,069
Intergovernmental	-	101,611	116,729	15,118
Charges for services	88,100	67,000	123,670	56,670
Fines and forfeitures	1,100,000	1,100,000	1,186,678	86,678
Investment income	10,000	1,000	583	(417)
Contributions and donations	30,100	35,950	32,075	(3,875)
Miscellaneous	<u>128,400</u>	<u>216,758</u>	<u>225,777</u>	<u>9,019</u>
Total revenues	<u>4,919,600</u>	<u>5,428,401</u>	<u>6,583,994</u>	<u>1,155,593</u>
EXPENDITURES				
Current:				
Administrative	1,234,951	1,452,984	1,388,818	64,166
Police	2,720,728	2,613,427	2,556,945	56,482
Street and public works	772,616	937,423	921,748	15,675
Capital outlay:				
Administrative	-	172,838	-	172,838
Police	73,940	146,310	140,673	5,637
Street and public works	-	82,500	90,583	(8,083)
Debt service:				
Principal	236,620	255,548	291,078	(35,530)
Interest	<u>30,745</u>	<u>30,293</u>	<u>55,995</u>	<u>(25,702)</u>
Total expenditures	<u>5,069,600</u>	<u>5,691,323</u>	<u>5,445,840</u>	<u>245,483</u>
(Deficiency) Excess of revenues (under) over expenditures	<u>(150,000)</u>	<u>(262,922)</u>	<u>1,138,154</u>	<u>1,401,076</u>
Other financing sources				
Transfer	-	262,922	(42,078)	(305,000)
Proceeds from capital lease	-	-	104,827	104,827
Proceeds from disposal of assets	<u>150,000</u>	<u>-</u>	<u>31,161</u>	<u>31,161</u>
Total	<u>150,000</u>	<u>262,922</u>	<u>93,910</u>	<u>(169,012)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	1,232,064	<u>1,232,064</u>
Fund balance – beginning of year			5,982,006	
Fund balance – end of year			<u>\$ 7,214,070</u>	

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

CITY OF JONESBORO, GEORGIA
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND
ARPA FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
REVENUES				<u>BUDGET</u>
Intergovernmental	\$ <u> -</u>	\$ <u> 926,495</u>	\$ <u> 375,071</u>	\$ <u> (551,424)</u>
Total revenues	<u> -</u>	<u> 926,495</u>	<u> 375,071</u>	<u> (551,424)</u>
EXPENDITURES				
Current:				
Administrative	-	46,486	46,486	-
Police	-	180,852	180,852	-
Street and public works	-	71,049	71,049	-
Total current expenditures	<u> -</u>	<u> 298,387</u>	<u> 298,387</u>	<u> -</u>
Capital outlay:				
Street and public works	-	333,108	76,684	256,424
Total capital outlay	<u> -</u>	<u> 333,108</u>	<u> 76,684</u>	<u> 256,424</u>
Total expenditures	<u> -</u>	<u> 631,495</u>	<u> 375,071</u>	<u> 256,424</u>
Excess (Deficiency) of revenues over (under) expenditures	<u> -</u>	<u> 295,000</u>	<u> -</u>	<u> (295,000)</u>
Other financing sources:				
Transfers	<u> -</u>	<u> (295,000)</u>	<u> -</u>	<u> 295,000</u>
Total other financing sources	<u> -</u>	<u> (295,000)</u>	<u> -</u>	<u> 295,000</u>
Net change in fund balances	\$ <u> -</u>	\$ <u> -</u>	-	\$ <u> -</u>
Fund balance, beginning of year			<u> -</u>	
Fund balance, end of year			\$ <u> -</u>	

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

CITY OF JONESBORO, GEORGIA
STATEMENTS OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2021

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND
	Sanitation Fund
Assets	
Current assets:	
Cash	\$ 294,996
Due from other funds	<u>8,678</u>
Total current assets	<u>303,674</u>
Non-current assets:	
Capital assets	
Vehicles	390,730
Machinery and equipment	42,052
Less accumulated depreciation	<u>(243,952)</u>
Total capital assets (net of accumulated depreciation)	<u>188,830</u>
Total assets	<u>\$ 492,504</u>
Liabilities	
Current liabilities:	
Accounts payable	\$ 10,735
Payroll deductions	1,544
Unearned revenue	<u>177,720</u>
Total current liabilities	<u>189,999</u>
Total liabilities	<u>189,999</u>
Net Position	
Net investment in capital assets	188,830
Unrestricted	<u>113,675</u>
Total net position	<u>\$ 302,505</u>

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

CITY OF JONESBORO, GEORGIA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND
	Sanitation Fund
Operating Revenues:	
Charges for services	\$ 221,489
Other	<u>12,880</u>
Total operating revenues	<u>234,369</u>
Operating Expenses:	
Supplies	120,227
Salaries and wages	54,626
Depreciation	32,808
Insurance	12,154
Payroll taxes	<u>4,181</u>
Total operating expenses	<u>223,996</u>
Income from operations	<u>10,373</u>
Change in net position	10,373
Total net position, beginning of year	<u>292,132</u>
Total net position, end of year	<u><u>\$ 302,505</u></u>

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

**CITY OF JONESBORO, GEORGIA
STATEMENTS OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND
	Sanitation Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 272,589
Cash paid to suppliers for goods and services	(122,245)
Cash paid to employees	<u>(57,263)</u>
Net cash provided by operating activities	<u>93,081</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of capital assets	<u>(202,459)</u>
Net cash used in investing activities	<u>(202,459)</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Due to other funds	<u>(351,302)</u>
Net cash used in capital financing activities	<u>(351,302)</u>
NET CHANGE IN CASH	(460,680)
CASH AT BEGINNING OF YEAR	<u>755,676</u>
CASH AT END OF YEAR	\$ <u><u>294,996</u></u>
RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Net operating income	\$ 10,373
Adjustments to reconcile net operating income to net cash provided by operating activities:	
Depreciation expense	32,808
Increase in accounts payable	10,136
Increase in payroll deductions	1,544
Increase in deferred revenue	<u>38,220</u>
Net cash provided by operating activities	\$ <u><u>93,081</u></u>

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

CITY OF JONESBORO, GEORGIA
NOTE 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. Reporting Entity

The City of Jonesboro was incorporated December 13, 1859. The City operates under the Mayor and Council form of government and provides general administrative services as authorized by its charter.

The City's combined balance sheet includes the amounts of all City operations. Management of the City has reviewed all potential component units to determine if any should be included in these financial statements. As defined by the Governmental Accounting Standards Board Statement 14, *component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusions would cause the reporting entity's financial statements to be misleading or incomplete.*

Management has concluded that there are two blended component units for the City. Blended component units, although legally separate entities, are, in substance, part of the government's operations. The Urban Redevelopment Agency was created by the City's elected officials to provide for the financing of construction projects throughout the City. Although legally separate, the Urban Redevelopment Agency is blended as a governmental fund into the primary government. Separate financial statements for the Agency are not issued.

The Downtown Development Authority was created by the City's elected officials to revitalize and redevelop the central business district of the City. Although legally separate, the Downtown Development Authority is blended as a governmental fund into the primary government. Separate financial statements for the Authority are not issued.

C. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are normally supported by taxes and intergovernmental revenues.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

C. Government-wide and fund financial statements – (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges for services and 2) grants and contributions. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

D. Measurement focus, basis of accounting, and financial statement presentation

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

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

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

The government reports the following major governmental funds:

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

The *SPLOST 2021 fund* is used for projects related to the special purpose local option sales tax received.

The *ARPA fund* is used to account for the financial resources provided and subsequently expended from the American Rescue Plan grant received from the federal government.

The *Urban Redevelopment Agency* is used to provide for the financing of construction projects throughout the City.

The government reports the following major proprietary funds:

The sanitation fund accounts for the activities of the government's solid waste disposal operations.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

D. Measurement focus, basis of accounting, and financial statement presentation – (continued)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes other than special purpose sales taxes.

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

E. Assets, liabilities, and net position or equity

1. Deposits and investments

Cash consists of demand and interest-bearing deposits held in banks.

All deposits with financial institutions must be collateralized in an amount equal to 110% of uninsured deposits. In lieu of a surety bond, a depository of public funds may pledge as collateral any one or more of the securities as enumerated in OCGA 50-17-59.

Investments - Georgia law authorizes local governments to invest in the following types of obligations:

- Obligations of the State of Georgia or any other states;
- Obligations issued by the United States;
- Obligations fully insured or guaranteed by the United States government or governmental agency;
- Obligations of any corporation of the United States Government;
- Prime bankers' acceptances;
- The State of Georgia Local Government Investment Pool;
- Repurchase agreements; and
- Obligations of other political subdivisions of the State of Georgia.

Investments in the pension plan are reported at fair value.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

E. Assets, liabilities, and net position or equity – (continued)

2. Receivables and payables

Property taxes were levied on November 4, 2021 based upon property values assessed as of January 1. The City's millage rate is levied on taxable property, which is assessed at 40% of estimated fair market value. Tax bills were mailed on November 7, 2021, and payable on or before January 5, 2022, for the 2021 taxes. The City did not setup a lien date in the current year.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

3. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of two years.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Infrastructure	20
Automobiles and trucks	5
Machinery and equipment	5/10
Furniture and fixtures	5
Improvements	5/10
Parks and recreation	40

4. Compensated absences

It is the City's policy to permit employees to accumulate earned, but unused annual and sick pay benefits. Annual and sick leave each accrue in hours at the rate of 13 days per year. In addition to the regular accrual, an employee shall receive an additional one-day of annual and sick leave for each two years of full-time service with the City, not to exceed twenty-two days per year. Annual leave may be accrued up to 360 hours or 45 days.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

E. Assets, liabilities, and net position or equity – (continued)

4. Compensated absences – (continued)

There is no limit on the amount of accrual for sick leave. Pay in lieu of accrued annual leave is authorized when an employee is separated from employment. An employee, upon separation from service, shall not be eligible to receive payment for any accumulated sick leave. The government-wide financial statements reflect an accrual for the earned, but unused vacation pay. The liability is recorded as compensated absences.

5. Fund equity

GASB previously issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of the statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds.

The governmental funds report five categories of fund balance, when applicable. *Non-spendable fund balances* refer to amounts that are not in non-spendable form or are legally required to remain intact. *Restricted fund balances* refer to amounts that are subject to externally enforceable legal restrictions by either debt covenants, or laws or regulations of other governments. *Committed fund balances* refer to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution prior to the end of the fiscal year. Only the City Council may modify or rescind the commitment. *Assigned fund balances* refer to amounts that are intended to be used for specific purposes. *Unassigned fund balances* refer to remaining spendable amounts. Fund expenditures and encumbrances are from restricted fund balance to the extent of the restricted fund revenue and followed by committed then assigned and unassigned fund balance.

When an expenditure is incurred for purposes for which committed, assigned, and unassigned net position could be used, the City considers committed funds to have been spent first, then assigned and then unassigned.

Equity for government-wide and proprietary fund statements is classified as net position and displayed in three components:

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted net position – Consists of net position with constraints placed on its use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

E. Assets, liabilities, and net position or equity – (continued)

5. Fund equity – (continued)

Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

When an expenditure is incurred for purpose for which both restricted and unrestricted net position is available, the City considers restricted funds to have been spent first.

6. Deferred outflows of resources and deferred inflows of resources

GASB Statements No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities* established accounting and financial reporting for deferred outflows/inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. The City has one item that qualifies for reporting in this category, deferred amounts related to their pension plan. The deferred amount relates to differences in expected and actual expense, changes in assumptions, and differences in projected and actual earnings. Additionally, the City made contributions to the pension plan before year end but subsequent to the measurement date of the City’s net pension liability which are reported as deferred outflows of resources.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category, a deferred amount related to the pension plan in the statement of net position and unavailable revenue in the general fund. In the government-wide financial statements, the deferred amount is related to differences in expected and actual expenses for the pension plan. Unavailable property taxes are reported as a deferred inflow in the general fund.

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

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this \$(22,441,768) difference are as follows:

Accrued interest	\$ (209,428)
Bonds payable	(21,370,000)
Capital leases payable	(381,609)
Note payable	(93,174)
Compensated absences	<u>(387,557)</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net position	<u><u>\$(22,441,768)</u></u>

3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The annual budget is the financial plan for the operation of the City for the ensuing annual period. The budget process provides for a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the financial posture of the Government. The City is required to adopt an annual budget no later than the beginning of each fiscal year. The Mayor is required to prepare and submit a budget to the Council for review and adoption. The budget is accompanied by a message from the Mayor containing a statement of general fiscal policies of the City, the important features of the budgets, explanations of the major changes recommended for the next fiscal year, a general summary of the budgets, and such other comments and information as may be deemed pertinent. The Council may approve, reject, or modify the proposed budget. The council holds public hearings and a final budget must be prepared and approved no later than December 31.

Upon recommendation of the Mayor and approval of the Council, the City may make interfund or interdepartmental transfers in the current operating or capital improvements budgets at any regular or special meeting called for such purpose, provided funds are available. The budget is prepared and adopted on a basis consistent with generally accepted accounting principles.

Annual budgets are adopted for the General Fund, and Special Revenue Funds.

The legal level of budgetary control is the department level within individual funds. Increases in the total appropriations of a department, whether accomplished through an increase in estimated revenues or through a transfer of appropriations among departments, require the recommendation of the Mayor and approval of the Council.

Appropriations lapse at year-end.

Council made several supplemental budgetary appropriations throughout the year.

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

3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY – (Continued)

B. Excess of expenditures over appropriations

The following department/function expenditures exceeded the final 2021 year budgets:

General Fund:

Capital outlay: Street and public works	\$	8,083
Debt service: Principal		35,530
Debt service: Interest		25,702

Downtown Development Authority:

Debt service: Principal		5,417
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4. DETAILED NOTES ON ALL FUNDS

A. Deposits

At year-end, the City's carrying amount of deposits was \$17,006,310 and the bank balance was \$17,158,970. Of the bank balance \$675,467 was covered by federal depository insurance or by collateral held by the City's agent in the City's name. Of the remaining balance, \$16,483,503 was collateralized by the pledging financial institution with securities held in its pooled account as provided for by state statutes.

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. All the City's deposits are covered by a combination of federal depository insurance and securities pledged by the financial institution as collateral to protect the deposits of the City as required under state law. Therefore, the City has no custodial credit risk for its deposits. The City does not have a deposit policy for custodial credit risk.

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

4. DETAILED NOTES ON ALL FUNDS – (Continued)

B. Receivables

Receivables as of year-end for the government's individual major funds and nonmajor, in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>SPLOST 2021</u>	<u>Hotel/ Motel</u>	<u>Urban Redevelopment Agency</u>	<u>Downtown Development Authority</u>	<u>Total</u>
Receivables:						
Taxes	\$ 304,918	\$ -	\$ -	\$ -	\$ -	\$ 304,918
Intergovernmental	216,148	193,800	-	111,505	-	521,453
Other	<u>491,056</u>	<u>-</u>	<u>4,562</u>	<u>-</u>	<u>15,482</u>	<u>511,100</u>
Gross receivables	<u>\$ 1,012,122</u>	<u>\$ 193,800</u>	<u>\$ 4,562</u>	<u>\$ 111,505</u>	<u>\$ 15,482</u>	<u>\$ 1,337,471</u>

C. Interfund balances and transfers

Interfund balances and transfers represent amounts transferred among funds to establish new funds and meet cash flow requirements. Interfund balances and transfers for the year were as follows.

Interfund balances:

Due from: Hotel/Motel	\$ <u>1,707</u>
Due to: General Fund	\$ <u>1,707</u>
Due from: General Fund	\$ <u>306,648</u>
Due to: Technology Fund	2,970
ARPA Fund	295,000
Sanitation Fund	<u>8,678</u>
	<u>\$306,648</u>

Interfund transfers:

From: General Fund	\$ <u>42,078</u>
To: Hotel/Motel	32,078
Downtown Development Authority	<u>10,000</u>
	<u>\$ 42,078</u>

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

4. DETAILED NOTES ON ALL FUNDS – (Continued)

D. Capital assets

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,406,550	\$ -	\$ -	\$ 2,406,550
Construction in progress	<u>8,360,946</u>	<u>8,061,666</u>	<u>8,060,794</u>	<u>8,361,818</u>
Total capital assets, not being depreciated	10,767,496	8,061,666	8,060,794	10,768,368
Capital assets, being depreciated:				
Buildings	3,340,897	7,260	201,877	3,146,280
Improvements	94,701	-	-	94,701
Vehicles	822,646	104,827	48,569	878,904
Machinery and equipment	775,619	81,216	-	856,835
Infrastructure	14,992,166	8,253,420	-	23,245,586
Parks and recreation	<u>3,514,265</u>	<u>-</u>	<u>-</u>	<u>3,514,265</u>
Total capital assets, being depreciated	<u>23,540,294</u>	<u>8,446,723</u>	<u>250,446</u>	<u>31,736,571</u>
Less accumulated depreciation for:				
Buildings	1,479,848	81,950	26,940	1,534,858
Improvements	50,333	5,773	-	56,106
Vehicles	504,681	100,811	29,951	575,541
Machinery and equipment	343,548	114,023	-	457,571
Infrastructure	5,800,089	759,810	-	6,559,899
Parks and recreation	<u>409,999</u>	<u>87,857</u>	<u>-</u>	<u>497,856</u>
Total accumulated depreciation	<u>8,588,498</u>	<u>1,150,224</u>	<u>56,891</u>	<u>9,681,831</u>
Total capital assets being depreciated, net	<u>14,951,796</u>	<u>7,296,499</u>	<u>193,555</u>	<u>22,054,740</u>
Governmental activities capital assets, net	<u>\$ 25,719,292</u>	<u>\$15,358,165</u>	<u>\$8,254,349</u>	<u>\$ 32,823,108</u>

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

Governmental activities:

Administrative	\$ 64,533
Police	205,292
Streets	874,990
Community development	<u>5,409</u>
Total Depreciation Expense – Governmental Activities	<u>\$1,150,224</u>

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

4. DETAILED NOTES ON ALL FUNDS – (Continued)

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, being depreciated:				
Vehicles	\$ 223,880	\$ 166,850	\$ -	\$ 390,730
Machinery and equipment	<u>6,443</u>	<u>35,609</u>	<u>-</u>	<u>42,052</u>
Total capital assets, being depreciated	<u>230,323</u>	<u>202,459</u>	<u>-</u>	<u>432,782</u>
Less accumulated depreciation for:				
Vehicles	207,600	25,584	-	233,184
Machinery and equipment	<u>3,544</u>	<u>7,224</u>	<u>-</u>	<u>10,768</u>
Total accumulated depreciation	<u>211,144</u>	<u>32,808</u>	<u>-</u>	<u>243,952</u>
Business-type activities capital assets, net	\$ <u>19,179</u>	\$ <u>169,651</u>	\$ <u>-</u>	\$ <u>188,830</u>

E. Capital leases

The City has entered into lease agreements as lessee for financing the acquisition of police vehicles by means of lease. These agreements qualify as capital leases and therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Asset:		
Vehicles	\$ 727,988	\$ 125,480
Machinery and equipment	289,861	-
Less: accumulated depreciation	<u>(521,118)</u>	<u>(125,480)</u>
Total	\$ <u>496,731</u>	\$ <u>-</u>

Amortization of assets recorded under capital leases is included with depreciation expense.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2021, were as follows:

<u>Year ending December 31</u>	<u>Governmental Activities</u>
2022	\$ 154,816
2023	154,816
2024	98,561
2025	2,262
Less amount representing interest	<u>(28,845)</u>
Present value of minimum lease payments	\$ <u>381,610</u>

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

4. DETAILED NOTES ON ALL FUNDS – (Continued)

F. Long-term debt

Series 2015 Revenue Bond

On June 1, 2015, the Urban Redevelopment Agency of the City of Jonesboro, Georgia authorized the issuance and sale of \$2,500,000 in principal amount of its Revenue Bond (The City of Jonesboro, Georgia Project), Series 2015. The proceeds of the Series 2015 Bond will be applied to costs of acquiring, constructing, and installing an urban redevelopment project consisting of various improvements to Lee Street Park.

Annual maturities for the Series 2015 Bond are as follows:

Year ending December 31	Governmental Activities		
	Principal	Interest	Total
2022	\$ 170,000	\$ 46,107	\$ 216,107
2023	175,000	41,243	216,243
2024	180,000	36,237	216,237
2025	185,000	31,091	216,091
2026	190,000	25,803	215,803
2027-2030	<u>820,000</u>	<u>47,235</u>	<u>867,235</u>
	<u>\$ 1,720,000</u>	<u>\$ 227,716</u>	<u>\$ 1,947,716</u>

Series 2019, Series 2021A and Series 2021B Revenue Bonds

On December 31, 2019, the Urban Redevelopment Agency of the City of Jonesboro, Georgia authorized the issuance and sale of \$6,000,000 in principal amount of its Revenue Bond (Broad Street Project), Series 2019. The proceeds of the Series 2019 Bond will be applied to costs of construction of the Broad Street Project. The amount remaining on the Series 2019 Bond, \$5,872,500, was drawn down during 2020. The total outstanding balance on the Series 2019 Bond as of December 31, 2020 was \$6,000,000.

In January 2021, the Urban Redevelopment Agency of the City of Jonesboro, Georgia authorized the issuance and sale of \$14,125,000 in principal amount of its Revenue Bond, Series 2021A, and \$5,525,000 in principal amount of its Revenue Bond, Series 2021B. The proceeds of the Series 2021A and 2021B Bonds will be applied to costs of construction of the Municipal Complex. As part of the issuance of the Series 2021A and 2021B Bonds, the proceeds of the Series 2019 Bond were paid off.

Annual maturities for the Series 2021A Bond are as follows:

Year ending December 31	Governmental Activities		
	Principal	Interest	Total
2022	\$ -	\$ 324,875	\$ 324,875
2023	605,000	317,918	922,918
2024	615,000	303,888	918,888
2025	630,000	289,570	919,570
2026	645,000	274,908	919,908
2027-2031	3,460,000	1,142,295	4,602,295
2032-2036	<u>8,170,000</u>	<u>671,485</u>	<u>8,841,485</u>
	<u>\$14,125,000</u>	<u>\$ 3,324,938</u>	<u>\$17,449,938</u>

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

4. DETAILED NOTES ON ALL FUNDS – (Continued)

Annual maturities for the Series 2021B Bond are as follows:

<u>Year ending December 31</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ -	\$ 155,805	\$ 155,805
2023	225,000	152,633	377,633
2024	230,000	146,217	376,217
2025	235,000	139,661	374,661
2026	245,000	132,893	377,893
2027-2031	1,320,000	556,245	1,876,245
2032-2036	<u>3,270,000</u>	<u>331,349</u>	<u>3,601,349</u>
	<u>\$ 5,525,000</u>	<u>\$ 1,614,803</u>	<u>\$ 7,139,803</u>

Note payable

On April 25, 2019, the Downtown Development Authority took out a loan to purchase property in the City. The loan amount was \$106,250, with monthly payments of \$2,456 through April 25, 2034. The initial interest rate is 4.5%.

The future minimum note payments are as follows:

<u>Year ending December 31</u>	<u>Governmental</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 5,668	\$ 4,155
2023	5,931	3,892
2024	6,196	3,627
2025	6,494	3,329
2026	6,796	3,027
2027-2031	39,005	10,111
2032-2034	<u>23,084</u>	<u>1,476</u>
	<u>\$ 93,174</u>	<u>\$ 29,617</u>

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

4. DETAILED NOTES ON ALL FUNDS – (Continued)

Changes in long-term liabilities:

Long-term liability activity for the year ended December 31, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One year</u>
Governmental activities:					
*Capital leases	\$ 402,860	\$ 104,828	\$ 126,078	\$ 381,610	\$ 141,734
*Bond payable	7,885,000	19,650,000	6,165,000	21,370,000	170,000
*Note payable	98,591	-	5,417	93,174	5,668
*Compensated absences	139,739	387,557	139,739	387,557	387,557
*Net pension liability	<u>1,172,173</u>	<u>-</u>	<u>824,620</u>	<u>347,553</u>	<u>-</u>
Total	<u>\$9,698,363</u>	<u>\$20,142,385</u>	<u>\$7,260,854</u>	<u>\$22,579,894</u>	<u>\$ 704,959</u>

* Typically liquidated with General Fund resources.

5. OTHER INFORMATION

A. Risk management

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance coverage on real and personal property, automobiles, and liability with a private insurance carrier.

B. Contingent liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute 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 City expects such amounts, if any, to be immaterial.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel the resolution of these matters will most likely not have a material effect on the financial condition of the government.

C. Joint venture

Under Georgia law, the City, in conjunction with other cities and counties in the thirteen County Metro Atlanta area, is a member of the Atlanta Regional Commission (ARC) and is required to pay annual dues thereto. During its year ended December 31, 2021, the City paid all dues assessed. Membership in the ARC is required by the *Official Code of Georgia Annotated* (OCGA) Section 50-8-34 which provides for the organization structure of the Regional Commission (RC) in Georgia. The ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Atlanta Regional Commission
40 Courtland St. NE
Atlanta, GA 30303

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

5. OTHER INFORMATION – (Continued)

D. Hotel/Motel tax

The City has levied a lodging tax pursuant to state statutes. A summary of the transactions for the year ended December 31, 2021, follows:

Receipts	
Hotel/Motel tax collected	\$ 48,457
Expenditures	
Visitors Center/Tourism	46,348
Administrative	<u>7,995</u>
	\$ <u>(5,886)</u>

E. Employee retirement system and pension plans

Defined Benefit Pension Plan

Plan Description –

The City, as authorized by the City Council, has established a non-contributory defined pension plan, City of Jonesboro Retirement Plan (JRP), covering all full-time employees. JRP is affiliated with the Georgia Municipal Employees 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. 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, 201 Pryor Street, SW, Atlanta, Georgia, 30303 or by calling (404) 688-0472.

As provided by state law, benefit provisions for participants in GMEBS are established by the respective employers. As authorized by City Council, the plan provides pension benefits and death and disability benefits for all employees that have been employed full time for one year. Members may retire on reaching the age of 65, depending on their classification. Early retirement is possible on reaching the age of 55, depending on the member's classification. In addition, police officers can retire at age 55 and 10 years of service with full benefits. Benefits are calculated at 1.75% of the average monthly earnings for the period of the five highest years' earnings prior to retirement.

Current membership in the plan is as follows:

Retirees and beneficiaries currently receiving benefits	31
Terminated vested participants entitled to but not yet receiving benefits	15
Active participants	45
Active elected officials	<u>6</u>
Total number of participants	<u><u>97</u></u>

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

5. OTHER INFORMATION – (Continued)

Contributions: The plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards 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 the recommended contribution described below. For 2021, the actuarially determined contribution rate was 6.94% of covered payroll. For 2021, the City's contribution to the plan totaled \$147,734.

Net Pension Liability of the City

Effective October 1, 2014, the City implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, which significantly changed the City's accounting for pension amounts. The information disclosed below is presented in accordance with these new standards.

The City's net pension liability was measured as of July 1, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of March 31, 2021 with update procedures performed by the actuary to roll forward to the total pension liability measured as of July 1, 2021.

Actuarial assumptions: The total pension liability in the March 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates were based on the Sex-distinct Pri-2012 head-count weighted Employee Mortality Table.

The actuarial assumptions used in the July 1, 2021 valuation were based on results of an actuarial experience study for the period January 1, 2015 – June 30, 2019. There is no cost-of-living adjustment by the Plan.

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

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

5. OTHER INFORMATION – (Continued)

<u>Asset Class</u>	<u>Allocation</u>	<u>Long-term Expected real rate of return*</u>
Domestic equity	45%	6.40%
International equity	20%	7.05%
Domestic fixed income	20%	1.15%
Real estate	10%	4.50%
Global fixed income	5%	1.25%
Cash	0%	0.00%

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

Discount rate: The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability of the City: The changes in the components of the net pension liability of the City for the year ended December 31, 2021, were as follows:

	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a) – (b)</u>
Balances at December 31, 2020	\$ 3,368,264	\$ 2,196,091	\$ 1,172,173
Changes for the year:			
Service cost	88,711	-	88,711
Interest	247,699	-	247,699
Differences between expected and actual experience	(38,651)	-	(38,651)
Contributions – employer	-	124,754	(124,754)
Net investment income	-	1,009,972	(1,009,972)
Benefit payments, including refunds of employee contributions	(196,698)	(196,698)	-
Administrative expense	-	(12,347)	12,347
Net changes	<u>101,061</u>	<u>925,681</u>	<u>(824,620)</u>
Balances at December 31, 2021	<u>\$ 3,469,325</u>	<u>\$ 3,121,772</u>	<u>\$ 347,553</u>

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

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

5. OTHER INFORMATION – (Continued)

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City, calculated using the discount rate of 7.375 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 (6.375 percent) or 1-percentage-point higher (8.375 percent) than the current rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	\$ 784,973	\$ 347,553	\$ (15,207)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of July 1, 2021, and the current sharing pattern of costs between employer and employee.

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

For the year ended December 31, 2021, the City recognized pension expense of \$107,354. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual expense	\$ 33,719	\$ (99,957)
Changes in assumptions	94,735	-
Net difference between projected and actual earnings on pension plan investments	-	(454,854)
Total	\$ 128,454	\$ (554,811)

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

Year ending June 30:	
2022	\$ (63,652)
2023	(81,627)
2024	(110,854)
2025	(170,224)
	\$ (426,357)

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

6. POST EMPLOYMENT BENEFITS

Pursuant to City statutes, employees who retire with 30 or more years of service, but before they have attained the age to be eligible for Medicare benefits, the City provides health care coverage for up to 36 months. For the year 2021, no retired employees were eligible for this health care benefit.

CITY OF JONESBORO, GEORGIA
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

	2021	2020	2019	2018	2017
Total pension liability					
Service cost	\$ 88,711	\$ 105,574	\$ 103,671	\$ 99,296	\$ 97,219
Interest	247,699	228,775	230,023	204,176	206,386
Differences between expected and actual experience	(38,651)	9,440	(177,421)	144,995	(163,271)
Changes of assumptions	-	169,739	-	49,323	-
Benefit payments, including refunds of employee contributions	(196,698)	(180,058)	(169,566)	(168,465)	(169,226)
Net change in total pension liability	101,061	333,470	(13,293)	329,325	(28,892)
Total pension liability – beginning	<u>3,368,264</u>	<u>3,034,794</u>	<u>3,048,087</u>	<u>2,718,762</u>	<u>2,747,654</u>
Total pension liability – ending (a)	<u>\$ 3,469,325</u>	<u>\$ 3,368,264</u>	<u>\$ 3,034,794</u>	<u>\$ 3,048,087</u>	<u>\$ 2,718,762</u>
Plan fiduciary net position					
Contributions – employer	\$ 124,754	\$ -	\$ 133,244	\$ 108,278	\$ 112,169
Net investment income	1,009,972	(161,099)	87,117	280,433	256,230
Benefit payments, including refunds of employee contributions	(196,698)	(180,058)	(169,566)	(168,465)	(169,226)
Administrative expenses	(12,347)	(14,006)	(13,934)	(13,496)	(13,792)
Net change in plan fiduciary net pension	925,681	(355,163)	36,861	206,750	185,381
Plan fiduciary net position – beginning	<u>2,196,091</u>	<u>2,551,254</u>	<u>2,514,393</u>	<u>2,307,643</u>	<u>2,122,262</u>
Plan fiduciary net position – ending (b)	<u>\$ 3,121,772</u>	<u>\$ 2,196,091</u>	<u>\$ 2,551,254</u>	<u>\$ 2,514,393</u>	<u>\$ 2,307,643</u>
City's net pension liability – ending (a) - (b)	<u>\$ 347,553</u>	<u>\$ 1,172,173</u>	<u>\$ 483,540</u>	<u>\$ 533,694</u>	<u>\$ 411,119</u>
Plan fiduciary net position as a percentage of the total pension liability	89.98%	65.20%	84.07%	82.49%	84.88%
Covered-employee payroll	\$ 2,105,953	\$ 1,999,919	\$ 2,071,964	\$ 2,167,522	\$ 1,894,803
City's net pension liability as a percentage of covered employee payroll	16.50%	58.61%	23.34%	24.62%	21.70%

Notes to the Schedule

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

CITY OF JONESBORO, GEORGIA
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS – CONTINUED

	<u>2016</u>	<u>2015</u>
Total pension liability		
Service cost	\$ 94,317	\$ 88,349
Interest	197,911	188,558
Differences between expected and actual experience	(17,710)	45,382
Changes of assumptions	-	(44,312)
Benefit payments, including refunds of employee contributions	<u>(161,104)</u>	<u>(153,488)</u>
Net change in total pension liability	113,414	124,489
Total pension liability – beginning	<u>2,634,240</u>	<u>2,509,751</u>
Total pension liability – ending (a)	<u>\$ 2,747,654</u>	<u>\$ 2,634,240</u>
Plan fiduciary net position		
Contributions – employer	\$ 213,208	\$ -
Net investment income	3,672	191,788
Benefit payments, including refunds of employee contributions	(161,104)	(153,488)
Administrative expenses	<u>(11,558)</u>	<u>(8,729)</u>
Net change in plan fiduciary net pension	44,218	29,571
Plan fiduciary net position – beginning	<u>2,078,044</u>	<u>2,048,473</u>
Plan fiduciary net position – ending (b)	<u>\$ 2,122,262</u>	<u>\$ 2,078,044</u>
City's net pension liability – ending (a) - (b)	<u>\$ 625,392</u>	<u>\$ 556,196</u>
Plan fiduciary net position as a percentage of the total pension liability	77.24%	78.89%
Covered-employee payroll	\$ 1,857,003	\$ 1,741,566
City's net pension liability as a percentage of covered employee payroll	33.68%	31.94%

Notes to the Schedule

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

CITY OF JONESBORO, GEORGIA
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ - ¹	\$ 124,754	\$ 133,244	\$ 108,278	\$ 112,169
Contributions in relation to the actuarially determined	- ¹	124,754 ²	133,244	108,278	112,169
Contribution deficiency (excess)	- ¹	-	-	-	-
Covered-employee payroll	- ¹	1,999,919 ³	2,071,964	2,167,522	1,894,803
Contributions as a percentage of Covered-employee payroll	- ¹	6.24%	6.43%	5.00%	5.92%

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

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

³ 2020 covered payroll is based on data collected as of March 31, 2020 for the 2020 actuarial valuation.

Notes to the Schedule

Valuation date	July 1, 2021
Actuarial cost method	Projected Unit Credit
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 15 years
Asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial assumptions:	
Investment rate of return	7.375%
Projected salary increase	2.25% plus service-based merit increases

CITY OF JONESBORO, GEORGIA
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS – CONTINUED

	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 118,870	\$ 94,338
Contributions in relation to the actuarially determined Contribution	118,870	94,338
Contribution deficiency (excess)	-	-
Covered-employee payroll	1,857,003	1,741,566
Contributions as a percentage of Covered-employee payroll	6.40%	5.42%

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

**CITY OF JONESBORO, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	Special Revenue Funds					
	<u>Confiscated Fund</u>	<u>DEA Confiscated Fund</u>	<u>LMIG Fund</u>	<u>Hotel/Motel Tax Fund</u>	<u>Technology Fund</u>	<u>Downtown Development Authority</u>
ASSETS						
Current assets:						
Cash and						
cash equivalents	\$ 42,586	\$ 114,318	\$ -	\$ 123,870	\$ 981	\$ 174,516
Other receivables	-	-	-	4,562	-	15,482
Due from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,970</u>	<u>-</u>
Total assets	<u>\$ 42,586</u>	<u>\$ 114,318</u>	<u>\$ -</u>	<u>\$ 128,432</u>	<u>\$ 3,951</u>	<u>\$ 189,998</u>
LIABILITIES AND FUND BALANCE						
Current liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,425
Due to other funds	-	-	-	1,707	-	-
Fund balance:						
Restricted	42,586	114,318	-	126,725	3,951	-
Assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>184,573</u>
Total liabilities and fund balance	<u>\$ 42,586</u>	<u>\$ 114,318</u>	<u>\$ -</u>	<u>\$ 128,432</u>	<u>\$ 3,951</u>	<u>\$ 189,998</u>

CITY OF JONESBORO, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – (CONTINUED)
DECEMBER 31, 2021

	<u>Capital Projects Fund</u>		Total Nonmajor Governmental Funds
	<u>SPLOST Fund</u>	<u>SPLOST 15 Fund</u>	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 29,399	\$ 1,040,476	\$ 1,526,146
Other receivables	-	-	20,044
Due from other funds	<u>-</u>	<u>-</u>	<u>2,970</u>
Total assets	<u>\$ 29,399</u>	<u>\$ 1,040,476</u>	<u>\$ 1,549,160</u>
LIABILITIES AND FUND BALANCE			
Current liabilities:			
Accounts payable	\$ -	\$ -	\$ 5,425
Due to other funds	-	-	1,707
Fund balance:			
Restricted	29,399	1,040,476	1,357,455
Assigned	<u>-</u>	<u>-</u>	<u>184,573</u>
Total liabilities and fund balance	<u>\$ 29,399</u>	<u>\$ 1,040,476</u>	<u>\$ 1,549,160</u>

CITY OF JONESBORO, GEORGIA
COMBINING STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds				
	Confiscated Fund	DEA Confiscated Fund	LMIG Fund	Hotel/ Motel Tax Fund	Technology Fund
REVENUES:					
Hotel/Motel tax	\$ -	\$ -	\$ -	\$ 48,457	\$ -
Intergovernmental	-	-	52,780	-	-
Fines and forfeitures	-	-	-	-	49,182
Interest on investments	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Program receipts	-	27,612	-	-	-
Issuer fees	-	-	-	-	-
Membership fees	-	-	-	-	-
Total revenues	-	27,612	52,780	48,457	49,182
EXPENDITURES:					
Current:					
Administrative	-	-	-	54,343	-
Police	-	-	-	-	48,000
Street and public works	-	-	-	-	-
Community development	-	-	-	-	-
Total current expenditures	-	-	-	54,343	48,000
Capital outlay:					
Police	-	-	-	-	-
Street and public works	-	-	98,843	-	-
Total capital outlay	-	-	98,843	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total debt service	-	-	-	-	-
Total expenditures	-	-	98,843	54,343	48,000
Excess (Deficiency) of revenues over expenditures	-	27,612	(46,063)	(5,886)	1,182
Other financing sources:					
Transfers	-	-	-	32,078	-
Total other financing sources	-	-	-	32,078	-
Net change in fund balance	-	27,612	(46,063)	26,192	1,182
Fund balance, beginning of year	42,586	86,706	46,063	100,533	2,769
Fund balance, end of year	\$ 42,586	\$ 114,318	\$ -	\$ 126,725	\$ 3,951

CITY OF JONESBORO, GEORGIA
COMBINING STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds	Capital Projects Fund		Total Nonmajor Governmental Funds
	Downtown Development Authority	SPLOST Fund	SPLOST 15 Fund	
REVENUES:				
Hotel/Motel tax	\$ -	\$ -	\$ -	\$ 48,457
Intergovernmental	-	-	-	52,780
Fines and forfeitures	-	-	-	49,182
Interest on investments	14	-	-	14
Miscellaneous	116,541	-	-	116,541
Program receipts	-	-	-	27,612
Issuer fees	15,482	-	-	15,482
Membership fees	<u>10,975</u>	<u>-</u>	<u>-</u>	<u>10,975</u>
Total revenues	<u>143,012</u>	<u>-</u>	<u>-</u>	<u>321,043</u>
EXPENDITURES:				
Current:				
Administrative	-	-	-	54,343
Police	-	-	-	48,000
Street and public works	-	-	10	10
Community development	<u>43,441</u>	<u>-</u>	<u>-</u>	<u>43,441</u>
Total current expenditures	<u>43,441</u>	<u>-</u>	<u>10</u>	<u>145,794</u>
Capital outlay:				
Police	-	-	-	-
Street and public works	<u>-</u>	<u>9,016</u>	<u>-</u>	<u>107,859</u>
Total capital outlay	<u>-</u>	<u>9,016</u>	<u>-</u>	<u>107,859</u>
Debt service:				
Principal	5,417	-	-	5,417
Interest	<u>4,775</u>	<u>-</u>	<u>-</u>	<u>4,775</u>
Total debt service	<u>10,192</u>	<u>-</u>	<u>-</u>	<u>10,192</u>
Total expenditures	<u>53,633</u>	<u>9,016</u>	<u>10</u>	<u>263,845</u>
Excess (Deficiency) of revenues over expenditures	<u>89,379</u>	<u>(9,016)</u>	<u>(10)</u>	<u>57,198</u>
Other financing sources:				
Transfers	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>42,078</u>
Total other financing sources	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>42,078</u>
Net change in fund balance	99,379	(9,016)	(10)	99,276
Fund balance, beginning of year	<u>85,194</u>	<u>38,415</u>	<u>1,040,486</u>	<u>1,442,752</u>
Fund balance, end of year	<u>\$ 184,573</u>	<u>\$ 29,399</u>	<u>\$ 1,040,476</u>	<u>\$ 1,542,028</u>

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

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Program receipts	\$ <u>10,000</u>	\$ <u>10,000</u>	\$ <u>-</u>	\$ <u>(10,000)</u>
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
EXPENDITURES				
Current:				
Police	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total current expenditures	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Capital outlay:				
Police	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total capital outlay	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	<u>-</u>	\$ <u>-</u>
Fund balance, beginning of year			<u>42,586</u>	
Fund balance, end of year			\$ <u>42,586</u>	

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

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
REVENUES				<u>BUDGET</u>
Miscellaneous	\$ 20,000	\$ 13,057	\$ -	\$ (13,057)
Program receipts	<u>25,000</u>	<u>14,557</u>	<u>27,612</u>	<u>13,055</u>
Total revenues	<u>45,000</u>	<u>27,614</u>	<u>27,612</u>	<u>(2)</u>
EXPENDITURES				
Current:				
Police	<u>-</u>	<u>27,614</u>	<u>-</u>	<u>27,614</u>
Total current expenditures	<u>-</u>	<u>27,614</u>	<u>-</u>	<u>27,614</u>
Total expenditures	<u>-</u>	<u>27,614</u>	<u>-</u>	<u>27,614</u>
Net change in fund balance	\$ <u>45,000</u>	\$ <u>-</u>	27,612	\$ <u>27,612</u>
Fund balance, beginning of year			<u>86,706</u>	
Fund balance, end of year			\$ <u>114,318</u>	

CITY OF JONESBORO, GEORGIA
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND
LMIG FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
REVENUES				<u>BUDGET</u>
Intergovernmental	\$ <u>50,000</u>	\$ <u>52,780</u>	\$ <u>52,780</u>	\$ <u>-</u>
Total revenues	<u>50,000</u>	<u>52,780</u>	<u>52,780</u>	<u>-</u>
EXPENDITURES				
Capital outlay:				
Street and public works	<u>-</u>	<u>98,843</u>	<u>98,843</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>98,843</u>	<u>98,843</u>	<u>-</u>
Net change in fund balance	\$ <u><u>50,000</u></u>	\$ <u><u>(46,063)</u></u>	(46,063)	\$ <u><u>-</u></u>
Fund balance, beginning of year			<u>46,063</u>	
Fund balance, end of year			\$ <u><u>-</u></u>	

CITY OF JONESBORO, GEORGIA
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND
HOTEL/MOTEL TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
REVENUES				<u>BUDGET</u>
Taxes				
Hotel/Motel tax	\$ <u>65,000</u>	\$ <u>65,000</u>	\$ <u>48,457</u>	\$ <u>(16,543)</u>
Total revenues	<u>65,000</u>	<u>65,000</u>	<u>48,457</u>	<u>(16,543)</u>
EXPENDITURES				
Current:				
Administrative	<u>65,000</u>	<u>65,000</u>	<u>54,343</u>	<u>10,657</u>
Total current expenditures	<u>65,000</u>	<u>65,000</u>	<u>54,343</u>	<u>10,657</u>
Total expenditures	<u>65,000</u>	<u>65,000</u>	<u>54,343</u>	<u>10,657</u>
(Deficiency) Excess of revenues				
(under) over expenditures	<u>-</u>	<u>-</u>	<u>(5,886)</u>	<u>(5,886)</u>
Other financing sources:				
Transfers	<u>-</u>	<u>-</u>	<u>32,078</u>	<u>32,078</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>32,078</u>	<u>32,078</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	26,192	\$ <u>26,192</u>
Fund balance, beginning of year			<u>100,533</u>	
Fund balance, end of year			\$ <u>126,725</u>	

CITY OF JONESBORO, GEORGIA
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND
TECHNOLOGY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
REVENUES				<u>BUDGET</u>
Fines and forfeitures	\$ <u>48,000</u>	\$ <u>48,000</u>	\$ <u>49,182</u>	\$ <u>1,182</u>
Total revenues	<u>48,000</u>	<u>48,000</u>	<u>49,182</u>	<u>1,182</u>
EXPENDITURES				
Current:				
Police	<u>48,000</u>	<u>48,000</u>	<u>48,000</u>	<u>-</u>
Total current expenditures	<u>48,000</u>	<u>48,000</u>	<u>48,000</u>	<u>-</u>
Total expenditures	<u>48,000</u>	<u>48,000</u>	<u>48,000</u>	<u>-</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	1,182	\$ <u>1,182</u>
Fund balance, beginning of year			<u>2,769</u>	
Fund balance, end of year			\$ <u>3,951</u>	

CITY OF JONESBORO, GEORGIA
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND
DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>BUDGET AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Interest on investments	\$ -	\$ -	\$ 14	\$ 14
Miscellaneous	35,900	35,400	116,541	81,141
Issuer fees	13,000	13,000	15,482	2,482
Membership revenue	<u>13,000</u>	<u>13,000</u>	<u>10,975</u>	<u>(2,025)</u>
Total revenues	<u>61,900</u>	<u>61,400</u>	<u>143,012</u>	<u>81,612</u>
EXPENDITURES				
Current:				
Community development	<u>60,800</u>	<u>60,300</u>	<u>43,441</u>	<u>16,859</u>
Total current expenditures	<u>60,800</u>	<u>60,300</u>	<u>43,441</u>	<u>16,859</u>
Debt service:				
Principal	-	-	5,417	(5,417)
Interest	<u>5,200</u>	<u>5,200</u>	<u>4,775</u>	<u>425</u>
Total debt service	<u>5,200</u>	<u>5,200</u>	<u>10,192</u>	<u>(4,992)</u>
Total expenditures	<u>66,000</u>	<u>66,000</u>	<u>53,633</u>	<u>11,867</u>
(Deficiency) Excess of revenues (under) over expenditures	<u>(4,100)</u>	<u>(4,100)</u>	<u>89,379</u>	<u>93,479</u>
Other financing sources:				
Transfers	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total other financing sources	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Net change in fund balances	\$ <u>5,900</u>	\$ <u>5,900</u>	99,379	\$ <u>93,479</u>
Fund balance, beginning of year			<u>85,194</u>	
Fund balance, end of year			\$ <u>184,573</u>	

**CITY OF JONESBORO, GEORGIA
SCHEDULE OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
URBAN REDEVELOPMENT AGENCY
FOR THE YEAR ENDED DECEMBER 31, 2021**

	TOTAL ESTIMATED PROJECT COSTS	PRIOR YEARS	CURRENT YEAR	TOTAL
EXPENDITURES				
Park construction	\$ 8,292,500	\$ 7,771,995	\$ -	\$ 7,771,995
City Hall Project	13,500,000	-	8,061,666	8,061,666
Payoff BB&T Line of Credit	6,000,000	-	6,000,000	6,000,000
Interest expense	492,697	-	271,960	271,960
Bond issuance costs	<u>614,803</u>	<u>207,500</u>	<u>408,255</u>	<u>615,755</u>
	<u>\$ 28,900,000</u>	<u>\$ 7,979,495</u>	<u>\$ 14,741,881</u>	<u>\$ 22,721,376</u>

**CITY OF JONESBORO, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Project	Total Estimated Project Costs	Expenditures		Total
		Prior Years	Current Year	
SPLOST 2012:				
Streets, curbs, and sidewalks	\$ 3,170,000	\$ 1,957,299	\$ 9,016	\$ 1,966,315
Cemetery remapping, paving, and lighting	450,000	-	-	-
Gateway projects	500,000	-	-	-
Streetscape projects	2,150,000	2,150,000	-	2,150,000
Parks and recreation facilities	<u>1,850,000</u>	<u>1,161,175</u>	<u>-</u>	<u>1,161,175</u>
	<u>\$ 8,120,000</u>	<u>\$ 5,268,474</u>	<u>\$ 9,016</u>	<u>\$ 5,277,490</u>
SPLOST 2015:				
Infrastructure projects	\$ 2,205,039	\$ 2,979,891	\$ -	\$ 2,979,891
Public safety – public works Equipment and vehicles	450,000	38,909	10	38,919
Park enhancements	300,000	853,618	-	853,618
Municipal complex	<u>2,000,000</u>	<u>306,007</u>	<u>-</u>	<u>306,007</u>
	<u>\$ 4,955,039</u>	<u>\$ 4,178,425</u>	<u>\$ 10</u>	<u>\$ 4,178,435</u>
SPLOST 2021:				
Real and Personal Property for Broad Street	% of collections	\$ -	\$ -	\$ -
Road, Street, Bridges, and Public Infrastructure	% of collections	-	-	-
Real and Personal Property for City Government Buildings including a New City Center	% of collections	-	-	-
Streetscape Improvements	% of collections	-	93,111	93,111
		\$ -	\$ 93,111	\$ 93,111

STATISTICAL SECTION

This part of the City of Jonesboro's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends..... <i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	62-66
Revenue Capacity..... <i>These schedules contain information to help the reader assess the City's most significant Local revenue sources.</i>	67-71
Debt Capacity..... <i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	72-74
Demographic and Economic Information..... <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	75-76
Operating Information..... <i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	77-79

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

City of Jonesboro, Georgia
Net Position by Activity
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 7,690,429	\$ 7,846,424	\$ 8,887,774	\$ 11,756,094	\$ 14,870,558	\$ 15,428,183	\$ 15,526,356	\$ 17,439,415	\$17,332,841	\$ 10,263,491
Restricted	3,791,516	4,461,501	4,925,720	2,069,003	488,405	660,146	1,586,866	966,805	2,128,461	8,059,881
Unrestricted	3,087,512	3,745,434	3,939,088	5,407,230	4,454,172	4,614,435	5,499,946	4,855,268	5,324,464	6,909,655
Total governmental activities net position	\$ 14,569,457	\$ 16,053,359	\$ 17,752,582	\$ 19,232,327	\$ 19,813,135	\$ 20,702,764	\$ 22,613,168	\$ 23,261,488	\$24,785,766	\$ 25,233,027
Business-type activities										
Net investment in capital assets	\$ 12,548	\$ -	\$ -	\$ -	\$ 72,000	\$ 56,000	\$ 61,117	\$ 40,148	\$ 19,179	\$ 188,830
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	39,474	65,701	84,851	166,822	151,343	199,389	199,810	241,910	272,953	113,675
Total business-type activities net position	\$ 52,022	\$ 65,701	\$ 84,851	\$ 166,822	\$ 223,343	\$ 255,389	\$ 260,927	\$ 282,058	\$ 292,132	\$ 302,505
Primary government										
Net investment in capital assets	\$ 7,702,977	\$ 7,846,424	\$ 8,887,774	\$ 11,756,094	\$ 14,942,558	\$ 15,484,183	\$ 15,587,473	\$ 17,479,563	\$17,352,020	\$ 10,452,321
Restricted	3,791,516	4,461,501	4,925,720	2,069,003	488,405	660,146	1,586,866	966,805	2,128,461	8,059,881
Unrestricted	3,126,986	3,811,135	4,023,939	5,574,052	4,605,515	4,813,824	5,699,756	5,097,178	5,597,417	7,023,330
Total primary government net position	\$ 14,621,479	\$ 16,119,060	\$ 17,837,433	\$ 19,399,149	\$ 20,036,478	\$ 20,958,153	\$ 22,874,095	\$ 23,543,546	\$25,077,898	\$ 25,535,532

Note: GASB 63 and 65 were implemented during fiscal year 2012.

City of Jonesboro, Georgia
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
Administrative	\$ 592,988	\$ 638,612	\$ 681,612	\$ 971,740	\$ 921,424	\$ 1,112,821	\$ 1,257,430	\$ 1,317,631	\$ 1,786,930	\$ 1,501,091
Police	1,765,544	2,002,309	2,326,651	2,444,823	2,658,494	2,802,187	2,738,027	2,927,242	2,699,592	3,247,215
Streets and public works	910,662	873,257	1,010,016	1,098,260	1,157,207	1,265,438	1,497,527	1,571,230	1,855,913	2,018,159
Community development	-	-	-	-	-	32,667	45,659	69,011	14,290	48,850
Interest on long-term debt	17,741	15,021	11,371	40,321	76,001	71,166	66,309	65,608	122,237	531,898
Bond issuance costs	-	-	-	-	-	-	-	127,500	-	408,255
Total governmental activities expenses	3,286,935	3,529,199	4,029,650	4,555,144	4,813,126	5,284,279	5,604,952	6,078,222	6,478,962	7,755,468
Business-type activities:										
Solid waste management	128,148	117,518	124,423	115,742	146,099	176,065	203,550	207,954	214,677	223,996
Total business-type activities expenses	128,148	117,518	124,423	115,742	146,099	176,065	203,550	207,954	214,677	223,996
Total primary government expenses	3,415,083	3,646,717	4,154,073	4,670,886	4,959,225	5,460,344	5,808,502	6,286,176	6,693,639	7,979,464
Program revenues										
Governmental activities:										
Charges for services										
Administrative	485,580	521,249	548,667	588,343	696,135	817,487	810,260	973,571	1,077,079	1,350,221
Police	880,947	1,622,480	1,829,851	1,848,474	1,666,762	1,818,358	1,608,391	1,665,514	946,587	1,263,472
Community development	-	-	-	-	-	47,609	61,225	75,570	37,391	142,998
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	971,315	1,007,174	1,261,462	1,811,242	863,185	1,037,757	1,420,697	1,184,172	2,773,260	1,711,423
Total governmental activities program revenues	2,337,842	3,150,903	3,639,980	4,248,059	3,226,082	3,721,211	3,900,573	3,898,827	4,834,317	4,468,114
Business-type activities:										
Charges for services	130,755	131,049	143,503	197,646	201,948	205,540	207,203	226,660	224,371	221,489
Total business-type activities program revenues	130,755	131,049	143,503	197,646	201,948	205,540	207,203	226,660	224,371	221,489
Total primary government program revenues	2,468,597	3,281,952	3,783,483	4,445,705	3,428,030	3,926,751	4,107,776	4,125,487	5,058,688	4,689,603
Net (expense)/revenue										
Governmental activities	(949,093)	(378,296)	(389,670)	(307,085)	(1,587,044)	(1,563,068)	(1,704,379)	(2,179,395)	(1,644,645)	(3,287,354)
Business-type activities	2,607	13,531	19,080	81,904	55,849	29,475	3,653	18,706	9,694	(2,507)
Total primary government net expense	(946,486)	(364,765)	(370,590)	(225,181)	(1,531,195)	(1,533,593)	(1,700,726)	(2,160,689)	(1,634,951)	(3,289,861)

(Continued)

City of Jonesboro, Georgia
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	94,371	201,106	221,179	190,930	118,802	177,053	408,845	522,301	918,694	1,039,969
Franchise taxes	345,969	308,155	322,471	335,465	314,267	311,710	313,010	325,671	83,883	562,355
Sales taxes	1,140,215	1,147,558	1,368,749	1,465,302	1,460,207	1,688,297	2,434,649	1,518,800	1,562,248	1,728,892
Alcoholic beverage taxes	89,822	66,992	63,272	58,042	58,786	54,133	95,897	137,956	138,952	215,412
Hotel motel taxes	22,155	18,950	10,130	12,747	21,980	23,622	56,455	76,428	68,526	82,242
Investment earnings	2,671	2,257	2,154	2,286	2,649	20,860	13,987	21,346	10,043	597
Contributions not restricted to specific programs	5,180	4,342	2,980	8,529	25,835	38,389	40,185	35,115	250,125	32,075
Miscellaneous	116,631	112,838	97,958	117,270	150,013	138,633	251,755	190,098	136,452	235,467
Issuer fees	-	-	-	-	15,313	-	-	-	-	-
Loss from disposal of capital assets	-	-	-	-	-	-	-	-	-	(162,394)
Total governmental activities general revenues and other changes in net position	1,817,014	1,862,198	2,088,893	2,190,571	2,167,852	2,452,697	3,614,783	2,827,715	3,168,923	3,734,615
Business-type activities:										
Investment earnings	107	78	70	67	482	1,541	685	175	-	-
Miscellaneous	70	70	-	-	190	1,030	1,200	2,250	380	12,880
Total business-type activities general revenues and other changes in net position	177	148	70	67	672	2,571	1,885	2,425	380	12,880
Total primary government general revenues and other changes in net position	1,817,191	1,862,346	2,088,963	2,190,638	2,168,524	2,455,268	3,616,668	2,830,140	3,169,303	3,747,495
Change in net position										
Governmental activities	867,921	1,483,902	1,699,223	1,883,486	580,808	889,629	1,910,404	648,320	1,524,278	447,261
Business-type activities	2,784	13,679	19,150	81,971	56,521	32,046	5,538	21,131	10,074	10,373
Total primary government change in net position	\$ 870,705	\$ 1,497,581	\$ 1,718,373	\$ 1,965,457	\$ 637,329	\$ 921,675	\$ 1,915,942	\$ 669,451	\$ 1,534,352	\$ 457,634

City of Jonesboro, Georgia
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	155,433
Restricted	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	105,998
Unassigned	3,102,591	3,802,834	4,037,013	4,531,654	5,094,052	5,203,805	6,055,281	5,488,684	5,982,006	6,952,639
Total General Fund	\$ 3,102,591	\$ 3,802,834	\$ 4,037,013	\$ 4,531,654	\$ 5,094,052	\$ 5,203,805	\$ 6,055,281	\$ 5,488,684	\$ 5,982,006	\$ 7,214,070
All Other Governmental Funds										
Nonspendable, reported in:										
Special revenue funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Capital projects fund	-	-	-	-	-	-	-	-	-	60,018
Restricted, reported in:										
Special revenue funds	281,393	344,114	609,886	598,356	389,735	218,028	356,064	350,405	278,657	287,580
Capital projects fund	3,510,123	4,117,387	4,315,834	2,151,986	116,682	436,074	1,296,662	616,400	1,849,804	7,772,301
Committed, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital projects fund	-	-	-	-	-	-	-	-	-	-
Assigned, reported in:										
Special revenue funds	-	-	-	-	15,313	40,267	-	56,857	85,194	184,573
Capital projects fund	-	-	-	770,869	-	-	-	-	-	-
Unassigned (deficit), reported in:										
Special revenue funds	-	-	-	(18,363)	(18,012)	6,044	-	-	-	-
Capital projects fund	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 3,791,516	\$ 4,461,501	\$ 4,925,720	\$ 3,502,848	\$ 503,718	\$ 700,413	\$ 1,652,726	\$ 1,023,662	\$ 2,213,655	\$ 8,304,472

City of Jonesboro, Georgia
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Taxes	\$ 1,687,837	\$ 1,762,113	\$ 1,971,869	\$ 2,075,931	\$ 1,966,779	\$ 2,272,214	\$ 3,273,027	\$ 2,570,837	\$ 2,650,377	\$ 3,720,388
Licenses and permits	460,564	492,544	491,626	539,312	626,977	714,166	782,196	872,205	1,030,089	1,226,551
Intergovernmental	969,433	1,005,277	1,259,483	1,809,978	861,729	1,036,162	1,419,578	1,183,727	2,773,260	1,711,423
Charges for services	25,016	28,705	57,041	49,031	44,833	45,233	43,432	90,611	100,465	123,670
Fines and forfeitures	852,048	1,566,933	1,717,638	1,744,817	1,643,239	1,778,520	1,576,208	1,543,953	918,109	1,235,860
Interest on investments	4,553	4,154	4,133	3,550	4,105	22,455	15,106	21,791	10,043	597
Contributions and donations	5,180	4,342	2,980	8,529	25,835	38,389	40,185	35,115	250,125	32,075
Miscellaneous	120,553	112,838	97,958	117,270	150,013	177,992	278,867	237,997	147,407	352,008
Program receipts	28,899	55,547	112,213	103,657	23,523	39,838	32,183	121,561	28,478	27,612
Issuer fees	-	-	-	-	15,313	-	22,813	15,771	15,636	15,482
Membership fees	-	-	-	-	-	8,250	11,300	11,900	10,800	10,975
Total revenues	4,154,083	5,032,453	5,714,941	6,452,075	5,362,346	6,133,219	7,494,895	6,705,468	7,934,789	8,456,641
Expenditures:										
Current:										
Administrative	518,762	565,491	600,419	814,230	901,046	1,039,003	1,165,570	1,256,649	1,441,921	1,489,647
Police	1,678,064	1,841,781	2,138,253	2,229,298	2,485,964	2,629,921	2,590,331	2,784,666	2,516,919	2,785,797
Street and public works	568,952	500,707	622,293	628,675	689,929	735,171	733,357	806,727	730,972	1,085,918
Community development	-	-	-	-	-	32,667	45,659	69,011	8,881	43,441
Capital outlay:										
Administrative	-	-	-	199,044	26,336	301,601	189,049	871,510	456,440	-
Police	133,387	259,470	425,445	140,732	175,325	94,516	106,371	23,321	521,357	140,673
Street and public works	644,114	458,150	1,112,214	5,649,938	3,694,600	692,466	679,051	1,776,327	6,494,529	8,336,792
Community development	-	-	-	-	-	-	-	126,924	-	-
Debt service:										
Principal	109,198	154,267	175,486	205,422	83,151	227,403	243,992	224,557	327,737	6,296,495
Interest	19,790	15,326	12,769	30,275	73,928	74,023	67,797	67,687	122,237	332,730
Bond issuance costs	-	-	-	80,000	-	-	-	127,500	-	408,255
Total expenditures	3,672,267	3,795,192	5,086,879	9,977,614	8,130,279	5,826,771	5,821,177	8,134,879	12,620,993	20,919,748
Excess (deficiency) of revenues over (under) expenditures	481,816	1,237,261	628,062	(3,525,539)	(2,767,933)	306,448	1,673,718	(1,429,411)	(4,686,204)	(12,463,107)
Other financing sources (uses)										
Transfers	-	-	-	-	-	-	-	-	-	-
Proceeds from capital lease	-	132,967	70,336	97,308	149,515	-	130,071	127,500	497,019	104,827
Proceeds from bonds payable	-	-	-	2,500,000	-	-	-	106,250	5,872,500	19,650,000
Proceeds from disposal of assets	-	-	-	-	-	-	-	-	-	31,161
Total other financing sources (uses)	-	132,967	70,336	2,597,308	149,515	-	130,071	233,750	6,369,519	19,785,988
Net change in fund balance	\$ 481,816	\$ 1,370,228	\$ 698,398	\$ (928,231)	\$ (2,618,418)	\$ 306,448	\$ 1,803,789	\$ (1,195,661)	\$ 1,683,315	\$ 7,322,881

City of Jonesboro, Georgia
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Tax Digest Years

Tax Digest Year	Residential	Agricultural	Commercial	Industrial	Utility	Motor Vehicle	Heavy Duty Equipment	Gross Digest	Less : Exemptions - M&O	Less: Exemptions - City	Net Taxable Assessed Value	Millage Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2012	\$ 22,462,911	\$ 30,179	\$ 42,035,320	\$ 3,171,536	\$7,226,921	\$ 11,767,400	\$ -	\$ 86,694,267	\$ 5,301,175	\$ 10,592,896	\$ 70,800,196	1.5	\$ 177,000,490	40%
2013	21,685,088	30,179	38,904,986	3,010,960	7,536,676	12,259,780	-	83,427,669	5,013,978	10,406,430	68,007,261	1.5	170,018,153	40%
2014	21,902,002	30,179	36,876,051	3,042,728	7,536,676	9,068,950	-	78,456,586	10,025,273	5,659,860	62,771,453	1.5	156,928,633	40%
2015	24,081,584	30,179	36,588,461	3,788,066	7,001,452	6,664,830	-	78,154,572	10,758,088	5,751,132	61,645,352	1.5	154,113,380	40%
2016	23,586,081	30,179	37,629,721	2,415,167	7,782,845	4,881,700	2,423	76,328,116	10,597,825	5,751,132	59,979,159	1.5	149,947,898	40%
2017	23,623,226	30,179	41,544,117	3,116,356	5,668,418	3,454,420	-	77,436,716	10,507,702	5,751,132	61,177,882	3.0	152,944,705	40%
2018	28,097,326	31,315	67,806,658	4,946,607	5,255,655	2,492,840	4,818	108,635,219	12,174,844	6,094,801	90,365,574	4.0	225,913,935	40%
2019	30,201,441	31,315	74,218,151	6,799,242	6,063,576	1,911,910	-	119,225,635	13,809,076	8,838,655	96,577,904	4.0	241,444,760	40%
2020	35,535,337	31,315	78,300,110	6,739,059	5,733,475	1,607,070	4,900	127,951,266	16,116,267	7,567,550	104,267,449	6.0	260,668,623	40%
2021	45,470,933	47,384	85,371,461	9,838,808	5,729,057	811,220	-	147,268,863	13,841,977	4,530,000	128,896,886	7.0	322,242,215	40%

Source: City Records & Clayton County Tax Commissioner

City of Jonesboro, Georgia
Property Tax Rates
Last Ten Tax Digest Years

Tax Digest Year	City of Jonesboro				Clayton County	School District	Fire	Total Millage Rate
	State of Georgia	Maintenance and Operations	Sales Tax Reduction	Total City				
2012	0.200	14.33	12.83	1.50	14.912	20.000	5.000	41.612
2013	0.150	18.77	17.27	1.50	14.661	20.000	5.000	41.311
2014	0.100	17.94	16.44	1.50	14.869	20.000	5.000	41.469
2015	0.050	8.90	7.40	1.50	15.862	19.095	5.000	41.507
2016	0.000	9.92	8.42	1.50	16.596	19.095	5.000	42.191
2017	0.000	10.64	7.64	3.00	16.596	19.095	5.000	43.691
2018	0.000	11.88	7.88	4.00	15.596	20.000	5.000	44.596
2019	0.000	11.78	7.78	4.00	15.596	20.000	5.000	44.596
2020	0.000	15.35	9.35	6.00	15.089	20.000	4.906	45.995
2021	0.000	15.35	8.35	7.00	14.746	20.000	4.750	46.496

Source: City Records & Clayton County Tax Commissioner

City of Jonesboro, Georgia
Principal Property Taxpayers
Current Year and Nine Years Ago
(amounts expressed in thousands)

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Development Authority	\$ 18,363	1	14.25%			
Hampstead Keystone Partners	12,250	2	9.50%			
BVC Crossroads South	10,818	3	8.39%			
Georgia Power Company	9,780	4	7.59%	\$ 6,729	2	9.50%
PM Tara Jonesboro	7,576	5	5.88%			
Low Temp Industries	6,956	6	5.40%			
Wayfield Foods	4,411	7	3.42%			
S&A Hospitality	4,299	8	3.34%			
Lansky Partnership	3,358	9	2.61%			
Comcast of GA/VA Inc	2,870	10	2.23%	5,405	3	7.63%
Bellsouth / AT&T Southeast				8,170	1	11.54%
GGR LLC				4,880	4	6.89%
Branch Banking & Trust Company				2,795	5	3.95%
Jack W Branan				2,421	6	3.42%
West Indies Holding Company LLC				2,336	7	3.30%
Jonesboro Shopping Center				2,300	8	3.25%
Supertel Limited Partnership				2,300	9	3.25%
Bryn-Mawr Estates				1,552	10	2.19%
Total	<u>\$ 128,896</u>		<u>62.59%</u>	<u>\$ 70,800</u>		<u>54.93%</u>

Source: City of Jonesboro Tax Records

City of Jonesboro, Georgia
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied	Collected within the Fiscal Year of the Levy			Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy			Amount	% of Levy
2012	\$ 96,078	\$ 95,758	99.7%		\$ -	\$ 95,758	99.7%
2013	85,981	60,816	70.7%		24,078	84,894	98.7%
2014	94,157	71,242	75.7%		21,516	92,758	98.5%
2015	87,304	87,156	99.8%		145	87,301	100.0%
2016	85,263	81,641	95.8%		3,338	84,979	99.7%
2017	183,534	183,471	100.0%		80	183,551	100.0%
2018	363,462	348,347	95.8%		604	348,951	96.0%
2019	386,312	322,277	83.4%		62,894	385,171	99.7%
2020	625,605	589,531	94.2%		35,671	625,202	99.9%
2021	1,135,767	1,059,256	93.3%		42,370	1,101,626	97.0%

Source: City of Jonesboro Property Tax Receivable Records

Notes: Includes real, personal and utility taxes levied and collected

City of Jonesboro, Georgia
Local Option Sales Tax History
Last Ten Fiscal Years

Month	Fiscal Years									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
January	\$ 103,289	\$ 96,675	\$ 118,068	\$ 120,956	\$ 144,100	\$ 126,986	\$ 154,477	\$ 141,866	\$ 137,060	\$ 121,649
February	80,999	92,360	97,202	108,766	109,036	179,439	145,313	126,632	110,037	129,693
March	87,772	96,002	102,860	110,302	100,114	123,685	128,087	115,528	105,367	140,321
April	102,228	80,623	167,342	111,196	121,739	136,763	162,787	126,530	111,110	140,854
May	88,694	127,234	108,812	116,524	124,318	126,909	147,607	130,942	108,534	146,856
June	85,489	77,148	113,902	110,399	126,719	137,437	151,485	129,101	121,331	148,273
July	86,300	79,808	106,558	114,001	132,186	139,023	149,750	128,533	127,164	149,944
August	79,470	78,270	114,199	145,217	129,190	144,072	128,067	135,575	101,036	145,537
September	79,462	99,518	109,097	129,816	128,492	140,411	124,418	121,390	178,085	145,179
October	76,108	100,382	114,538	126,978	129,673	134,685	110,233	123,501	121,879	145,306
November	83,458	101,274	103,825	126,476	132,065	137,025	125,663	125,198	205,200	147,094
December	186,944	118,263	112,346	144,671	82,576	161,863	109,048	118,917	135,446	168,187
Adjustment	-	-	-	-	-	-	797,715	-	-	-
Total	\$1,140,214	\$1,147,558	\$1,368,749	\$1,465,302	\$1,460,207	\$1,688,297	\$2,434,649	\$1,523,713	\$1,562,248	\$1,728,892

Notes:

(1) The City's percentage of the total LOST distribution for Clayton County increased in Fiscal Year 2014. The County sent a check to adjust the amount received by the City for the months before the State accepted the new Certificate

(2) In 2018, the City received a Lump Sum Fuel Tax Payment

(3) In Fiscal Year 2019, our sales tax revenue decreased due to an FAA ruling that the City could no longer collect sales tax on airport jet fuel.

City of Jonesboro, Georgia
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Bonds Payable	Contract Payable	Capital Leases	Total Primary Government	Percentage of Personal Income	Population	Debt per Capita	Personal Income (in thousands)
2012	\$ -	\$ 245,000	\$ -	\$ 245,000	0.21%	4,718	1.93%	\$ 114,746
2013	-	235,000	88,700	323,700	0.27%	4,719	1.46%	118,834
2014	-	120,000	98,550	218,550	0.18%	4,737	2.17%	120,448
2015	2,500,000	-	110,436	2,610,436	2.09%	4,852	0.19%	124,876
2016	2,500,000	-	176,800	2,676,800	2.07%	4,842	0.18%	129,175
2017	2,350,000	-	99,397	2,449,397	1.79%	4,882	0.20%	136,769
2018	2,200,000	-	135,746	2,335,746	1.57%	5,045	0.22%	148,944
2019	2,172,500	103,755	68,414	2,344,669	1.47%	5,146	0.22%	159,871
2020	7,885,000	98,591	402,860	8,386,451	5.02%	5,147	0.06%	166,902
2021	21,370,000	93,174	381,610	21,844,784	12.62%	5,134	0.02%	173,139

Notes: Details regarding the City's long term debt can be found in the notes to the financial statements

City of Jonesboro, Georgia
Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year	Assessed Value of Taxable Property	Debt Limit (10% of assessed value)	Amount of Outstanding Debt Applicable to debt Limit	Legal Debt Margin	Total % Net Debt Applicable to the debt limit
2012	\$ 86,694,267	\$ 8,669,427	\$ 245,000	\$ 8,424,427	2.83%
2013	83,427,669	8,342,767	323,700	8,019,067	3.88%
2014	78,456,586	7,845,659	218,550	7,627,109	2.79%
2015	78,154,572	7,815,457	110,436	7,705,021	1.41%
2016	76,328,116	7,632,812	176,800	7,456,012	2.32%
2017	77,436,716	7,743,672	99,397	7,644,275	1.28%
2018	108,635,219	10,863,522	135,476	10,728,046	1.25%
2019	119,225,635	11,922,564	172,169	11,750,395	1.44%
2020	127,951,266	12,795,127	501,451	12,293,676	3.92%
2021	147,268,863	14,726,886	474,784	14,252,102	3.22%

Notes: Details regarding the City's long term debt can be found in the notes to the financial statements. Under Georgia law, the City of Jonesboro's outstanding general obligation debt should not exceed 10% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

City of Jonesboro, Georgia
Direct and Overlapping Governmental Activities Debt
As of December 31, 2021

Jurisdiction	Debt Outstanding	Percentage Applicable to the City of Jonesboro (a)	Amount Applicable to the City of Jonesboro
Clayton County, Georgia - Overlapping Debt	\$ 72,000,000	1.53%	\$ 1,101,600
			1,101,600
City of Jonesboro, Georgia - Direct Debt	21,844,784	100.00%	21,844,784
			22,946,384
Total Direct and Overlapping Debt			

Sources: Assessed value data used to estimate applicable percentages provided by the County. Debt outstanding provided by the County (as of December 31, 2021) and City Finance Department.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that could place burden on the residents and businesses of the City of Jonesboro. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

(a) - The percentage of overlapping debt applicable is estimated using the assessed gross digest. Applicable percentages were estimated by determining the portion of the City's assessed taxable value that is within the County's boundaries and dividing it by the County's total gross digest.

City of Jonesboro, Georgia
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Median Age (1)	Per Capita Personal Income (1)	Personal Income (in thousands)	School Enrollment (2)	Unemployment Rate (2)
2012	4,718	28.8	\$ 24,321	\$ 114,746	546	14.0
2013	4,719	28.2	25,182	118,834	637	17.6
2014	4,737	30.9	25,427	120,448	675	17.4
2015	4,852	30.9	25,737	124,876	735	17.8
2016	4,842	32.0	26,678	129,175	787	14.6
2017	4,882	32.0	28,015	136,769	850	12.4
2018	5,045	32.6	29,523	148,944	793	11.1
2019	5,146	33.0	31,067	159,871	790	7.9
2020	5,147	31.6	32,427	166,902	893	3.2
2021	5,134	31.6	33,724	173,139	895	4.1

(1) U.S. Census Bureau - <https://www.census.gov/data/tables/2021/demo/educational-attainment/cps-detailed-tables.html>

(2) Georgia Department of Labor

City of Jonesboro, Georgia
Ten Largest Employers in Jonesboro
Current Year and Nine Years Ago

Business	2021			2012		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
BHW Sheet Metal	200	1	3.61%	165	1	4.15%
Lo Temp	140	2	2.53%			
Kroger	123	3	2.22%			
Wayfield Foods	78	4	1.41%			
Tallman Pools	36	5	0.65%			
Lidl	30	6	0.54%			
Quik Trip Store #799	27	7	0.49%			
Quik Trip Store #756	26	8	0.47%	26	4	0.65%
CVS Pharmacy #4549	17	9	0.31%	1	10	0.03%
Hilltop Pools	17	10	0.31%			
Better Buy Glass/Screen				44	2	1.11%
Heritage Bank				30	3	0.75%
Jonesboro Dialysis				17	5	0.43%
CSS Healthcare Services				16	6	0.40%
Wells Fargo Bank				11	7	0.28%
Clayton Daily News				3	8	0.08%
Starflex Corp				2	9	0.05%
Totals	694		12.54%	315		7.93%

Source: City of Jonesboro Business License Records
ARC Statistics per ESRI data compiled

City of Jonesboro, Georgia
Full Time Equivalent City Employees by Function
Last Ten Fiscal Years

Function	Fiscal Years									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
City Manager	0	0	0	1	1	1	1	1	1	1
City Clerk	1	1	1	1	1	1	1	1	1	1
Assistant City Manager	0	0	0	0	0	0	0	0	0	0
Community Development Director	0	0	0	1	1	1	1	1	1	1
Finance Director	1	1	1	1	1	1	1	1	1	1
Code Enforcement	1	1	1	1	1	1	1	1	1	1
Administrative	6	6	6	6	6	6	6	6	6	6
Chief of Police	1	1	1	1	1	1	1	1	1	1
Lieutenant	4	3	2	2	2	2	2	2	2	2
Sergeant	5	5	5	5	5	5	5	5	5	5
Detective	2	2	3	3	3	3	3	3	3	3
Police Officer	13	19	19	19	19	19	19	19	19	19
Probation Officer	2	2	2	2	2	2	2	2	2	2
Park Ranger	0	0	0	0	0	0	0	0	0	0
Court Administrator	0	0	0	0	0	0	0	0	1	1
Court Clerk	1	1	1	1	1	1	1	1	0	0
Public Works Director	1	1	1	1	1	1	1	1	1	1
Mechanic	1	1	1	1	1	1	1	1	1	1
General Laborer	11	11	11	11	11	11	11	11	11	11

City of Jonesboro, Georgia
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Years									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Physical arrests	N/A	N/A	825	991	986	1,276	1,197	885	1,069	583
Traffic violations	N/A	N/A	5,811	7,102	8,145	8,633	6,734	5,551	11,387	6,532
Public Works										
Streets (sq miles)	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.4	2.6	2.6
Parks and Recreation										
Acreage	8.61	8.61	8.61	9.5	9.5	9.5	9.5	9.5	9.5	9.5
Playgrounds	2	2	2	3	3	3	3	3	3	3
Basketball courts	1	1	1	1	1	1	1	1	1	1
Amphitheatre	0	0	0	1	1	1	1	1	2	2

City of Jonesboro, Georgia
Capital Asset Statistics by Function
Last Ten Fiscal Years

<u>Function/Program</u>	Fiscal Years									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	29	34	37	41	39	40	40	17	22	22
Fire stations	1	1	1	1	1	1	1	1	1	1
Public works										
Streets (miles)	2	2	2	2	2	2	2	2	3	3
Parks and recreation										
Acreage	8.61	8.61	8.61	9.5	9.5	9.5	9.5	9.5	9.5	9.5
Playgrounds	0	0	0	0	0	0	0	1	1	1
Sanitation										
Vehicles	1	1	1	1	1	1	3	3	3	4

Source: Various City of Jonesboro Departments

COMPLIANCE SECTION



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

To the Honorable Mayor and Members of City Council
City of Jonesboro, 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, each major fund, and the aggregate remaining fund information of the City of Jonesboro, 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 Jonesboro, Georgia's basic financial statements and have issued our report thereon dated July 28, 2022.

Report on Internal Control Over Financial Reporting

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

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

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

of findings and questioned costs as item 2021-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

City of Jonesboro, Georgia's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the City of Jonesboro, Georgia's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Jonesboro, 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 it.

Purpose of this Report

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



Morrow, Georgia
July 28, 2022

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

2021-001: Significant Number of Proposed Adjustments

Criteria:	The auditor had to make a high number of journal entries, some material, during the audit.
Condition:	These misstatements were not discovered during the course of closing the books and records of the City indicating a deficiency in appropriate reviews of the financial statements during the year.
Effect:	Without the adjustments made throughout the year, the financial statements that are given to the council for review are misstated and could lead to decisions being made on incomplete financial information.
Recommendations:	We recommend that on a monthly basis the City review the financials and work with the finance manager to close out the books, making any necessary adjustments.
Views of Responsible Officials and Corrective Actions:	The City agrees with this finding. Please refer to the Corrective Action Plan.

**CITY OF JONESBORO, GEORGIA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021**

2020-001: Significant Number of Proposed Adjustments

Criteria: The auditor had to make a high number of journal entries, some material, during the audit.

Condition: These misstatements were not discovered during the course of closing the books and records of the city indicating a deficiency in internal controls over the financial reporting process.

Effect: Without the adjustments made throughout the year, the financial statements that are given to the council for review are misstated and could lead to decisions being made on incomplete financial information.

Status: Unresolved. See current year finding 2021-001.

2020-002: SPLOST Funds in Excess of Voter Approved Referendum

Criteria: SPLOST Funds were spent in excess of the specified budget in the voter approved referendum.

Condition: Georgia Law requires that SPLOST funds be used for the purposes and amounts specified in the voter approved referendum.

Cause: SPLOST spending has not been tracked in comparison with the budget specified in the voter approved referendum.

Effect: SPLOST funds were not spent in accordance with the voter approved referendum.

Status: Resolved.

**CITY OF JONESBORO, GEORGIA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021**

Finding 2020-003: Schedule of Expenditures of Federal Awards

Criteria:	2 CFR 200.510(b) – Schedule of expenditures of Federal awards – The auditee must prepare a SEFA for the period covered by the auditee’s financial statements. The SEFA must list total Federal awards expended listed by CFDA number, the name of the Pass-Through Entity and the identifying number assigned and include notes that describe the significant accounting policies used in preparing the schedule.
Condition:	The Schedule of Expenditures of Federal and State Awards (SEFA) did not contain all appropriate information required of the auditee. These errors were corrected during the course of the audit. However, the occurrence of these errors indicates a lack of internal controls over the preparation of a complete and accurate SEFA.
Effect:	Absent effective procedures for reviewing the SEFA and notes to the SEFA, information may not be reported accurately and in accordance with Federal and other guidelines.
Status:	Resolved.

June 29, 2022

**MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2020**

Finding: 2021-001 Significant Number of Proposed Adjustments

Correction action: Management will institute measures to ensure proper statement of financials at year-end.

Responsible Person: Nina Robinson, Finance Director

Proposed completion date: December 31, 2022