

CITY OF CENTERVILLE, GEORGIA

ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**

CITY OF CENTERVILLE, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

TABLE OF CONTENTS

Page

FINANCIAL SECTION

Independent Auditor's Report	1 – 4
Management’s Discussion and Analysis	5 – 12

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position	13
Statement of Activities	14 and 15

Fund Financial Statements:

Balance Sheet – Governmental Funds	16
Reconciliation of the Balance Sheet of Governmental Funds to the Government-wide Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	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 and Actual – General Fund	20
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – ARPA Fund – Special Revenue Fund	21
Statement of Net Position – Proprietary Funds	22
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	23
Statement of Cash Flows – Proprietary Funds	24

Notes to the Financial Statements	25 – 49
---	---------

Required Supplementary Information:

Schedule of Changes in the City’s Net Pension Liability (Asset) and Related Ratios	50 and 51
Schedule of Contributions – Retirement Plan	52 and 53
Schedule of Changes in the City’s Total OPEB Liability and Related Ratios	54

Combining Statements and Schedules:

Combining Balance Sheet – Nonmajor Governmental Funds	55
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	56
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Confiscated Assets – Special Revenue Fund	57

CITY OF CENTERVILLE, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

TABLE OF CONTENTS (CONTINUED)

Page

FINANCIAL SECTION (CONTINUED)

Combining Statements and Schedules (Continued):	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – CHIP Grant – Special Revenue Fund.....	58
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds – 2018 Issue	59

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 <i>Government Auditing Standards</i>	60 and 61
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	62 – 64
Schedule of Expenditures of Federal Awards	65
Notes to Schedule of Expenditures of Federal Awards	66
Schedule of Findings and Questioned Costs	67 and 68
Summary Schedule of Prior Year Findings	69

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**To the Honorable Mayor and Members
of the City Council
City of Centerville, Georgia
Centerville, 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 Centerville, Georgia** (the "City"), as of and for the year ended June 30, 2024, 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, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the American Rescue Plan Act ("ARPA") Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 5 – 12), the Schedule of Changes in the City's Net Pension Liability and Related Ratios (on pages 50 and 51), the Schedule of Contributions – Retirement Plan (on pages 52 and 53), and the Schedule of Changes in the City's Total OPEB Liability and Related Ratios (on page 54), be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining statements and schedules and the Schedule of Expenditures of Special Purpose Local Option Sales Tax proceeds, as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121 are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and schedules, the Schedule of Expenditures of Special Purpose Local Option Sales Tax proceeds, and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
October 28, 2024

CITY OF CENTERVILLE, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024
(UNAUDITED)

As management of the City of Centerville (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Centerville for the fiscal year ended June 30, 2024. Please review in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

Assets and deferred outflows exceeded the City's liabilities and deferred inflows in the amount of \$30,613.0 thousand for the governmental activities and \$11,191.4 thousand for the business-type activities for a total net position of \$41,804.4 thousand. This is in comparison to prior year total net position of \$39,433.7 thousand and reflects an increase of \$2370.7 thousand in net position.

In the government-wide Statement of Activities, revenues and expenses for the governmental activities were \$9,261.0 thousand and \$7,347.6 thousand with an increase in net position of \$1,913.4 thousand. This is compared with prior year revenues and expenses of \$6,860.2 thousand and \$7,420.8 thousand, respectively.

In the government-wide Statement of Activities, revenues and expenses for the business-type activities were \$5,081.2 thousand and \$4,623.9 thousand with an increase in net position of \$457.3 thousand. This is compared with prior year revenues and expenses of \$4,205.7 thousand and \$3,911.9 thousand, respectively.

In the fund financial statements, the City's governmental funds reported a combined ending fund balance of \$6,014.6 thousand in comparison with prior years combined ending fund balance of \$3,187.8 thousand, an increase of \$2,826.8 thousand, respectively.

As of June 30, 2024, general fund unassigned fund balance was \$4,738.5 thousand or 86.3% of general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Centerville's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements 2) fund financial statements and 3) notes to the basic financial statements. This report also contains supplementary information, in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements are comparable to the reporting requirements of private sector businesses and provide financial information about the City as a whole.

The Statement of Net Position presents information on all the City's assets and deferred outflows and liabilities and deferred inflows with the difference reported as net position. This increase or decrease in net position serves as a useful indicator of whether the financial position of the City is improving or deteriorating.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Statement of Activities presents information showing the change in the City's net position in the most recent fiscal year. Revenues and expenses are recognized on the accrual basis of accounting regardless of the timing of related cash flow.

The City divides the Statement of Net Position and Statement of Activities into two types of activities:

- **Governmental Activities** - The City's basic services are accounted for in this section, including public safety (police, fire, probation, and animal control), streets, culture-recreation, housing and development, public improvements, planning and zoning, judicial and general administration. These activities are supported by property taxes, franchise fees, business licenses, alcohol licenses, building permits and federal and state grants.
- **Business-type activities** - The City provides water and sewer services, sanitation services and storm water utility services to the residents of Centerville. Fees for these services fund and support the costs of billings, activation of new customer accounts, reading of meters, supplies and routine repairs and maintenance.

FUND FINANCIAL STATEMENTS

A fund is a group 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, use fund accounting to ensure and demonstrate finance-related legal compliance. All funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, one may better understand the long- term impact of the City'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 the comparison between governmental activities and governmental funds.

Governmental funds include the General Fund, Special Revenue Funds and Capital Project Funds.

Budgetary comparison statement is included in the basic financial statements for the general fund. This statement demonstrates compliance with the City's adopted and final revised budget. These governmental fund statements can be found on page 16-21.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- **Proprietary Funds:** The City of Centerville maintains three proprietary funds, all of which are enterprise funds. Enterprise funds report the same activity as the business type activities in the government-wide financial statements. The City accounts for the water and sewer service, sanitation service and storm water utility service through its enterprise funds. Refer to pages 22-24 for proprietary fund statements.
- **Fiduciary Funds:** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City has one fiduciary fund: The Municipal court fund.
- **Notes to the Financial Statements:** Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Notes to the financial statement can be found on page 25-49 of this report.
- **Required Supplementary Information:** In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City's net pension asset or liability, City contributions, and the City's Net OPEB Liability. Required supplementary information can be found on pages 50-54 of this report.
- **Other Supplementary Information:** In addition to the basic financial statements and accompanying notes, this report also presents individual and combining non-major fund financial statements. These may be found beginning on page 55.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflows exceeded liabilities and deferred inflows by \$41,804.4 thousand, which is an increase of \$2,370.7 thousand or 6 % from fiscal year 2023.

Statement of Net Position
June 30, 2024 and 2023
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 6,243.9	\$ 5,733.7	\$ 5,907.9	\$ 5,236.4	\$ 12,151.8	\$ 10,970.1
Capital assets	27,813.8	27,868.0	6,292.2	6,221.6	34,106.0	34,089.6
Net pension asset	-	-	-	-	-	-
Total assets	34,057.7	33,601.7	12,200.1	11,458.0	46,257.8	45,059.7
Deferred Outflows of Resources	663.4	904.8	165.9	240.5	829.3	1,145.3
Current and other liabilities	969.2	3,242.3	618.9	622.6	1,588.1	3,864.9
Long-term liabilities	926.8	1,303.5	2.4	6.6	929.2	1,310.1
Net pension liability	1,027.9	1,061.5	257.2	282.2	1,285.1	1,343.7
Net OPEB liability	1,015.9	-	254.1	-	1,270.0	-
Total liabilities	3,939.8	5,607.3	1,132.6	911.4	5,072.4	6,518.7
Deferred inflow of Resources - Pension	134.7	199.6	33.7	53.0	168.4	252.6
Deferred inflows of Resources - OPEB	33.5	-	8.3	-	41.8	-
	168.2	199.6	42.0	53.0	210.2	252.6
Net position:						
Investment in capital assets	26,321.3	26,054.1	6,292.2	6,221.6	32,613.5	32,275.7
Restricted	1,275.2	756.9	-	-	1,275.2	756.9
Unrestricted	3,016.5	1,888.6	4,899.2	4,512.5	7,915.7	6,401.1
Total net position	\$ 30,613.0	\$ 28,699.6	\$ 11,191.4	\$ 10,734.1	\$ 41,804.4	\$ 39,433.7

As a whole, the City of Centerville assets and deferred outflows exceeded liabilities and deferred inflows by \$41,804.4 thousand at the close of the fiscal year June 30, 2024. Of the \$41,804.4 thousand in total net position, \$32,613.5 thousand or 78% reflects net investment in capital assets (i.e., land, infrastructure, buildings, machinery and equipment) \$1,275.2 thousand or 3% is restricted net position and \$7,915.7 thousand or 19% is unrestricted net position.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table provides a comparison for the changes in the net position in governmental and business type activities for the fiscal years ended June 30, 2024 and 2023.

Statement of Activities June 30, 2024 and 2023 (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues:						
Charges for services	\$ 624.9	\$ 784.9	\$ 4,921.4	\$ 4,153.9	\$ 5,546.3	\$ 4,938.8
Operating grants and contributions	2,360.6	550.2	22.0	-	2,382.6	550.2
Capital grants and contributions	1,761.3	1,429.5	9.3	-	1,770.6	1,429.5
General revenues:						
Sales taxes	-	-	-	-	-	-
Unrestricted investment capital assets	-	-	-	-	-	-
Other general revenues	52.8	121.6	128.5	51.8	181.3	173.4
Total revenues	<u>9,260.5</u>	<u>6,860.2</u>	<u>5,081.2</u>	<u>4,205.7</u>	<u>14,341.7</u>	<u>11,065.9</u>
Expenses						
General government	1,181.1	1,131.2	-	-	1,181.1	1,131.2
Judicial	229.7	229.3	-	-	229.7	229.3
Public safety	4,447.9	4,297.2	-	-	4,447.9	4,297.2
Public works	950.3	1,005.5	-	-	950.3	1,005.5
Culture and recreation	321.3	293.4	-	-	321.3	293.4
Housing and development	192.8	390.1	-	-	192.8	390.1
Interest on long-term debt	24.5	74.1	-	-	24.5	74.1
Business-type activities:						
Water and sewer	-	-	3,056.5	2,694.0	3,056.5	2,694.0
Sanitation	-	-	1,356.0	1,024.9	1,356.0	1,024.9
Stormwater utility	-	-	211.4	193.0	211.4	193.0
Total expenses	<u>7,347.6</u>	<u>7,420.8</u>	<u>4,623.9</u>	<u>3,911.9</u>	<u>11,971.5</u>	<u>11,332.7</u>
Change in net position before transfers	<u>1,912.9</u>	<u>(560.6)</u>	<u>457.3</u>	<u>293.8</u>	<u>2,370.2</u>	<u>(266.8)</u>
Transfers	<u>0.5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.5</u>	<u>-</u>
Change in net position	<u>1,913.4</u>	<u>(560.6)</u>	<u>457.3</u>	<u>293.8</u>	<u>2,370.7</u>	<u>(266.8)</u>
Net position, beginning of year	<u>28,699.6</u>	<u>29,260.2</u>	<u>10,734.1</u>	<u>10,440.3</u>	<u>39,433.7</u>	<u>39,700.5</u>
Net position, end of year	<u><u>\$ 30,613.0</u></u>	<u><u>\$ 28,699.6</u></u>	<u><u>\$ 11,191.4</u></u>	<u><u>\$ 10,734.1</u></u>	<u><u>\$ 41,804.4</u></u>	<u><u>\$ 39,433.7</u></u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

As a whole, the City's net position increased \$2,370.7 thousand as of the close of the fiscal year June 30, 2024. Of this increase \$1,913.4 thousand increase is attributable to the governmental activities and \$457.3 increase is attributable to the business-type activities.

FUND FINANCIAL ANALYSIS

Governmental funds

The focus of the City'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's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending as of the fiscal year end.

As of the end of fiscal year 2024, the City's governmental funds reported combined ending fund balance of approximately \$6,014,651 thousand or an increase of approximately \$2,826.9 thousand when compared with prior year.

This Increase of fund balance in the amount of \$2,826.9 thousand is comprised of an increase of \$2,308.7 thousand in the general fund, \$383.0 thousand increase in the SPLOST fund and \$135.2 thousand increase in the non-major governmental funds, respectively.

The General Fund is the chief operating fund of the City. As of June 30, 2024, the total unassigned fund balance of the general fund was \$4,738.5 thousand. Unassigned fund balance represents approximately 86.3% of total general fund expenditures.

Proprietary funds

The City's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted combined net position of the water and sewer fund, sanitation fund and storm water utility fund at the end of fiscal year 2024 amounted to \$4,899.1 thousand, an increase of \$386.6 thousand.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City Council revisits the budget several times during the year. There was no change between the original and final amended budget. General Fund actual expenditures of \$5,486.9 thousand was 91% of the final amended appropriations of \$5,998.4 thousand or \$511.5 thousand less than the final budget.

MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSETS

The City's capital assets for its governmental and business-type activities as of June 30, 2024 total \$34,106.0 thousand (net of accumulated depreciation). This investment in capital assets includes land, public buildings and improvements, construction in progress, infrastructure, water and sewer improvements, machinery and equipment and furniture and fixtures. The City's capital assets increased \$16.4 thousand.

Additional information of the City's Capital Assets can be found in Note 4 beginning on page 36 of this report.

Capital Assets at Year-End (in thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land and improvements	\$ 704.3	\$ 704.3	\$ 825.4	\$ 816.2	\$ 1,529.7	\$ 1,520.5
Construction in progress	732.3	288	413.9	453	1,146.2	741
Buildings and improvements	9,332.3	9,534.3	1,701.1	1,742.3	11,033.4	11,276.6
Infrastructure	15,981.4	16,434.9	3,149.2	3,015.7	19,130.6	19,450.6
Lease asset	286.8	-	-	-	286.8	-
Equipment	776.7	906.3	202.6	194.5	979.3	1,100.8
Total	<u>\$ 27,813.8</u>	<u>\$ 27,868.0</u>	<u>\$ 6,292.2</u>	<u>\$ 6,221.6</u>	<u>\$ 34,106.0</u>	<u>\$ 34,089.6</u>

DEBT MANAGEMENT

The City's long-term debt for its governmental and business-type activities as of June 30, 2024 total \$4,239.7 thousand in comparison to \$3,378.8 thousand in the prior year. This change reflects an increase of \$860.9 thousand in long-term debt.

Refer to Note 5 beginning on page 38 of this report for additional information on the City's long-term obligations.

Long-Term Obligations at Year-End (in thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Notes and other obligations	<u>\$ 3,710.6</u>	<u>\$ 3,061.5</u>	<u>\$ 529.1</u>	<u>\$ 317.3</u>	<u>\$ 4,239.7</u>	<u>\$ 3,378.8</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

ECONOMIC FACTORS AND NEXT YEARS BUDGET AND RATES

Factors considered in preparation of the FY 2025 Budget include:

- Account for inflation in increase in premiums for property and liability insurance, and health insurance.
- Relocation of water & sewer utilities for phase I of the Elberta/Wilson road widening project
- Relocation of the recycle center- partial funding with a grant
- Construction sanitary sewer line Bay Gall Creek
- Storm water capital improvement- project piped pond
- Resurface roads 2024 LMIG project
- Additional playground and sensory equipment at Center Park- partial funding with a grant
- Make an additional payment on the note payable – construction of the new fire station, extinguishing this debt in full.

As of June 30, 2024, unemployment rates for the Middle Georgia Region were 4.4%. This represents an increase in comparison to the unemployment rate of 3.8% in 2023.

CONTACT INFORMATION

This report has been created to give our citizens, taxpayers, customers, investors and creditors a summary of City finances and to show how revenues are used. If you have any questions regarding this report, or if you need additional financial information, please contact:

Carol Harrison, CPA, MBA
City Accountant
300 East Church Street
Centerville, Georgia 31028
Phone: 478-953-4734
Fax: 478-953-4797

cityaccountant@centerville.mgacoxmail.com

BASIC FINANCIAL STATEMENTS

CITY OF CENTERVILLE, GEORGIA

**STATEMENT OF NET POSITION
JUNE 30, 2024**

	Primary Government		
	Governmental Activities	Business-type Activities	Total Primary Government
ASSETS			
Cash and cash equivalents	\$ 6,085,756	\$ 5,396,377	\$ 11,482,133
Taxes receivable	1,818	-	1,818
Accounts receivable	106,160	480,322	586,482
Internal balances	36,539	(36,539)	-
Intergovernmental	12,705	-	12,705
Inventory	-	55,824	55,824
Prepaid expenses	915	11,931	12,846
Capital assets:			
Lease assets, net of accumulated depreciation	286,849	-	286,849
Nondepreciable	1,436,578	1,239,309	2,675,887
Depreciable, net of accumulated depreciation	26,090,423	5,052,919	31,143,342
Total assets	<u>34,057,743</u>	<u>12,200,143</u>	<u>46,257,886</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	663,364	165,943	829,307
	<u>663,364</u>	<u>165,943</u>	<u>829,307</u>
LIABILITIES			
Accounts payable	182,639	204,458	387,097
Accrued liabilities	43,826	12,488	56,314
Unearned revenues	2,778	-	2,778
Customer deposits payable	-	386,600	386,600
Notes payable due within one year	568,788	-	568,788
Notes payable due in more than one year	676,152	-	676,152
Lease liability due within one year	56,590	-	56,590
Lease liability due in more than one year	190,971	-	190,971
Compensated absences due within one year	114,589	15,359	129,948
Compensated absences due in more than one year	59,708	2,408	62,116
Net pension liability due in more than one year	1,027,924	257,181	1,285,105
Total OPEB liability due in more than one year	1,015,915	254,138	1,270,053
Total liabilities	<u>3,939,880</u>	<u>1,132,632</u>	<u>5,072,512</u>
DEFERRED INFLOWS OF RESOURCES			
Pension	134,718	33,700	168,418
Other post-employment benefits	33,484	8,376	41,860
	<u>168,202</u>	<u>42,076</u>	<u>210,278</u>
NET POSITION			
Net investment in capital assets	26,321,349	6,292,228	32,613,577
Restricted for law enforcement	45,502	-	45,502
Restricted for resurface of roads	236,234	-	236,234
Restricted for capital projects	993,457	-	993,457
Unrestricted	3,016,483	4,899,150	7,915,633
Total net position	<u>\$ 30,613,025</u>	<u>\$ 11,191,378</u>	<u>\$ 41,804,403</u>

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

CITY OF CENTERVILLE, GEORGIA

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities:				
General government	\$ 1,181,138	\$ 270,301	\$ 77,379	\$ -
Judicial	229,743	307,650	7,803	-
Public safety	4,447,924	46,921	2,087,653	1,028,669
Public works	950,245	-	130,665	732,668
Culture and recreation	321,249	-	45,488	-
Housing and development	192,743	-	11,588	-
Interest on long-term debt	24,527	-	-	-
Total governmental activities	<u>7,347,569</u>	<u>624,872</u>	<u>2,360,576</u>	<u>1,761,337</u>
Business-type activities:				
Water and sewer	3,056,487	2,966,842	22,028	9,300
Sanitation	1,356,062	1,698,262	-	-
Stormwater	211,387	256,261	-	-
Total business-type activities	<u>4,623,936</u>	<u>4,921,365</u>	<u>22,028</u>	<u>9,300</u>
Total primary government	<u>\$ 11,971,505</u>	<u>\$ 5,546,237</u>	<u>\$ 2,382,604</u>	<u>\$ 1,770,637</u>
General revenues:				
Property taxes				
Insurance premium tax				
Franchise taxes				
Alcoholic beverage taxes				
Other taxes				
Rental income				
Unrestricted investment earnings				
Insurance recoveries				
Transfers				
Total general revenues				
Change in net position				
Net position, beginning of year				
Net position, end of year				

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

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (833,458)	\$ -	\$ (833,458)
85,710	-	85,710
(1,284,681)	-	(1,284,681)
(86,912)	-	(86,912)
(275,761)	-	(275,761)
(181,155)	-	(181,155)
(24,527)	-	(24,527)
<u>(2,600,784)</u>	<u>-</u>	<u>(2,600,784)</u>
-	(58,317)	(58,317)
-	342,200	342,200
-	44,874	44,874
<u>-</u>	<u>328,757</u>	<u>328,757</u>
<u>(2,600,784)</u>	<u>328,757</u>	<u>(2,272,027)</u>
2,947,130	-	2,947,130
730,107	-	730,107
471,103	-	471,103
82,634	-	82,634
89,459	-	89,459
22,533	-	22,533
140,546	112,364	252,910
30,232	16,641	46,873
471	(471)	-
<u>4,514,215</u>	<u>128,534</u>	<u>4,642,749</u>
1,913,431	457,291	2,370,722
28,699,594	10,734,087	39,433,681
<u>\$ 30,613,025</u>	<u>\$ 11,191,378</u>	<u>\$ 41,804,403</u>

CITY OF CENTERVILLE, GEORGIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

	General Fund	SPLOST Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 5,027,179	\$ 993,457	\$ -	\$ 65,120	\$ 6,085,756
Taxes receivable, net	1,818	-	-	-	1,818
Accounts receivable	106,160	-	-	-	106,160
Intergovernmental	-	-	-	12,705	12,705
Interfund receivables	36,639	-	-	236,234	272,873
Prepaid expenditures	915	-	-	-	915
Total assets	<u>\$ 5,172,711</u>	<u>\$ 993,457</u>	<u>\$ -</u>	<u>\$ 314,059</u>	<u>\$ 6,480,227</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 150,416	\$ -	\$ -	\$ 32,223	\$ 182,639
Accrued liabilities	43,826	-	-	-	43,826
Unearned revenues	2,778	-	-	-	2,778
Interfund payables	236,234	-	-	100	236,334
Total liabilities	<u>433,254</u>	<u>-</u>	<u>-</u>	<u>32,323</u>	<u>465,577</u>
FUND BALANCES					
Nonspendable:					
Prepaid expenditures	915	-	-	-	915
Restricted for:					
Law enforcement	-	-	-	45,502	45,502
Resurface of roads	-	-	-	236,234	236,234
Capital projects	-	993,457	-	-	993,457
Unassigned	4,738,542	-	-	-	4,738,542
Total fund balances	<u>4,739,457</u>	<u>993,457</u>	<u>-</u>	<u>281,736</u>	<u>6,014,650</u>
Total liabilities and fund balances	<u>\$ 5,172,711</u>	<u>\$ 993,457</u>	<u>\$ -</u>	<u>\$ 314,059</u>	<u>\$ 6,480,227</u>

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

CITY OF CENTERVILLE, GEORGIA

**RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE
STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Total government fund balance	\$ 6,014,650
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	27,813,850
Pension and related liabilities and deferred inflows and outflows are not reported in the funds.	(499,278)
Other post-employment benefits related liabilities and deferred inflows and outflows are not reported in the funds.	(1,049,399)
Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(1,666,798)</u>
Change in net position - governmental activities	<u>\$ 30,613,025</u>

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

CITY OF CENTERVILLE, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	General Fund	SPLOST Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 2,947,130	\$ -	\$ -	\$ -	\$ 2,947,130
Other taxes	1,373,303	-	-	-	1,373,303
Charges for services	1,243	-	-	-	1,243
Licenses and permits	257,367	-	-	-	257,367
Intergovernmental	8,167	1,058,307	2,314,724	273,919	3,655,117
Probation fees	46,921	-	-	-	46,921
Fines and forfeitures	303,758	-	-	3,892	307,650
Interest revenue	140,546	22,700	-	-	163,246
Rental income	22,533	-	-	-	22,533
Other revenues	11,691	-	-	-	11,691
Total revenues	5,112,659	1,081,007	2,314,724	277,811	8,786,201
Expenditures					
Current:					
General government	945,831	-	-	-	945,831
Judicial	167,904	-	-	-	167,904
Public safety	3,720,978	-	-	8,100	3,729,078
Public works	281,828	-	-	-	281,828
Culture and recreation	159,327	-	-	-	159,327
Housing and development	121,128	-	-	33,685	154,813
Grant administration	-	-	-	4,000	4,000
Capital outlay	-	104,431	-	96,799	201,230
Debt service:					
Principal	89,908	569,035	-	-	658,943
Interest	-	24,527	-	-	24,527
Total expenditures	5,486,904	697,993	-	142,584	6,327,481
Excess (deficiency) of revenues over (under) expenditures	(374,245)	383,014	2,314,724	135,227	2,458,720
Other financing sources (uses)					
Transfers in	2,315,195	-	-	-	2,315,195
Transfers out	-	-	(2,314,724)	-	(2,314,724)
Insurance recoveries	30,232	-	-	-	30,232
Lease proceeds	337,469	-	-	-	337,469
Total other financing sources (uses)	2,682,896	-	(2,314,724)	-	368,172
Net change in fund balances	2,308,651	383,014	-	135,227	2,826,892
Fund balances, beginning of year	2,430,806	610,443	-	146,509	3,187,758
Fund balances, end of year	\$ 4,739,457	\$ 993,457	\$ -	\$ 281,736	\$ 6,014,650

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

CITY OF CENTERVILLE, GEORGIA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

Net change in fund balances - total governmental funds	\$	2,826,892
--	----	-----------

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital asset additions	\$	529,408	
Lease asset additions		337,469	
Depreciation expense		<u>(921,066)</u>	(54,189)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Issuance of lease	\$	(337,469)	
Principal retirement of long-term debt		<u>658,943</u>	321,474

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	\$	11,724	
Total other post-employment benefits liability related deferred inflows and outflows		(1,049,399)	
Net pension liability related deferred inflows and outflows		<u>(143,071)</u>	<u>(1,180,746)</u>

Change in net position - governmental activities	\$	<u>1,913,431</u>
--	----	------------------

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

CITY OF CENTERVILLE, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 2,404,104	\$ 2,404,104	\$ 2,947,130	\$ 543,026
Other taxes	1,678,162	1,678,162	1,373,303	(304,859)
Charges for services	350	350	1,243	893
Licenses and permits	197,168	197,168	257,367	60,199
Intergovernmental	-	-	8,167	8,167
Probation fees	55,000	55,000	46,921	(8,079)
Fines and forfeitures	472,421	472,421	303,758	(168,663)
Interest revenue	42,000	42,000	140,546	98,546
Rental income	25,500	25,500	22,533	(2,967)
Other revenues	-	-	11,691	11,691
Total revenues	<u>4,874,705</u>	<u>4,874,705</u>	<u>5,112,659</u>	<u>237,954</u>
Expenditures				
Current:				
General government:				
Legislative	136,219	136,219	124,443	11,776
Financial administration	495,718	495,718	486,524	9,194
Law	216,996	216,996	208,513	8,483
Elections	25,022	25,022	12,880	12,142
Information technology	119,663	119,663	113,471	6,192
Total general government	<u>993,618</u>	<u>993,618</u>	<u>945,831</u>	<u>47,787</u>
Judicial:				
Municipal court	197,299	197,299	167,904	29,395
Total judicial	<u>197,299</u>	<u>197,299</u>	<u>167,904</u>	<u>29,395</u>
Public safety:				
Police	2,184,360	2,184,360	2,060,135	124,225
Fire	1,729,932	1,729,932	1,504,368	225,564
Probation	74,400	74,400	74,228	172
Animal control	83,181	83,181	82,247	934
Total public safety	<u>4,071,873</u>	<u>4,071,873</u>	<u>3,720,978</u>	<u>350,895</u>
Public works:				
Streets	365,076	365,076	281,828	83,248
Total public works	<u>365,076</u>	<u>365,076</u>	<u>281,828</u>	<u>83,248</u>
Culture and recreation:				
Parks	205,092	205,092	159,327	45,765
Total culture and recreation	<u>205,092</u>	<u>205,092</u>	<u>159,327</u>	<u>45,765</u>
Housing and economic development:				
Economic development	106,330	106,330	75,946	30,384
Protective inspection	59,106	59,106	45,182	13,924
Total housing and economic development	<u>165,436</u>	<u>165,436</u>	<u>121,128</u>	<u>44,308</u>
Debt Service				
Principal	-	-	89,908	(89,908)
Total culture and recreation	-	-	89,908	(89,908)
Total expenditures	<u>5,998,394</u>	<u>5,998,394</u>	<u>5,486,904</u>	<u>511,490</u>
Deficiency of revenues under expenditures	<u>(1,123,689)</u>	<u>(1,123,689)</u>	<u>(374,245)</u>	<u>749,444</u>
Other financing sources (uses)				
Transfers in	922,403	2,670,553	2,315,195	(355,358)
Transfers out	-	(1,748,150)	-	1,748,150
Insurance recoveries	-	-	30,232	30,232
Lease proceeds	-	-	337,469	337,469
Total other financing sources, net	<u>922,403</u>	<u>922,403</u>	<u>2,682,896</u>	<u>1,760,493</u>
Appropriations	<u>201,286</u>	<u>201,286</u>	<u>-</u>	<u>(201,286)</u>
Net change in fund balances	-	-	2,308,651	2,308,651
Fund balances, beginning of year	<u>2,430,806</u>	<u>2,430,806</u>	<u>2,430,806</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,430,806</u>	<u>\$ 2,430,806</u>	<u>\$ 4,739,457</u>	<u>\$ 2,308,651</u>

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

CITY OF CENTERVILLE, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
ARPA FUND - SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	2,314,724	2,314,724	2,314,724	-
Total revenues	<u>2,314,724</u>	<u>2,314,724</u>	<u>2,314,724</u>	<u>-</u>
Excess of revenues over expenditures	<u>2,314,724</u>	<u>2,314,724</u>	<u>2,314,724</u>	<u>-</u>
Other financing uses				
Transfers out	(2,314,724)	(2,314,724)	(2,314,724)	-
Total other financing uses	<u>(2,314,724)</u>	<u>(2,314,724)</u>	<u>(2,314,724)</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

CITY OF CENTERVILLE, GEORGIA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024**

	<u>Water and Sewer Fund</u>	<u>Sanitation Fund</u>	<u>Nonmajor Stormwater Fund</u>	<u>Totals</u>
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 4,384,411	\$ -	\$ 1,011,966	\$ 5,396,377
Inventory	55,824	-	-	55,824
Prepaid expenses	11,931	-	-	11,931
Accounts receivable	286,923	167,260	26,139	480,322
Interfund receivables	-	-	45,775	45,775
Total current assets	<u>4,739,089</u>	<u>167,260</u>	<u>1,083,880</u>	<u>5,990,229</u>
NON-CURRENT ASSETS				
Capital assets:				
Nondepreciable	1,233,704	5,605	-	1,239,309
Depreciable, net of accumulated depreciation	4,982,519	1,434	68,966	5,052,919
Total non-current assets	<u>6,216,223</u>	<u>7,039</u>	<u>68,966</u>	<u>6,292,228</u>
Total assets	<u>10,955,312</u>	<u>174,299</u>	<u>1,152,846</u>	<u>12,282,457</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension	149,357	-	16,586	165,943
Total deferred outflows of resources	<u>149,357</u>	<u>-</u>	<u>16,586</u>	<u>165,943</u>
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	203,247	-	1,211	204,458
Accrued liabilities	11,918	134	436	12,488
Customer deposits payable	386,600	-	-	386,600
Interfund payables	82,314	-	-	82,314
Compensated absences due within one year	14,113	-	1,246	15,359
Total current liabilities	<u>698,192</u>	<u>134</u>	<u>2,893</u>	<u>701,219</u>
NON-CURRENT LIABILITIES				
Net pension liability	231,477	-	25,704	257,181
Total Other post-employment benefits liability	228,737	-	25,401	254,138
Compensated absences due in more than one year	2,408	-	-	2,408
Total non-current liabilities	<u>462,622</u>	<u>-</u>	<u>51,105</u>	<u>513,727</u>
Total liabilities	<u>1,160,814</u>	<u>134</u>	<u>53,998</u>	<u>1,214,946</u>
DEFERRED INFLOWS OF RESOURCES				
Pension	30,332	-	3,368	33,700
Other post-employment benefits	7,539	-	837	8,376
Total deferred inflows of resources	<u>37,871</u>	<u>-</u>	<u>4,205</u>	<u>42,076</u>
NET POSITION				
Investment in capital assets	6,216,223	7,039	68,966	6,292,228
Unrestricted	3,689,761	167,126	1,042,263	4,899,150
Total net position	<u>\$ 9,905,984</u>	<u>\$ 174,165</u>	<u>\$ 1,111,229</u>	<u>\$ 11,191,378</u>

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

CITY OF CENTERVILLE, GEORGIA

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Water and Sewer Fund</u>	<u>Sanitation Fund</u>	<u>Nonmajor Stormwater Fund</u>	<u>Totals</u>
OPERATING REVENUES				
Water sales	\$ 1,446,188	\$ -	\$ -	\$ 1,446,188
Sewer sales	862,246	-	-	862,246
Water and wastewater tap fees	387,000	-	-	387,000
Sanitation fees	-	1,672,886	-	1,672,886
Stormwater fees	-	-	256,261	256,261
Late fees	143,345	-	-	143,345
Other	159,391	25,376	-	184,767
Total operating revenues	<u>2,998,170</u>	<u>1,698,262</u>	<u>256,261</u>	<u>4,952,693</u>
OPERATING EXPENSES				
Personnel services	1,225,881	14,503	120,071	1,360,455
Contractual services	910,861	1,329,280	30,687	2,270,828
Supplies	326,181	1,308	3,468	330,957
Heat, light and power	119,638	2,862	-	122,500
Repairs and maintenance	218,846	1,987	49,031	269,864
Bad debt expense	19,095	5,644	320	25,059
Depreciation	235,985	478	7,810	244,273
Total operating expenses	<u>3,056,487</u>	<u>1,356,062</u>	<u>211,387</u>	<u>4,623,936</u>
Operating income (loss)	(58,317)	342,200	44,874	328,757
NON-OPERATING REVENUES				
Interest revenue	84,328	-	28,036	112,364
Insurance recoveries	16,641	-	-	16,641
Total non-operating revenues	<u>100,969</u>	<u>-</u>	<u>28,036</u>	<u>129,005</u>
Income before transfers	<u>42,652</u>	<u>342,200</u>	<u>72,910</u>	<u>457,762</u>
TRANSFERS				
Transfers in	333,541	-	-	333,541
Transfers out	(471)	(333,541)	-	(334,012)
Total transfers	<u>333,070</u>	<u>(333,541)</u>	<u>-</u>	<u>(471)</u>
Change in net position	375,722	8,659	72,910	457,291
NET POSITION, beginning of year	<u>9,530,262</u>	<u>165,506</u>	<u>1,038,319</u>	<u>10,734,087</u>
NET POSITION, end of year	<u>\$ 9,905,984</u>	<u>\$ 174,165</u>	<u>\$ 1,111,229</u>	<u>\$ 11,191,378</u>

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

CITY OF CENTERVILLE, GEORGIA

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Water and Sewer Fund</u>	<u>Sanitation Fund</u>	<u>Nonmajor Stormwater Fund</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 2,880,029	\$ 1,694,596	\$ 292,606	\$ 4,867,231
Payments to suppliers	(1,570,452)	(1,355,450)	(112,493)	(3,038,395)
Payments to employees	(974,219)	-	(91,470)	(1,065,689)
Net cash provided by operating activities	<u>335,358</u>	<u>339,146</u>	<u>88,643</u>	<u>763,147</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Sale of investments	1,642,135	-	507,858	2,149,993
Interest revenue	84,328	-	28,036	112,364
Net cash provided by investing activities	<u>1,726,463</u>	<u>-</u>	<u>535,894</u>	<u>2,262,357</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(260,640)	(5,605)	(48,676)	(314,921)
Insurance recoveries	16,641	-	-	16,641
Net cash used in capital and related financing activities	<u>(243,999)</u>	<u>(5,605)</u>	<u>(48,676)</u>	<u>(298,280)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer In	333,541	-	-	333,541
Transfer out	(471)	(333,541)	-	(334,012)
Net cash provided by (used in) noncapital and related financing activities	<u>333,070</u>	<u>(333,541)</u>	<u>-</u>	<u>(471)</u>
Change in cash and cash equivalents	2,150,892	-	575,861	2,726,753
Cash and cash equivalents:				
Beginning of year	<u>2,233,519</u>	<u>-</u>	<u>436,105</u>	<u>2,669,624</u>
End of year	<u>\$ 4,384,411</u>	<u>\$ -</u>	<u>\$ 1,011,966</u>	<u>\$ 5,396,377</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (58,317)	\$ 342,200	\$ 44,874	\$ 328,757
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	235,985	478	7,810	244,273
Changes in assets and liabilities:				
Decrease (increase) in accounts receivable	(34,418)	(3,666)	12,073	(26,011)
Decrease in prepaid expense	4,418	-	-	4,418
Decrease in inventory	25,379	-	-	25,379
Decrease in deferred outflows of resources - pension	68,261	-	6,321	74,582
Decrease in accounts payable	(5,628)	-	(21,169)	(26,797)
Increase (decrease) in accrued liabilities	4,908	134	(8)	5,034
Decrease in compensated absences	(16,304)	-	(1,104)	(17,408)
Decrease in net pension liability	(23,812)	-	(1,169)	(24,981)
Increase in total OPEB liability	228,737	-	25,401	254,138
Increase in customer deposits	31,200	-	-	31,200
Increase (decrease) in interfund payable	(114,923)	-	16,462	(98,461)
Decrease in deferred inflows of resources - pension	(17,667)	-	(1,685)	(19,352)
Increase in deferred inflows of resources - OPEB	7,539	-	837	8,376
Net cash provided by operating activities	<u>\$ 335,358</u>	<u>\$ 339,146</u>	<u>\$ 88,643</u>	<u>\$ 763,147</u>

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

NOTES TO THE FINANCIAL STATEMENTS

CITY OF CENTERVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Financial Reporting Entity

The City operates under a charter adopted on March 25, 1958. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police, fire, probation, and animal control), public works, culture-recreation, housing and economic development, public improvements, planning and zoning, judicial, and general administrative services. In addition, the City provides water and sewer services, sanitation services as well as stormwater utility services. These financial statements present the government entities for which the City is considered to be financially accountable.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. 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*, as are the proprietary funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund level 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 collected within the current fiscal period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. Major revenue sources that are susceptible to accrual are property taxes and intergovernmental revenue. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The City reports the following major governmental funds:

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

The **Special Purpose Local Option Sales Tax ("SPLOST") Fund** is used to account for monies received from intergovernmental revenues (i.e., special purpose local option sales taxes) for various City projects.

The **American Rescue Plan Act ("ARPA") Fund** is used to account for monies received from the U.S. Department of Treasury for grant activity.

Proprietary Fund financial statements are used to account for activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position, and cash flows.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Proprietary funds are accounted for using the accrual basis of accounting as follows:

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

The City reports the following major proprietary funds:

The ***Water and Sewer Fund*** is used to account for water and sewer operations as well as construction and maintenance of water and sewerage projects.

The ***Sanitation System Fund*** is used to account for operating revenues and expenses relating to garbage pickup.

Additionally, the City reports the following fund types:

The ***Special Revenue Funds*** account for revenue sources that are legally restricted to expenditure for specific purposes.

The ***Capital Projects Fund*** accounts for the acquisition of capital assets and construction or improvement of major capital projects such as construction of new roads.

The ***Stormwater Fund*** accounts for the City's stormwater operations and related capital projects.

D. Cash, Cash Equivalents and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less. State statutes and the City's official investment policy authorize the City to invest in obligations of the U.S. Treasury, commercial paper, repurchase agreements, bankers' acceptances, money market mutual funds and direct obligations of the State of Georgia.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash, Cash Equivalents and Investments (Continued)

State statutes authorize the City to invest in obligations of the U.S. Government and agencies of corporations of the U.S. Government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loans which have deposits insured by the FDIC or FSLIC; prime bankers' acceptances; repurchase agreements; and the Local Government Investment Pool of the State of Georgia ("Georgia Fund 1").

Georgia Fund 1 was created under the Official Code of Georgia Annotated ("O.C.G.A.") §36-83-8 and is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair value as of year-end and the City's investment in the Georgia Fund 1 is reported at fair value. The City considers amounts held in Georgia Fund 1 as investments for financial statement presentation.

E. Receivables and Payables

Property tax receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior year's levy are shown net of an allowance for uncollectible accounts.

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the City. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met. Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as deferred revenue in the fund statements. Receivables are shown net of an allowance for uncollectible accounts.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category that relate to the City's defined benefit pension plan and are consumptions of net position that apply to future periods. The three items are the changes in assumptions, experience differences, and the City's contributions subsequent to the measurement date. They will be recognized as expenses/expenditures when consumed.

In addition to liabilities, the Statement of Net Position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items which qualify for reporting in this category which relates to the City's defined benefit pension plan and OPEB Plan. The two items are the experience differences, and changes in assumptions.

G. Inventory and Prepaid Expenses

The costs of the City's inventories are recorded as expenditures when purchased. Expenditures for insurance and similar services extending over more than one accounting period are allocated between accounting periods. Reported prepaid expenses are equally offset by a nonspendable fund balance reserve.

H. Capital Assets

Capital assets are defined by the City as assets which have a cost of \$5,000 or more and an estimated useful life in excess of two years. Capital assets purchased or acquired are recorded at historical costs. Contributed assets are recorded at their acquisition value as of the date donated. Capital assets are reported in the government-wide and proprietary fund financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets and right to use leased assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and infrastructure	50
Furniture and equipment	5 – 15
Trucks and tractors	3 – 7
Right-to-use leased equipment	5
Distribution plants	50

I. Compensated Absences

All full-time employees earn annual leave. Unused annual leave not exceeding 30 days may be carried into the next calendar year. Payment for unused annual leave will be made upon resignation of an employee provided that proper notice is given.

The City provides sick leave to eligible employees in accordance with provisions of the personnel policy. It is the City's policy to record the cost of sick leave when it is used. Unused sick leave not exceeding 180 days may be carried into the next calendar year. At the time of retirement, any unused sick leave is added to the employees' length of service.

Accrued annual leave incurred in the proprietary fund is reported as a fund liability in that fund. In governmental fund types, annual leave is recorded as a liability only if they have matured, for example, as a result of employee resignations and retirements.

J. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position.

K. Leases

The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and an intangible right-to-use lease assets (lease assets) in the government-wide financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Leases (Continued)

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

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

- The City uses estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the City is reasonably certain to exercise.

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

Lease assets are reported with capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

L. Defined Contribution Plan

The City offers its employees a defined contribution plan (the "Plan") which is administered by Nationwide and Newport Group. The Plan is a 457(b) Plan. The Plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. Participation in the Plan is optional and the City does not contribute to the Plan. Employees' contributions are fully vested at the time of contribution. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. During the year ended June 30, 2024, employees contributed \$23,728.

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity

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

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Fund balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either: a) not in spendable form (i.e., items that are not expected to be converted to cash), or b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Use of Estimates

The preparation of basic financial statements in conformance with GAAP requires management to make estimates and assumptions that effect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

O. Stewardship, Compliance and Accountability Budgetary Information

Budgets are adopted for the General, Special Revenue, Capital Projects and Proprietary Funds on an annual basis.

The budgets for the General, Special Revenue and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles. Budgets are prepared for the Proprietary Funds as a management control device. Department heads are responsible for submitting budget requests in the spring of each year. The City Accountant reviews the requests, meets with department heads and the budget sub-committee, and then creates a formal budget for the following year to be presented to the Mayor and Council. The budget hearing is publicly advertised and held in accordance with Georgia law. Thereafter, the Mayor and Council adopt a formal budget. The budgetary level of control is at the department level. All appropriations except Capital Projects Funds lapse at year-end. There were no material purchase orders, contracts, or other commitments that should have been encumbered.

Encumbrances represent commitments related to underperformed contracts for goods or services. The City does not utilize encumbrance accounting under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriations.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENT POLICIES

Total deposits as of June 30, 2024, are summarized as follows:

Amounts as presented on the entity-wide Statement of Net Position:	
Cash and cash equivalents	\$ 11,482,133
Governmental funds:	
Cash and cash equivalents	\$ 3,399,327
Cash deposited with Georgia Fund 1	<u>2,686,429</u>
Total governmental funds	<u>6,085,756</u>
Proprietary funds:	
Cash and cash equivalents	3,248,626
Cash deposited with Georgia Fund 1	<u>2,147,751</u>
Total proprietary funds	<u>5,396,377</u>
Total	<u>\$ 11,482,133</u>

Credit Risk. State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. It is the City's policy to limit its investments to those allowed and authorized by state law. As of June 30, 2024, the City's investment in Georgia Fund 1 was rated AAf by Fitch.

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

Fair Value Measurements. The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and thus is valued at fair value in accordance with GASB Statement No. 31.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2024, the City did not have any deposits which were uninsured and under collateralized as defined by GASB pronouncements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. RECEIVABLES

Property tax receivables – Property tax receivables are shown net of an allowance for uncollectable. Property taxes not collected by the year-end are recorded in the allowance for uncollectable accounts.

Property taxes levied are recorded as receivables and recognized as revenues in the year they become due. The property tax calendar is as follows:

Date millage rate is set	September 5, 2023
Lien date	January 1, 2024
Due date	December 20, 2023
Collection dates	September 17, 2023 - December 20, 2023
Delinquent date	December 21, 2023

Receivables as of year-end for the governmental activities and business-type activities, individual major governmental funds, including the applicable allowances for uncollectable accounts, as required by GAAP are as follows:

	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Water and Sewer</u>	<u>Sanitation</u>	<u>Nonmajor Stormwater</u>	<u>Total</u>
Receivables:						
Taxes	\$ 123,009	\$ -	\$ -	\$ -	\$ -	\$ 123,009
Accounts	106,160	-	286,923	167,260	26,139	586,482
Intergovernmental	-	12,705	-	-	-	12,705
Gross receivables	<u>229,169</u>	<u>12,705</u>	<u>286,923</u>	<u>167,260</u>	<u>26,139</u>	<u>722,196</u>
Less: allowance	<u>(121,191)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(121,191)</u>
Total receivables	<u><u>\$ 107,978</u></u>	<u><u>\$ 12,705</u></u>	<u><u>\$ 286,923</u></u>	<u><u>\$ 167,260</u></u>	<u><u>\$ 26,139</u></u>	<u><u>\$ 601,005</u></u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS

Changes in capital assets for governmental activities are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 704,311	\$ -	\$ -	\$ -	\$ 704,311
Construction in process	288,171	444,096	-	-	732,267
Total capital assets, not being depreciated	<u>992,482</u>	<u>444,096</u>	<u>-</u>	<u>-</u>	<u>1,436,578</u>
Capital assets, being depreciated:					
Buildings and improvements	11,218,690	-	-	-	11,218,690
Infrastructure	20,477,673	-	-	-	20,477,673
Machinery and equipment	2,520,884	85,312	(5,143)	-	2,601,053
Lease asset	-	337,469	-	-	337,469
Total capital assets, being depreciated	<u>34,217,247</u>	<u>422,781</u>	<u>(5,143)</u>	<u>-</u>	<u>34,634,885</u>
Less accumulated depreciation for:					
Buildings and improvements	(1,684,366)	(202,048)	-	-	(1,886,414)
Infrastructure	(4,042,729)	(453,475)	-	-	(4,496,204)
Machinery and equipment	(1,614,595)	(214,923)	5,143	-	(1,824,375)
Lease asset	-	(50,620)	-	-	(50,620)
Total accumulated depreciation	<u>(7,341,690)</u>	<u>(921,066)</u>	<u>5,143</u>	<u>-</u>	<u>(8,257,613)</u>
Total capital assets, being depreciated, net	<u>26,875,557</u>	<u>(498,285)</u>	<u>-</u>	<u>-</u>	<u>26,377,272</u>
Governmental activities capital assets, net	<u>\$ 27,868,039</u>	<u>\$ (54,189)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,813,850</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS (CONTINUED)

Depreciation expense for the year ended June 30, 2024, was charged to functions/programs of the primary government as follows:

Governmental activities:		
General government	\$	35,458
Public safety		359,879
Public works		391,919
Recreation		116,107
Judicial		17,703
Total depreciation expense - governmental activities	<u>\$</u>	<u>921,066</u>

A summary of changes in capital assets for business-type activities is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 816,149	\$ 9,300	\$ -	\$ -	\$ 825,449
Construction in process	452,925	129,145	-	(168,210)	413,860
Total capital assets, not being depreciated	1,269,074	138,445	-	(168,210)	1,239,309
Capital assets, being depreciated:					
Buildings and improvements	2,003,334	-	-	-	2,003,334
Infrastructure	7,329,864	127,800	(10,188)	168,210	7,615,686
Machinery and equipment	885,254	48,676	-	-	933,930
Total capital assets, being depreciated	10,218,452	176,476	(10,188)	168,210	10,552,950
Less accumulated depreciation for:					
Buildings and improvements	(261,014)	(41,161)	-	-	(302,175)
Infrastructure	(4,314,212)	(162,468)	10,188	-	(4,466,492)
Machinery and equipment	(690,720)	(40,644)	-	-	(731,364)
Total accumulated depreciation	(5,265,946)	(244,273)	10,188	-	(5,500,031)
Total capital assets, being depreciated, net	4,952,506	(67,797)	-	168,210	5,052,919
Business-type activities capital assets, net	\$ 6,221,580	\$ 70,648	\$ -	\$ -	\$ 6,292,228

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS (CONTINUED)

Depreciation expense for the year ended June 30, 2024, was charged to functions/programs for business-type activities as follows:

Business-type activities:		
Water and Sewer Fund	\$	235,985
Sanitation Fund		478
Nonmajor Enterprise Fund		7,810
Total depreciation expense - business-type activities	<u>\$</u>	<u>244,273</u>

NOTE 5. LONG-TERM DEBT

Debt under governmental activities consists of the following for the year ended June 30, 2024:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Compensated absences	\$ 186,021	\$ 138,097	\$ (149,821)	\$ 174,297	\$ 114,589
Notes payable	1,813,975	-	(569,035)	1,244,940	568,788
Lease liability	-	337,469	(89,908)	247,561	56,590
Net pension liability	1,061,464	844,504	(878,044)	1,027,924	-
Total other post-employment benefits liability	-	1,015,915	-	1,015,915	-
Governmental activities Long-term liabilities	<u>\$ 3,061,460</u>	<u>\$ 2,335,985</u>	<u>\$ (1,686,808)</u>	<u>\$ 3,710,637</u>	<u>\$ 739,967</u>

Compensated absences and the net pension liability are substantially liquidated by the General Fund.

Debt under business-type activities consists of the following for the year ended June 30, 2024:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Compensated absences	\$ 35,175	\$ 23,490	\$ (40,898)	\$ 17,767	\$ 15,359
Net pension liability	282,162	211,126	(236,107)	257,181	-
Total other post-employment benefits liability	-	254,138	-	254,138	-
Business-type activities Long-term liabilities	<u>\$ 317,337</u>	<u>\$ 488,754</u>	<u>\$ (277,005)</u>	<u>\$ 529,086</u>	<u>\$ 15,359</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT (CONTINUED)

For business-type activities, compensated absences are liquidated by the proprietary fund.

Notes Payable

On August 13, 2020, the City entered into an installment sale agreement with Georgia Municipal Association (“GMA”) for the purpose of constructing a new fire station. Under the agreement, GMA is the seller and the City is the purchaser. GMA agreed to finance and assign the agreement to Synovus Bank and advanced \$4,350,000 into an escrow fund to pay the cost of constructing the fire station. The interest rate is 1.99%.

Principal and interest payments are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 568,788	\$ 24,774	\$ 593,562
2026	580,107	13,455	593,562
2027	96,045	1,911	97,956
Total	<u>\$ 1,244,940</u>	<u>\$ 40,140</u>	<u>\$ 1,285,080</u>

Leases

The City has entered into two lease agreements for the acquisition and use of 1) public safety tasers and body cameras and 2) public safety fleet cameras. The agreements qualify as right to use leases for accounting purposes and have been recorded at the present values of the future minimum lease payment as of the date of their inception. These agreements are being serviced by the General Fund. Payments are made each year with an annual interest rate of 6%.

The debt service requirements for all leases are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 56,590	\$ 14,853	\$ 71,443
2026	59,985	11,458	71,443
2027	63,586	7,859	71,445
2028	67,400	4,044	71,444
Total	<u>\$ 247,561</u>	<u>\$ 38,214</u>	<u>\$ 285,775</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payable balances as of June 30, 2024, are as follows:

Receivable Fund	Payable Fund	Total
General Fund	Water and Sewer Fund	\$ 36,539
General Fund	Nonmajor Governmental Funds	100
Nonmajor Governmental Funds	General Fund	236,234
Nonmajor Enterprise Fund	Water and Sewer Fund	45,775
	Total	\$ 318,648

Interfund receivables and payables result from timing differences related to charges for services or reimbursable expenses. The City expects to repay governmental and enterprise fund interfund balances within one year.

Interfund transfers during the year ended June 30, 2024, are as follows:

Transfer in	Transfer out	Total
General Fund	Water and Sewer Fund	\$ 471
General Fund	ARPA Fund	2,314,724
Water and Sewer Fund	Sanitation Fund	333,541
		\$ 2,648,736

Interfund transfers reflect ARPA funds designated as provision of revenue loss per adopted budget for fiscal year June 30, 2024. Enterprise interfund transfers were made in the normal course of operations and are consistent with the activities of the fund making the transfer.

NOTE 7. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City joined the Georgia Interlocal Risk Management Agency (“GIRMA”) in 1999. This membership allows the City to share liability, crime, motor vehicle and property damage risks. The City retains the first \$5,000 of the risk of loss for the law enforcement and the errors and omissions coverage in the form of a deductible.

The City files all claims with GIRMA. GIRMA bills the City for any risk of loss up to the \$5,000 deductible, if applicable. Management is not aware of any claims that the City is liable for which were outstanding and unpaid as of June 30, 2024. Settlement claims from the risks mentioned above have not exceeded insurance coverage for the past five years.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. RISK MANAGEMENT (CONTINUED)

The City is a member of the Georgia Municipal Association of Workers' Compensation Self Insurance Fund. The fund operates under the authority of O.C.G.A. §34-9-150, et seq. The City pays into the fund its share of the fund's projected obligation of workers' compensation liability, administrative expenses, and other costs incurred by the fund. The City's share is adjusted by the board of the fund according to the claim experience of each participating member in accordance with criteria set forth in the by-laws of the fund. The fund makes payments to the employees of the members for workers' compensation benefits pursuant to and in accordance with the claims procedures set forth in Title 34, Chapter 9 O.C.G.A. The City is jointly and severally liable for all legal obligations of the fund, including, but not limited to, any obligations of the fund to pay claims against the fund arising out of any occurrence, incident, or accident covered under Title 34, Chapter 9 of O.C.G.A.

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

NOTE 8. PENSION PLAN

Plan description – The City contributes to the Georgia Municipal Employees Benefit System (“GMEBS”) Pension Plan (the "Plan"), an agent multiple employer defined contribution pension plan that acts as a common investment and administrative agent for cities in the state of Georgia. All full-time City employees are eligible to participate in the Plan. Employees are vested after five years. Retirement benefits are calculated at 2.0% of the employee's final five-year average salary times the employee's years of service. Employees that are 65 and have five years of service or meet the rule of 80 with no minimum age or service requirement are eligible to retire. Employees with 10 years of continuous service are eligible for early retirement at age 55.

Officials are vested immediately and will receive a retirement benefit of \$40 per month per year. These benefit provisions and all other requirements are established by the GMEBS Pension Trust and Adoption Agreement executed by the City. The GMEBS issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to:

GMEBS
201 Pryor Street, SW
Atlanta, Georgia 30303

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. PENSION PLAN (CONTINUED)

As of July 1, 2022, the Mayor and City Council amended the Plan to change the retirement percentage from 1.5% to 2.0%.

Plan membership – As of June 30, 2024, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	27
Inactive plan members entitled to but not receiving benefits	59
Active plan members	61
Total	147

Contributions – City employees are not required to contribute to the Plan. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The City funds the required minimum contributions. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan is to contribute an amount equal to or greater than the actuarially-recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by the Plan members during the year, with an additional amount to finance any unfunded accrued liability. The City's contributions to the Plan for the year ended June 30, 2024 was 10.8% of covered payroll. The City's contributions to the Plan were \$286,230 for the year ended June 30, 2024.

Net pension liability – The City's net pension liability was measured as of September 30, 2023, which would make it applicable to the fiscal year beginning July 1, 2023, and ending June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024.

Actuarial assumptions – The mortality and economic actuarial assumptions used in the January 1, 2024, valuation were approved GMEBS Board of Trustees in December 2021 based on the results of an actuarial experience study for the period January 1, 2015 through June 30, 2019. The total pension liability in the January 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Net investment rate of return	7.375%
Projected salary increases	2.25%
Cost of living adjustment	2.25%

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. PENSION PLAN (CONTINUED)

Mortality rates for the valuation period were based on the gender-distinct Pri-2012 headcount weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. The Pri-2012 mortality tables were determined to contain sufficient provision appropriate to reasonably reflect future mortality improvement, based on a four-year review of mortality experience for the period January 1, 2015, to June 30, 2019. Mortality experience will be reviewed periodically and updated if necessary.

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 target asset allocation percentage and by adding expected inflation. Best estimates are arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2023, and are summarized in the following table:

Asset Class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.91%
International equity	20%	7.21%
Domestic fixed income	20%	1.61%
Real estate	10%	3.61%
Global fixed income	5%	1.67%
Cash	0%	
Total or weighted arithmetic average	100%	

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

Discount rate – The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to actuarially determine contribution rates assumed that City contributions will be made at rates equal to the actuarial determined rates. 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 the projected benefit payments to determine the total pension liability.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. PENSION PLAN (CONTINUED)

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

The City's net pension liability as calculated at the discount rates noted above are as follows:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	\$ 2,574,777	\$ 1,285,105	\$ 228,390

Changes in net pension liability – The changes in the components of the net pension liability for the City for the year ended June 30, 2024, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning Balance	\$ 8,161,349	\$ 6,817,723	\$ 1,343,626
Changes for the year:			
Service cost	180,035	-	180,035
Interest	605,820	-	605,820
Differences between expected and actual experience	251,632	-	251,632
Contributions – employer	-	196,466	(196,466)
Net investment income	-	917,685	(917,685)
Benefit payments	(253,751)	(253,751)	-
Administrative expense	-	(18,143)	18,143
Other	-	-	-
Net changes	783,736	842,257	(58,521)
Ending Balance	\$ 8,945,085	\$ 7,659,980	\$ 1,285,105

The Plan's fiduciary net position as a percentage of the total pension liability 85.63%

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. PENSION PLAN (CONTINUED)

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

Pension expense and deferred outflows/inflows of resources related to pensions – For the year ended June 30, 2024, the City recognized pension expense of \$459,555. At June 30, 2024, 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 experience	\$ 255,712	\$ (168,418)
Net difference between projected and actual earnings on pension plan investments	358,918	-
City contributions subsequent to the measurement date	214,677	-
Total	\$ 829,307	\$ (168,418)

City contributions subsequent to the measurement date of \$214,677, are reported as deferred outflows of resources and will be recognized as a reduction to the net pension liability for the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending June 30,		
2025	\$	101,010
2026		61,228
2027		367,506
2028		(83,532)
Total	\$	446,212

NOTE 9. POST-EMPLOYMENT HEALTH CARE PLAN

Plan Administration and Benefits – The City of Centerville Post-Employment Health Care Plan (the “OPEB Plan”) is an agent multiple-employer defined benefit healthcare plan administered by the Georgia Municipal Association. The OPEB Plan provides healthcare and life insurance benefits to eligible retirees. The relevant information about the OPEB Plan is provided below. No other financial reports are issued by this agent multiple-employer plan.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. POST-EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

The City provides post-retirement medical, prescription and life insurance benefits, in accordance with City policies, to all employees who retire from the City, and who have a combined age and service total of at least 80 points or who otherwise meet any other applicable eligibility requirements for enrollment as set forth in the City’s plan. Upon termination of employment, eligible retirees are entitled to continue coverage. The City currently pays the full cost of benefits for all eligible retirees. Dependents are not covered.

Plan membership – Membership of the OPEB plan consisted of the following at June 30, 2024, the date of the latest actuarial valuation:

Active members	61
Total	61

Contributions – The City has not elected to advance fund the OPEB Plan, but rather maintains the OPEB Plan on a “pay-as-you-go” basis, in that premiums on insurance coverage are paid as they arise, rather than establishing an irrevocable trust to accumulate restricted funds. For fiscal year 2024, the City did not make contributions to the OPEB Plan.

Total OPEB liability – The City’s total OPEB liability was measured as of June 30, 2024, and was determined by an actuarial valuation as of January 1, 2023, with the actuary using standard techniques to roll forward the liability to the measurement date.

Actuarial assumptions. The total OPEB liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	3.93%
Healthcare Cost Trend Rate:	4.00%, then 7.25% trended down by 25 basis points each year to an ultimate rate of 4.50% over 11 years.
Inflation Rate:	2.25%

Mortality rates were based on the Sex-Distinct Pri-2012 headcount weighted Healthy Retiree Mortality Table with rates multiplied by 1.25 as appropriate.

The actuarial assumptions used in the June 30, 2024, valuation was based on the results of an actuarial experience study that was carried out for the member cities of the Georgia Municipal Association’s (GMA) Pooled Pension Trust for the period January 1, 2015, to January 1, 2019.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. POST-EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Discount Rate – Since the City funds this Plan on a pay-as-you-go basis, the discount rate is based on an index of 20-year, tax exempt general obligation bonds. Specifically, the chosen rate is 3.93%, the Bond Buyer 20-Bond GO index rate published closest to, but not later than, the measurement date of June 30, 2024.

Changes in the Total OPEB Liability of the City – The changes in the components of the total OPEB asset of the City for the year ended June 30, 2024, were as follows:

	Total OPEB Liability (a)
Beginning Balance	\$ 1,196,123
Changes for the year:	
Service cost	75,367
Interest	46,409
Differences between expected and actual experience	(23,771)
Assumption changes	(24,075)
Net changes	73,930
Ending Balance	\$ 1,270,053

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

Sensitivity of the Total OPEB Liability to changes in the discount rate – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current discount rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
City's total OPEB liability	\$ 1,423,812	\$ 1,270,053	\$ 1,134,553

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. POST-EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Sensitivity of the Total OPEB Liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
City's total OPEB liability	\$ 1,093,019	\$ 1,270,053	\$ 1,485,196

OPEB Expense and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2024, the City recognized OPEB expense of \$115,790. At June 30, 2024, the City reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources
Differences between expected and actual experience	\$ (20,797)
Changes of assumptions	(21,063)
Total	\$ (41,860)

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	
2025	\$ (5,980)
2026	(5,980)
2027	(5,980)
2028	(5,980)
2029	(5,980)
Thereafter	(11,960)
Total	\$ (41,860)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. JOINT VENTURE

The City is a member of the Middle Georgia Regional Commission (“MGRC”). Membership in a regional commission is required by O.C.G.A. §50-8-34, which provides for the organizational structure of regional commissions in Georgia. The MGRC board membership includes the chief official of each City and municipality of the area. O.C.G.A. §50-8-39.1 provides that member governments are liable for any debts or obligations of the regional commission. Separate financial statements may be obtained from:

Middle Georgia Regional Commission
175 Emery Highway
Macon, Georgia 31217

NOTE 11. CONTINGENCIES AND COMMITMENTS

Litigation

The City is a defendant in various lawsuits. In the opinion of the City’s management and the City Attorney, the ultimate effect of these matters will not have a material adverse effect on the financial condition of the City.

Contractual Commitments

In addition to the liabilities enumerated in the balance sheet at June 30, 2024, the City has contractual commitments on uncompleted contracts of approximately \$1,348,000 for utility relocation and construction and relocation of the recycling center.

NOTE 12. BUDGET COMPLIANCE

Excess of expenditures over Appropriations

For the fiscal year ended June 30, 2024, expenditures in the following department funds exceeded budgeted amounts.

<u>Department</u>	<u>Excess</u>
General Fund	
Debt Service	\$ 89,908

These over expenditures in the above funds were funded by under expenditures in other departments and future transfers and revenues.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CENTERVILLE, GEORGIA

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability				
Service cost	\$ 180,035	\$ 145,645	\$ 123,014	\$ 120,974
Interest on total pension liability	605,820	492,042	447,925	415,178
Differences between expected and actual experience	251,632	(336,837)	192,591	94,198
Changes of assumptions	-	-	-	-
Benefit payments	(253,751)	(190,887)	(185,032)	(191,709)
Other	-	1,429,831	-	-
Net change in total pension liability	783,736	1,539,794	578,498	438,641
Total pension liability - beginning	8,161,349	6,621,555	6,043,057	5,604,416
Total pension liability - ending (a)	8,945,085	8,161,349	6,621,555	6,043,057
Plan fiduciary net position				
Contributions - employer	196,466	212,440	180,173	90,470
Net investment income	917,685	(1,339,181)	1,594,894	582,749
Benefit payments	(253,751)	(190,887)	(185,032)	(191,709)
Administrative expenses	(18,143)	(18,806)	(16,960)	(16,568)
Net change in plan fiduciary net position	842,257	(1,336,434)	1,573,075	464,942
Plan fiduciary net position - beginning	6,817,723	8,154,157	6,581,082	6,116,140
Plan fiduciary net position - ending (b)	7,659,980	6,817,723	8,154,157	6,581,082
City's net pension liability (asset) - ending (a)-(b)	\$ 1,285,105	\$ 1,343,626	\$ (1,532,602)	\$ (538,025)
Plan fiduciary net position as a percentage of the total pension liability	85.63%	83.54%	123.15%	108.9%
Covered payroll	\$ 2,642,384	\$ 2,615,482	\$ 2,866,568	\$ 2,399,165
City's net pension liability (asset) as a percentage of covered payroll	48.63%	51.37%	-53.46%	-22.4%

	2020	2019	2018	2017	2016	2015
\$	106,564	\$ 124,906	\$ 109,972	\$ 98,872	\$ 112,022	\$ 115,947
	388,418	365,423	345,420	331,470	332,127	356,024
	(66,465)	26,379	113,790	(73,727)	(280,472)	(10,809)
	200,973	-	(91,351)	-	-	(583,163)
	(194,831)	(188,695)	(186,228)	(167,007)	(177,310)	(195,381)
	-	-	-	-	-	-
	434,659	328,013	291,603	189,608	(13,633) 0	(317,382)
	5,169,757	4,841,744	4,550,141	4,360,533	4,374,166	4,691,548
	5,604,416	5,169,757	4,841,744	4,550,141	4,360,533	4,374,166
	76,022	139,067	148,580	143,152	303,328	231,397
	177,609	552,975	736,225	494,952	43,401	437,417
	(194,831)	(188,695)	(186,228)	(167,007)	(177,310)	(195,381)
	(16,647)	(17,248)	(17,983)	(10,373)	(11,630)	(9,368)
	42,153	486,099	680,594	460,724	157,789	464,065
	6,073,987	5,587,888	4,907,294	4,446,570	4,288,781	3,824,716
	6,116,140	6,073,987	5,587,888	4,907,294	4,446,570	4,288,781
\$	(511,724)	\$ (904,230)	\$ (746,144)	\$ (357,153)	\$ (86,037)	\$ 85,385
	109.1%	117.5%	115.4%	107.8%	102.0%	98.0%
\$	2,337,195	\$ 2,069,601	\$ 2,406,869	\$ 1,980,551	\$ 1,978,438	\$ 1,849,132
	-21.9%	-43.7%	-31.0%	-18.0%	-4.3%	4.6%

CITY OF CENTERVILLE, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS – RETIREMENT PLAN FOR THE YEARS ENDED JUNE 30,

	2024	2023	2022	2021
Actuarially determined contribution	\$ 286,230	\$ 100,919	\$ 203,495	\$ 195,009
Contributions in relation to the actuarially determined contribution	<u>286,230</u>	<u>166,545</u>	<u>203,495</u>	<u>195,009</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (65,626)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,642,384	\$ 2,615,482	\$ 2,866,568	\$ 2,399,165
Contributions as a percentage of covered payroll	10.8%	6.4%	7.1%	8.1%

Notes to the Schedule:

Valuation date	January 1, 2024
Cost method	Projected unit credit
Actuarial asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return adjusted by 10% of the 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.
Assumed rate of return on investments	7.375%
Projected salary increases	2.25% plus service based merit increases
Cost-of-living adjustment	2.25%
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 18 years

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 55,624	\$ 82,821	\$ 157,815	\$ 145,502	\$ 142,369	\$ 212,926
<u>55,624</u>	<u>82,821</u>	<u>157,815</u>	<u>145,502</u>	<u>142,369</u>	<u>212,926</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,337,195	\$ 2,069,601	\$ 2,406,869	\$ 1,980,551	\$ 1,978,438	\$ 1,849,132
2.4%	4.0%	6.6%	7.3%	7.2%	11.5%

CITY OF CENTERVILLE, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY FOR THE YEARS ENDED JUNE 30,

	2024	2023
Total OPEB liability		
Service cost	\$ 75,367	\$ -
Interest on total pension liability	46,409	-
Change of benefit terms	-	1,196,123
Differences between expected and actual experience	(23,771)	-
Changes of assumptions	(24,075)	-
Net change in total pension liability	73,930	1,196,123
Total OPEB liability - beginning	1,196,123	-
Total OPEB liability - ending (a)	1,270,053	1,196,123
Covered payroll	2,674,330	2,615,482
Net pension liability as a percentage of covered payroll	47.5%	45.7%

Notes to the Schedule:

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

**COMBINING STATEMENTS
AND SCHEDULES**

CITY OF CENTERVILLE, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

The **Confiscated Assets Fund** accounts for monies collected under Georgia Law by the City's law enforcement officers. Such monies are restricted to defray the cost of complex investigations and to purchase equipment relating to said investigations.

The **Community Home Investment Program ("CHIP") Grant Fund** accounts for the grant revenue and expenses related to providing affordable housing in the City of Centerville.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The **Local Maintenance and Improvement Grant ("LMIG") Fund** accounts for capital projects of the City from resources provided by the Local Maintenance and Improvement Grant.

CITY OF CENTERVILLE, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024**

	Special Revenue Funds		Capital Projects	Totals
	Confiscated	CHIP	Fund	
	Assets	Grant	LMIG	
	Fund	Fund	Fund	
ASSETS				
Cash and cash equivalents	\$ 65,020	\$ 100	\$ -	\$ 65,120
Intergovernmental	-	12,705	-	12,705
Interfund receivables	-	-	236,234	236,234
Total assets	<u>\$ 65,020</u>	<u>\$ 12,805</u>	<u>\$ 236,234</u>	<u>\$ 314,059</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 19,518	\$ 12,705	\$ -	\$ 32,223
Interfund payables	-	100	-	100
Total liabilities	<u>19,518</u>	<u>12,805</u>	<u>-</u>	<u>32,323</u>
FUND BALANCES				
Restricted for:				
Law enforcement	45,502	-	-	45,502
Road resurfacing	-	-	236,234	236,234
Total fund balances	<u>45,502</u>	<u>-</u>	<u>236,234</u>	<u>281,736</u>
Total liabilities and fund balances	<u>\$ 65,020</u>	<u>\$ 12,805</u>	<u>\$ 236,234</u>	<u>\$ 314,059</u>

CITY OF CENTERVILLE, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Special Revenue Funds		Capital Projects	Totals
	Confiscated Assets Fund	CHIP Grant Fund	Fund LMIG Fund	
Revenues				
Fines and forfeitures	\$ 3,892	\$ -	\$ -	\$ 3,892
Intergovernmental	-	37,685	236,234	273,919
Total revenues	<u>3,892</u>	<u>37,685</u>	<u>236,234</u>	<u>277,811</u>
Expenditures				
Grant administration	-	4,000	-	4,000
Supplies	8,100	-	-	8,100
Housing rehabilitation	-	33,685	-	33,685
Capital outlay	-	-	96,799	96,799
Total expenditures	<u>8,100</u>	<u>37,685</u>	<u>96,799</u>	<u>142,584</u>
Net change in fund balances	(4,208)	-	139,435	135,227
Fund balances, beginning of year	<u>49,710</u>	<u>-</u>	<u>96,799</u>	<u>146,509</u>
Fund balances, end of year	<u>\$ 45,502</u>	<u>\$ -</u>	<u>\$ 236,234</u>	<u>\$ 281,736</u>

CITY OF CENTERVILLE, GEORGIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CONFISCATED ASSETS - SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Confiscations	\$ -	\$ -	\$ 3,892	\$ 3,892
Total revenues	<u>-</u>	<u>-</u>	<u>3,892</u>	<u>3,892</u>
Expenditures				
Current:				
Public safety:				
Materials and supplies - DOJ	9,100	9,100	8,100	1,000
Total expenditures	<u>9,100</u>	<u>9,100</u>	<u>8,100</u>	<u>1,000</u>
Deficiency of revenues under expenditures	<u>(9,100)</u>	<u>(9,100)</u>	<u>(4,208)</u>	<u>2,892</u>
Appropriations	<u>9,100</u>	<u>9,100</u>	<u>-</u>	<u>9,100</u>
Net change in fund balances	-	-	(4,208)	(6,208)
Fund balances, beginning of year	<u>49,710</u>	<u>49,710</u>	<u>49,710</u>	<u>-</u>
Fund balances, end of year	<u>\$ 49,710</u>	<u>\$ 49,710</u>	<u>\$ 45,502</u>	<u>\$ (6,208)</u>

CITY OF CENTERVILLE, GEORGIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CHIP GRANT - SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 196,000	\$ 196,000	\$ 37,685	\$ (158,315)
Total revenues	<u>196,000</u>	<u>196,000</u>	<u>37,685</u>	<u>(158,315)</u>
Expenditures				
Current:				
Administration	12,000	12,000	4,000	8,000
Housing rehabilitation	184,000	184,000	33,685	150,315
Total expenditures	<u>196,000</u>	<u>196,000</u>	<u>37,685</u>	<u>158,315</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF CENTERVILLE, GEORGIA

**SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE
LOCAL OPTION SALES TAX PROCEEDS – 2018 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
2018 Project					
Public safety facilities and equipment	\$ 2,630,000	\$ 4,730,180	\$ 4,678,087	\$ 52,093	\$ 4,730,180
Parks and recreation	800,000	800,000	351,828	-	351,828
Transportation and road projects	500,000	500,000	125,570	52,338	177,908
Debt service	99,337	99,337	-	-	-
	<u>4,029,337</u>	<u>6,129,517</u>	<u>5,155,485</u>	<u>104,431</u>	<u>5,259,916</u>
Reconciling item to adjust for principal and interest payments on debt related to 2018 project:					
Debt service	-	4,350,000	2,680,684	593,562	3,274,246
Totals	<u>\$ 4,029,337</u>	<u>\$ 10,479,517</u>	<u>\$ 7,836,169</u>	<u>\$ 697,993</u>	<u>\$ 8,534,162</u>

Note - Original estimated cost represents the portion of these projects to be funded with the Special Purpose Local Option Sales Taxes ("SPLOST"). Revised and actual costs represent the portion of these projects funded with SPLOST as well as financing with Synovus Bank for the excess cost of constructing a new fire station.

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 the City Council
City of Centerville, Georgia
Centerville, 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 Centerville, Georgia (the "City") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 28, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



Macon, Georgia
October 28, 2024



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

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

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the **City of Centerville, Georgia's** (the "City") compliance with the types of compliance requirements described as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on the City's major federal program for the year ended June 30, 2024. The City's major federal program is identified in the Summary of Auditor's Results Section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Macon, Georgia
October 28, 2024

CITY OF CENTERVILLE, GEORGIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-through Grantor/Program Title	Federal AL Number	Grant Identification Number	Total Expenditures	Passed Through to Subrecipients
<u>Department of Treasury</u>				
COVID -19 Coronavirus State & Local Fiscal Recovery Funds	21.019	N/A	\$ 2,314,724	\$ -
Total Department of Treasury			<u>2,314,724</u>	<u>-</u>
<u>U.S. Department of Housing and Urban Development</u>				
(Passed through the Georgia Department of Community Affairs)				
Community Housing Investment Program	14.239	2021-104	37,685	-
Total Department of Housing and Urban Development			<u>37,685</u>	<u>-</u>
<u>U.S. Department of Transportation</u>				
(Passed through the Georgia Department of Transportation)				
National Highway Traffic Safety Administration Grant	20.614	GA-2024-402 PS-129	3,185	-
Total Department of Transportation			<u>3,185</u>	<u>-</u>
<u>U.S. Environmental Protection Agency</u>				
(Passed through the Georgia Department of Natural Resources)				
State Public Water System Supervision	66.432	DWLSL2022123	20,278	-
Total U.S. Environmental Protection Agency			<u>20,278</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 2,375,872</u>	<u>\$ -</u>

CITY OF CENTERVILLE, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2024

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Centerville, Georgia (the "City"), and is presented on the modified accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The City chose not to use the 10% de minimis cost rate for the year ended June 30, 2024.

NOTE 3. NON-CASH AWARDS

The City did not receive non-cash federal awards during the year ended June 30, 2024.

CITY OF CENTERVILLE, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

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

Internal control over financial reporting: Material weaknesses identified? ___ Yes ___X___ No

Significant deficiencies identified not considered to be material weaknesses? ___ Yes ___X___ None Reported

Noncompliance material to financial statements noted? ___ Yes ___X___ No

Federal Awards

Internal control over major programs: Material weaknesses identified? ___ Yes ___X___ No

Significant deficiencies identified not considered to be material weaknesses? ___ Yes ___X___ None Reported

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

Any audit findings disclosed that are required to be reported in accordance with the 2CFR 200.516 (a)? ___ Yes ___X___ No

Identification of major program:

AL Number Name of Federal Program or Cluster

21.019

Department of Treasury
Coronavirus State & Local Fiscal Recovery Funds

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

Auditee qualified as low-risk auditee? ___ Yes ___X___ No

CITY OF CENTERVILLE, GEORGIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

**SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None reported.

CITY OF CENTERVILLE, GEORGIA

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

None reported.