

# CITY OF BALL GROUND, GEORGIA

Annual Comprehensive Financial Report  
For The Fiscal Year Ended June 30, 2022



# **CITY OF BALL GROUND, GEORGIA**

## **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2022**

Prepared by:

City of Ball Ground Finance Department  
Donna W. England, Finance Director

City of Ball Ground, Georgia  
PO Box 285 – Ball Ground, Georgia 30107

**CITY OF BALL GROUND, GEORGIA  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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## **INTRODUCTORY SECTION**

*The introductory section includes a transmittal letter from the City Manager and Finance Director, a certificate of achievement for excellence in financial reporting, a general government organization chart, and a list of principal officials.*

**Mayor**  
A. R. Roberts, III

**Council Members**  
Vickie Benefield  
Dennis Nelson  
Lee Prettyman  
Kristine Rogers  
Andrenia Stoner



**CITY OF BALL GROUND**  
[www.cityofballground.com](http://www.cityofballground.com)

**City Manager**  
Eric Wilmarth

**City Attorney**  
Darrell Caudill

**City Clerk**  
Karen Jordan

*We Roll Out the Red Carpet Not the Red Tape.™*

December 19, 2022

To The Honorable Mayor, Members of the City Council and  
Citizens of Ball Ground, Georgia:

The Annual Comprehensive Financial Report of the City of Ball Ground, Georgia (the “City”), for the fiscal year ended June 30, 2022, is hereby submitted as mandated by both local and state government. These ordinances and statutes require that the City issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants. This report was prepared by the City's Finance Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects, and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain the maximum understanding of the City of Ball Ground, Georgia's financial affairs are included.

The City of Ball Ground, Georgia’s financial statements have been audited by Mauldin & Jenkins, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Ball Ground, Georgia for the fiscal year ended June 30, 2022, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Ball Ground, Georgia’s financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditor’s report is presented as the first component of the financial section of the report.

The financial reporting entity for the City of Ball Ground, Georgia includes all funds of the primary government, the City of Ball Ground, Georgia. The City provides a full range of services including police, building inspections, zoning, code enforcement, municipal court, the construction and maintenance of streets and infrastructure, recreational activities and cultural events, water and sewer service, and sanitation.

Management’s discussion and analysis immediately follows the independent auditor’s report and provides a narrative and overview of the basic financial statements and should be read in conjunction with the transmittal letter.

## GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION AND OUTLOOK

The City of Ball Ground, Georgia is governed by a Mayor and five Council Members. The City Council consists of five members elected at large for staggered four-year terms. The Mayor is the sixth voting member of council, who along with the remaining council members is elected on a non-partisan basis. The City Council provides responsive, progressive leadership and a vision for the community by setting policies, passing ordinances, adopting the budget, and hiring the City Manager. The City Manager carries out the policies and ordinances of the City Council, oversees the day-to-day operations of the City, prepares the budget, and supervises the various department heads.

The City of Ball Ground, Georgia operates its own water and sewer system. The water system is supplied by wells within the City along with purchased water from the Cherokee County Water and Sewerage Authority (CCWSA). Wastewater treatment services are provided via contract with the Cherokee County Water and Sewerage Authority (CCWSA). The City of Ball Ground owns 170,000 gallons per day of capacity in the CCWSA Riverbend Waste Water Treatment Facility. Along with capacity the City owns 153,559 gallons per day in the CCWSA surface water treatment plant, which is available for purchase at wholesale rates. The City also has an existing contract for residential garbage pickup. This contract affords significant savings to residential customers, as the City is not required to invest in assets and reserve equipment needed to provide this service.

The City of Ball Ground, Georgia is primed for future economic development, given its strategic location. The infrastructure improvements completed over the past several years emphasize the additional economic possibilities for the City of Ball Ground, Georgia. The growth of its revenue base will continue to improve the quality of life and financial stability of the City of Ball Ground, Georgia.

## FINANCIAL INFORMATION

*Accounting System Internal Controls.* The management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgment by management.

As a recipient of federal, state, and local financial assistance, the City is also responsible for certifying that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to federal assistance programs. This internal control structure is subject to periodic evaluation by the management of the City.

*Relevant Financial Policies.* The City of Ball Ground has established a policy requiring an annual review of all debt with comparison to current market rates and trends. If current rates appear to be favorable for cost savings, proposals for refinance are accepted. No refinancing opportunities presented themselves.

The City of Ball Ground has established a policy requiring an annual review of all assessed fees and billing rates. During this review cycle it was determined that an increase was required in our water rates for customers consuming 10,000 gallons monthly. The new billing rate was implemented on July 1<sup>st</sup>, 2022. Additionally, during this review process the City determined that we had one subdivision, The Estates at Sharp Mountain Creek, which was placing a disproportionate maintenance cost on the water utility. This subdivision has a special fire suppression tank that is maintained by the water utility, and the cost of tank maintenance alone accounts for 10 months of total utility billings within the development. The City is reviewing the possibility of creating a special rate district to address these expenditures. Also, in the review the City began on July 1<sup>st</sup>, 2022, for the first-time charging fees for plan reviews, zoning confirmation letters, and increased the building permit rates to incorporate the costs for third party inspections.

*Budgeting Controls.* In addition to internal controls, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, District Fire Tax Fund, and Enterprise Funds are included in the annual appropriated budget. Expenditures may not legally exceed appropriations at the department level within each fund.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound fiscal management.

*Major Initiatives.* During this reporting period the City continued efforts to expand our new SCADA system with Mission Communications. We have doubled our remote monitoring capabilities, and in the budget, year beginning July 1<sup>st</sup>, 2022, we have budgeted to get our remote monitoring to 100% of our water and sewer tanks, pumps, and lift stations. During this reporting period we also completed a 100% inventory and mapping of our storm water structures and pipes. Additionally, we took action to map our sidewalk network which will be of value in the future as we plan strategically to fill gaps to make the greatest impact on pedestrian connectivity. Also, during this reporting period, the City has begun an intense push to improve our surface streets. During this period, we paved more than 1.1 miles of roadway, the most significant paving project the City has ever done. Additionally, we improved a substandard railroad crossing. In the budget year that began July 1<sup>st</sup>, 2022, we have allocated funds for an additional .75 miles of paving as well as one significant intersection improvement.

In our semi-annual meeting with the tax assessor's office, we were again able to identify properties, and recent property sales within our downtown district that are grossly undervalued on the digest. Examples of properties addressed this year include a property valued at \$190,000 that sold for \$750,000. A property valued at \$125,000 that sold for \$405,000 and a property valued at \$35,000 that sold for \$180,000.

*Long-Term Financial Planning:* The City of Ball Ground does not anticipate major changes in general funding revenues or expenditures in the near term. We do anticipate a significant increase in operating revenue in our water/sewer fund with the completion of one apartment complex and the permitting of a second apartment complex for construction in 2022/2023. While the short-term increase in capacity fees will be temporary, we do anticipate the standard operation revenues to increase due to the addition of these 140 units for which the utility will have extraordinarily little maintenance responsibility beyond that of a single master meter. This will enable the system



to establish a higher debt coverage ratio in the future without capacity fees which indicates system stability and non-reliance on growth.

AWARDS

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Ball Ground for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the fifteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program’s requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of the annual comprehensive financial report, on a timely basis, could not have been accomplished without the dedication and cooperation of the entire City staff. We would like to express our appreciation to each member who assisted and contributed to the preparation of this report. We also extend our appreciation to our independent auditors, Mauldin & Jenkins, LLC, for the professional guidance and assistance in producing a technically sound document. **Most importantly, we express our appreciation to the Mayor and City Council for their dedication, leadership, vision, and support in planning and conducting the affairs of the City of Ball Ground in a responsible and progressive manner, which ensures that Ball Ground is a well-rounded, vibrant community to call home.**

Respectfully submitted,

Signed:   
Title: City Manager

Signed:   
Title: Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

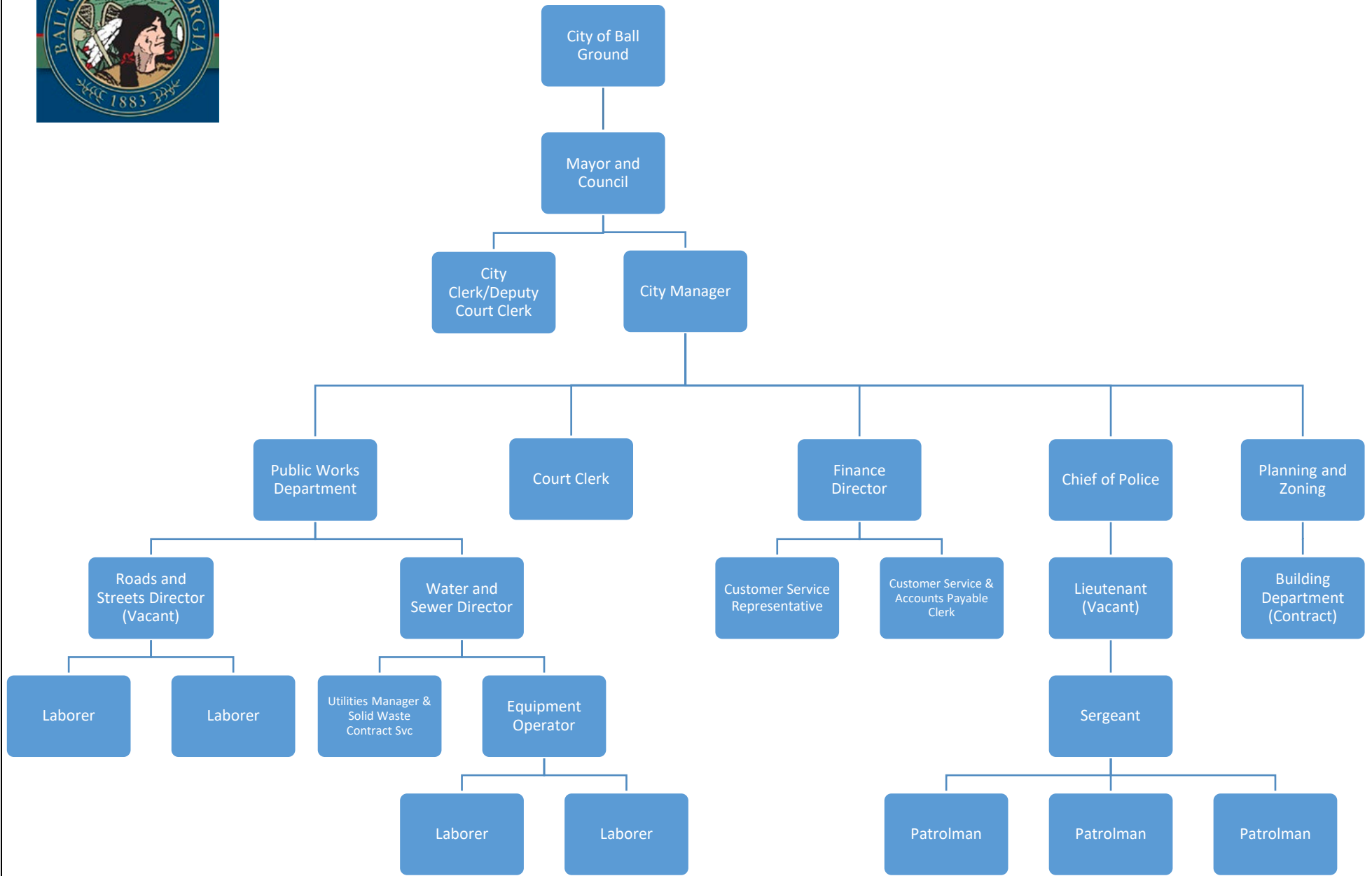
**City of Ball Ground  
Georgia**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO



# City of Ball Ground, Georgia

## Principal Officials

June 30, 2022

### Mayor and City Council

#### Mayor

A.R. Roberts, III



Andrenia Stoner – Post #1



Lee Prettyman – Post #2



#### Mayor Pro-tem

Dennis Nelson – Post #5



Vicki Benefield – Post #3



Kristine Rogers – Post #4



### City Manager & Public

#### Works Director

Eric W. Wilmarth

#### City Clerk

Karen L. Jordan

#### Police Chief

R. Bryon Reeves

#### Director of Planning and Zoning

Christopher Luly

#### Finance Director

Donna W. England

#### City Attorney

Darrell Caudill

#### City Auditors

Mauldin & Jenkins, LLC



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## **FINANCIAL SECTION**

*The financial section includes the independent auditor's report on the financial statements, the MD&A which provides a narrative introduction, overview and analysis of the financial statements, the basic financial statements including footnotes, and supplementary information.*



## INDEPENDENT AUDITOR'S REPORT

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**To the Honorable Mayor and Members  
of the City Council  
Ball Ground, Georgia**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Ball Ground, Georgia, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund, District Fire Tax Fund, and American Rescue Plan Fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

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***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in the City's net pension liability and related ratios, and the schedule of City contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining nonmajor fund financial statements, schedule of expenditures of special purpose local option sales tax proceeds as required by the Official Code of Georgia 48-8-121, and component unit financial statements (the "other supplementary information"), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The other supplementary 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 other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

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



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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
December 19, 2022

**City of Ball Ground, Georgia**  
**Management's Discussion and Analysis**  
**June 30, 2022**

This discussion and analysis of the City of Ball Ground, Georgia's (the "City") financial performance is prepared by management to provide an overview of the City's financial activities for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the financial statements.

**FINANCIAL HIGHLIGHTS**

- Total Net Position is comprised of the following:
  - 1) Net investment in capital assets of \$13,206,896 includes property and equipment, net of accumulated depreciation, and is increased for outstanding debt related to the purchase or construction of capital assets as compared to \$11,274,679 in fiscal year 2021.
  - 2) Restricted net position of \$676,741 represents the portion to be used for federal programs (\$24), fire protection services (\$116,554), sewer projects (\$250,840), and capital projects (\$309,323). This is an increase of \$195,022, or 40% from the previous year (\$481,719).
  - 3) Unrestricted net position of \$1,555,054 represents the portion available to maintain the City's continuing obligations to citizens and creditors. This is an increase of \$344,238 from the previous year's balance (\$1,210,816).
- The City's total assets, \$19,068,918 and deferred outflows of resources, \$326,181, exceeded its liabilities and deferred inflows of resources of \$3,956,408 by \$15,438,691 (total net position) for the fiscal year reported as compared to \$12,967,214 as total net position in fiscal year 2021. The total assets are 4.85 times the total liabilities.
- The City's capital assets, net of accumulated depreciation, increased by \$2,182,909 due primarily to the City's acceptance of capital contributions of roads, sidewalks, and stormwater infrastructure in Olde Mill Subdivision and land acquired from a land swap made with a developer. The capital contribution from Olde Mill Subdivision made up \$908,719 and the capital contribution from a land swap made up \$665,700. Through grant funding the City increased needed infrastructure and purchased water and sewer capacity.
- The City's total liabilities increased by \$651,296 or 19.9%. The current liabilities increased slightly \$28,241 however the noncurrent liabilities increased by \$622,955 as compared to the prior fiscal year. The large increase in noncurrent liabilities is due to the refinance of City Hall and the new debt secured to construct the new Police Department wing to City Hall.
- As of the close of the current fiscal year, the City of Ball Ground's governmental funds reported combined ending fund balances of \$1,614,311 an increase of \$615,514 in comparison with the prior year. Of this amount, \$726,483 is unassigned and available for spending.
- At the end of the current year, the unassigned fund balance for the governmental funds was \$726,483 or 17.0% of the governmental funds expenditures as compared to 38.1% in the prior fiscal year. The decrease in the coverage ratio is due to the principal payments of the old City Hall debt, construction cost of the new police department wing, and the increase capital outlay expenditures.

**City of Ball Ground, Georgia**  
**Management's Discussion and Analysis**  
**June 30, 2022**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This Management Discussion and Analysis (MD&A) document introduces the City's basic financial statements. The City of Ball Ground's basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The City also includes additional information in this report to supplement the basic financial statements.

**Government-wide Financial Statements**

The City's annual report includes two government-wide financial statements. These statements are designed to provide readers with a broad overview of the City of Ball Ground's finances in a manner like a private-sector business.

The first of these government-wide statements is the *Statement of Net Position*. This statement of net position presents information that includes all the City's assets, deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between these items reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, the reader needs to consider other non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure, in addition to the financial information in this report to assess the overall health of the City. The *Statement of Net Position* includes all assets, deferred outflows of resources, and liabilities using the accrual basis of accounting which is the accounting method used by most private-sector companies. All the current year's revenues and expenses are considered regardless of when cash is received or paid.

The second government-wide statement is the *Statement of Activities* which reports how the City's net position changed during the most recent fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City of Ball Ground that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Ball Ground include public safety (police), public works, parks, and recreation, planning and zoning, building inspection, code enforcement, municipal court services, and general administrative services. The business-type activities of the City include water and sewer, storm water and solid waste services.

The government-wide financial statements include the primary government for the City of Ball Ground and one legally separate entity, the Downtown Development Authority, for which the City is financially accountable. It is included in the financial statements as a discretely presented component unit.

The government-wide financial statements can be found on pages 20 and 21 of this report.

**City of Ball Ground, Georgia**  
**Management's Discussion and Analysis**  
**June 30, 2022**

**Fund Financial Statements**

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

**Governmental funds.** *Governmental funds* are used to account for the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's financing requirements and the commitment of spendable resources for the near-term. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Ball Ground maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, American Rescue Plan Act Fund, District Fire Tax Fund, and the Special Purpose Local Option Sales Tax ("SPLOST") 5 Fund. All four are presented as major funds.

The City of Ball Ground adopts an annual appropriated budget for its General Fund, American Rescue Plan Act Fund and District Fire Tax Fund. Budgetary comparison statements have been provided for the General Fund, American Rescue Plan Act Fund, and the District Fire Tax Fund to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 22 through 25 of this report.

**Proprietary funds.** The City of Ball Ground maintains only one type of proprietary fund called an enterprise fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, storm water and solid waste operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operations, storm water operations and the solid waste operations. The water and sewerage fund is considered to be a major fund for the City of Ball Ground.

The basic proprietary fund financial statements can be found on pages 29 through 32 of this report.

**City of Ball Ground, Georgia**  
**Management's Discussion and Analysis**  
**June 30, 2022**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Ball Ground, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$15,438,691 at the close of the most recent fiscal year.

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

**CITY OF BALL GROUND'S NET POSITION**  
**TABLE I**

	Governmental Activities 2022	Governmental Activities 2021	Business-type Activities 2022	Business-type Activities 2021	Total 2022	Total 2021
Current and other assets	\$ 1,700,092	\$ 1,056,549	\$ 1,229,260	\$ 1,103,344	\$ 2,929,352	\$ 2,159,893
Capital assets	10,732,480	9,672,482	5,407,086	4,284,175	16,139,566	13,956,657
Total assets	<u>12,432,572</u>	<u>10,729,031</u>	<u>6,636,346</u>	<u>5,387,519</u>	<u>19,068,918</u>	<u>16,116,550</u>
Deferred charges	217,563	105,149	108,618	35,997	326,181	141,146
Total deferred outflow of resources	<u>217,563</u>	<u>105,149</u>	<u>108,618</u>	<u>35,997</u>	<u>326,181</u>	<u>141,146</u>
Long-term debt outstanding	2,460,087	1,706,709	1,302,251	1,432,674	3,762,338	3,139,383
Other liabilities	81,101	50,043	87,175	89,892	168,276	139,935
Total liabilities	<u>2,541,188</u>	<u>1,756,752</u>	<u>1,389,426</u>	<u>1,522,566</u>	<u>3,930,614</u>	<u>3,279,318</u>
Deferred inflows of resources	15,981	6,931	9,813	4,233	25,794	11,164
Total deferred inflows of resources	<u>15,981</u>	<u>6,931</u>	<u>9,813</u>	<u>4,233</u>	<u>25,794</u>	<u>11,164</u>
Net Position:						
Net investment in capital assets	8,942,820	8,269,493	4,264,076	3,005,186	13,206,896	11,274,679
Restricted	425,901	290,457	250,840	189,340	676,741	479,797
Unrestricted	724,245	510,547	830,809	702,191	1,555,054	1,212,738
Total net position	<u>\$ 10,092,966</u>	<u>\$ 9,070,497</u>	<u>\$ 5,345,725</u>	<u>\$ 3,896,717</u>	<u>\$ 15,438,691</u>	<u>\$ 12,967,214</u>

Total net position of the City's governmental activities increased by \$1,022,469 in fiscal year 2022 (\$10,092,966 in the current fiscal year versus \$9,070,497 in the prior fiscal year). The business-type activities, which include the water and sewerage fund, storm water and solid waste fund ended the year with an increase in net position of \$1,449,008. The City's total net position, which includes both the governmental and business-type activities, increased \$2,471,477. Unrestricted net position, the portion of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, totaled \$1,555,054 which is an increase of \$344,238 from the prior year. These funds may be used to meet the government's ongoing obligations to citizens and creditors. Only the \$676,741 portion of the City's net position is subject to external restrictions on how it may be used.

**City of Ball Ground, Georgia**  
**Management's Discussion and Analysis**  
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**CITY OF BALL GROUND'S NET POSITION**  
**TABLE II**

	Governmental Activities 2022	Governmental Activities 2021	Business-type Activities 2022	Business-type Activities 2021	Total 2022	Total 2021
<b>Revenues:</b>						
Charges for services	\$ 431,096	\$ 227,694	\$ 1,476,987	\$ 1,280,813	\$ 1,908,083	\$ 1,508,507
Capital grants and contributions	1,984,017	1,480,315	1,683,078	706,619	3,667,095	2,186,934
General revenues:						
Property taxes	1,213,727	1,064,172	-	-	1,213,727	1,064,172
Other taxes	381,645	344,706	-	-	381,645	344,706
Other revenues	98,765	34,885	3,734	1,598	102,499	36,483
Total revenues	<u>4,109,250</u>	<u>3,151,772</u>	<u>3,163,799</u>	<u>1,989,030</u>	<u>7,273,049</u>	<u>5,140,802</u>
<b>Expenses:</b>						
General government	524,585	439,568	-	-	524,585	439,568
Judicial	16,792	20,064	-	-	16,792	20,064
Public safety	898,252	943,291	-	-	898,252	943,291
Public works	752,427	782,421	-	-	752,427	782,421
Health and welfare	23,871	21,380	-	-	23,871	21,380
Culture and recreation	298,751	423,402	-	-	298,751	423,402
Housing and development	266,030	103,714	-	-	266,030	103,714
Interest on long-term debt	55,262	40,968	-	-	55,262	40,968
Solid waste	-	-	282,537	236,239	282,537	236,239
Water and sewerage	-	-	1,614,284	1,378,390	1,614,284	1,378,390
Stormwater	-	-	68,781	32,069	68,781	32,069
Total expenses	<u>2,835,970</u>	<u>2,774,808</u>	<u>1,965,602</u>	<u>1,646,698</u>	<u>4,801,572</u>	<u>4,421,506</u>
Change in net position before transfers	1,273,280	376,964	1,198,197	342,332	2,471,477	719,296
Transfers	(250,811)	-	250,811	-	-	-
Change in net position	1,022,469	376,964	1,449,008	342,332	2,471,477	719,296
Net position, beginning of year	9,070,497	8,693,533	3,896,717	3,554,385	12,967,214	12,247,918
Net position, end of year	<u>\$ 10,092,966</u>	<u>\$ 9,070,497</u>	<u>\$ 5,345,725</u>	<u>\$ 3,896,717</u>	<u>\$ 15,438,691</u>	<u>\$ 12,967,214</u>

**Governmental Activities.** The City of Ball Ground's net position in governmental activities increased by \$1,022,469, which resulted from an increase in total revenues of \$957,478 and an increase in total expenses of \$407,197 and an increase in transfers out of \$250,811 as compared to the prior year totals. Significant elements that contributed to the increase of net position are discussed below.

**City of Ball Ground, Georgia**  
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*Increase in Revenue*

The governmental activities revenues increased during fiscal year 2022, \$964,749, as compared to fiscal year 2021. The largest component of the increase is due to the increase in intergovernmental revenue and capital contributions. The City received the following grants and awards during fiscal year 2022:

- Coronavirus State and Local Fiscal Recovery Funds (ARP), \$332,600
- Coronavirus State Fiscal Recovery Funds for Public Safety Officials and First Responders Pay Supplement, \$5,383
- Georgia DOT – LMIG Funds, \$32,486
- State of Georgia Department of Natural Resources, \$10,000

Fiscal year 2022 collections of Special Purpose Local Sales Tax revenue was \$736,640 as compared to \$661,199 in the prior fiscal year.

*Increase in Total Assets*

The capital assets, net of depreciation increased by \$1,059,998, primarily due to the capital contribution of \$665,700 gained in a land swap, also from capital contribution of roads and sidewalks from the developer of Olde Mill Subdivision of \$200,983, and the addition of needed infrastructure which was offset by the increase in depreciation expense of capital assets.

*Increase in Deferred Outflows of Resources*

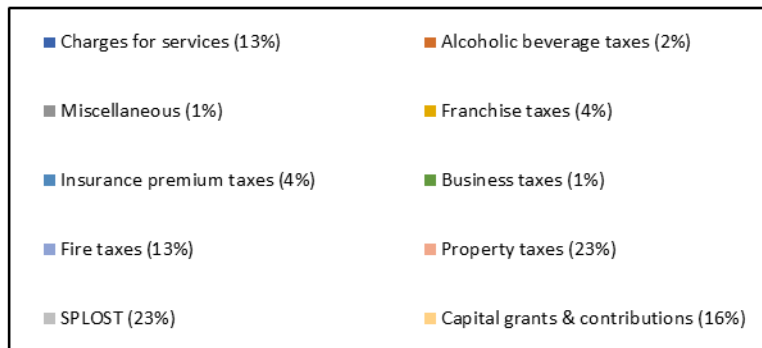
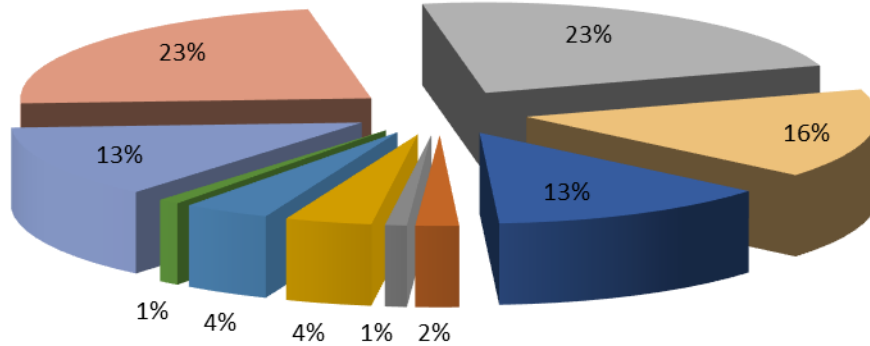
The increase in deferred outflows of resources was due to the implementation of a GMEBS Pension Plan on July 1, 2017. The pension-related items of \$176,895 in fiscal year 2022 was an increase; however, these items were offset by a decrease of deferred charges of a prepayment penalty which is a direct result of the amortization of the prepayment penalty as it is recognized each year which netted an increase of \$112,414.

*Increase in Total Liabilities*

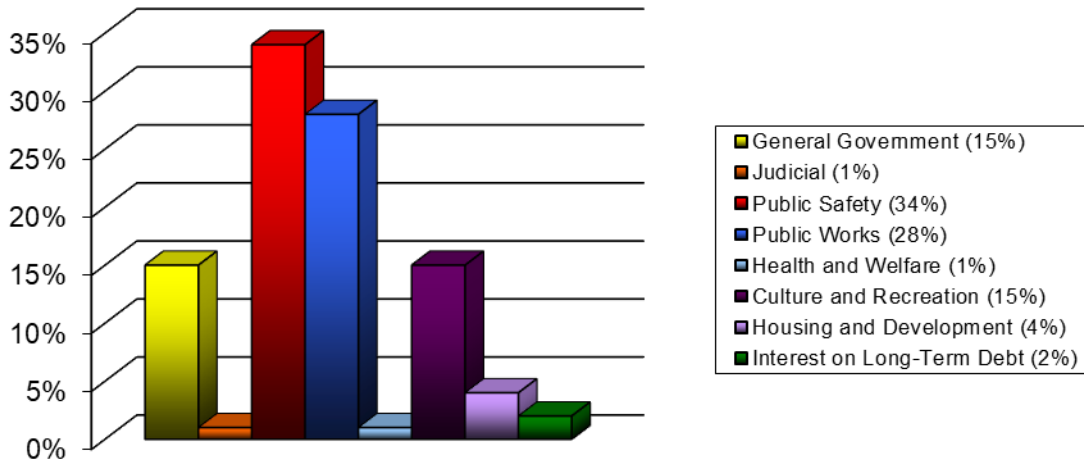
The increase of \$784,436 as compared to the prior fiscal year is primarily due to the increase in the noncurrent liabilities, (notes payable, due in more than one year). In fiscal year 2022 the City refinanced the City Hall debt and secured the funding to build a new wing to the City Hall for the police department. As a result of the new debt offset by the pay down of other debt the noncurrent portion of debt was increased by \$782,634 as compared to the prior year.

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**Revenue by Source - Governmental Activities**



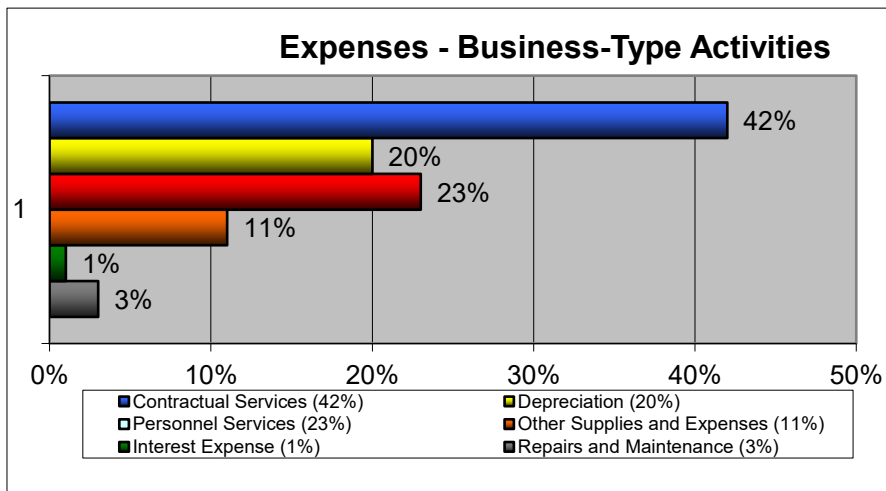
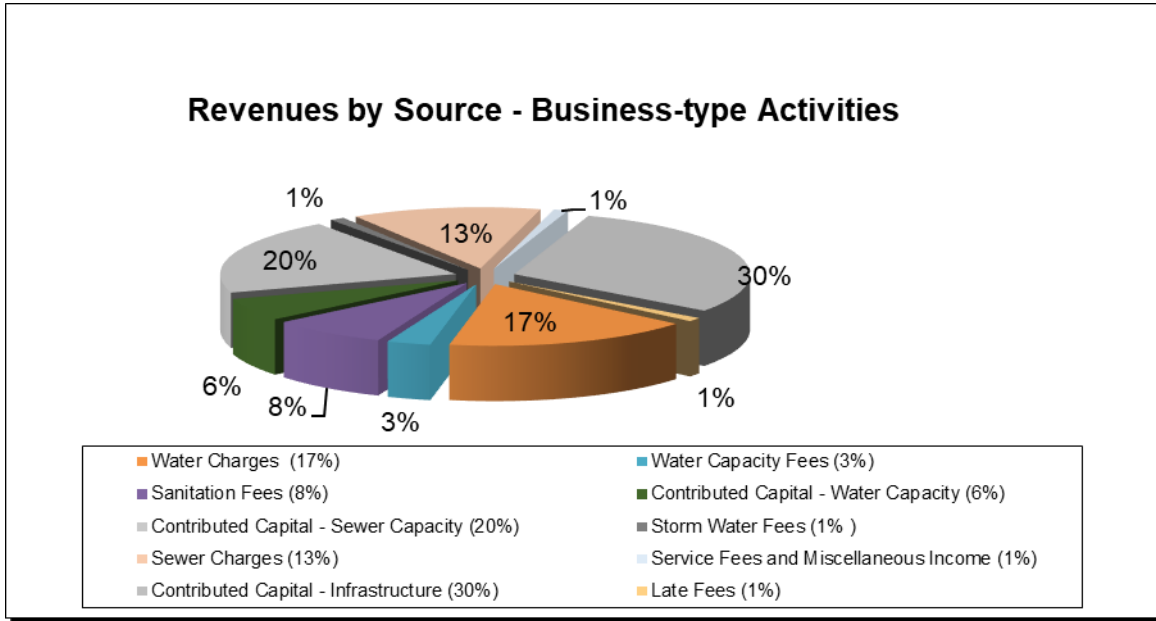
**Expenses - Governmental Activities By Function**





**City of Ball Ground, Georgia  
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Along with the increase in revenues of \$957,478, the governmental activities had an increase in total expenses of \$61,162. When comparing the expenses by function of fiscal year 2022 to that of the prior year, the expenses varied slightly; however, the largest increase was in housing and development. The increase in expenses in housing and development was the result of adding a full-time planning and zoning director and the outsourcing of building inspections.



**Business-type Activities.** The overall revenues increased by \$1,174,769 in the current year due to the increases in charges for services, capital grants and contributions, and other revenues as compared to the prior year.

**City of Ball Ground, Georgia**  
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During the current fiscal year, the charges for services increased by \$196,174 as compared to the previous fiscal year. The increase is due to the continued development of subdivisions and housing which resulted in more water (52), sewer (43), stormwater (47), and more sanitation (67) customers which directly resulted in the increased operating revenues. However, when comparing the current fiscal year to the prior fiscal year the largest increase in revenues was from the capital grants and contributions.

Some highlights of the business-type operations were as follows:

- During the current fiscal year, the number of water customers increased by 52, the number of sewer customers increased by 43, and the number of stormwater customers increased by 47, and the number of solid waste customers increased by 67. Although the numbers may not seem substantial, the percentage increases are as follows: water 4.1%, sewer 4.8%, stormwater 5.1%, and solid waste 6.5%.
- The current fiscal year, the City accepted infrastructure and a small parcel of land from Olde Mill Subdivision which made up \$754,736. In fiscal year 2022 the City received \$464,317 more contributed infrastructure as compared to the prior fiscal year. In addition, capital contribution from water and sewer capacity sales increased in the current fiscal year by \$648, 592 or 231.0%

### **Financial Analysis of the Government's Funds**

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

**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. An unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The governmental funds are comprised of the following: General Fund, 2 special revenue funds (American Rescue Plan Fund and District Fire Tax Fund) and a capital projects fund (SPLOST 5 Fund).

As of the end of the current fiscal year, the City of Ball Ground's governmental funds reported combined ending fund balances of \$1,614,311, an increase of \$615,514, in comparison with the prior year. The increase in fund balances is due to the City receiving Coronavirus State and Local Fiscal Recovery Funds (ARP), Georgia Department of Natural Resources Grant, Georgia Department of Highway Safety Grant, and Georgia DOT – LMIG funds. The other factor contributing to the increase in fund balance is the result of the City's growth which yielded a larger tax base.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year fund balance increased \$109,314 from the prior year for an ending fund balance \$819,959 or 15.3%. The increase in fund balance is the result of increased revenues from the sale of building permits and increased tax collections from the larger tax base. In addition, the unassigned portion of fund balance increased \$61,786 or 9.29% as compared to last fiscal year.

**City of Ball Ground, Georgia**  
**Management's Discussion and Analysis**  
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The District Fire Tax fund balance increased by \$18,017 as compared to the last fiscal year. There was no change in the 2021 Fire Tax Mill rate as compared to 2020 Fire Tax Mill rate (3.292) therefore the increase in revenues was due to the larger tax base.

The SPLOST 5 fund balance increased \$488,159 as compared to the previous fiscal year. The increase in fund balance is largely due to the issuance of new City Hall debt (\$1,751,567) while retiring the old City Hall debt (\$992,643). Another key factor was the increased monthly intergovernmental SPLOST revenue. The collections in the current fiscal year were \$75,441 or 11% larger than the prior fiscal year.

**General Fund Budgetary Highlights**

*Revenues:*

- Property taxes exceeded the budget by \$86,679 due to the budget being based on anticipated growth and better than expected collection rate.
- Franchise taxes exceeded the budget due to the increased electrical and natural gas franchise tax revenue. The increased taxes were a result of more roof tops as compared to last fiscal year.
- Business taxes exceeded the budget by \$11,710 due to the increase in alcoholic beverage excise taxes and insurance premium taxes.
- Licenses and permits revenues exceeded budget by \$132,491 due to the increased building permit revenue from the new Farmers Crossing Townhome development. The City issued 78 building permits (\$140,736) for this development.
- Intergovernmental revenues exceeded the budget by \$47,869 due to the unexpected receipt of the Georgia Department of Natural Resources Grant (\$10,000), Georgia Department of Highway Safety (\$5,383), and Georgia DOT – LMIG Funds (\$32,486).
- Charges for services revenue exceeded budget by \$7,495 due the implementation of Plan and Plat Review fees that had not been approved at the time the fiscal year 2022 budget was approved. Also, the City was able to rent the Community Building that had previously been vacant due to COVID restrictions. The Community Building rental fees had not been budgeted.
- Fines and forfeitures revenue fell short of the budget by \$3,950 due to being short staffed until May of the fiscal year.
- Investment earnings exceeded the budget by \$176 due to maintaining larger bank balances.
- Contributions of \$84,132 were not anticipated at the time the budget was approved. The developer of Farmers Crossing Townhomes contributed \$75,000 to offset the cost of needed roadway improvements at the new townhome community. Also, contributions of \$8,602 for the construction of a Veteran's Memorial was not budgeted.
- Miscellaneous revenue fell short of budget \$2,623.

**City of Ball Ground, Georgia**  
**Management's Discussion and Analysis**  
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*Expenditures:*

- General government – Clerk of Council, City manager, General administration departments expenditures were over budget by \$20,184, \$12,111, and \$3,871, respectively, due to restructuring GMEBS Defined Benefit Plan to increase (pre-funding) to bring the plan to 60% funded level. Although approved these expenditures were not anticipated or budgeted at the time the fiscal year 2022 budget was approved.
- Public safety – Patrol expenditures exceeded budget by \$58,052 due to restructuring GMEBS Defined Benefit Plan to increase (pre-funding) to bring the plan to 60% funded level. Although approved these expenditures were not anticipated or budgeted at the time the fiscal year 2022 budget was approved.
- Public works – Highways and streets exceeded the budget by \$53,943 primarily due to paving of a street that was damaged during a water leak repair (\$35,639). Also increased personnel expenditures due to increased overtime and due to restructuring GMEBS Defined Benefit Plan to increase (pre-funding) to bring the plan to 60% funded level. Although approved these expenditures were not anticipated or budgeted at the time the fiscal year 2022 budget was approved.
- Culture and recreation – Parks line overran the budget by \$75,772 due to several factors – increased grounds to maintain which resulted in higher grounds maintenance costs \$33,114; unbudgeted but necessary repairs and maintenance to the park facilities (lighting repairs for the tennis court/baseball fields, city gym repairs and general maintenance to pavilions) \$19,469; park facility supplies \$17,786 (new park receptacles for trash and doggy waste stations); communications \$2,512 (lease for installation of Street Sounds equipment).
- Culture and recreation – Tree City line overran the budget by \$12,106 due to the removal of unsafe dead trees and limbs throughout the City.
- Housing and development – Planning and zoning exceeded budget by \$73,028 primarily due to the installation of a new downtown parking lot \$59,100. Other contributing factors were the professional services lines (the added scope to the budgeted purchase of GIS software, which added to the building of the core GIS layers) \$11,361; computer and specialized multifunction printer equipment \$5,970.
- Housing and development – Building department exceeded the budget by \$25,575 due to the professional services lines. The implementation of a third-party building inspectors (Macon Gooch).
- Debt Service – Exceeded the budget due to debt service (principal \$6,701 and interest \$950) of the unbudgeted purchase and financing of an electronic sign at City Hall. The purchase of the electronic sign was necessary to replace the “manual” sign to keep the citizens updated on the current City events.

**City of Ball Ground, Georgia**  
**Management's Discussion and Analysis**  
**June 30, 2022**

**District Tax Fund Highlights**

Revenues of \$435,198 exceeded anticipated collections of \$353,000. The taxes collected by the city are payable to the County through an intergovernmental agreement for the County to provide fire protection services to the citizens of the City of Ball Ground. The expenditure to the City is based upon the billed District Fire Tax and it exceeded the budget by \$64,181. However, the increase in the fund balance of \$18,017 was a direct result of the timing of the service contract with the County. The agreement with the County is for the twelve months ending September 30 of each year.

**SPLOST Fund Highlights**

Revenue totaled \$736,640, which was \$154,540 more than anticipated due to the increase in the monthly SPLOST distribution which exceeded expectations by \$184,640.

The sales tax was used for various projects in the city. Expenditures for the current year were \$2,009,673 of which \$219,986 was used for public works projects and costs such as roads, streets, storm drain and other infrastructure improvements, \$609,213 was used for public safety and costs such as purchase of police vehicles, construction costs for the new police department wing to City Hall, \$140,024 was used for culture and recreation (parks), \$227 for general government, and \$1,040,223 was used for debt service payments.

This fund was the source of debt service payments on leases funding City Hall, Valley Street, Roberts Lake Park property, 2018 police vehicle, 2020 police vehicle, 2021 police vehicle #1, 2021 #2 police vehicle, 2018 tag reader, and City Hall electronic sign. The debt service payments for the current year were \$34,210 (City Hall), \$816,721 (City Hall payments to refinance), \$63,493 (City Hall/PD Building), \$54,802 (Valley Street), \$24,821 (Roberts Lake Park property), \$8,537 (2018 police vehicle), \$14,121 (2020 police vehicle), \$11,076 (2021 police vehicle #1), \$7,984 (2021 police vehicle #2) \$4,458 (2018 tag reader), \$7,651 (City Hall electronic sign), for a total of \$1,047,874 debt service payments.

**American Rescue Plan Highlights**

Revenues totaled \$332,600 which were recognized as eligible expenditures of an equal amount were incurred in the 2022 fiscal year. The net change in the fund balance was the unspent interest earnings of \$24.

**Proprietary Funds Highlights**

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

Combined unrestricted net position of the Water and Sewerage Fund and the Solid Waste Fund at the end of the year was \$830,809, an increase of \$128,618 (18%) from the previous year.

**City of Ball Ground, Georgia**  
**Management's Discussion and Analysis**  
**June 30, 2022**

**Capital Assets and Debt Administration**

The City of Ball Ground's investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounted to \$16,139,566 (net of accumulated depreciation). Capital assets investments include land, construction in progress, land improvements, buildings, machinery and equipment, infrastructure, and vehicles.

Major additions of capital assets this fiscal year were the following:

- *Land – 8.88 acres (near Community Building), \$491,390\**
- *Land – 3.15 acres (multipurpose field addition), \$174,310\**
- *Parks maintenance building, \$11,673*
- *Roberts Lake Dam steps to ruins, \$11,638*
- *Civic Drive (expanding the turn radius), \$18,138*
- *Pickleball courts, \$11,323*
- *Valley Street sidewalks (Depot to Chestnut), \$16,569*
- *Calvin Farmer parking lot improvements, \$102,024*
- *A W Roberts Drive (section of sidewalk), \$5,946*
- *Tatum Circle improvements, \$38,954*
- *Depot Street paving, \$36,942*
- *Chestnut Street improvements, \$37,000*
- *Strippling Street paving (approx. 400 feet), \$18,092*
- *McHan Street paving, \$17,046*
- *Cartersville Street paving, \$35,639*
- *Santa's sleigh, \$7,125*
- *2021 License Plate Reader, \$13,885*
- *2021 Ford Explorer # 2, \$51,567*
- *Olde Mill Lift Station – rebuild pump # 2, \$12,268*
- *Well pump project, \$36,711*
- *Myers sewer pump – Sage Hill – 1 of 2, \$19, 552*
- *Myers sewer pump – Sage Hill – 2 of 2, \$19, 552*
- *Water capacity with CCSWA, \$225,000*
- *Sewer capacity with CCSWA, \$300,00*
- *Storm drain improvement, Groover Street, \$122,450*
- *Cross drain improvement, Strippling Street, \$17,000*
- *Storm drain improvement, Cherokee Village Court, \$14,000*

**City of Ball Ground, Georgia**  
**Management's Discussion and Analysis**  
**June 30, 2022**

**CITY OF BALL GROUND'S CAPITAL ASSETS**  
**(Net of accumulated depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 2,120,815	\$ 1,498,668	\$ 352,377	\$ 305,377	\$ 2,473,192	\$ 1,804,045
Construction in progress	526,470	46,500	-	-	526,470	46,500
Land improvements	824,722	836,642	45,000	45,000	869,722	881,642
Buildings	2,597,287	2,632,214	88,105	88,105	2,685,392	2,720,319
Machinery and equipment	390,057	433,647	965,370	906,286	1,355,427	1,339,933
Infrastructure	11,645,894	11,095,598	8,525,497	7,141,273	20,171,391	18,236,871
Vehicles	275,880	290,550	-	-	275,880	290,550
Total	18,381,125	16,833,819	9,976,349	8,486,041	28,357,474	25,319,860
Less accumulated depreciation	(7,648,645)	(7,161,337)	(4,569,293)	(4,201,866)	(12,217,938)	(11,363,203)
Total	\$ 10,732,480	\$ 9,672,482	\$ 5,407,056	\$ 4,284,175	\$ 16,139,536	\$ 13,956,657

More detailed information on the City's capital assets can be found in Note 4 on pages 43 and 44 in the financial statements.

**City of Ball Ground, Georgia**  
**Management's Discussion and Analysis**  
**June 30, 2022**

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Governmental activities:		
Financed purchases	\$ 123,145	\$ 120,646
Notes payable	2,078,282	1,328,558
Compensated absences	29,447	24,912
Net pension liability	229,213	232,593
Total	<u>2,460,087</u>	<u>1,706,709</u>
Business-type activities:		
Bonds payable	878,879	958,433
Notes payable	264,131	320,556
Compensated absences	18,500	11,615
Net pension liability	140,741	142,070
Total	<u>1,302,251</u>	<u>1,432,674</u>
Grand Total - All Activities	<u>\$ 3,762,338</u>	<u>\$ 3,139,383</u>

More detailed information on the City's long-term debt can be found in Note 7 on pages 46 through 49 in the notes to the financial statements.

**Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Donna W. England, Finance Director, City of Ball Ground, P. O. Box 285, Ball Ground, Georgia 30107.





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## **BASIC FINANCIAL STATEMENTS**

*The basic financial statements include the government-wide statement of net position and government-wide statement of activities which include all of the primary government's governmental activities and business-type activities. In addition, the basic financial statements include the fund financial statements and the notes to the financial statements.*

**CITY OF BALL GROUND, GEORGIA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
<b><u>Assets</u></b>				
Cash	\$ 769,502	\$ 644,613	\$ 1,414,115	\$ 11,772
Taxes receivable, net	8,739	-	8,739	-
Accounts receivable, net	26,167	176,908	203,075	-
Intergovernmental receivable	143,138	-	143,138	-
Prepaid items	202,710	26,181	228,891	-
Inventories	-	114,618	114,618	-
Restricted cash	549,836	266,940	816,776	-
Capital assets:				
Non-depreciable	2,647,285	352,377	2,999,662	-
Depreciable, net of accumulated depreciation	8,085,195	5,054,709	13,139,904	-
Total assets	<u>12,432,572</u>	<u>6,636,346</u>	<u>19,068,918</u>	<u>11,772</u>
<b><u>Deferred Outflows of Resources</u></b>				
Deferred charges - prepayment penalty	40,668	-	40,668	-
Pension related items	176,895	108,618	285,513	-
Total deferred outflows of resources	<u>217,563</u>	<u>108,618</u>	<u>326,181</u>	<u>-</u>
<b><u>Liabilities</u></b>				
Liabilities:				
Accounts payable	56,488	64,914	121,402	-
Accrued liabilities	208	-	208	-
Accrued interest payable	4,059	702	4,761	-
Customer deposits payable	-	16,100	16,100	-
Unearned revenue	20,346	5,459	25,805	-
Noncurrent liabilities:				
Compensated absences, due within one year	27,975	17,575	45,550	-
Compensated absences, due in more than one year	1,472	925	2,397	-
Bonds payable, due within one year	-	81,831	81,831	-
Bonds payable, due in more than one year	-	797,048	797,048	-
Notes payable, due within one year	117,543	54,392	171,935	-
Notes payable, due in more than one year	1,960,739	209,739	2,170,478	-
Financed purchases, due within one year	42,957	-	42,957	-
Financed purchases, due in more than one year	80,188	-	80,188	-
Net pension liability, due in more than one year	229,213	140,741	369,954	-
Total liabilities	<u>2,541,188</u>	<u>1,389,426</u>	<u>3,930,614</u>	<u>-</u>
<b><u>Deferred Inflows of Resources</u></b>				
Pension related items	15,981	9,813	25,794	-
Total deferred outflows of resources	<u>15,981</u>	<u>9,813</u>	<u>25,794</u>	<u>-</u>
<b><u>Net Position</u></b>				
Net investment in capital assets	8,942,820	4,264,076	13,206,896	-
Restricted:				
Federal programs	24	-	24	-
Fire protection services	116,554	-	116,554	-
Sewer projects	-	250,840	250,840	-
Capital projects	309,323	-	309,323	-
Downtown development	-	-	-	11,772
Unrestricted	724,245	830,809	1,555,054	-
Total net position	<u>\$ 10,092,966</u>	<u>\$ 5,345,725</u>	<u>\$ 15,438,691</u>	<u>\$ 11,772</u>

The accompanying notes are an integral part of this statement.

**CITY OF BALL GROUND, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2022**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 524,585	\$ 81,873	\$ 15,383	\$ (427,329)	\$ -	\$ (427,329)	\$ -
Judicial	16,792	81,150	-	64,358	-	64,358	-
Public safety	898,252	270	-	(897,982)	-	(897,982)	-
Public works	752,427	3,850	1,968,634	1,220,057	-	1,220,057	-
Health and welfare	23,871	-	-	(23,871)	-	(23,871)	-
Culture and recreation	298,751	19,927	-	(278,824)	-	(278,824)	-
Housing and development	266,030	244,026	-	(22,004)	-	(22,004)	-
Interest on long-term debt	55,262	-	-	(55,262)	-	(55,262)	-
Total governmental activities	<u>2,835,970</u>	<u>431,096</u>	<u>1,984,017</u>	<u>(420,857)</u>	<u>-</u>	<u>(420,857)</u>	<u>-</u>
Business-type activities:							
Water and sewerage	1,614,284	1,144,646	1,599,002	-	1,129,364	1,129,364	-
Solid waste	282,537	283,526	-	-	989	989	-
Stormwater	68,781	48,815	84,076	-	64,110	64,110	-
Total business-type activities	<u>1,965,602</u>	<u>1,476,987</u>	<u>1,683,078</u>	<u>-</u>	<u>1,194,463</u>	<u>1,194,463</u>	<u>-</u>
Total primary government	<u>\$ 4,801,572</u>	<u>\$ 1,908,083</u>	<u>\$ 3,667,095</u>	<u>(420,857)</u>	<u>1,194,463</u>	<u>773,606</u>	<u>-</u>
<b>Component unit:</b>							
Downtown Development Authority	4,125	7,989	-	-	-	-	3,864
	<u>\$ 4,125</u>	<u>\$ 7,989</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,864</u>
General revenues:							
Taxes:							
Property taxes				1,213,727	-	1,213,727	-
Franchise taxes				145,435	-	145,435	-
Alcoholic beverage taxes				68,974	-	68,974	-
Business taxes				36,373	-	36,373	-
Insurance premium taxes				126,319	-	126,319	-
Financial institution taxes				4,544	-	4,544	-
Unrestricted investment earnings				2,256	704	2,960	-
Gain on sale of capital assets				-	3,030	3,030	-
Miscellaneous				96,509	-	96,509	-
Transfers				(250,811)	250,811	-	-
Total general revenues				<u>1,443,326</u>	<u>254,545</u>	<u>1,697,871</u>	<u>-</u>
Change in net position				1,022,469	1,449,008	2,471,477	3,864
Net position, beginning of fiscal year				9,070,497	3,896,717	12,967,214	7,908
Net position, ending of fiscal year				<u>\$ 10,092,966</u>	<u>\$ 5,345,725</u>	<u>\$ 15,438,691</u>	<u>\$ 11,772</u>

The accompanying notes are an integral part of this statement.

**CITY OF BALL GROUND, GEORGIA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	General	District Fire Tax Fund	American Rescue Plan Fund	SPLOST 5	Total Governmental Funds
<b><u>Assets</u></b>					
Cash	\$ 744,943	\$ 4,189	\$ 20,370	\$ -	\$ 769,502
Taxes receivable	5,118	3,621	-	-	8,739
Accounts receivable	26,167	-	-	-	26,167
Intergovernmental receivable	10,406	483	-	132,249	143,138
Prepaid items	93,476	108,261	-	973	202,710
Restricted cash	-	-	-	549,836	549,836
Total Assets	<u>\$ 880,110</u>	<u>\$ 116,554</u>	<u>\$ 20,370</u>	<u>\$ 683,058</u>	<u>\$ 1,700,092</u>
<b><u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u></b>					
<b>Liabilities:</b>					
Accounts payable	\$ 54,825	-	-	\$ 1,663	\$ 56,488
Accrued liabilities	208	-	-	-	208
Unearned revenue	-	-	20,346	-	20,346
Total Liabilities	<u>55,033</u>	<u>-</u>	<u>20,346</u>	<u>1,663</u>	<u>77,042</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue - property taxes	5,118	3,621	-	-	8,739
Total Deferred Inflows of Resources	<u>5,118</u>	<u>3,621</u>	<u>-</u>	<u>-</u>	<u>8,739</u>
<b>Fund balances:</b>					
Nonspendable:					
Prepaid items	93,476	108,261	-	973	202,710
Restricted:					
Federal programs	-	-	24	-	24
Fire protection services	-	4,672	-	-	4,672
Capital projects	-	-	-	680,422	680,422
Unassigned	726,483	-	-	-	726,483
Total Fund Balances	<u>819,959</u>	<u>112,933</u>	<u>24</u>	<u>681,395</u>	<u>1,614,311</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 880,110</u>	<u>\$ 116,554</u>	<u>\$ 20,370</u>	<u>\$ 683,058</u>	<u>\$ 1,700,092</u>

The accompanying notes are an integral part of this statement.

**CITY OF BALL GROUND, GEORGIA  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2022**

Total governmental fund balances	\$	1,614,311
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		
Cost	\$ 18,381,125	
Less: accumulated depreciation	<u>(7,648,645)</u>	10,732,480
Some receivables are not available to pay current period expenditures and, therefore, are deferred inflows of resources in the governmental funds.		
Property taxes		8,739
The deferred outflows of resources, deferred inflows of resources, and the net pension liability related to the City's pension plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the governmental funds.		
Deferred outflows of resources related to pensions	\$ 176,895	
Deferred inflows of resources related to pensions	(15,981)	
Net pension liability	<u>(229,213)</u>	(68,299)
Long-term liabilities and related items are not due and payable in the current period and are not reported in the governmental funds.		
Compensated absences	\$ (29,447)	
Accrued interest payable	(4,059)	
Financed purchases	(123,145)	
Notes Payable	(2,078,282)	
Deferred charges - prepayment penalty	40,668	<u>(2,194,265)</u>
Net position of governmental activities	\$	<u>10,092,966</u>

The accompanying notes are an integral part of this statement.

**CITY OF BALL GROUND, GEORGIA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

	General	District Fire Tax Fund	American Rescue Plan Fund	SPLOST 5	Total Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 1,163,074	\$ 434,142	\$ -	\$ -	\$ 1,597,216
Licenses and permits	273,491	-	-	-	273,491
Intergovernmental	47,869	-	332,600	736,640	1,117,109
Charges for services	76,455	-	-	-	76,455
Fines and forfeitures	81,150	-	-	-	81,150
Investment earnings	1,176	1,056	24	225	2,481
Miscellaneous	96,509	-	-	-	96,509
Total revenues	<u>1,739,724</u>	<u>435,198</u>	<u>332,624</u>	<u>736,865</u>	<u>3,244,411</u>
<b>Expenditures:</b>					
Current:					
General government	491,909	-	-	227	492,136
Judicial	16,792	-	-	-	16,792
Public safety	542,980	417,181	-	74,468	1,034,629
Public works	111,083	-	182,600	68,298	361,981
Health and welfare	15,367	-	-	-	15,367
Culture and recreation	218,778	-	-	3,365	222,143
Housing and development	266,030	-	-	-	266,030
Capital outlay:					
Public safety	-	-	-	534,745	534,745
Public works	-	-	-	151,688	151,688
Culture and recreation	-	-	-	136,659	136,659
Debt service:					
Principal	6,701	-	-	992,643	999,344
Interest and fiscal charges	950	-	-	47,580	48,530
Total expenditures	<u>1,670,590</u>	<u>417,181</u>	<u>182,600</u>	<u>2,009,673</u>	<u>4,280,044</u>
Excess (deficiency) of revenues over expenditures	69,134	18,017	150,024	(1,272,808)	(1,035,633)
<b>Other financing sources (uses):</b>					
Proceeds from the sale of capital assets	4,541	-	-	9,400	13,941
Issuance of notes payable	-	-	-	1,751,567	1,751,567
Transfers in	35,639	-	-	-	35,639
Transfers out	-	-	(150,000)	-	(150,000)
Total other financing sources (uses)	<u>40,180</u>	<u>-</u>	<u>(150,000)</u>	<u>1,760,967</u>	<u>1,651,147</u>
Net change in fund balances	109,314	18,017	24	488,159	615,514
Fund balances, beginning of fiscal year	710,645	94,916	-	193,236	998,797
Fund balances, end of fiscal year	<u>\$ 819,959</u>	<u>\$ 112,933</u>	<u>\$ 24</u>	<u>\$ 681,395</u>	<u>\$ 1,614,311</u>

The accompanying notes are an integral part of this statement.

**CITY OF BALL GROUND, GEORGIA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022**

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

Net change in fund balances - total governmental funds: \$ 615,514

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital outlay	\$ 1,052,983	
Depreciation expense	<u>(671,739)</u>	381,244

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, donations, and disposals) is to increase net position.

Assets transferred from governmental activities to business type activities	\$ (136,450)	
Net disposal of capital assets	(51,479)	
Assets donated to the City by real estate developers	<u>866,683</u>	678,754

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.

Property taxes		(1,844)
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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. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of new long term debt	\$ (1,751,567)	
Principal payments - capital leases	49,068	
Principal payments - notes payable	<u>950,276</u>	(752,223)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Change in compensated absences	\$ (4,535)	
Change in accrued interest	(1,185)	
Amortization of deferred charges	(5,547)	
Pension expense	112,291	<u>101,024</u>

Change in net position - governmental activities		<u>\$ 1,022,469</u>
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The accompanying notes are an integral part of this statement.

**CITY OF BALL GROUND, GEORGIA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET TO ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual	Variance From Final Budget
<b>Revenues</b>				
Property taxes	\$ 694,750	\$ 694,750	\$ 781,429	\$ 86,679
Franchise taxes	129,500	129,500	145,435	15,935
Business taxes	224,500	224,500	236,210	11,710
Licenses and permits	141,000	141,000	273,491	132,491
Intergovernmental	-	-	47,869	47,869
Charges for services	68,960	68,960	76,455	7,495
Fines and forfeitures	85,100	85,100	81,150	(3,950)
Investment earnings	1,000	1,000	1,176	176
Contributions	-	-	84,132	84,132
Miscellaneous	15,000	15,000	12,377	(2,623)
Total revenues	<u>1,359,810</u>	<u>1,359,810</u>	<u>1,739,724</u>	<u>379,914</u>
<b>Expenditures</b>				
General government:				
Legislative	25,460	25,460	24,587	873
Clerk of Council	82,503	82,503	102,687	(20,184)
Mayor	30,200	30,200	22,111	8,089
City manager	29,965	29,965	42,076	(12,111)
Elections	10,000	10,000	9,800	200
General administration	244,564	244,564	248,435	(3,871)
General government buildings	55,000	55,000	42,213	12,787
Judicial:				
Municipal court	19,300	19,300	16,792	2,508
Public safety:				
Patrol	484,928	484,928	542,980	(58,052)
Public works:				
Highways and streets	57,140	57,140	111,083	(53,943)
Health and welfare:				
Community center	7,000	7,000	5,644	1,356
Senior center	14,300	14,300	9,723	4,577
Culture and recreation:				
Parks	123,500	123,500	199,272	(75,772)
Library	3,000	3,000	3,000	-
Tree City	4,400	4,400	16,506	(12,106)
Housing and development:				
Planning and zoning	129,550	129,550	202,578	(73,028)
Building department	20,000	20,000	45,575	(25,575)
Main Street department	39,000	39,000	17,877	21,123
Debt service:				
Principal	-	-	6,701	(6,701)
Interest and other charges	-	-	950	(950)
Total expenditures	<u>1,379,810</u>	<u>1,379,810</u>	<u>1,670,590</u>	<u>(290,780)</u>
Excess (deficiency) of revenues over expenditures	(20,000)	(20,000)	69,134	89,134
<b>Other financing sources</b>				
Proceeds from the sale of capital assets	-	-	4,541	4,541
Transfers in	40,000	40,000	35,639	(4,361)
Transfers out	(20,000)	(20,000)	-	20,000
Total other financing sources	<u>20,000</u>	<u>20,000</u>	<u>40,180</u>	<u>20,180</u>
Net change in fund balance	-	-	109,314	109,314
Fund balance, beginning of fiscal year	710,645	710,645	710,645	-
Fund balance, end of fiscal year	<u>\$ 710,645</u>	<u>\$ 710,645</u>	<u>\$ 819,959</u>	<u>\$ 109,314</u>

The accompanying notes are an integral part of this statement.



**CITY OF BALL GROUND, GEORGIA**  
**DISTRICT FIRE TAX FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET TO ACTUAL (GAAP BASIS)**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual	Variance From Final Budget
<b>Revenues</b>				
Property taxes	\$ 392,750	\$ 353,000	\$ 434,142	\$ 81,142
Interest	-	-	1,056	1,056
Total revenues	<u>392,750</u>	<u>353,000</u>	<u>435,198</u>	<u>82,198</u>
<b>Expenditures</b>				
Public safety:				
Fire protection services	353,000	353,000	417,181	(64,181)
Total expenditures	<u>353,000</u>	<u>353,000</u>	<u>417,181</u>	<u>(64,181)</u>
Net change in fund balance	39,750	-	18,017	18,017
Fund balance, beginning of fiscal year	94,916	94,916	94,916	-
Fund balance, end of fiscal year	<u>\$ 134,666</u>	<u>\$ 94,916</u>	<u>\$ 112,933</u>	<u>\$ 18,017</u>

The accompanying notes are an integral part of this statement.

**CITY OF BALL GROUND, GEORGIA  
 AMERICAN RESCUE PLAN FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET TO ACTUAL (GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual	Variance From Final Budget
<b>Revenues</b>				
Intergovernmental	\$ 352,947	\$ 352,947	\$ 332,600	\$ (20,347)
Interest	-	-	24	24
Total revenues	<u>352,947</u>	<u>352,947</u>	<u>332,624</u>	<u>(20,323)</u>
<b>Expenditures</b>				
Public works				
Storm drain improvements	202,947	202,947	182,600	20,347
Total expenditures	<u>202,947</u>	<u>202,947</u>	<u>182,600</u>	<u>20,347</u>
Excess of revenues over expenditures	150,000	150,000	150,024	24
<b>Other financing uses</b>				
Transfers out	(150,000)	(150,000)	(150,000)	-
Total other financing uses	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Net change in fund balance	-	-	24	24
Fund balance, beginning of fiscal year	-	-	-	-
Fund balance, end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24</u>	<u>\$ 24</u>

The accompanying notes are an integral part of this statement.

**CITY OF BALL GROUND, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2022**

<u>Assets</u>	<u>Water and Sewerage</u>	<u>Nonmajor Proprietary Funds</u>	<u>Total</u>
<b>Current assets:</b>			
Cash	\$ 556,826	\$ 87,787	\$ 644,613
Accounts receivable, net	137,386	39,522	176,908
Prepaid items	25,676	505	26,181
Inventories	114,618	-	114,618
Restricted cash	266,940	-	266,940
Total current assets	<u>1,101,446</u>	<u>127,814</u>	<u>1,229,260</u>
<b>Non-current assets:</b>			
Capital assets:			
Non-depreciable	326,777	25,600	352,377
Depreciable, net of accumulated depreciation	4,460,613	594,096	5,054,709
Total capital assets	<u>4,787,390</u>	<u>619,696</u>	<u>5,407,086</u>
Total assets	<u>5,888,836</u>	<u>747,510</u>	<u>6,636,346</u>
<b><u>Deferred Outflows of Resources</u></b>			
Pension related items	<u>108,618</u>	<u>-</u>	<u>108,618</u>
<b><u>Liabilities</u></b>			
<b>Current liabilities:</b>			
Accounts payable	63,639	1,275	64,914
Accrued interest payable	702	-	702
Unearned revenue	5,459	-	5,459
Compensated absences, current	17,575	-	17,575
Current portion of notes payable	54,392	-	54,392
Payable from restricted assets:			
Customer deposits payable	16,100	-	16,100
Current portion of bonds payable	81,831	-	81,831
Total current liabilities	<u>239,698</u>	<u>1,275</u>	<u>240,973</u>
<b>Non-current liabilities:</b>			
Compensated absences	925	-	925
Notes payable	209,739	-	209,739
Bonds payable	797,048	-	797,048
Net pension liability	140,741	-	140,741
Total non-current liabilities	<u>1,148,453</u>	<u>-</u>	<u>1,148,453</u>
Total liabilities	<u>1,388,151</u>	<u>1,275</u>	<u>1,389,426</u>
<b><u>Deferred Inflows of Resources</u></b>			
Pension related items	<u>9,813</u>	<u>-</u>	<u>9,813</u>
<b><u>Net Position</u></b>			
Net investment in capital assets	3,644,380	619,696	4,264,076
Restricted for capital improvements	250,840	-	250,840
Unrestricted	704,270	126,539	830,809
Total net position	<u>\$ 4,599,490</u>	<u>\$ 746,235</u>	<u>\$ 5,345,725</u>

The accompanying notes are an integral part of this statement.

**CITY OF BALL GROUND, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Water and Sewerage</u>	<u>Nonmajor Proprietary Funds</u>	<u>Total</u>
<b>Operating revenues:</b>			
Charges for service	\$ 1,144,646	\$ 332,341	\$ 1,476,987
Total operating revenues	<u>1,144,646</u>	<u>332,341</u>	<u>1,476,987</u>
<b>Operating expenses:</b>			
Personnel services	412,103	39,269	451,372
Contractual services	619,810	223,268	843,078
Other supplies and expenses	190,095	49,061	239,156
Depreciation	358,639	39,720	398,359
Total operating expenses	<u>1,580,647</u>	<u>351,318</u>	<u>1,931,965</u>
Net operating loss	(436,001)	(18,977)	(454,978)
<b>Non-operating revenue (expenses):</b>			
Interest revenue	692	12	704
Interest expense	(33,637)	-	(33,637)
Gain on sale of capital assets	3,030	-	3,030
Total non-operating revenue (expenses)	<u>(29,915)</u>	<u>12</u>	<u>(29,903)</u>
Net loss before capital contributions and transfers	(465,916)	(18,965)	(484,881)
Capital contributions - infrastructure	670,660	220,526	891,186
Capital contributions - water capacity sales	218,500	-	218,500
Capital contributions - sewer capacity sales	709,842	-	709,842
Transfers in	150,000	-	150,000
Transfers out	(35,639)	-	(35,639)
Total capital contributions and transfers	<u>1,713,363</u>	<u>220,526</u>	<u>1,933,889</u>
Change in net position	1,247,447	201,561	1,449,008
Net position, beginning of fiscal year	3,352,043	544,674	3,896,717
Net position, end of fiscal year	<u>\$ 4,599,490</u>	<u>\$ 746,235</u>	<u>\$ 5,345,725</u>

The accompanying notes are an integral part of this statement.

**CITY OF BALL GROUND, GEORGIA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Water and Sewerage</b>	<b>Nonmajor Proprietary Funds</b>	<b>Totals</b>
<b>Cash flows from operating activities:</b>			
Receipts from customers	\$ 1,113,101	\$ 324,698	\$ 1,437,799
Payments to employees	(472,518)	(39,269)	(511,787)
Payments to suppliers	(860,846)	(289,488)	(1,150,334)
Net cash used in operating activities	(220,263)	(4,059)	(224,322)
<b>Cash flows from capital and related financing activities:</b>			
Principal paid on capital debt	(135,979)	-	(135,979)
Interest paid on capital debt	(33,748)	-	(33,748)
Capital contributions - tap sales	928,342	-	928,342
Proceeds from sale of capital assets	3,030	-	3,030
Purchases of capital assets	(613,084)	(17,000)	(630,084)
Net cash provided by (used in) capital and related financing activities	148,561	(17,000)	131,561
<b>Cash flows from investing activities:</b>			
Interest received	692	12	704
Net cash provided by investing activities	692	12	704
<b>Cash flows from non-capital financing activities:</b>			
Transfers from governmental funds	150,000	-	150,000
Transfers to governmental funds	(35,639)	-	(35,639)
Net cash provided by investing activities	114,361	-	114,361
Net increase (decrease) in cash	43,351	(21,047)	22,304
Cash, beginning of fiscal year	780,415	108,834	889,249
Cash, end of fiscal year	<u>\$ 823,766</u>	<u>\$ 87,787</u>	<u>\$ 911,553</u>
<b>Reconciliation of cash:</b>			
Unrestricted	\$ 556,826	\$ 87,787	\$ 644,613
Restricted	266,940	-	266,940
	<u>\$ 823,766</u>	<u>\$ 87,787</u>	<u>\$ 911,553</u>

The accompanying notes are an integral part of this statement.

(Continued)

**CITY OF BALL GROUND, GEORGIA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Water and Sewerage</u>	<u>Nonmajor Proprietary Funds</u>	<u>Totals</u>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>			
<b>Operating loss</b>	\$ (436,001)	\$ (18,977)	\$ (454,978)
<b>Adjustments to reconcile operating loss to net cash used in operating activities:</b>			
Depreciation expense	358,639	39,720	398,359
Change in assets, deferred inflows and outflows of resources, and liabilities:			
Increase in accounts receivable, net	(30,311)	(7,643)	(37,954)
Increase in inventory	(57,657)	-	(57,657)
(Increase) decrease in prepaid items	(8,004)	3	(8,001)
Increase in pension related deferred outflows	(72,621)	-	(72,621)
Increase (decrease) in accounts payable	15,790	(17,162)	(1,372)
Decrease in unearned revenue	(1,634)	-	(1,634)
Increase in compensated absences	6,885	-	6,885
Decrease in net pension liability	(1,329)	-	(1,329)
Increase in pension related deferred inflows	5,580	-	5,580
Increase in customer deposits	400	-	400
<b>Net cash used in operating activities</b>	<u>\$ (220,263)</u>	<u>\$ (4,059)</u>	<u>\$ (224,322)</u>
<b>Noncash capital related activities</b>			
Donations of capital assets	\$ 670,660	\$ 84,076	\$ 754,736
Transfer of capital assets from governmental activities, net of accumulated depreciation	-	136,450	136,450
	<u>\$ 670,660</u>	<u>\$ 220,526</u>	<u>\$ 891,186</u>

The accompanying notes are an integral part of this statement.



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## **NOTES TO THE FINANCIAL STATEMENTS**

*The notes to the financial statements are a required component of the basic financial statements of the City. The notes present required and essential information for the fair presentation of the statements that have not been disclosed on the face of the financial statements.*

**CITY OF BALL GROUND, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. THE REPORTING ENTITY**

The City of Ball Ground, Georgia (the "City") operates under a City Council-Manager form of government and provides the following services to its citizens: public safety (police), public works, parks and recreation, planning and zoning, building inspection, code enforcement, municipal court services, and general administrative services. In addition, the City also offers water, sewer, and sanitation services to the City's residents and the surrounding area.

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. The City's financial statements include the City's accounts of all operations. As of June 30, 2022, there is one component unit included in the financial statements of the City. The criteria for including organizations within the City's reporting entity, as set forth in Governmental Accounting Standards Board's Statement No. 61 (GASB 61), "The Financial Reporting Entity", is financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board and either the ability to impose will by the primary government, or the possibility that the component unit will provide a financial benefit to, or impose a financial burden on, the primary government. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the City.

The Downtown Development Authority (the "DDA") was created by resolution on September 25, 2005 pursuant to the Official Code of Georgia Annotated (OCGA) Section 36-42-8.1 9a) for the purpose of promoting the redevelopment of the downtown area of the City. The seven members of the DDA's governing body are appointed by the City Council. Although a legally separate entity, the City is financially accountable for the activities of the DDA as the City can impose its will by significantly influencing the programs, projects, and activities of the DDA. Financial information with regard to the DDA can be obtained from the City of Ball Ground, 215 Valley Street, Ball Ground, Georgia 30107. The DDA does not issue separate financial statements.

**B. BASIS OF PRESENTATION - FUND ACCOUNTING**

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The City's funds are grouped into two broad fund classifications, Governmental and Proprietary. The governmental funds include the General Fund, two special revenue funds (American Rescue Plan Fund and District Fire Tax Fund), and a capital projects fund (SPLOST 5 Fund), while the proprietary funds include the enterprise funds, Water and Sewerage Fund, Solid Waste Fund, and Stormwater Fund.



## NOTES TO BASIC FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### C. GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the City, the primary government, as a whole. For the most part, the effect of interfund activity has been removed from these statements. However, any interfund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions. These statements distinguish between activities that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

Net position should be reported as restricted when constraints placed on use of net position are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for capital improvements result from the capital projects funds and the restrictions on their net position use. The net position restricted for fire protection services results from the restriction on the use of the tax.

#### D. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION

Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current fiscal year or within sixty days of fiscal year-end and available to pay obligations of the current fiscal year): property taxes, sales tax, intergovernmental grants and investment earnings. Other revenues, including licenses and permits, and certain charges for services are recorded as revenue when received in cash because they are generally not measurable prior to receipt.

## NOTES TO BASIC FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### D. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION (Continued)

In accordance with GASB Statement No. 33 “*Accounting and Financial Reporting for Non-exchange Transactions*,” the corresponding assets (receivables) in non-exchange transactions are recognized in the period when the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and other long-term liabilities, which have not matured are recorded when due for payment. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

The City reports the following major governmental funds:

*General Fund:* This 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.

*SPLOST 5 Fund:* This is a capital projects fund to account for financial resources to be used for the acquisition or construction of major capital projects as approved in a referendum for a special purpose local option sales tax dated November 2, 2017. The collection of this tax began in July 2018.

*District Fire Tax Fund:* This is a special revenue fund to be used to account for monies received from a restricted property tax levy for fire protection services.

*American Rescue Plan Fund:* This special revenue fund was established during the fiscal year ended June 30, 2021 and accounts for the receipt of funding under the Coronavirus State and Local Fiscal Recovery Fund Program established for in the American Rescue Plan Act of 2021 and the related expenses.

The City reports the following major enterprise fund:

*Water and Sewerage Fund:* This fund accounts for the development, operation and maintenance of the utility system that provides water and sewerage service, and for the development of an infrastructure system capable of providing sewerage service.

Additionally, the City reports the following nonmajor enterprise funds:

*Solid Waste Fund:* This fund accounts for the operation of the City’s garbage collection services.

*Stormwater Fund:* This enterprise fund accounts for the collection of fees for construction of, and upgrades to, stormwater drains and related expenses.

All proprietary funds are accounted for using the accrual basis of accounting and the economic resources measurement focus. These funds account for operations that are primarily financed by user charges. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds. Unbilled utility receivables are recorded at each fiscal year-end. In accounting and reporting for its proprietary operations, the government applies all GASB pronouncements.

## NOTES TO BASIC FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### D. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION (Continued)

Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges for water and sewer usage, and sanitation pickup. Operating expenses for the enterprise funds include all costs to operate the water and sewer system and the contracted operations of sanitation services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### E. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City because it is at present considered unnecessary to assure effective budgetary control or to facilitate effective cash planning and control.

#### F. CASH

Cash includes amounts in demand deposits. Statutes authorize the City to invest in U.S. Government obligations, U.S. Government agency obligations, State of Georgia obligations, obligations of other counties, municipal corporations and political subdivisions of the State of Georgia which are rated "AA" or better by Moody's, Investors Service, Inc., negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association, repurchase agreements when collateralized by U.S. Government or agency obligations, and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. Any investment or deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of state or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents.

#### G. RECEIVABLES AND PAYABLES

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds is reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules, and are offset by non-spendable fund balance in the General Fund only to indicate that they are not available for appropriation and are not expendable available financial resources.

## NOTES TO BASIC FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### H. INVENTORIES

Inventories consist of supplies and are stated at cost. Inventories are accounted for on the first-in, first-out (FIFO) method of accounting for inventory. The City uses the consumption method of accounting for inventories under which materials and supplies are recorded as inventory when purchased and are recorded as an expense when used.

#### I. PREPAID ITEMS

Payments to vendors for services that will benefit periods beyond June 30, 2022, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. Prepaid items reported in the governmental funds are also equally offset by a nonspendable fund balance, which indicates that they do not constitute available, spendable financial resources even though they are a component of net current position.

#### J. CAPITAL ASSETS

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value at the date of donation. General infrastructure assets acquired prior to July 1, 2003 consist of the road network assets that were acquired or that received substantial improvements subsequent to July 1, 1980 and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The threshold for capitalization for infrastructure and other capital assets is \$5,000.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Land improvements	10-20 years
Infrastructure	20-30 years
Buildings	50 years
Building improvements	20 years
Vehicles	2-15 years
Machinery and equipment	3-15 years

#### K. COMPENSATED ABSENCES

The liability for compensated absences in the government-wide and proprietary fund statements consists of unpaid, accumulated annual leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

## NOTES TO BASIC FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial 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 only has one item that qualifies for reporting in this category not related to pensions. It is the deferred charge on early lease retirement reported in the government-wide statement of net position. A deferred charge on early lease retirement results from the prepayment penalty incurred at the time of refunding. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net 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 only one type of item not related to pensions, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

The City also has deferred inflows and outflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. For the current year, the City has three items that fall into this category: (1) the difference between projected investment return on pension investments and actual return on those investments is deferred and amortized against pension expense over a five year period; (2) experience gains or losses result from periodic studies by the City's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of Plan members; (3) changes in the actuarial assumptions; and (4) contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability. These contributions will reduce the City's net pension liability in the subsequent fiscal year.

#### M. USE OF ESTIMATES

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

#### N. LONG-TERM OBLIGATIONS

In the government-wide financial statement and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums, if any, are deferred and amortized over the term of the bond using the effective interest method.

## NOTES TO BASIC FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### O. LONG-TERM OBLIGATIONS (Continued)

Proprietary fund type loans payable are reported as liabilities at their outstanding value.

In the fund financial statements, governmental fund types report the face amount of the debt issued as other financing sources and issuance costs as expenditures.

#### P. PENSIONS

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

#### Q. BUDGETS AND BUDGETARY CONTROL

The City Manager prepares a draft of the annual budget from which the Mayor prepares a proposed budget. The City then advertises in a local newspaper giving notice regarding a public hearing in which local citizens may give their input regarding the proposed budget. The City also places a copy of the proposed budget on file for public inspection prior to the actual approval. Once all of these steps have been taken, the Mayor and City Council then formally adopt the annual balanced budget in a legally permissible manner. The legal level of control of the budget of the City is at the department level. All appropriations lapse at fiscal year-end. During the current fiscal year, there were amendments made to the original budget.

Budgets have been legally adopted for all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles and on the same basis of accounting used by each fund to which the budget applies. Budgets are adopted annually for all governmental funds, with the exception of the capital projects funds, for which project-length budgets are adopted.

The following departments of the General Fund and other funds were over expended:

General Fund	
Clerk of Council	\$ 20,184
City manager	12,111
General administration	3,871
Public safety - patrol	58,052
Public works - highways and streets	53,943
Culture and recreation - parks	75,772
Culture and recreation - tree City	12,106
Housing and development - planning and zoning	73,028
Housing and development - building department	25,575
Debt service - principal	6,701
Debt service - interest	950
District Fire Tax Fund	64,181

These over expenditures were funded with revenues received in excess of anticipated.

## NOTES TO BASIC FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### R. FUND BALANCE

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

Fund Balance – Generally, fund balance represents the difference between the current assets, current liabilities, and deferred inflows of resources. 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 such as inventory and prepaids);
  - (b) Legally or contractually required to be maintained intact; or
  - (c) Long-term advances of current resources made to another fund, to be repaid over a period extending beyond one fiscal year. Only the General Fund reports nonspendable fund balances related to advances from other funds.
- Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through the:
  - (a) Enabling legislation adopted by the City;
  - (b) Through external parties (creditors, grantors, or laws or regulations of other governments); or
  - (c) Constitutional provisions.
- Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment. These self-imposed limitations must be set in place prior to the end of the fiscal year.
- Assigned – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City Manager or the City Finance Director or the City Manager’s designee to assign fund balances. With the exception of the General Fund, amounts in all other governmental funds that are not *nonspendable, restricted, or committed* will be considered to be *assigned*. Also, at the fiscal year end, any appropriation of existing fund balance to eliminate a projected budgetary deficit in the next fiscal year’s budget is considered to be an assignment of fund balance.
- 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 fund balances in other funds are reported as unassigned.

## NOTES TO BASIC FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### R. FUND BALANCE (Continued)

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:

- Committed
- Assigned
- Unassigned

Net Position – Net position represents the difference between assets, deferred outflows of resources, 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 is available.

### NOTE 2. SUMMARY OF DEPOSIT BALANCES AND INVESTMENTS

Custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be covered by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. The Secure Deposit Program, which is administered by the Office of the State Treasurer, requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on the tier assigned by the State.

As of June 30, 2022, the City’s bank balances of \$2,230,891 were either fully covered by standard FDIC insurance or held at a bank participating in the Secure Deposit Program and thus collateralized in compliance with the state requirements.



**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 3. RECEIVABLES**

Receivables at June 30, 2022, for the City's individual governmental and proprietary funds are as follows:

	<b>General</b>	<b>District Fire Tax</b>	<b>SPLOST 5</b>	
Taxes	\$ 5,118	\$ 3,621	\$ -	
Accounts	26,167	-	-	
Intergovernmental	10,406	483	132,249	
Gross receivables	41,691	4,104	132,249	
Less allowance for uncollectibles	-	-	-	
Net total receivables	<u>\$ 41,691</u>	<u>\$ 4,104</u>	<u>\$ 132,249</u>	
	<b>Water and Sewerage</b>	<b>Solid Waste</b>	<b>Stormwater</b>	<b>Total</b>
Taxes	\$ -	\$ -	\$ -	\$ 8,739
Accounts	158,636	39,949	5,699	230,451
Intergovernmental	-	-	-	143,138
Gross receivables	158,636	39,949	5,699	382,328
Less allowance for uncollectibles	(21,250)	(5,390)	(736)	(27,376)
Net total receivables	<u>\$ 137,386</u>	<u>\$ 34,559</u>	<u>\$ 4,963</u>	<u>\$ 354,952</u>

The City contracted with Cherokee County to bill and collect the City's 2021 real and personal property taxes. Ad valorem tax on motor vehicles and mobile homes are collected by the Cherokee County Tax Commissioner and remitted to the City. City property tax revenues are recognized when levied to the extent that they result in current receivables.

Property taxes were levied as of August 3, 2021. Secured property tax payments were due on November 15, 2021. The City has not established a date for liens.

Assessed values are established by the Cherokee County Tax Assessor's office and are currently calculated at 40% of the market value. Based on the 2021 City millage levy of 4.633 mills, a property owner would pay \$4.63 per \$1,000 of assessed valuation.

## NOTES TO BASIC FINANCIAL STATEMENTS

### NOTE 4. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers to Proprietary Funds</u>	<u>Disposals</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 1,498,668	\$ 665,700	\$ -	\$ (43,553)	\$ 2,120,815
Construction in progress	46,500	605,420	(122,450)	(3,000)	526,470
Total	<u>1,545,168</u>	<u>1,271,120</u>	<u>(122,450)</u>	<u>(46,553)</u>	<u>2,647,285</u>
Capital assets, being depreciated:					
Land improvements	836,642	-	-	(11,920)	824,722
Buildings and improvements	2,632,214	11,673	-	(46,600)	2,597,287
Machinery and equipment	433,647	21,010	-	(64,600)	390,057
Infrastructure	11,095,598	564,296	(14,000)	-	11,645,894
Vehicles	290,550	51,567	-	(66,237)	275,880
Total	<u>15,288,651</u>	<u>648,546</u>	<u>(14,000)</u>	<u>(189,357)</u>	<u>15,733,840</u>
Less accumulated depreciation for:					
Land improvements	(593,295)	(82,933)	-	11,656	(664,572)
Buildings and improvements	(705,748)	(57,489)	-	41,939	(721,298)
Machinery and equipment	(207,577)	(49,631)	-	64,600	(192,608)
Infrastructure	(5,466,100)	(445,315)	-	-	(5,911,415)
Vehicles	(188,617)	(36,371)	-	66,236	(158,752)
Total	<u>(7,161,337)</u>	<u>(671,739)</u>	<u>-</u>	<u>184,431</u>	<u>(7,648,645)</u>
Total capital assets, being depreciated, net	<u>8,127,314</u>	<u>(23,193)</u>	<u>(14,000)</u>	<u>(4,926)</u>	<u>8,085,195</u>
Governmental activities capital assets, net	<u>\$ 9,672,482</u>	<u>\$ 1,247,927</u>	<u>\$ (136,450)</u>	<u>\$ (51,479)</u>	<u>\$ 10,732,480</u>

## NOTES TO BASIC FINANCIAL STATEMENTS

### NOTE 4. CAPITAL ASSETS (Continued)

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers from Governmental Activities</u>	<u>Disposals</u>	<u>Ending Balance</u>
<b>Business-type Activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 305,377	\$ 47,000	\$ -	\$ -	\$ 352,377
Total	<u>305,377</u>	<u>47,000</u>	<u>-</u>	<u>-</u>	<u>352,377</u>
Capital assets, being depreciated:					
Land improvements	45,000	-	-	-	45,000
Machinery and equipment	906,285	88,084	-	(29,000)	965,369
Buildings	88,105	-	-	-	88,105
Infrastructure	7,141,273	1,249,736	136,450	(1,961)	8,525,498
Total	<u>8,180,663</u>	<u>1,337,820</u>	<u>136,450</u>	<u>(30,961)</u>	<u>9,623,972</u>
Less accumulated depreciation for:					
Land improvements	(21,250)	(3,000)	-	-	(24,250)
Machinery and equipment	(700,263)	(47,664)	-	-	(747,927)
Buildings	(52,824)	(8,474)	-	29,000	(32,298)
Infrastructure	(3,427,528)	(339,221)	-	1,961	(3,764,788)
Total	<u>(4,201,865)</u>	<u>(398,359)</u>	<u>-</u>	<u>30,961</u>	<u>(4,569,263)</u>
Total capital assets, being depreciated, net	<u>3,978,798</u>	<u>939,461</u>	<u>136,450</u>	<u>-</u>	<u>5,054,709</u>
Business-type activities capital assets, net	<u>\$ 4,284,175</u>	<u>\$ 986,461</u>	<u>\$ 136,450</u>	<u>\$ -</u>	<u>\$ 5,407,086</u>

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

<b>Governmental Activities:</b>	
General government	\$ 69,763
Public safety	46,821
Public works	439,219
Health and welfare	8,504
Culture and recreation	107,432
	<u>671,739</u>
Total depreciation expense - governmental activities	<u>\$ 671,739</u>
<b>Business-type Activities:</b>	
Water and sewerage	\$ 358,639
Stormwater	39,720
Total depreciation expense - business-type activities	<u>\$ 398,359</u>

**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 5. INTERFUND ACTIVITY**

Amounts reported as interfund transfers for the year ended June 30, 2022 consist of the following:

From	To	
Water and Sewer Fund	General Fund	\$ 35,639
American Rescue Plan Fund	Water and Sewerage Fund	150,000

Funds were transferred from the Water and Sewer Fund to the General Fund to cover the cost of a paving project, and from the American Rescue Plan Fund to the Water and Sewer Fund to fund the purchase of water capacity.

**NOTE 6. INTERGOVERNMENTAL REVENUE AND RECEIVABLE**

The following amounts are due from other governments at June 30, 2022:

Due from Cherokee County:		
SPLOST 5 Fund - Special Purpose Local Option Sales Tax		\$ 132,249
General Fund – taxes		406
District Fire Tax Fund – taxes		483
		\$ 133,138
Due from Georgia Department of Natural Resources		
General Fund - Grant		\$ 10,000

The following amounts are a breakdown of intergovernmental revenues as of June 30, 2022 as referenced on the Statement of Revenues, Expenditures, and Changes in Fund Balances on page 24:

General Fund:		
Georgia Department of Natural Resources		\$ 10,000
Georgia Department of Highway Safety		5,383
Georgia DOT – LMIG Funds		32,486
		\$ 47,869
American Rescue Plan Fund		
Coronavirus State and Local Fiscal Recovery Funds (ARP)		\$ 332,600
SPLOST Fund:		
Special Purpose Local Option Sales Tax		\$ 736,640

## NOTES TO BASIC FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT

#### Governmental Activities

Direct borrowings, reported as financed purchases in the governmental activities consisted of the following as of June 30, 2022:

Magnolia Bank, purchase of an electronic sign installed at City Hall, original lease amount of \$34,430, with an interest rate of 4.14%, monthly payments of \$638 until maturity in 2025.	\$	19,281
Magnolia Bank, purchase of a 2020 police vehicle, original lease amount of \$52,078, with an interest rate of 4.06%, monthly payments of \$1,177 until maturity in 2024.	\$	30,315
Magnolia Bank, purchase of a 2021 police vehicle, original lease amount of \$41,664, with an interest rate of 3.21%, monthly payments of \$923 until maturity in 2025.	\$	29,156
Magnolia Bank, purchase of a 2021 police vehicle, original lease amount of \$51,567, with an interest rate of 3.03%, monthly payments of \$1,144 until maturity in 2026.	\$	44,393

The direct borrowings above are all secured by the leased assets and the full faith and taxing authority of the City.

Direct borrowings in the form of notes payable in the governmental activities consisted of the following as of June 30, 2022.:

Regions, refinance of Valley Street, original lease amount of \$341,367 with an interest rate of 2.350%, monthly payments of \$4,567 until maturity in 2023.	\$	31,714
GEFA, purchase of land for Roberts Lake Park, original note \$425,000 with an interest rate of 1.59%, monthly payments of \$2,068 until maturity in 2040.	\$	383,648
Regions, refinance of city hall and construction of new police department, original lease amount of \$1,700,000 with an interest rate of 2.53%, monthly payments of \$9,070 until maturity in 2037.	\$	1,662,920

The direct borrowings above are all secured by the leased assets and the full faith and taxing authority of the City.

#### Business-type Activities

Revenue Bonds payable in the Water and Sewerage Fund consisted of the following as of June 30, 2022:

Regions, refinance water and sewer system, original bonds (Series 2016) amount of \$1,290,000 with an interest rate of 2.785%, monthly installments of \$8,800 until maturity in 2032.	\$	878,879
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The revenue bonds of the City carry a requirement that the City maintain a coverage ratio of 1.10 as of the close of each fiscal year. In the event in which the City fails to maintain the required coverage ratio or fails to make the required debt service payments, the bonds can be accelerated and made due and payable immediately.

## NOTES TO BASIC FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (Continued)

#### Business-type Activities (Continued)

Direct borrowings in the form of notes and leases payable in the Water and Sewerage Fund consisted of the following as of June 30, 2022:

Regions, refinance public works facility, original lease amount of \$281,525 with an interest rate of 2.85%, monthly payments of \$2,156 until maturity in 2029.	\$ 161,995
GEFA, construction of north sewer line expansion, original note \$173,200 with an interest rate of 1.52%, monthly payments of \$1,557 until maturity in 2027.	\$ 84,104
Lease One Magnolia, purchase of sewer pump, original lease amount of \$34,300 with an interest rate of 4.50%, monthly payments of \$639 until maturity in 2024.	\$ 8,708
Lease One Magnolia, purchase of truck, original lease amount of \$29,964 with an interest rate of 4.68%, monthly payments of \$686 until maturity in 2024.	\$ 9,324

The direct borrowings above are all secured by the leased assets and the revenues of the City's water and sewerage system.

Additionally, the GEFA note carries a requirement that the City maintain a coverage ratio of 1.05 as of the close of each fiscal year. In the event in which the City fails to maintain the required coverage ratio or fails to make the required debt service payments, the note can be accelerated and made due and payable immediately.

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Compensated absences	\$ 24,912	\$ 25,313	\$ 20,778	\$ 29,447	\$ 27,975
Net pension liability	232,593	67,640	71,020	229,213	-
Notes payable from direct borrowings	1,328,558	1,700,000	950,276	2,078,282	117,543
Financed purchases payable from direct borrowings	120,646	51,567	49,068	123,145	42,957
Governmental activities long-term liabilities	<u>\$ 1,706,709</u>	<u>\$ 1,844,520</u>	<u>\$ 1,091,142</u>	<u>\$ 2,460,087</u>	<u>\$ 188,475</u>
<b>Business-type Activities:</b>					
Compensated absences	\$ 11,615	\$ 17,828	\$ 10,943	\$ 18,500	\$ 17,575
Net pension liability	142,070	41,533	42,862	140,741	-
Notes payable from direct borrowings	320,556	-	56,425	264,131	54,392
Revenue bonds	958,433	-	79,554	878,879	81,831
Business-type activities long-term liabilities	<u>\$ 1,432,674</u>	<u>\$ 59,361</u>	<u>\$ 189,784</u>	<u>\$ 1,302,251</u>	<u>\$ 153,798</u>

The compensated absences liability will be paid from the General Fund or the Water and Sewerage Fund from which employees' salaries are paid. The net pension liability will be paid from the General Fund or the Water and Sewerage Fund from which contributions to the City's pension plan are paid.

**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 7. LONG-TERM DEBT (Continued)**

**Notes payable** – Payments of interest and principal related to the notes, bonds and financed purchases payable for the next five years and until maturity are as follows:

<b>Governmental Activities Notes Payable</b>			
<b>Fiscal Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	\$ 117,543	\$ 48,091	\$ 165,634
2024	87,759	45,907	133,666
2025	89,956	43,710	133,666
2026	92,098	41,569	133,667
2027	94,291	39,375	133,666
2028-2032	506,130	162,202	668,332
2033-2037	1,023,762	91,345	1,115,107
2038-2040	66,743	1,514	68,257
	<u>\$ 2,078,282</u>	<u>\$ 473,713</u>	<u>\$ 2,551,995</u>

<b>Business-type Activities Notes Payable</b>			
<b>Fiscal Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	\$ 54,392	\$ 6,062	\$ 60,454
2024	42,517	4,676	47,193
2025	40,811	3,739	44,550
2026	41,754	2,797	44,551
2027	36,481	1,842	38,323
2028-2032	48,176	1,408	49,584
	<u>\$ 264,131</u>	<u>\$ 20,524</u>	<u>\$ 284,655</u>

**Revenue bonds** – The following table represents the debt service requirements for the City’s revenue bonds as of June 30, 2022:

<b>Fiscal Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	\$ 81,831	\$ 23,765	\$ 105,596
2024	84,114	21,482	105,596
2025	86,577	19,019	105,596
2026	89,054	16,542	105,596
2027	91,601	13,995	105,596
2028-2032	445,702	29,482	475,184
	<u>\$ 878,879</u>	<u>\$ 124,285</u>	<u>\$ 1,003,164</u>

**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 7. LONG-TERM DEBT (Continued)**

**Financed purchases – Governmental.** The City has entered into financed purchase agreements for financing the acquisition of equipment and building improvements used in governmental activities. The lease agreements qualify as capital leases for accounting purposes (titles transfer at end of lease terms) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The City's governmental activities had \$179,963 of equipment and improvements under capital lease, with \$42,169 of accumulated depreciation expense as of June 30, 2022. The related annual amortization of the financed assets is included with depreciation expense for capital assets.

The City's total financed purchase debt service requirements to maturity are as follows:

<b>Fiscal Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 42,957	\$ 3,578	\$ 46,535
2024	44,502	2,033	46,535
2025	30,025	600	30,625
2026	5,661	43	5,704
	<u>\$ 123,145</u>	<u>\$ 6,254</u>	<u>\$ 129,399</u>

**NOTE 8. DEFINED BENEFIT PENSION PLAN**

**Plan Description**

The City, as authorized by the City Council, has established a defined benefit pension plan (The "City of Ball Ground Retirement Plan"), covering all of the City's full-time employees effective July 1, 2017. The City's pension plan is administered through the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Plan provides retirement and death benefits to plan members and beneficiaries. The Plan includes all full-time employees of the City as well as the City's elected officials and there is no waiting period to commence participating in the Plan. Benefits vest after five years of service for employees and eight years of service for elected officials. City employees may retire at age 65 with five years of service to obtain normal retirement benefits. For elected officials, this is age 65 with eight years of service. The benefit is calculated based on total years of service and a 1.50% multiplier times their final average earnings for the 5 highest consecutive years of service. An employee may elect early retirement at age 55 at a reduced benefit provided they have 10 years of service. The City Council, in its role as the Plan sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the City and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, P.O. Box 105377, Atlanta, Georgia 30348 or by calling (404) 688-0472.

*Plan Membership.* As of January 1, 2022, the date of the most recent actuarial valuation, pension plan membership consisted of the following:

Active employees	16
Active elected officials	6
	<u>22</u>



## NOTES TO BASIC FINANCIAL STATEMENTS

### NOTE 8. DEFINED BENEFIT PENSION PLAN (Continued)

#### Plan Description (Continued)

*Contributions.* The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the City Council, 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 plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members (2.50%), as determined by the City Council. For the fiscal year ended June 30, 2022, the City's recommended contribution rate was 8.14% of annual payroll; actual contributions came to 7.82%.

City contributions to the Plan were \$248,514 for the fiscal year ended June 30, 2022. Employees of the City of Ball Ground contributed \$21,798 to the Plan.

#### Net Pension Liability of the City

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

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

Inflation		2.25%
Salary increases		3.00% - 8.50%, including inflation
Investment rate of return	7.375%, net of pension plan investment expense, including inflation	

Mortality rates for the January 1, 2022 valuation were based on the sex-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 provisions 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 the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2021 are summarized in the table on the following page.

## NOTES TO BASIC FINANCIAL STATEMENTS

### NOTE 8. DEFINED BENEFIT PENSION PLAN (Continued)

#### Net Pension Liability of the City (Continued)

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.55%
International equity	20%	7.30
Real estate	10%	3.65
Global fixed income	5%	0.50
Domestic fixed income	20%	0.40
Total	100%	

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

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

Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balances at 6/30/2021</b>	\$ 490,051	\$ 115,388	\$ 374,663
<b>Changes for the year:</b>			
Service cost	35,864	-	35,864
Interest	38,786	-	38,786
Differences between expected and actual experience	23,867	-	23,867
Contributions—employer	-	61,949	(61,949)
Contributions—employee	-	19,699	(19,699)
Net investment income	-	32,234	(32,234)
Administrative expense	-	(10,656)	10,656
<b>Net changes</b>	98,517	103,226	(4,709)
<b>Balances at 6/30/2022</b>	\$ 588,568	\$ 218,614	\$ 369,954

## NOTES TO BASIC FINANCIAL STATEMENTS

### NOTE 8. DEFINED BENEFIT PENSION PLAN (Continued)

#### Net Pension Liability of the City (Continued)

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

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

	1% Decrease (6.375%)	Discount Rate (7.375%)	1% Increase (8.375%)
<b>City's net pension liability</b>	\$ 455,095	\$ 369,954	\$ 298,413

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

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

For the fiscal year ended June 30, 2022, the City recognized pension expense of \$58,579. At June 30, 2022, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (17,906)
Differences between expected and actual experience	47,174	-
Changes of assumptions	-	(7,888)
Contributions made subsequent to the measurement date for the Plan	238,339	-
Total	\$ 285,513	\$ (25,794)

## NOTES TO BASIC FINANCIAL STATEMENTS

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### NOTE 8. DEFINED BENEFIT PENSION PLAN (Continued)

#### Pension Expense and Deferred Outflows of Resources Related to Pensions (Continued)

City contributions subsequent to the measurement date of \$238,339 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2023	\$ 4,086
2024	4,115
2025	3,935
2026	1,331
2027	4,503
2028	3,410
Total	<u>\$ 21,380</u>

### NOTE 9. COMMITMENTS AND CONTINGENCIES

There are no suits pending on unasserted claims that would result in material liabilities to the City. The City has entered into various agreements and contracts in the normal course of business. Such agreements do not give rise to assets or liabilities considered to be material at June 30, 2022.

### NOTE 10. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; and workers' compensation for which the City carries the following insurance coverages.

There were no significant reductions of insurance coverage compared to the prior fiscal year. Settled claims have not exceeded the commercial excess coverage in any of the past three fiscal years.

#### Risk Pools

The City joined the Georgia Interlocal Risk Management Agency (GIRMA). Insurance coverage and deductible options for property, casualty and crime under the policy are selected by City's management based on the anticipated needs. The City is required to pay all premiums, applicable deductibles and assessments billed by GIRMA, and to follow loss reduction and prevention procedures established by GIRMA. GIRMA's responsibility includes paying claims, and representing the City in defense and settlement of claims. GIRMA's basis for estimating the liabilities for unpaid claims is "IBNR" ("Incurred but not reported") established by an actuary. The City has not compiled a record of the claims paid up to the applicable deductible for the prior fiscal year or the current fiscal year. The City is unaware of any claim for which the City is liable (up to the applicable deductible) that was outstanding and unpaid at June 30, 2022. No provisions have been made in the financial statements for the fiscal year ended June 30, 2022 for any estimate of potential unpaid claims.

## NOTES TO BASIC FINANCIAL STATEMENTS

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### NOTE 10. RISK MANAGEMENT (Continued)

The City has elected to be a member of the Georgia Municipal Association Workers' Compensation Self-Insurance Fund (GMAWCSIF), a risk management agency created under Georgia law. As a participant in the GMAWCSIF, the City has no legal obligation to pay its own workers' compensation claims. The City is required to make an annual contribution to the fund in an amount that is determined on the basis of actuarial projections of losses. With payment of the City's annual contribution, the City has effectively transferred the risk and responsibility for payment of its workers' compensation claims. However, the enabling statute creating the GMAWCSIF permits the fund to levy an assessment upon its members to make up any deficiency the fund may have in surplus or reserves. No amount has been recorded in the financial statements for this contingency, as management believes the likelihood for assessment is remote.

### NOTE 11. JOINT VENTURE

The City, along with cities and counties in the ten (10) county Atlanta Metropolitan area, is represented by board members of the Atlanta Regional Commission (ARC). Representation in a regional development center (RDC) is provided for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RDCs. Each county and municipality in the state is required by law to pay minimum annual dues to the RDC. The City paid no annual dues to the ARC for the fiscal year ended June 30, 2022 because currently all dues are paid on the City's behalf by Cherokee County. An RDC Board membership includes the Chief Elected Official of each County and the Chief Elected Official of a municipality within the County.

The County board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the non-public Board member from a County.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines RDCs as "public agencies and instrumentalities of their members". Georgia laws also provide that the member governments are liable for any debts or obligations of an RDC beyond its resources, (O.C.G.A. 50-8-39.1). Separate financial statements may be obtained from:

Atlanta Regional Commission  
229 NE Peachtree Street, Suite 100  
Atlanta, GA 30303

### NOTE 12. TAX ABATEMENTS

For the year ended June 30, 2022 the City's property tax revenues were reduced by \$55,192 under an agreement entered into by the Development Authority of Cherokee County. The authority entered into agreements with various entities under the economic development laws of the State of Georgia which qualify for disclosure under GASB Statement No. 77, *Tax Abatement Disclosures*. Under the agreements, taxes on both real property and personal property are reduced based on investments made by the corporation to whom the incentives were offered as long as the corporation meets certain investment targets.



## **REQUIRED SUPPLEMENTARY INFORMATION**

*This section of the ACFR includes the required schedules that report information regarding the City of Ball Ground's Defined Benefit Pension Plan.*

*These schedules include:*

- Schedule of Changes in the City's Net Pension Liability and Related Ratios*
- Schedule of City Contributions*

**CITY OF BALL GROUND, GEORGIA  
REQUIRED SUPPLEMENTARY INFORMATION  
RETIREMENT PLAN  
SCHEDULE OF CHANGES IN THE CITY'S  
NET PENSION LIABILITY AND RELATED RATIOS**

	2022	2021	2020	2019	2018
<b>Total pension liability</b>					
Service cost	\$ 35,864	\$ 32,612	\$ 35,989	\$ 31,881	\$ -
Interest	38,786	33,134	10,554	5,815	-
Difference between expected and actual experience	23,867	7,649	16,644	21,382	-
Assumption changes	-	-	(17,126) <sup>(2)</sup>	-	-
Changes of benefit terms	-	265,867	-	-	45,650
<b>Net change in total pension liability</b>	<u>98,517</u>	<u>339,262</u>	<u>46,061</u>	<u>59,078</u>	<u>45,650</u>
<b>Total pension liability - beginning</b>	490,051	150,789	104,728	45,650	-
<b>Total pension liability - ending (a)</b>	<u>\$ 588,568</u>	<u>\$ 490,051</u>	<u>\$ 150,789</u>	<u>\$ 104,728</u>	<u>\$ 45,650</u>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 61,949	\$ 38,369	\$ 27,616	\$ 19,745	\$ 2,693
Contributions - employee	19,699	16,711	15,093	14,587	3,830
Net investment income	32,234	8,494	2,410	1,321	68
Administrative expenses	(10,656)	(10,419)	(11,383)	(11,373)	(2,374)
<b>Net change in plan fiduciary net position</b>	<u>103,226</u>	<u>53,155</u>	<u>33,736</u>	<u>24,280</u>	<u>4,217</u>
<b>Plan fiduciary net position - beginning</b>	115,388	62,233	28,497	4,217	-
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 218,614</u>	<u>\$ 115,388</u>	<u>\$ 62,233</u>	<u>\$ 28,497</u>	<u>\$ 4,217</u>
<b>City's net pension liability - ending (a) - (b)</b>	<u>\$ 369,954</u>	<u>\$ 374,663</u>	<u>\$ 88,556</u>	<u>\$ 76,231</u>	<u>\$ 41,433</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	37.14%	23.55%	41.27%	27.21%	9.24%
<b>Covered payroll</b>	\$ 849,384	\$ 659,581	\$ 585,521	\$ 548,487	\$ 485,261
<b>City's net pension liability as a percentage of covered payroll</b>	43.56%	56.80%	15.12%	13.90%	8.54%

**Notes to the Schedule:**

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

(2) *Changes of assumptions*. In 2020, amounts reported as changes of assumptions resulted from changes to the retirement rate, mortality table, inflation rate, investment rate of

**CITY OF BALL GROUND, GEORGIA  
REQUIRED SUPPLEMENTARY INFORMATION  
RETIREMENT PLAN  
SCHEDULE OF CITY CONTRIBUTIONS**

	2022	2021	2020	2019	2018
Actuarially determined contribution	\$ 69,893	\$ 65,749	\$ 31,057	\$ 24,975	\$ 17,382
Contributions in relation to the actuarially determined contribution	248,514 <sup>(3)</sup>	61,048	31,057	24,975	17,382
Contribution deficiency (excess)	<u>\$ (178,621)</u>	<u>\$ 4,701</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 871,989	\$ 659,581	\$ 555,581	\$ 491,634	\$ 342,165
Contributions as a percentage of covered payroll	28.50%	9.26%	5.59%	5.08%	5.08%

**Notes to the Schedule:**

(1) Actuarial Assumptions:

Valuation Date

January 1, 2021

Cost Method

Entry Age Normal

Actuarial Asset Valuation Method

Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Assumed Rate of Return on Investments

7.375%

Projected Salary Increases

2.25% plus service based merit increases

Cost-of-living Adjustment

0.00%

Amortization Method

The amortization of the unfunded actuarial accrued liability is level dollar over 30 years for the initial unfunded accrued liability, 15 years for actuarial gains and losses, 10 years for temporary retirement incentive programs, 20 years for other changes to plan provisions, and 30 years for actuarial assumptions and cost methods. The total amortization must be within a corridor of the 10-year and the 30-year amortization of the unfunded/(surplus) actuarial accrued liability. In a year when the 10-year or 30-year corridor applies, the following year, the prior year bases are combined into one 10-year or 30-year base.

Remaining Amortization Period

None remaining

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

(3) After the change in benefits which increased the net pension liability during FY2021, the City was required to make an additional, one time contribution payment of \$180,365 to true up its cumulative contributions.





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## **OTHER SUPPLEMENTARY INFORMATION**

*This section of the ACFR includes the Special Report that is applicable to the 2018 Special 1 Percent Sales and Use Tax required by the State of Georgia, the combining statement for the nonmajor proprietary funds, as well as the governmental fund level statements for the City's discretely presented component unit, the Downtown Development Authority.*

**CITY OF BALL GROUND, GEORGIA  
COMBINING STATEMENT OF NET POSITION  
NONMAJOR PROPRIETARY FUNDS  
JUNE 30, 2022**

	Solid Waste Fund	Stormwater Fund	Total Nonmajor Proprietary Funds
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash	\$ 63,656	\$ 24,131	\$ 87,787
Accounts receivable, net	34,559	4,963	39,522
Prepaid items	505	-	505
Total current assets	98,720	29,094	127,814
<b>Non-current assets:</b>			
Non-depreciable	-	25,600	25,600
Depreciable, net of accumulated depreciation	-	594,096	594,096
Total non-current assets	-	619,696	619,696
Total assets	\$ 98,720	\$ 648,790	\$ 747,510
<b>LIABILITIES</b>			
Accounts payable	\$ 1,275	\$ -	\$ 1,275
<b>NET POSITION</b>			
Net investment in capital assets		619,696	619,696
Unrestricted	97,445	29,094	126,539
Total net position	\$ 97,445	\$ 648,790	\$ 746,235

**CITY OF BALL GROUND, GEORGIA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN NET POSITION  
NONMAJOR PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

	Solid Waste Fund	Stormwater Fund	Total Nonmajor Proprietary Funds
<b>OPERATING REVENUES:</b>			
Charges for service	\$ 283,526	\$ 48,815	\$ 332,341
Total operating revenues	283,526	48,815	332,341
<b>OPERATING EXPENSES:</b>			
Personnel services	39,269	-	39,269
Contractual services	223,268	-	223,268
Other supplies and expenses	20,000	29,061	49,061
Depreciation	-	39,720	39,720
Total operating expenses	282,537	68,781	351,318
Net operating income (loss)	989	(19,966)	(18,977)
<b>NON-OPERATING REVENUE:</b>			
Interest revenue	8	4	12
Total non-operating revenue	8	4	12
Net income (loss) before capital contributions	997	(19,962)	(18,965)
Capital contributions - infrastructure	-	220,526	220,526
Total capital contributions	-	220,526	220,526
Change in net position	997	200,564	201,561
Net position, beginning of fiscal year	96,448	448,226	544,674
Net position, end of fiscal year	<u>\$ 97,445</u>	<u>\$ 648,790</u>	<u>\$ 746,235</u>

**CITY OF BALL GROUND, GEORGIA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

	Solid Waste Fund	Stormwater Fund	Total Nonmajor Proprietary Funds
<b>Cash flows from operating activities:</b>			
Receipts from customers	\$ 276,700	\$ 47,998	\$ 324,698
Payments to employees	(39,269)	-	(39,269)
Payments to suppliers	(260,427)	(29,061)	(289,488)
Net cash provided by (used in) operating activities	(22,996)	18,937	(4,059)
<b>Cash flows from capital and related financing activities:</b>			
Purchases of capital assets	-	(17,000)	(17,000)
Net cash used in capital and related financing activities	-	(17,000)	(17,000)
<b>Cash flows from investing activities:</b>			
Interest received	8	4	12
Net cash provided by investing activities	8	4	12
Net increase (decrease) in cash	(22,988)	1,941	(21,047)
Cash, beginning of fiscal year	86,644	22,190	108,834
Cash, end of fiscal year	<u>\$ 63,656</u>	<u>\$ 24,131</u>	<u>\$ 87,787</u>
<b>Reconciliation of cash:</b>			
Unrestricted	<u>\$ 63,656</u>	<u>\$ 24,131</u>	<u>\$ 87,787</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
<b>Operating income (loss)</b>	\$ 989	\$ (19,966)	\$ (18,977)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:</b>			
Depreciation expense		39,720	39,720
Change in assets, deferred inflows and outflows of resources, and liabilities:			
Increase in accounts receivable, net	(6,826)	(817)	(7,643)
Decrease in prepaid items	3	-	3
Decrease in accounts payable	(17,162)	-	(17,162)
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (22,996)</u>	<u>\$ 18,937</u>	<u>\$ (4,059)</u>
<b>Noncash capital related activities</b>			
Donations of capital assets	\$ -	\$ 84,076	\$ 84,076
Transfer of capital assets from governmental activities, net of accumulated depreciation	-	136,450	136,450
	<u>\$ -</u>	<u>\$ 220,526</u>	<u>\$ 220,526</u>

The accompanying notes are an integral part of this statement.

**CITY OF BALL GROUND, GEORGIA  
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE  
LOCAL OPTION SALES TAX PROCEEDS  
FOR THE YEAR ENDED JUNE 30, 2022**

2017 Issue

Project	Original Estimated Cost	Current Estimated Cost	Expenditures			Estimated % of Completion
			Prior Fiscal Years	Current Fiscal Year	Total	
City Hall debt service	\$ 615,816	\$ 615,816	\$ 288,210	\$ 97,703	\$ 385,913	62.67%
Valley Street debt service	276,000	276,000	155,272	54,802	210,074	76.11%
Water/Sewer System Improvements <i>including capacity purchases</i>	200,000	200,000	13,962	-	13,962	6.98%
Public Safety - Law Enforcement Facilities, Vehicles, Equipment	400,000	720,000	158,527	560,935	719,462	99.93%
Transportation facilities and improvements	1,100,000	1,100,000	628,483	220,211	848,694	77.15%
Community center, parks, and recreation	374,692	374,692	149,627	164,847	314,474	83.93%
<b>Total SPLOST 5 Issue</b>	<b>\$ 2,966,508</b>	<b>\$ 3,286,508</b>	<b>\$ 1,394,081</b>	<b>\$ 1,098,498</b>	<b>\$ 2,492,579</b>	
<b>NonSPLOST expenditures:</b>						
				859,608		
				51,567		
				<b>\$ 2,009,673</b>		

**CITY OF BALL GROUND, GEORGIA  
BALANCE SHEET  
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY  
JUNE 30, 2022**

---

<u>Assets</u>		
Cash		\$ 11,772
Total Assets		\$ 11,772
<u>Fund Balances</u>		
Restricted:		
Downtown development		\$ 11,772
Total Fund Balances		\$ 11,772

**CITY OF BALL GROUND, GEORGIA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY  
FOR THE YEAR ENDED JUNE 30, 2022**

---

**Revenues**

Charges for services	\$	7,989
Total revenues		7,989

**Expenditures:**

Current:

Housing and development		4,125
Total expenditures		4,125

Net change in fund balances 3,864

Fund balances, beginning of fiscal year 7,908

Fund balances, end of fiscal year \$ 11,772

# STATISTICAL SECTION

## (Unaudited)

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

### Contents

#### **Financial Trends**

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

#### **Revenue Capacity**

*These schedules contain information to help the reader assess the City's most significant local revenue sources (property taxes and charges for water and sewerage services).*

#### **Debt Capacity**

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

#### **Demographic and Economic Information**

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

#### **Operating Information**

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

**Sources:** *Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.*



**City of Ball Ground, Georgia**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
(accrual basis of accounting)

(Unaudited)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental activities</b>										
Net investment in capital assets	\$ 4,828,536	\$ 5,853,460	\$ 6,687,758	\$ 7,593,181	\$ 7,368,453	\$ 7,575,317	\$ 8,201,750	\$ 7,833,999	\$ 8,269,493	\$ 8,942,820
Restricted for capital projects (1)	113,411	173,804	97,770	14,747	66,885	278,489	-	137,185	193,236	680,422
Restricted for fire protection services (2)	-	-	44,365	58,759	61,829	67,619	76,145	87,605	99,143	116,554
Restricted for federal programs (4)	-	-	-	-	-	-	-	-	-	24
Unrestricted	592,944	532,471	639,405	483,272	513,797	519,359	596,226	630,204	508,625	353,146
<b>Total governmental activities net position</b>	<b>\$ 5,534,891</b>	<b>\$ 6,559,735</b>	<b>\$ 7,424,933</b>	<b>\$ 8,149,959</b>	<b>\$ 8,010,964</b>	<b>\$ 8,440,784</b>	<b>\$ 8,874,121</b>	<b>\$ 8,688,993</b>	<b>\$ 9,070,497</b>	<b>\$ 10,092,966</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 2,106,652	\$ 2,043,974	\$ 2,827,290	\$ 2,993,873	\$ 2,745,948	\$ 2,614,965	\$ 2,438,120	\$ 2,402,074	\$ 3,005,186	\$ 4,264,076
Restricted	-	-	-	-	-	9,000	25,500	161,000	189,340	250,840
Unrestricted	324,273	314,484	292,132	307,420	358,514	378,612	412,286	991,311	702,191	830,809
<b>Total business-type activities net position</b>	<b>\$ 2,430,925</b>	<b>\$ 2,358,458</b>	<b>\$ 3,119,422</b>	<b>\$ 3,301,293</b>	<b>\$ 3,104,462</b>	<b>\$ 3,002,577</b>	<b>\$ 2,875,906</b>	<b>\$ 3,554,385</b>	<b>\$ 3,896,717</b>	<b>\$ 5,345,725</b>
<b>Primary government</b>										
Net investment in capital assets	\$ 6,935,188	\$ 7,897,434	\$ 9,515,048	\$ 10,587,054	\$ 10,114,401	\$ 10,190,282	\$ 10,639,870	\$ 10,236,073	\$ 11,274,679	\$ 13,206,896
Restricted for capital projects (1)	113,411	173,804	97,770	14,747	66,885	278,489	-	137,185	193,236	680,422
Restricted for fire protection services (2)	-	-	44,365	58,759	61,829	67,619	76,145	87,605	99,143	116,554
Restricted for sewer projects (3)	-	-	-	-	-	9,000	25,500	161,000	189,340	250,840
Restricted for federal programs (4)	-	-	-	-	-	-	-	-	-	24
Unrestricted	564,669	912,633	931,537	790,692	872,311	897,971	1,008,512	1,621,515	1,210,816	1,183,955
<b>Total primary government net position</b>	<b>\$ 7,965,816</b>	<b>\$ 8,918,193</b>	<b>\$ 10,544,355</b>	<b>\$ 11,451,252</b>	<b>\$ 11,115,426</b>	<b>\$ 11,443,361</b>	<b>\$ 11,750,027</b>	<b>\$ 12,243,378</b>	<b>\$ 12,967,214</b>	<b>\$ 15,438,691</b>

- (1) Restricted net position for capital projects is comprised mostly of SPLOST funds which are restricted to expenditure on the specific projects included in the voter approved referendum.  
(2) Restricted net position for fire protection services results from the levy of a property tax to fund contractual payments to Cherokee County to provide fire protection services in the City.  
(3) Restricted net position for the purchase of sewer capacity.  
(4) Restricted net position for the net position of American Rescue Plan Act fund activity.

**City of Ball Ground, Georgia**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

(Unaudited)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
Governmental activities:										
General government	\$ 285,118	\$ 294,574	\$ 327,737	\$ 333,299	\$ 350,428	\$ 349,860	\$ 359,166	\$ 362,327	\$ 439,568	\$ 524,585
Judicial	5,027	6,708	13,424	14,706	13,819	15,999	14,540	10,662	20,064	16,792
Public safety	228,956	215,644	393,339	613,481	688,478	627,020	695,399	784,720	943,291	898,252
Public works	293,165	292,784	389,150	457,800	441,150	443,263	594,262	795,476	782,421	752,427
Health and welfare	6,334	7,643	9,574	15,209	8,930	18,981	26,016	14,431	21,380	23,871
Culture and recreation	63,354 <sup>(1)</sup>	82,705	168,878 <sup>(3)</sup>	223,815	209,371	247,991	236,311	251,489	423,402	298,751
Housing and development	13,164	12,508	24,910	48,190	35,280	37,998	88,344	101,882	103,714	266,030
Interest on long-term debt	93,246	89,579	85,431	119,387	48,025	47,054	43,849	46,624	40,968	55,262
Total governmental activities expenses	<u>988,364</u>	<u>1,002,145</u>	<u>1,412,443</u>	<u>1,825,887</u>	<u>1,795,481</u>	<u>1,788,166</u>	<u>2,057,887</u>	<u>2,367,611</u>	<u>2,774,808</u>	<u>2,835,970</u>
Business-type activities:										
Water and sewerage	772,407	937,832	942,247	1,086,474	1,155,508	1,066,424	1,177,487	1,174,081	1,378,390	1,614,284
Sanitation	88,772	109,533	124,953	121,509	165,030	155,194	167,277	205,289	236,239	282,537
Storm water	-	-	-	-	-	-	-	3,135	32,069	68,781
Total business-type activities expenses	<u>861,179</u>	<u>1,047,365</u>	<u>1,067,200</u>	<u>1,207,983</u>	<u>1,320,538</u>	<u>1,221,618</u>	<u>1,344,764</u>	<u>1,379,370</u>	<u>1,646,698</u>	<u>1,965,602</u>
Total primary government expenses	<u>\$ 1,849,543</u>	<u>\$ 2,049,510</u>	<u>\$ 2,479,643</u>	<u>\$ 3,033,870</u>	<u>\$ 3,116,019</u>	<u>\$ 3,009,784</u>	<u>\$ 3,402,651</u>	<u>\$ 3,746,981</u>	<u>\$ 4,421,506</u>	<u>\$ 4,801,572</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for Service:										
General government	\$ 12,734	\$ 13,128	\$ 12,755	\$ 14,855	\$ 18,470	\$ 16,788	\$ 18,300	\$ 17,440	\$ 17,975	\$ 81,873
Judicial	9,375	15,438	40,761	40,030	65,648	61,148	83,453	52,971	94,513	81,150
Public safety	45	10	105	185	377	148	210	215	270	270
Public works	-	-	-	-	-	-	-	30	30	3,850
Culture and recreation	17,997	17,648	25,829	24,607	24,358	25,448	28,574	17,335	56,546	19,927
Housing and development	42,297	48,261	75,004	85,160	69,542	34,991	41,066	108,500	58,360	244,026
Capital grants and contributions	625,308	1,336,032 <sup>(2)</sup>	1,344,012	1,491,553	529,323	1,005,043	1,107,983	729,364	1,480,315	1,984,017
Total governmental activities program revenues	<u>707,756</u>	<u>1,430,517</u>	<u>1,498,466</u>	<u>1,656,390</u>	<u>707,718</u>	<u>1,143,566</u>	<u>1,279,586</u>	<u>925,855</u>	<u>1,708,009</u>	<u>2,415,113</u>
Business-type activities:										
Charges for services:										
Water and sewerage	586,818	640,881	655,447	745,093	793,629	793,154	817,721	911,904	971,283	1,144,646
Solid waste	95,722	106,952	120,024	143,612	162,395	172,386	179,759	207,869	265,165	283,526
Storm water	-	-	-	-	-	-	-	30,624	44,365	48,815
Capital grants and contributions	221,500	223,850	1,060,937	500,907	164,500	152,000	219,450	905,155	706,619	1,683,078
Total business-type activities program revenues	<u>904,040</u>	<u>971,683</u>	<u>1,836,408</u>	<u>1,389,612</u>	<u>1,120,524</u>	<u>1,117,540</u>	<u>1,216,930</u>	<u>2,055,552</u>	<u>1,987,432</u>	<u>3,160,065</u>
Total primary government program revenues	<u>\$ 1,611,796</u>	<u>\$ 2,402,200</u>	<u>\$ 3,334,874</u>	<u>\$ 3,046,002</u>	<u>\$ 1,828,242</u>	<u>\$ 2,261,106</u>	<u>\$ 2,496,516</u>	<u>\$ 2,981,407</u>	<u>\$ 3,695,441</u>	<u>\$ 5,575,178</u>

(continued)

**City of Ball Ground, Georgia**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
(accrual basis of accounting)

(Unaudited)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (280,608)	\$ 428,372	\$ 86,023	\$ (169,497)	\$ (1,087,763)	\$ (644,600)	\$ (778,301)	\$ (1,441,756)	\$ (1,066,799)	\$ (420,857)
Business-type activities	42,861	(75,682)	769,208	181,629	(200,014)	(104,078)	(127,834)	676,182	340,734	1,194,463
Total primary government net expense	<u>\$ (237,747)</u>	<u>\$ 352,690</u>	<u>\$ 855,231</u>	<u>\$ 12,132</u>	<u>\$ (1,287,777)</u>	<u>\$ (748,678)</u>	<u>\$ (906,135)</u>	<u>\$ (765,574)</u>	<u>\$ (726,065)</u>	<u>\$ 773,606</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 321,873	\$ 354,239	\$ 532,160	\$ 582,945	\$ 636,121	\$ 712,772	\$ 832,606	\$ 816,385	\$ 1,064,172	\$ 1,213,727
Other taxes	225,307	228,953	243,623	251,678	256,299	276,163	335,417	337,834	344,706	381,645
Unrestricted Investment Earnings	984	1,471	1,042	841	755	945	3,694	4,109	2,974	2,256
Miscellaneous	930	11,809	14,030	11,991	23,592	28,526	39,921	11,954	31,911	96,509
Gain on Sale of Capital Assets	-	-	-	2,703	32,001	56,014	-	90,886	-	-
Transfers	16,086	-	32,685	-	-	-	-	-	-	(250,811)
Total governmental activities	<u>\$ 565,180</u>	<u>\$ 596,472</u>	<u>\$ 823,540</u>	<u>\$ 850,158</u>	<u>\$ 948,768</u>	<u>\$ 1,074,420</u>	<u>\$ 1,211,638</u>	<u>\$ 1,261,168</u>	<u>\$ 1,443,763</u>	<u>\$ 1,443,326</u>
Business-type activities										
Investment earnings	\$ 203	\$ 291	\$ 168	\$ 187	\$ 179	\$ 226	\$ 813	\$ 2,388	\$ 1,598	\$ 704
Miscellaneous	533	2,944	19,989	55	3,004	1,967	350	3,044	-	-
Gain on Sale of Capital Assets	-	-	4,284	-	-	-	-	-	-	3,030
Transfers	(16,086)	-	(32,685)	-	-	-	-	-	-	250,811
Total business-type activities	<u>(15,350)</u>	<u>3,235</u>	<u>(8,244)</u>	<u>242</u>	<u>3,183</u>	<u>2,193</u>	<u>1,163</u>	<u>5,432</u>	<u>1,598</u>	<u>254,545</u>
Total primary government	<u>\$ 549,830</u>	<u>\$ 599,707</u>	<u>\$ 815,296</u>	<u>\$ 850,400</u>	<u>\$ 951,951</u>	<u>\$ 1,076,613</u>	<u>\$ 1,212,801</u>	<u>\$ 1,266,600</u>	<u>\$ 1,445,361</u>	<u>\$ 1,697,871</u>
<b>Change in Net Position</b>										
Governmental activities	\$ 284,572	\$ 1,024,844	\$ 909,563	\$ 680,661	\$ (138,995)	\$ 429,820	\$ 433,337	\$ (180,588)	\$ 376,964	\$ 1,022,469
Business-type activities	27,511	(72,447)	760,964	181,871	(196,831)	(101,885)	(126,671)	681,614	342,332	1,449,008
Total primary government	<u>\$ 312,083</u>	<u>\$ 952,397</u>	<u>\$ 1,670,527</u>	<u>\$ 862,532</u>	<u>\$ (335,826)</u>	<u>\$ 327,935</u>	<u>\$ 306,666</u>	<u>\$ 501,026</u>	<u>\$ 719,296</u>	<u>\$ 2,471,477</u>

The large increases in the recreation function are related to the following:

- (1) Repairs made to the City's newly acquired recreation gymnasium.
- (2) The City received over \$900,000 in on-behalf payments from the County's bond proceeds for construction of various City owned park improvements.
- (3) The City's newly constructed recreational facility and related equipment has depreciation applied for the first year.

**City of Ball Ground, Georgia**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

(Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Fund</b>										
Nonspendable - prepaids	\$ 14,792	\$ 19,029	\$ 18,433	\$ 20,222	\$ 18,547	\$ 23,809	\$ 25,472	\$ 37,244	\$ 45,948	\$ 93,476
Nonspendable - advances	50,713	50,713	111,632	151,632	141,632	-	55,704	55,704	-	-
Restricted	-	34,000	10,211	14,747	-	205,000	-	-	-	-
Unassigned	344,434	453,255	424,042	327,516	450,548	528,865	475,650	585,512	664,697	726,483
<b>Total general fund</b>	<b>\$ 409,939</b>	<b>\$ 556,997</b>	<b>\$ 564,318</b>	<b>\$ 514,117</b>	<b>\$ 610,727</b>	<b>\$ 757,674</b>	<b>\$ 556,826</b>	<b>\$ 678,460</b>	<b>\$ 710,645</b>	<b>\$ 819,959</b>
<b>All Other Governmental Funds</b>										
Nonspendable - prepaid items	\$ -	\$ -	\$ 39,178	\$ 51,945	\$ 58,425	\$ 65,702	\$ 73,626	\$ 83,486	\$ 94,315	\$ 109,234
Restricted - capital projects	113,411	139,804	87,559	-	-	70,573	-	137,185	191,314	680,422
Restricted - fire protection (2)	-	-	41,250	1,229	417	181	517	531	2,523	4,672
Restricted - federal programs (3)	-	-	-	-	-	-	-	-	-	24
Assigned - capital projects	4,584	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	(8,239)	(41,863)	-	(28,124)	-	-	-
<b>Total all other governmental funds</b>	<b>\$ 117,995</b>	<b>\$ 139,804</b>	<b>\$ 167,987</b>	<b>\$ 44,935</b>	<b>\$ 16,979</b>	<b>\$ 136,456</b>	<b>\$ 46,019</b>	<b>\$ 221,202</b>	<b>\$ 288,152</b>	<b>\$ 794,352</b>

(2) This restricted fund balance was created in 2015 due to the inclusion of the District Fire Tax Fund's fire protection services contract with Cherokee County.

(3) Restricted for use under Coronavirus State and Local Fiscal Recovery Fund program.

**City of Ball Ground, Georgia**  
**Change in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

(Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Taxes	\$ 547,839	\$ 606,785	\$ 785,891	\$ 832,703	(2) \$ 899,089	\$ 989,747	\$ 1,167,193	\$ 1,253,922	\$ 1,409,584	\$ 1,597,216
Licenses and permits	51,397	61,211	87,654	100,015	88,012	51,601	59,261	125,940	76,735	273,491
Intergovernmental	422,037	1,301,847	500,101	415,146	437,950	1,004,561	1,003,715	728,092	952,461	1,117,109
Charges for service	18,042	17,836	26,039	24,792	24,735	25,774	28,889	17,580	56,446	76,455
Fines and forfeitures	9,375	15,438	40,761	40,030	65,648	61,148	83,453	52,971	94,513	81,150
Investment earnings	1,122	1,656	1,278	1,065	928	1,097	4,489	5,381	3,398	2,481
Contributions	-	34,000	85,951	61,200	71,200	330	-	-	-	-
Rental income	3,634	3,428	3,610	3,856	3,725	4,362	-	-	-	-
Miscellaneous	930	8,381	10,420	8,135	19,867	24,164	39,921	11,954	31,911	96,509
<b>Total revenues</b>	<b>1,054,376</b>	<b>2,050,582</b>	<b>1,541,705</b>	<b>1,486,942</b>	<b>1,611,154</b>	<b>2,162,784</b>	<b>2,386,921</b>	<b>2,195,840</b>	<b>2,625,048</b>	<b>3,244,411</b>
<b>Expenditures</b>										
General government	241,378	260,506	282,469	292,255	305,054	295,051	312,952	304,964	344,845	492,136
Judicial	5,027	6,708	13,424	14,706	13,819	15,999	14,540	10,662	20,064	16,792
Public safety	214,984	203,437	375,170	591,168	(2) 663,835	583,625	655,713	749,178	853,644	1,034,629
Public works	51,215	44,739	104,254	115,393	79,187	92,903	370,359	145,504	429,496	361,981
Health and welfare	6,334	7,260	8,364	13,337	7,058	10,532	17,513	12,559	12,876	15,367
Culture and recreation	168,177	63,261	72,075	126,563	112,291	156,556	135,406	148,895	364,642	222,143
Housing and development	13,164	12,508	24,910	48,190	35,280	37,998	88,344	95,250	103,714	266,030
Capital outlay	154,933	1,278,299	536,466	(1) 261,732	203,777	642,752	886,961	802,721	285,265	823,092
Debt service										
Interest	84,447	85,890	76,759	64,081	45,104	41,493	38,960	40,682	35,655	48,530
Issuance costs	-	-	-	54,802	-	-	-	-	-	-
Principal	92,432	100,681	102,490	1,610,403	148,139	156,430	157,458	160,467	169,455	999,344
<b>Total expenditures</b>	<b>1,032,091</b>	<b>2,063,289</b>	<b>1,596,381</b>	<b>3,192,630</b>	<b>1,613,544</b>	<b>2,033,339</b>	<b>2,678,206</b>	<b>2,470,882</b>	<b>2,619,656</b>	<b>4,280,044</b>
Excess (deficiency) of revenues over (under) expenditures	22,285	(12,707)	(54,676)	(1,705,688)	(2,390)	129,445	(291,285)	(275,042)	5,392	(1,035,633)
<b>Other Financing Sources (Uses)</b>										
Transfers in	8,584	19,162	-	-	16,000	-	-	-	-	35,639
Transfers out	(8,584)	(19,162)	-	-	(16,000)	-	-	-	-	(150,000)
Capital leases	-	31,574	51,002	15,920	37,043	56,979	-	-	-	-
Issuance of note payable	-	-	-	1,552,990	-	-	-	459,430	93,743	1,751,567
Proceeds from sale of capital assets	-	150,000	-	2,703	34,001	80,000	-	112,429	-	13,941
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>181,574</b>	<b>51,002</b>	<b>1,571,613</b>	<b>1,571,613</b>	<b>136,979</b>	<b>-</b>	<b>571,859</b>	<b>93,743</b>	<b>1,651,147</b>
<b>Net change in fund balances</b>	<b>\$ 22,285</b>	<b>\$ 168,867</b>	<b>\$ (3,674)</b>	<b>\$ (134,075)</b>	<b>\$ 1,569,223</b>	<b>\$ 266,424</b>	<b>\$ (291,285)</b>	<b>\$ 296,817</b>	<b>\$ 99,135</b>	<b>\$ 615,514</b>
Debt service as a percentage of noncapital expenditures	20%	24%	17%	57%	14%	14%	11%	12%	9%	30%

## City of Ball Ground, Georgia

### Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

Fiscal Year	Digest Year	Real Property	Personal Property	Motor Vehicles Mobile Homes	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2013	2012	\$ 43,470,287	\$ 730,053	\$ 3,402,700	\$ (985,546)	\$ 46,617,494	6.000	\$ 116,543,735	40.00
2014	2013	42,171,395	697,227	2,002,530	(797,482)	44,073,670	6.000	110,184,175	40.00
2015	2014	50,186,520	742,086	3,393,280	(743,234)	53,578,652	8.811 (1)	133,946,630	40.00
2016	2015	56,487,320	1,165,260	2,622,520	(726,961)	59,548,139	8.575 (2)	148,870,348	40.00
2017	2016	66,304,560	1,215,404	2,181,020	(934,863)	68,766,121	8.290	171,915,303	40.00
2018	2017	76,250,280	2,339,470	1,811,140	(1,310,231)	79,090,659	8.037	197,726,648	40.00
2019	2018	86,551,570	3,903,673	1,491,660	(2,060,900)	89,886,003	8.269	224,715,008	40.00
2020	2019	96,142,770	5,845,337	1,277,660	(2,139,111)	101,126,656	7.976	252,816,640	40.00
2021	2020	108,064,156	4,838,038	1,108,460	(1,730,932)	112,279,722	8.292	280,699,305	40.00
2022	2021	124,925,300	8,193,968	961,458	(2,535,888)	131,544,838	7.925	328,862,095	40.00

(1) The increase in the millage rate is due to the inclusion of the Fire District Tax levy (3.436 mills) to fund contractual payments for Fire Protection Services to Cherokee County.

(2) The decrease in the total millage rate is due to the decrease of the City's mill rate from (5.375 mills to 5.139 mills) however the Fire District Tax levy (3.436 mills) remained the same as the previous year. The Fire District Tax levy is to fund contractual payments for Fire Protection Services to Cherokee County.

**Source:** Cherokee County Tax Digest

**Notes:** Property in the county is reassessed once every three years. The county assesses property at approximately 40 percent of actual value for all types of real and personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

**City of Ball Ground, Georgia**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Years**  
**(rate per \$1,000 of assessed value)**

Fiscal Year	Tax Digest Year	Direct Rate			Overlapping Rate								Total Rates Direct & Overlapping
		City of Ball Ground	Fire District Special District (1)	Total	Cherokee County			State of Georgia	Cherokee County Schools				
					General Maintenance and Operations	Fire District Special District	Parks County Wide	Total BOC Rate	Maintenance and Operations	Bonded Debt	Total		
2013	2012	6.000	0.000	6.000	5.825	3.394	0.780	9.999	0.25	19.450	0.400	19.850	36.099
2014	2013	6.000	0.000	6.000	5.798	3.373	0.776	9.947	0.20	19.450	0.400	19.850	35.997
2015	2014	5.375	3.436	8.811	5.728	0.000	0.744	9.947	0.15	19.450	0.000	19.850	38.758
2016	2015	5.139	3.436	8.575	5.720	0.000	0.744	6.472	0.10	19.450	0.000	19.850	34.997
2017	2016	4.916	3.374	8.290	5.680	0.000	0.609	6.289	0.50	19.450	0.000	19.850	34.929
2018	2017	4.739	3.298	8.037	5.483	0.000	0.581	6.064	0.00	18.950	0.500	19.850	33.951
2019	2018	5.000	3.269	8.269	5.366	0.000	0.503	5.869	0.00	18.950	0.500	19.450	33.588
2020	2019	4.707	3.269	7.976	5.216	0.000	0.480	5.696	0.00	18.450	1.000	19.450	33.122
2021	2020	5.000	3.292	8.292	5.212	0.000	0.461	5.673	0.00	18.450	1.000	19.450	33.415
2022	2021	4.633	3.292	7.925	5.212	0.000	0.434	5.646	0.00	18.200	1.250	19.450	33.021

**Note:** Overlapping rates are those of local and county governments that apply to property owners within the City of Ball Ground.

(1) 2014 the cities within Cherokee County became responsible for the collection of the Special District Fire Tax. However the Cherokee County Board of Commissioners continued to be responsible for setting the millage rate for this tax. All prior years Cherokee County billed and collected this tax on the behalf of the cities.

**City of Ball Ground, Georgia**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

Taxpayer	2021 Tax Digest Year			2012 Tax Digest Year		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Universal Alloy Corp	\$ 8,683,715	1	6.60%			
Georgia Power Company	1,340,524	2	1.02%			
Holcomb Crossing LLC	851,120	3	0.65%	\$ 697,240	3	1.50%
Latimer Properties LLC	811,478	4	0.62%	560,280	4	1.20%
Atlanta Gas Light	623,930	5	0.47%			
American Petro Inc	536,480	6	0.41%			
Awnex Inc	529,049	7	0.40%			
Cherokee County Dev Auth	502,720	8	0.38%			
Donald C Smith III	483,400	9	0.37%	419,480	7	0.90%
John S Fitts/ Kathleen M Fitts	458,564	10	0.35%			
OCS Enterprise				744,200	1	1.60%
Community & Southern Bank				733,080	2	1.57%
Mountain Express Oil				461,360	5	0.99%
Habersham Bank				422,600	6	0.91%
Stanley Fitts				379,206	9	0.81%
Ball Ground Medical Park				378,160	10	0.81%
Latimer Properties LLC				416,200	8	0.89%
<b>Total</b>	<b>\$ 14,820,980</b>		<b>11.27%</b>	<b>\$ 5,211,806</b>		<b>11.18%</b>

**Source:** Cherokee County Tax Assessor's



**City of Ball Ground, Georgia**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Digest Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2013	2012	\$ 262,298	\$ 248,002	94.55%	\$ 14,285	\$ 262,287	99.996%
2014	2013	253,417	238,649	94.17%	14,763	253,412	99.998%
2015	2014	269,026	260,939	96.99%	8,065	269,004	99.992%
2016	2015	292,030	282,904	96.87%	8,702	291,606	99.855%
2017	2016	326,953	324,087	99.12%	2,472	326,559	99.879%
2018	2017	365,764	362,733	99.17%	2,636	365,369	99.892%
2019	2018	441,566	438,594	99.33%	2,517	441,111	99.897%
2020	2019	469,586	465,191	99.06%	3,945	469,136	99.904%
2021	2020	555,658	549,847	98.95%	4,329	554,176	99.733%
2022	2021	604,330	599,490	99.20%	n/a	599,490	99.199%

**Source:** City of Ball Ground Finance Department

**City of Ball Ground, Georgia**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

(Unaudited)

Fiscal Year	Governmental Activities		Business-Type Activities			Total Primary Government	Percentage of Personal Income <sup>2</sup>	City Population	Per Capita
	Notes Payable	Financed Purchases	Revenue Bonds	Notes Payable	Financed Purchases				
2013	\$ -	\$ 1,756,843	\$ 1,203,844	\$ 85,309	\$ -	\$ 3,045,996	0.05%	1,472	\$ 2,069
2014	-	1,687,736	1,181,833	-	295,000	3,164,569	0.04% (A)	1,510	2,096
2015	-	1,636,248	1,160,653	-	304,065	3,100,966	5.68%	1,563	1,984
2016	1,534,145	60,610	1,140,488	451,769	14,929	3,201,941	6.04%	1,705	1,878
2017	1,419,135	64,524	1,255,060	420,262	5,593	3,164,574	5.13%	1,869	1,693
2018	1,300,931	82,479	1,183,990	385,310	-	2,952,710	4.73%	2,000	1,476
2019	1,179,446	46,507	1,110,887	389,632	-	2,726,472	4.31%	2,047	1,332
2020	1,466,620	58,296	1,035,776	367,166	-	2,927,858	4.63%	2,135	1,371
2021	1,328,558	120,646	958,433	320,556	-	2,728,193	3.46%	2,560	1,066
2022	2,078,282	123,145	878,879	264,131	-	3,344,437	4.24%	2,786	1,200

**Source:** Notes to the Financial Statements, Pages 33 - 54  
Demographic and Economic Statistics, Page 79  
Census on Population and Housing from US Census Bureau

(A) 2014 is the first year the City was able to provide Personal Income information for the City of Ball Ground, all prior year Personal Income represents Cherokee County as a whole.

**City of Ball Ground, Georgia**  
**Direct and Overlapping Governmental Activities Debt**  
**June 30, 2022**

(Unaudited)

	<u>Net General Obligation Debt Outstanding</u>	<u>Percentage Applicable to the City(1)</u>	<u>Amount Applicable to the City(1)</u>
Direct debt:			
Notes payable	\$ 2,078,282	100.000%	\$ 2,078,282
Financed purchases payable	123,145	100.000%	123,145
	<u>2,201,427</u>		<u>2,201,427</u>
Total direct debt	<u>\$ 2,201,427</u>		<u>\$ 2,201,427</u>
Overlapping general obligation debt:			
Cherokee County general obligation debt	\$ 47,274,894	0.960%	\$ 453,839
Cherokee County capital lease	775,033	0.960%	7,440
2007 Resource Recovery Development Authority bonds	3,191,821	0.960%	30,641
Cherokee County School System	485,245,128	0.960%	4,658,353
Total overlapping debt	<u>\$ 536,486,876</u>		<u>\$ 5,150,274</u>
	<u>536,486,876</u>		<u>5,150,274</u>
Total overlapping debt	<u>\$ 536,486,876</u>		<u>\$ 5,150,274</u>
Total direct and overlapping debt	<u>\$ 538,688,303</u>		<u>\$ 7,351,701</u>

Source: The overlapping debt numbers were obtained from Cherokee County's 2021 Annual Comprehensive Financial Report.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Ball Ground, Georgia. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the county's total taxable assessed value.

**City of Ball Ground, Georgia**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
(dollars in thousands)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Assessed Value *	\$ 46,671	\$ 44,074	\$ 53,579	\$ 59,548	\$ 68,766	\$ 79,091	\$ 89,886	\$ 101,127	\$ 112,280	\$ 131,545
Debt Limit: 10% of assessed value	\$ 4,667	\$ 4,407	\$ 5,358	\$ 5,955	\$ 6,877	\$ 6,877	\$ 8,989	\$ 10,113	\$ 10,113	\$ 13,154
Less: Debt applicable to debt limit	1,757	1,688	1,636	1,595	1,484	1,383	1,226	1,525	1,449	2,201
Legal Debt Margin	\$ 2,910	\$ 2,719	\$ 3,722	\$ 4,360	\$ 5,393	\$ 5,494	\$ 7,763	\$ 8,588	\$ 8,664	\$ 10,953

\* Source: Cherokee County Tax Digest

**City of Ball Ground, Georgia  
Pledged Revenue Coverage  
Water System Bonds  
Last Ten Fiscal Years**

(Unaudited)

<b>Water Revenue Bonds</b>							
<b>Fiscal Year</b>	<b>Operating Revenue</b>	<b>(1) Direct Operating Expenses</b>	<b>Net Revenue Available For Debt Service</b>	<b>Debt Service Requirements</b>			<b>Times Coverage</b>
				<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
2013	\$ 587,351	\$ 489,523	\$ 97,828	\$ 19,389	\$ 51,615	\$ 71,004	1.38
2014	857,795 (2)	638,085	219,710	22,011	48,893	70,904	3.10
2015	810,458 (2)	626,952	183,506	21,180	49,824	71,004	2.58
2016	874,648 (2)	741,448	133,200	20,165	50,531	70,696	1.88
2017	961,133 (2)	773,061	188,072	44,274	42,192	86,466 (3)	2.18
2018	947,121 (2)	747,171	199,950	71,070	34,526	105,596 (3)	1.89
2019	1,029,321 (2)	852,766	176,555	73,103	32,493	105,596 (3)	1.67
2020	1,780,703 (2)	845,864	934,839	75,111	30,485	105,596 (3)	8.85
2021	1,251,033 (2)	1,051,626	199,407	77,343	28,253	105,596 (3)	1.89
2022	2,072,988 (2)	1,222,008	850,980	79,554	33,637	113,191 (3)	7.52

**Notes:** (1) Direct operating expenses excludes depreciation.

(2) Revenue from the sales of water and sewer capacity is counted in the operating revenue for calculation of debt service requirements.

(3) Refinanced USDA loan in FY2017. Lowered interest rate and shortened the term of the bond.

**City of Ball Ground, Georgia  
Top Ten Water Customers  
For Fiscal Year 2022**

	<b>Gallons Used</b>	<b>% of Total Gallons</b>	<b>Dollar Amount</b>	<b>% of Total Billed</b>
820 Northridge Road*	4,515,200	6.4%	\$ 41,591.72	3.3%
145 Old Canton Road*	2,380,500	3.4%	22,492.20	1.8%
155 Howell Bridge Road*	1,285,000	1.8%	12,146.32	1.0%
1380 Howell Bridge Road*	1,073,900	1.5%	9,611.62	0.8%
199 Howell Bridge Road *	825,700	1.2%	7,496.72	0.6%
248 Gilmer Ferry	349,700	0.5%	2,704.10	0.2%
252 Valley Street	308,400	0.4%	3,056.39	0.2%
510 Gilmer Ferry Road *	291,700	0.4%	2,191.96	0.2%
Mountain Brooke Irrigation*	229,800	0.3%	1,772.25	0.1%
209 West Sky	200,400	0.3%	1,621.76	0.1%
	<u>11,460,300</u>	<u>16.3%</u>	<u>\$ 104,685.04</u>	<u>8.3%</u>

\*multiple account #

**Note:** Difference in dollar amounts billed as compared to gallons used is caused by the tiered rate system and the timing of the water use. Spikes in water usage will cause higher dollar amounts to be billed.

**City of Ball Ground, Georgia**  
**Water Customers**  
**Last Ten Fiscal Years**

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<b>Fiscal Year</b>	<b>Number of Customers</b>	<b>Number Increase</b>	<b>% Increase</b>
2013	872	4	0.5%
2014	935	63	7.2%
2015	971	36	3.9%
2016	1,031	60	6.2%
2017	1,085	54	5.2%
2018	1,109	24	2.2%
2019	1,132	23	2.1%
2020	1,193	61	5.4%
2021	1,259	66	5.5%
2022	1,311	52	4.1%

**City of Ball Ground, Georgia**  
**Water & Sewer Rates**  
**June 30, 2022**

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Water Rates - Residential (Inside City limits)

	Standard	Senior Citizens	Disabled
Base Rate	\$ 18.00	\$ 15.00	\$ 15.00
0 - 3,000 gallons	2.70	2.70	2.70
3,001 - 5,000 gallons	3.45	3.45	3.45
5,001 - 8,000 gallons	5.55	5.55	5.55
8,001 - 10,000 gallons	5.95	5.95	5.95
10,000 - 20,000 gallons	7.40	7.40	7.40
20,000 +	10.00	10.00	10.00

Water Rates - Residential (Outside City limits)

	Standard	Senior Citizens	Disabled
Base Rate	\$ 21.50	\$ 18.50	\$ 18.50
0 - 3,000 gallons	2.70	2.70	2.70
3,001 - 5,000 gallons	3.45	3.45	3.45
5,001 - 8,000 gallons	5.55	5.55	5.55
8,001 - 10,000 gallons	5.95	5.95	5.95
10,000 - 20,000 gallons	7.40	7.40	7.40
20,000 +	10.00	10.00	10.00

Sewer Rates

Base Rate	\$ 16.50
Per 1,000 gallons	\$ 5.50



**City of Ball Ground, Georgia**  
**Demographic and Economic Statistics (1)**  
**Last Ten Calendar Years**

<b>Calendar Year</b>	<b>County/City Population</b>	<b>Personal Income (in thousands)</b>	<b>Per Capita Personal Income</b>	<b>Median Age</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
2012	221,315	\$ 7,338,805	\$ 33,160	36.3	39,560	6.90
2013	1,510	55,726	36,905	39.4	570	4.15
2014	1,563	51,332	32,842	39.7	557	4.30
2015	1,705	62,379	36,586	39.4	500	4.15
2016	1,869	63,254	33,844	40.9	526	4.60
2017	2,000	72,232	36,116	41.9	563	3.30
2018	2,047	77,570	37,894	41.9	565	2.90
2019	2,135	77,650	36,370	41.9	581	3.15
2020	2,560	78,913	30,825	38.2	630	2.94
2021	2,560	78,913	30,825	38.2	630	2.94

(1) 2013 is the first year in which this information has been available on the City level.

**Sources:** Georgia Department of Labor, Bureau of the Census, Cherokee County School District and the Cherokee County Development Authority.

**City of Ball Ground, Georgia  
Principal Employers  
Current Year and Nine Years Ago**

Employer	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Awnex, Inc.	98	1	11.56%	80	1	15.24%
Cherokee County Board of Education	88	2	10.38%	75	2	14.29%
Universal Alloy Corporation	63	3	7.43%			
FRN, Inc	31	4	3.66%	20	4	3.81%
Wilkes Meat Market of Ball Ground	26	5	3.07%			
Wheeler House	25	6	2.95%			
Ball Ground Post Office	20	7	2.36%			
Waffle House	20	8	2.36%			
Southeastern Protection Service	20	9	2.36%			
City of Ball Ground	18	10	2.12%			
Cool Tech HVAC Inc	-		-	24	3	4.57%
Singleton Food Services, Inc	-		-	19	5	3.62%
Cheshire Heating & AC	-		-	15	6	2.86%
D-Lab Screenprinting	-		-	14	7	2.67%
Uncle Pepper's Pizza Kitchen	-		-	10	8	1.90%
The Dawg House	-		-	9	9	1.71%
Ball Ground Animal Hospital	-		-	8	10	1.52%
<b>Total</b>	<b>160</b>		<b>18.88%</b>	<b>119</b>		<b>52.19%</b>

**Source:** Ball Ground Finance Department

**City of Ball Ground, Georgia**  
**Full-time-Equivalent City Government Employees by Function/Program**  
**Last Ten Fiscal Years**

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General government:										
Governing Body	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Chief Executive (Mgr. Or Admin.)	0.9	0.9	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Police Records & Court	-	-	-	-	-	-	-	-	-	-
Financial Administration	1.2	1.2	1.4	1.4	1.4	1.4	1.4	1.4	1.8	2.4
Water Administration	-	-	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Human Resources	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Public Safety:										
Police Administration	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Police Patrol	1.0	1.0	2.0	3.0	3.0	3.0	3.0	3.4	4.0	5.0
Building Inspections	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Planning & Zoning	0.2	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	1.4
Parks Areas	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Public Works	2.4	2.4	2.4	4.1	3.4	3.4	3.4	3.4	5.4	4.4
Highways & Streets Administration	-	-	-	-	-	-	-	-	-	1.0
Sanitary Administration	0.2	0.2	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
<b>Total</b>	<b>13.2</b>	<b>13.6</b>	<b>16.2</b>	<b>18.9</b>	<b>18.2</b>	<b>18.2</b>	<b>18.2</b>	<b>18.6</b>	<b>21.6</b>	<b>24.0</b>

**Source:** City of Ball Ground Finance Department

**City of Ball Ground, Georgia**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

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<b>Function</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Public Works:										
Street resurfacing (miles)	0.6	0.7	1.6	0.5	0.8	0.5	0.6	0.4	1.1	0.7
Police protection:										
Number of citations written	99	174	216	307	548	553	624	604	1,069	781
Number of automobile accidents	35	25	43	49	67	49	60	49	53	78
Number of reported crimes	80	68	70	87	81	106	82	67	75	68

**Source:** *City of Ball Ground Public Works and Police Department Records*

**City of Ball Ground, Georgia**  
**Capital Assets Statistics by Function**  
**Last Ten Fiscal Years**

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<b>Function</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Public Works:										
Miles of streets	14	14	16	18	18	18	18	18	19	21
Police protection:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of police officers	2	3	3	4	4	4	4	5	5	6
Building permits issued	40	47	67	73	35	29	35	73	58	126
Recreation and culture:										
Number of parks	5	5	5	5	5	5	5	5	5	5
Park acreage	30	30	32	32	32	32	32	80	80	80

**Source:** Various City of Ball Ground Departments