

**CITY OF ROME, GEORGIA  
COMPREHENSIVE  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2019**

**Prepared By:  
Finance Department**

**CITY OF ROME, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019**

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Sammy Rich  
City Manager  
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Rome, GA 30162  
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August 7, 2020

To the Rome City Commission and  
the Citizens of the City of Rome, Georgia:

The comprehensive annual financial report of the City of Rome, Georgia for the fiscal year ended December 31, 2019, is hereby submitted. Responsibility for both the accuracy of the 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 are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2019.

The City is also required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations, are included in a separate report.

Mauldin & Jenkins, LLC has issued an unmodified opinion on the City of Rome's financial statements for the year ended December 31, 2019. The independent auditor's report is located at the front of the financial section of this report.

These statements are compiled in accordance with accounting principles generally accepted in the United States of America and offer an overview of the financial position and activities of the City as a whole. Management's Discussion and Analysis can be found on pages 4-23 and contains additional information on the City of Rome's basic financial statements.

## ***PROFILE OF THE GOVERNMENT***

The City of Rome is located in the northwestern part of the State of Georgia, which continues to rank as one of the top growth areas in the state. The City limits incorporate over thirty-four square miles and has a population of approximately 36,700. The City government operates under a commission-manager form of government. Commission elections are non-partisan and commissioners serve staggered terms. There are nine commissioners serving on the City Commission with the Mayor and Mayor Pro Tem elected from within the commission.

The City provides a full range of services. These services include water and sewer, police, building inspection, fire protection, sanitation services, the construction and maintenance of streets, storm drainage, traffic control, cemetery, community development, transit system, municipal landfill, planning and zoning, recreational activities and cultural events. In addition, the City of Rome includes the Rome Board of Education and the Greater Rome Convention and Visitors Bureau as discretely presented component units in these financial statements because the City has financial accountability for these entities.

The City is required to adopt final budgets by the end of each fiscal year. These annual budgets serve as the foundation for the City of Rome's financial planning and control. The budgets are prepared by fund, then department. Budgetary control is at the line item level.

## ***LOCAL ECONOMY***

The economic condition and outlook of the City has remained fairly stable during the past several years, following several years of slower economic growth attributable to a general decline in manufacturing activity. The City has experienced a slight increase in economic activity including expansions and additional employment hiring. The unemployment rate for the City at the end of the year was 3.8%. This is a slight decrease from 2018 following national trends of lower unemployment rates. The City has seen some increase in job creation due to expansions at existing facilities, as well as job growth in the services sector.

Rome continues to be the medical hub of northwest Georgia with more doctors per capita than any county in the state. Two major hospitals, with a total of approximately 800 beds, are located in the city limits with many clinics also operating in this area. Redmond Regional Medical Center is the largest taxpayer in the City. The medical industry continues to expand with new expansions at their outlying complexes. Redmond Regional has just constructed two new Urgent Care facilities within the City. Floyd Medical Center, the community public hospital, continues to upgrade and modernize, and has completed their new expansion of Urgent Care facilities at their outlying complex. The Harbin Clinic recently completed their new corporate headquarter construction within the City. Berry College has recently opened The Spires, a \$120 million dollar continuing care retirement community located adjacent the campus off the West Rome bypass. We anticipate the facility will provide a wave of net new residents to our community.

The Rome Braves Minor "A" baseball stadium continues to be an economic draw from surrounding communities.

The City of Rome is a large tennis community with tournaments ranging from junior league to adult mixed. With the opening of the new 60 court tennis facility, the Rome Tennis Center at Berry College has garnered national recognition and has already hosted several regional and international tournaments. The Center was the host for the 2017 ACC College tournament finals and will host the event again in 2020. The facility currently averages 40 plus tournaments of various sizes per year. This has been a major economic impact for the City as these tournaments bring in participants and family from out of town who eat, sleep and shop in Rome. In 2019, the Tennis Center generated \$4.97 million or 38% of the total economic impact for the tourism community. To wrap up the year, the United States Tennis Association named the Rome Tennis Center at Berry College the large Outstanding Tennis Facility of the Year.

Rome has also been the site for several other sporting events that draw participants and spectators from outside the community. Berry College began their inaugural football season in 2015 and has won several divisional championships. The Wings over North Georgia Air show typically held in the fall has become a large regional draw, and continues to be the highest estimated economic impact event. Although it was cancelled for 2019, in 2018 the event drew over 30,000 in attendance for the two day event.

Rome has also made its mark in the film production arena, with small portions of several major motion pictures filmed locally, along with smaller venues for several TV shows. The next year also promises other productions both for TV and major motion pictures.

The continued development of the downtown area of the City also is hopeful for continued economic impact. Hampton Inn Hotel at the tip of the downtown area added much needed lodging last year and the Marriott Hotel which opened in early 2018, borders the west end of the downtown area and now anchors the West Third corridor of the downtown area. With the opening of the Marriott, room availability in the city now is over 970 rooms and will continue to increase as another major hotelier has announced a major expansion. The development of lofts and apartments in the downtown area has blossomed as four current projects are under current construction. The City has initiated the “Roman Chariot” fleet which is a larger seating golf cart that will transport guests from the lodging points and up and down the downtown areas. There are currently four carts available for transportation in the downtown area. The newly purchased “Roman Rose” Trolley also joined the transportation fleet in early 2019. Also newly installed are bicycle lanes and the roll out of a “Personal Transportation Vehicle (PTV)” policy to allow registered vehicles to use the downtown streets for transportation. This is certainly important as the number of citizens living in the downtown area increases.

A continuing Education Local Option Sales tax has enabled the City of Rome School System to make major renovations and improvements to many of the City schools. As this issue comes to an end a new county high school in the western part of the county has been completed, and major renovations at the Rome High and Middle School have been completed. Also nearing completion is the completely new Main Elementary school funded with the ELOST. Continuing its success, the South Rome Early Center housed at Anna K. Davie School is looking to expand to the third classroom. This is a public/private partnership with the school system, Berry College, and private enterprises such as the South Rome Redevelopment Corporation which helps disadvantaged pre-school kids become ready for official school entry. The new 2017 ELOST issuance began collections in April of 2019 with the main focus on a new college/career academy to be housed at the Rome High School main campus.

Local Option Sales Tax revenue, one of the City’s largest revenue sources outside of property taxes, which has been very stagnant over the last few years saw a substantial increase in 2019. This revenue source has been declining since prior legislation phased out sales taxes on food, vehicles and manufacturing energy costs. New legislation which may help re-coup some sales taxes on on-line sales was effective the first of 2019 and this revenue has continued to see increases. Even during the COVID crisis Sales Tax collections have remained strong. Retail sales loss is a concern going forward for the local economy. The City has been encouraged by an upward trend in economic indicator revenue sources such as business licenses, intangible taxes, real estate transfer taxes, and insurance premium tax. With the new East Bend Shopping Center underway we are hopeful with new retail and restaurants that we will continue to experience growth.

The City has also seen a significant upward swing in the number of new housing starts and construction during the year as well as requests for new water/sewer taps. The Building Inspection permit numbers were some of the largest increases in new permits that the City has seen in over ten years. These increases are positive signs of a possible modest growth in the local economy.

The City has seen several market growth additions over the last year, and the 2019 tax digest had a modest increase. The City also had another strong collection rate in 2019, which helped boost tax revenues for the year.

Although the City of Rome's Water system has remained healthy and viable due to our abundance of available water supplies, the system continues to be challenged by the decrease in overall consumer consumption. The City of Rome has renegotiated with Floyd County the agreement for wholesale water purchases from the City. The City's Water and Sewer system continues to garner various awards for its facilities and clean water production.

### **LONG TERM FINANCIAL PLANNING**

The City has taken budgetary steps to ensure that the City will continue to be financially healthy throughout a continual stagnation of many revenue sources. Although the City went several years without market competitive merit raises for employees, 2018 and 2019 did see a merit raise budget increase of 0-4% for employees. However, the need for long range planning in pay and benefits for public safety employees continues to be a concern in recruitment and retention. The City has also seen these challenges in recruitment in other professional areas such as Engineering and CDL drivers and heavy equipment operators. Recruitment against the private sector continues to be a challenge in obtaining and retaining employees. Capital spending has been minimized but long term needs must still be addressed. There has been more capital spending in the Water/Sewer system for 2019 reflecting needs that have been mitigated for the last couple of years. Capital spending commitments for the budget year 2019 was some of the largest the fund has seen in several years. The City has a commitment to the community to maintain the highest level of service possible and still operate within its current revenue resources. This commitment, under what appears to be more long term growth restraints has been a challenge for City management.

### **RELEVANT FINANCIAL POLICIES**

The past fiscal year has continued to be a challenge to all revenue sources within the City. Modest increases in some revenues sources with economic drivers are an encouragement that the economy may be turning upwards. However, many other revenue sources continue to decline or are relatively flat. The effect of the Title Tax implementation is still being felt and its long term impact is still uncertain, although 2019 did see an upswing in the revenue. New legislation for the distribution of this tax changed in 2019 and the City is receiving less revenue. New legislation affecting revenues as the State changes the way it funds transportation was implemented in 2015. Although its initial impact to the City appears to be minimal in 2019, the longer term impacts are yet to be addressed. Much of the challenge in managing in today's economy is the up and down swings in revenues without stable projections. These significant tax changes will impact the City's revenues sources, and the long term impact may require some history before the City can make plans to help mitigate the long term effects. Over the last couple of years the City has been able to increase the General Fund balance. This is a deliberate plan to help leverage the City's financial resources for the future.

The housing market has made some rebounds—and re-assessment values continue to see increases. Sales of homes are on the upswing.

### **MAJOR INITIATIVES**

#### ***For the Current Year:***

As an "Entitlement Community", the City receives federal grant monies for capital improvement projects. Projects include street and sidewalk improvements, and several home rehabilitation programs for lower income families. The City of Rome has partnered with the Northwest Georgia Housing Authority in an expanded housing rehabilitation program with the entitlement funds. The main focus in 2019 was additional replacement of sidewalks in the East Rome area of redevelopment.

The Community Development Department had many accomplishments during the 2019 calendar year. Four new single family homes were constructed in South Rome on Pollock Street in partnership with the South Rome Redevelopment Corporation. Three of the homes were sold and occupied by low-moderate income families by the end of the year utilizing CHIP funds awarded from the GA Department of Community Affairs. CDD also administers the City of Rome's CDBG Entitlement funds and during the year seven homes were assisted through our Housing Rehabilitation Program, sidewalk improvements were completed on Maple Ave. from E. 8<sup>th</sup> Street to E. 12<sup>th</sup> Street (east side of street) and five dilapidated/burned homes were demolished in the Unsafe Structure Demolition Program.

The City's Eco Center has been expanded with additional services and exhibits and continues to hold more educational school tours and other community events.

The Business Improvement District tax area was expanded geographically, and enhanced to generate more development monies to be used in our downtown area. Plans are to market the Fifth Avenue street section for an Arts District which will geographically link to the downtown area and the new Marriott hotel. Budget has been set aside for utility, infrastructure, and façade improvements for the area. Also expanded was the concept of more art options in the downtown areas. With a live theatre and other street art projects already on site—collaborative efforts with the arts community has spurred a film festival, and an outdoor Shakespeare play venue. The 2017 SPLOST package included \$2 million for infrastructure improvements in the Fifth Avenue Arts District. The city will host a kick off meeting to discuss streetscape concepts in July 2020.

The completion of the Burnett Ferry Road sidewalk project was completed in 2018 with over 1.2 miles of new sidewalks and curb and gutter along the Alto Park school corridor. The widening of the Chulio Hills/Honeysuckle Ridge roads was near completion at the end of 2019. A newer enhanced roadway was also constructed along with the new Main Elementary school and completed in 2019.

The City also partnered with the Fairview E.S. Brown Heritage Corporation to facilitate a grant to historically restore an older African American school house in Cave Spring. Renovations were completed on the one room school house which dates back to the 1940s.

The City also completed several building renovations—including the Carnegie Building Ramp and repairs to the cornice at City Hall which was completed in 2020.

Each year water and sewer projects are on-going or completed. Major initiatives for 2019 included the completion of “Chemical Bulk Storage” and initiating “Filter Console” replacement for Water Treatment Facility. At the Waste Water Treatment Facility, major activities include; a digest roof replacement, additional return to active sludge pump, additional influent pump. These proactive changes for the systems are in advance of Environmental Protection Division regulations and protection of local waterways.

The multi-million dollar expansion of the trail system at the Town Green was completed a couple of years ago and trail connectivity throughout the county continues to be an initiative. There are funds still left in the 2013 SPLOST issuance to connect more trails up in the north end of the county connecting around the baseball stadium and through Berry College. It also connects the downtown area into an enhanced interconnected network of multi-purpose trails that meander throughout the community. The Mt Berry trail is currently under construction and right of way has been acquired for the Redmond Trail, which will provide vital links to the community and our downtown.

Renovations and enhancements for the Barron Stadium continue. 2017 SPLOST funds are budgeted for improvements to the Press Box and replacement of the Artificial Turf. Work will be completed in 2020.

As part of property donated to the City by General Electric, there are several trail options for the first phase of that passive recreation development for the property. Trail access continues to be a priority for the future as SPLOST and other funding sources are budgeted to improve and extend trail connectivity within the City.

The Rome/Floyd County Land Bank Authority was very active in 2019 moving over twenty nine properties off the delinquent or foreclosed tax rolls back to the taxpayer digest. With over 200 properties still to be processed from the county foreclosed records, 2020 looks to be a good year to move additional properties back to tax payer parcels.

The City has issued bonds to finance the construction of new “indoor tennis courts” at the Rome Tennis Center at Berry College. These covered courts will be at the existing facility and will complete the necessary enhancements to ensure that the facility is able to bid on the larger and prestigious tournament events. The indoor courts will be dedicated in August of 2020.

***For the Future:***

The Northwest Regional Hospital property in West Rome that has been dormant since 2011 has a tentative collaborative use as the City has worked diligently to identify a possible re-use or redevelopment for the campus. The locally based Global Impact has announced plans for the creation of Hope Village at the site which would be a collaborative treatment center to encompass the entire tract. Hope Village will strive to provide substance abuse, mental health, and vocational and job training services. This will be a true collaboration effort between federal, state, local government, local businesses, non-profit agencies and faith based partners.

The rivers are a major part of this community along with the City's downtown development. The City will continue to focus on the development of the three rivers in downtown Rome. The addition of the pedestrian bridge and the Town Green has already proven to be a major draw to the downtown area and the expansion of the river walk trail system continues to be an important initiative for the future. The Town Green is becoming a focal point for other festivals, and events in the downtown area.

The City in partnership with Floyd County, and the Rome Floyd Tourism/Convention Bureau, purchased a new trolley for downtown events, rentals, and special events and tours. The Trolley has been named the “Roman Rose”.

Technology upgrades and advancements continue to be a priority for the City. The City is upgrading cameras and integrated security systems to better monitor certain facilities.

Community Development continues to be a priority for the City. Community Development has partnered with the Rome Housing Authority to apply for a Choice Neighborhood Planning grant for the East Rome area to plan for a larger initiative for housing and infrastructure improvements. The Community Development is planning to continue with sidewalk improvements in the Maple Ave. area, assist small businesses negatively impacted due to COVID-19 with emergency grants, start construction in partnership with SRRC on three additional affordable single family homes in South Rome and continue the very popular housing rehabilitation program for low-mod income property owners during the program year of 2020.

The TAD Four area with an approved TAD application for a major retail hub is located at the site of the former Kmart. This is very important as this abandoned property sits on a major road artery with prime access. The new retail development is under construction and set to open in late 2020 and early 2021.

The City is working to finish out projects from the 2013 SPLOST. Trail Connectivity and Unity Point Improvements are the final projects still to complete.

In 2017, another large SPLOST referendum was passed by the community which will continue as the 2013 SPLOST expired in 2019. Larger projects include Public Works infrastructure improvements, Public Safety equipment and facility improvements, Waterways improvements, Water and Sewer improvements and Improvements in the Fifth Avenue River Arts District.

## ***FINANCIAL INFORMATION***

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. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. 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 judgments by management.

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

As a part of the City's single audit, described earlier, tests are made to determine the adequacy of the internal control structure, related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations that could have a material effect on a major federal program. The results of the City's single audit for the fiscal year ended December 31, 2019 ended with no findings of noncompliance for its federal programs.

***Budgeting Controls.*** In addition, 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's governing body. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. Although not legally required, the City does include adopted annual budgets for its proprietary funds. The level of most of the budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is maintained at the department level. The City also maintains an encumbrance accounting system as a technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. However, encumbrances generally are reappropriated as part of the following year's budget. The City Manager and Finance Director along with the City Commission Finance Committee review budget comparisons on a monthly basis.

## ***AWARDS AND ACKNOWLEDGEMENTS***

***Awards.*** The City of Rome, Georgia Comprehensive Annual Financial Report for the year ended December 31, 2018, was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial reports 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 our comprehensive annual financial report continues to conform to the Certificate of Achievement program requirements and we are submitting our comprehensive annual financial report for the current year to the GFOA.

**Acknowledgments.** The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. We would also like to thank the Finance Committee as well as the entire City Commission for the support they gave the City staff in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

A blue ink signature of the name Sammy Rich.

Sammy Rich  
City Manager

A blue ink signature of the name Toni Rhinehart.

Toni Rhinehart  
Finance Director



Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Rome  
Georgia**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

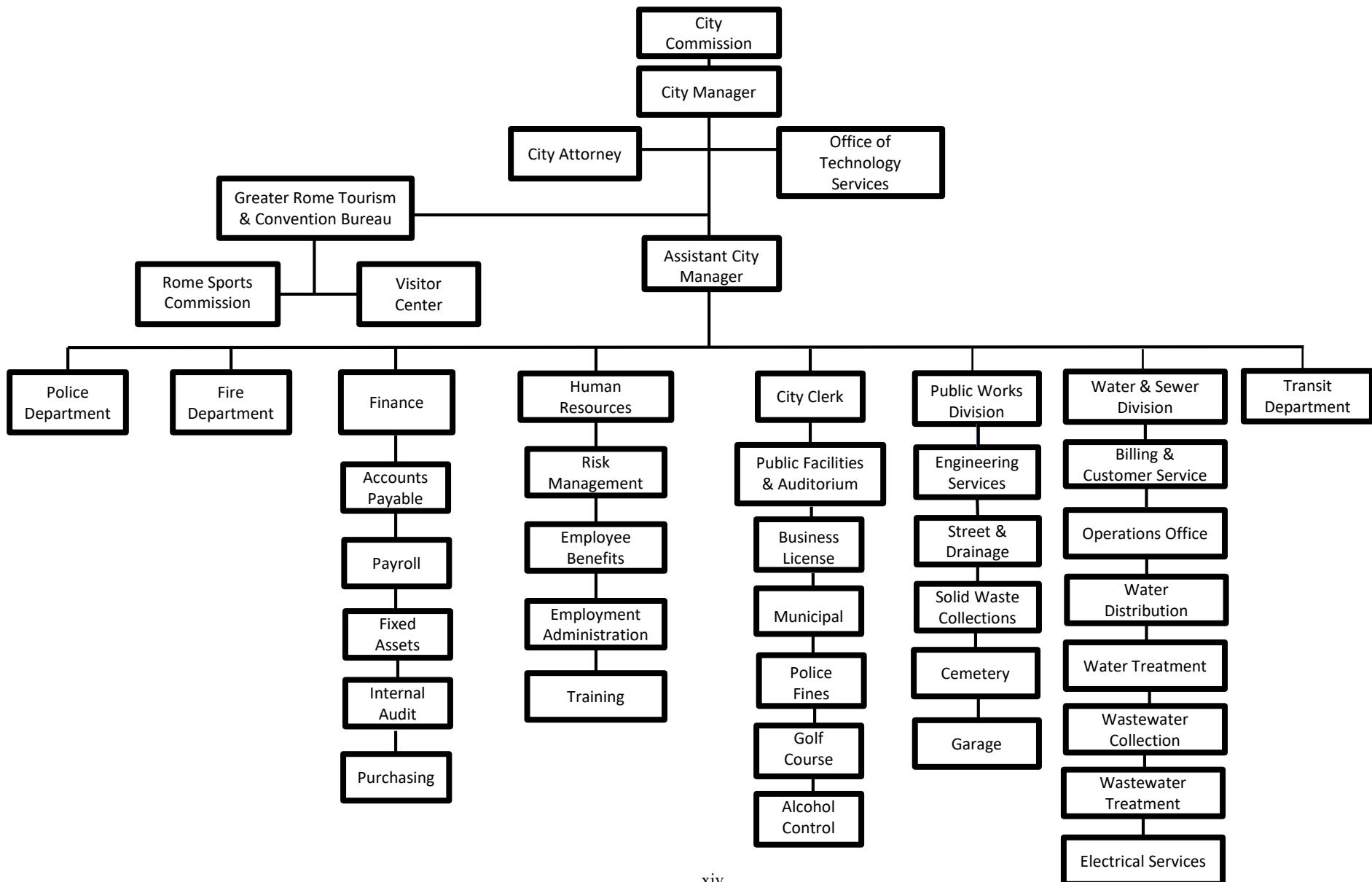
**December 31, 2018**

*Christopher P. Monill*

Executive Director/CEO

# City of Rome, Georgia

## Organization Chart



**CITY OF ROME, GEORGIA**  
**PRINCIPAL OFFICIALS**  
**DECEMBER 31, 2019**

---

Bill Collins .....	Mayor
Randy Quick .....	Mayor, Pro Tem
Jamie Doss .....	At Large
Milton Slack .....	At Large
Evie McNiece .....	At Large
Craig McDaniel .....	At Large
Sundai Stevenson .....	At Large
Bill Irmscher.....	At Large
Wendy Davis .....	At Large

\*\*\*\*\*

Sammy Rich .....	City Manager
Patrick Eidson.....	Assistant City Manager
Toni Rhinehart.....	Finance Director
Beverly Ragland.....	Assistant Finance Director
Joseph F. Smith.....	City Clerk
Andy Davis .....	City Attorney

## **FINANCIAL SECTION**

The financial section of the Comprehensive Annual Financial Report includes the independent auditor's report, the Management's Discussion and Analysis, the basic financial statements including footnotes, and the supplementary information.

## INDEPENDENT AUDITOR'S REPORT

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**Board of Commissioners  
City of Rome, Georgia  
Rome, Georgia**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Rome, Georgia** (the “City”) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

#### ***Management's Responsibility 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.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Rome, Georgia as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the City's Net Pension Liability and Related Ratios, Schedule of City Contributions, Schedule of Changes in the City's Total OPEB Liability and Related Ratios – OPEB Plan, and budgetary comparison information, as reported in the table of contents, be presented to supplement the basic financial statements. Such information, 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Rome, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, introductory section and statistical section as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-121, and is also not a required part of the basic financial statements.

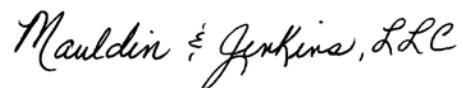
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The combining and individual nonmajor fund financial statements and schedules as well as the schedule of expenditures of special purpose local option sales tax proceeds (the “supplementary information”) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 7, 2020, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is cursive and fluid, with "Mauldin & Jenkins" on the top line and "LLC" on the bottom line.

Atlanta, Georgia  
August 7, 2020

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management's Discussion and Analysis (MD&A) is a narrative introduction, overview, and analysis of information presented in the basic financial statements.

## City of Rome, Georgia

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2019

As management of the City of Rome, Georgia, this section of the City's Comprehensive Annual Financial Report offers readers a narrative discussion and analysis of the financial activities of the City of Rome for the fiscal year ended December 31, 2019.

This discussion and analytical information is designed to be used in conjunction with the transmittal letter found on pages v-xii and with the accompanying financial statements and footnote disclosures which follow this section. This discussion focuses on the City's primary government and unless otherwise noted, does not include discretely presented component units which are reported separately.

#### **FINANCIAL HIGHLIGHTS**

- The City of Rome's total assets and deferred outflows exceeded its total liabilities and deferred inflows by \$352,486,195 in 2019, which is an increase of 7.7% over the 2018 balance. Net Position for the City increased \$25,091,519 for 2019. This increase was evenly distributed between Governmental Activities and Business Activities with strong increases in both categories.
- The City's total assets increased \$25,076,620 with \$10,026,525 of that increase in cash. The increase in cash was evenly distributed between Governmental Activities and Business Activities.
- The City's long-term liabilities increased \$1,629,642 for 2019. Increase due mostly from an increase in the pension liability.
- Total City of Rome Net Position is made up of the following:
  - 1) Net Investment in capital assets of \$316,625,573 includes property, equipment, and infrastructure, net of accumulated depreciation and reduced for related debt.
  - 2) The restricted portion of the Net Position of \$21,048,547 reflects funds held for capital purchases and debt service. The balance of the restricted portion is restricted by outside entities either by covenants, grant agreements or external legislation.
  - 3) Unrestricted Net Position of \$14,812,075 represents the portion available to maintain the City's ongoing obligations and has increased from 2018 as the negative unrestricted portion in Governmental Activities was reduced in 2019 due to the change in net position of Governmental Activities.
- The City of Rome had an overall increase in Net Position for 2019 of \$25,091,519 which is more than the increase for 2018 and represents strong increases in the Governmental Activities and Business type Activities. In the Governmental Activities this increase was generated mainly by a decrease in expected expenses and an increase in expected revenues, more specifically in tax revenues. In Business Activities, there were increases in revenues and fewer capital expenses.
- The City's combined governmental funds reported a total ending fund balance of \$40,449,191 which is a healthy increase of \$4,600,523 from 2018. This is mostly due to a larger increase in the fund balance in the General Fund, but also a modest increase in the Capital funds. Of this amount, \$22,318,653 is unassigned and available for budgetary spending. This is a larger increase from 2018 and reflects the strong increase in fund balance of the General Fund.
- The City's General Fund had a net increase in fund balance of \$2,922,688 for 2019. This is more than the increase for 2018. The increase was due to lower than budgeted expenditures, mainly in Police and Public Works, and higher property tax revenues from a higher than average annual collection rate.

## City of Rome, Georgia

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2019

- The City's General Fund showed an unassigned fund balance of \$22,318,653 at the end of the fiscal year, or 101.52% of current year expenditures before transfers and 70.21% of total expenditures (including transfers out). This is a \$2,986,242 increase from 2018. This increase continues to be a purposeful intention to position the City for projected needs in the future.
- The City's Capital Fund had a net increase in fund balance of \$738,087. This is due to a moderation of capital outlay in 2019.
- The City's SPLOST fund had a net decrease in fund balance of \$84,425 due to the completion of 13 SPLOST and startup of the current 17 SPLOST projects.

### OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis is intended to serve as an introduction to the City of Rome's basic financial statements. The basic financial statements are comprised of three components 1) government-wide financial statements, 2) fund financial statements and, 3) notes to the financial statements. This report also includes supplementary information in addition to these basic financial statements.

#### *Government-wide Financial Statements*

The City's report includes two government-wide financial statements. The focus of these statements is on the overall financial position and activities of the City of Rome as a whole, in a manner similar to a private sector business. These statements use the full accrual basis of accounting.

The first government-wide statement is the **Statement of Net Position**. This is the City-wide statement of position which presents information on all assets, liabilities and deferred outflows/inflows with the difference reported as *Net Position*. Over time, increases or decreases in the net position may serve as a useful indicator of the financial health of the City.

The second government-wide statement is the **Statement of Activities**. This report presents how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of the timing of related cash flows. A primary purpose of the Statement of Activities is to identify the net costs of various functions and services provided by the City and to determine the extent to which each function is self-supporting by program revenues or is subsidized by general revenues.

The governmental activities of the City of Rome include general government, public safety, public works, public facilities, public services, community development and education.

Business type activities include water and sewer, fire services, solid waste commission (landfill), transit operations, building inspection, solid waste management (collections), municipal golf, tennis center, and public facilities. The government-wide financial statements include not only the funds of the City but also the Greater Rome Convention and Visitors Bureau and the Rome Board of Education for which the City of Rome is financially accountable. Financial information for these component units is reported separately from the primary government, although included on the government-wide statements.

The City's government-wide financial statements are presented on pages 24-26 of this report.

**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

**FUND FINANCIAL STATEMENTS**

A fund is an accounting entity used to maintain control over resources segregated for specific activities or objectives and to ensure compliance with financial or legal laws and regulations. Major funds are reported in separate columns with all non-major funds reported in the aggregate. Individual financial information for these non-major funds is provided in combining statements in the supplemental information. The City's funds are divided into three categories; governmental, proprietary, and fiduciary.

***Governmental Funds***

Governmental funds are used to account for basically the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental funds financial statements focus on short term fiscal accountability as well as balances of expendable resources at the end of the fiscal year.

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 short term financial decisions. Since these statements do have a different perspective and use different accounting methods to generate the financial information, reconciliations of the Governmental Fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance are presented to facilitate this comparison.

The City of Rome maintains ten individual governmental funds. Information is presented separately for the General, Capital and SPLOST funds, all considered major funds in 2019. The other funds are combined into a single aggregated presentation. Individual data for each of these non-major governmental funds is provided in the form of combining statements on pages 105-108 of the report.

Budgetary comparison schedules are included for the General Fund as required supplementary information immediately after the notes to the financial statements. Budgetary comparison schedules for the special revenue funds are included in the supplemental information section. These schedules demonstrate compliance with the final revised budgets.

The basic governmental fund financial statements are presented on pages 27-30 of this report.

## **City of Rome, Georgia**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

#### ***Proprietary Funds***

Proprietary funds are reported in the fund financial statements and generally report services where the customer is charged a fee or where the determination of an increase or decrease in net position is appropriate for capital maintenance, public policy, management control or full accountability. There are two types of proprietary funds; enterprise funds and internal service funds.

Enterprise funds essentially encompass 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 operation, fire services, solid waste commission (landfill), transit operations, building inspection services, solid waste management (collection), municipal golf operations, public facilities, and the tennis center.

The City uses internal services funds to account for health insurance and workers' compensation payments. Because of the nature of these internal service funds, they are consolidated within the business-type activities with their net position totals allocated between governmental and business-type activities.

The City reports the water, fire, solid waste commission and tennis center funds as major funds with the remaining non-major funds presented in the aggregate. Individual data on these non-major funds are presented in the supplemental section of this report.

The City's proprietary funds are presented on pages 32-40 with individual data on non-major funds presented in combining statements on pages 117-123.

#### ***Fiduciary Funds***

Fiduciary funds are used to account for resources for parties outside the government. Fiduciary funds are presented in the fund financial statements but are not included in the government-wide financial statements because the resources of this fund are not available to support the City of Rome's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements are presented on pages 41 and 42.

#### ***Notes to the Financial Statements***

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are presented on pages 43-90.

#### ***Required Supplementary Information***

The budgetary comparison schedule for the General Fund and footnotes are provided for budget compliance presentation. The schedules applicable to the Liability standard for the City of Rome's GMEBS Retirement Plan and required schedules for the OPEB Health Care Plan are also provided in the Required Supplementary Information. These are presented on pages 91-100.

#### ***Other Supplemental Information***

Other supplemental information includes combining individual fund statements for non-major funds aggregated in the basic financial statements. Budgetary comparisons for non-major governmental funds are also presented. This supplemental information is presented on pages 105-116.

**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

The Special Report for Sales Tax proceeds is shown on pages 115 and 116. This schedule shows expenditures for the 1996, 2006, 2013 and 2017 SPLOST issues.

**FINANCIAL ANALYSIS OF THE CITY'S POSITION AND OPERATIONS**

The City's overall financial position and operations for this fiscal year is summarized as follows based on information found in the government-wide financial statements on pages 24-26.

**City of Rome  
Net Position (Financial Position)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Totals</b>		<b>Variance</b>
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	
<b>Assets:</b>							
Current assets	\$ 41,941,941	\$ 34,740,789	\$ 46,075,753	\$ 43,262,778	\$ 88,017,694	\$ 78,003,567	\$ 10,014,127
Capital assets	162,445,563	152,263,106	185,944,648	181,866,940	348,390,211	334,130,046	14,260,165
Other non-current assets	4,010,609	6,114,757	4,088,029	1,181,553	8,098,638	7,296,310	802,328
<b>Total Assets</b>	<b>208,398,113</b>	<b>193,118,652</b>	<b>236,108,430</b>	<b>226,311,271</b>	<b>444,506,543</b>	<b>419,429,923</b>	<b>25,076,620</b>
Deferred Outflows of Resources	8,353,270	8,811,914	567,035	829,413	8,920,305	9,641,327	(721,022)
<b>Liabilities:</b>							
Current liabilities	3,764,278	6,539,181	6,820,147	5,102,790	10,584,425	11,641,971	(1,057,546)
Long-term liabilities	53,650,261	52,147,374	34,343,370	34,216,615	87,993,631	86,363,989	1,629,642
<b>Total Liabilities</b>	<b>57,414,539</b>	<b>58,686,555</b>	<b>41,163,517</b>	<b>39,319,405</b>	<b>98,578,056</b>	<b>98,005,960</b>	<b>572,096</b>
Deferred Inflows of Resources	2,362,597	3,670,614	-	-	2,362,597	3,670,614	(1,308,017)
Net investment in capital assets	155,166,505	141,660,958	161,459,068	157,535,989	316,625,573	299,196,947	17,428,626
Restricted	17,336,223	15,726,961	3,712,324	786,030	21,048,547	16,512,991	4,535,556
Unrestricted	(15,528,481)	(17,814,522)	30,340,556	29,499,260	14,812,075	11,684,738	3,127,337
<b>Total Net Position</b>	<b>\$ 156,974,247</b>	<b>\$ 139,573,397</b>	<b>\$ 195,511,948</b>	<b>\$ 187,821,279</b>	<b>\$ 352,486,195</b>	<b>\$ 327,394,676</b>	<b>\$ 25,091,519</b>

**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

For 2019 the deferred outflows represent deferred charges for bond refunding, pension, and OPEB calculations. The deferred inflows represent the change in the fair value of a derivative instrument and pension plan changes.

The overall assets of the City increased \$25,076,620. Current assets increased in cash under the Business Activities and Governmental Activities. Capital assets remained consistent overall with an increase in Governmental Activities and Business Activities. Deferred Outflows decreased \$721,022 due to the decrease of pension and OPEB related items. Long term liabilities increased \$1,629,642 which included a decrease for normal debt payments and increase in pension liability. Overall liabilities increased \$572,096.

Net investment in capital assets increased \$17,428,626 or 5.8%, reflecting the normal payment of debt and depreciation. Increases were mainly in the Governmental Activities with the addition of school building assets, and the tennis center indoor facility project in CIP.

Overall the City's Net Position increased \$25,091,519 from 2018. This was due to strong increases in net position in both Governmental Activities and the Business Type Activities.

Investment in capital assets is the largest component of total net position with 98.8% of governmental activities net position and 82.6% of business type activities net position. The largest component of the restricted portion of net position is restricted assets held for debt service and capital improvements. The Restricted portion of Net Position increased from 2018 due to an increase in the tennis project additions. Neither of these components of net position, however, represents available resources for the City's operation, but an investment to provide services to citizens.

The unrestricted portion of net position is \$14,812,075, which is available for future spending. Unrestricted Net Position in Governmental Activities is in a deficit position with the implementation of GASB 75 in 2018, which accrued and posted the total OPEB liability. The Unrestricted Net Position in Business Activities had an increase of \$841,296. It is expected that this will improve as total net position increases in the future.

**City of Rome, Georgia**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2019**

The following condensed financial information was taken from the Government-wide Statement of Activities and reflects how the City of Rome's net position changed during the fiscal year:

**City of Rome**  
**Changes in Net Position**

	<b>Governmental Activities</b>		<b>Business Type Activities</b>		<b>Total</b>			<b>Variance</b>
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>	
<b>Revenues:</b>								
Program Revenues								
Charges for services	\$ 3,561,352	\$ 3,440,626	\$ 42,828,630	\$ 40,626,143	\$ 46,389,982	\$ 44,066,769	\$ 2,323,213	
Operating Grants & Contributions	1,259,904	663,373	1,047,512	945,068	2,307,416	1,608,441	698,975	
Capital Grants & Contributions	21,027,244	13,282,889	793,812	1,465,069	21,821,056	14,747,958	7,073,098	
General Revenues								
Property Taxes	14,032,855	13,465,901	-	-	14,032,855	13,465,901	566,954	
Sales Taxes	6,377,883	5,963,215	-	-	6,377,883	5,963,215	414,668	
Other Taxes	10,103,757	8,892,044	-	-	10,103,757	8,892,044	1,211,713	
Miscellaneous	1,373,230	2,059,819	979,475	608,532	2,352,705	2,668,351	(315,646)	
<b>Total Revenues</b>	<b>\$ 57,736,225</b>	<b>\$ 47,767,867</b>	<b>\$ 45,649,429</b>	<b>\$ 43,644,812</b>	<b>\$ 103,385,654</b>	<b>\$ 91,412,679</b>	<b>\$ 11,972,975</b>	

**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

	<b>Governmental Activities</b>		<b>Business Type Activities</b>		<b>Total</b>			<b>Variance</b>
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	
<b>Expenses:</b>								
General Government	\$ 8,185,525	\$ 11,044,380	\$ -	\$ -	\$ 8,185,525	\$ 11,044,380	\$ -	\$ (2,858,855)
Public Safety	8,925,350	7,967,577	-	-	8,925,350	7,967,577	-	957,773
Public Works	9,459,995	6,421,862	-	-	9,459,995	6,421,862	-	3,038,133
Public Facilities	1,815,152	1,592,745	-	-	1,815,152	1,592,745	-	222,407
Public Services	590,522	509,551	-	-	590,522	509,551	-	80,971
Community Development	1,696,018	6,042,451	-	-	1,696,018	6,042,451	-	(4,346,433)
Education	2,485,867	1,919,291	-	-	2,485,867	1,919,291	-	566,576
Interest on Debt	434,534	517,391	-	-	434,534	517,391	-	(82,857)
Water and Sewer	-	-	18,659,446	17,427,052	18,659,446	17,427,052	-	1,232,394
Fire	-	-	11,634,103	11,302,219	11,634,103	11,302,219	-	331,884
Solid Waste Commission	-	-	2,844,483	2,790,865	2,844,483	2,790,865	-	53,618
Transit	-	-	3,847,639	4,033,761	3,847,639	4,033,761	-	(186,122)
Building Inspection	-	-	764,083	757,724	764,083	757,724	-	6,359
Solid Waste Management	-	-	3,661,213	3,598,947	3,661,213	3,598,947	-	62,266
Municipal Golf	-	-	1,474,582	1,195,708	1,474,582	1,195,708	-	278,874
Public Facilities	-	-	360,767	329,746	360,767	329,746	-	31,021
Tennis Center	-	-	1,454,856	1,057,583	1,454,856	1,057,583	-	397,273
<b>Total Expenses</b>	<b>33,592,963</b>	<b>36,015,248</b>	<b>44,701,172</b>	<b>42,493,605</b>	<b>78,294,135</b>	<b>78,508,853</b>	<b>-</b>	<b>(214,718)</b>
<b>Increase in net position before transfers</b>								
Increase in net position before transfers	24,143,262	11,752,619	948,257	1,151,207	25,091,519	12,903,826	-	12,187,693
Transfers	(6,742,412)	(5,256,431)	6,742,412	5,256,431	-	-	-	-
<b>Change in Net Position</b>	<b>17,400,850</b>	<b>6,496,188</b>	<b>7,690,669</b>	<b>6,407,638</b>	<b>25,091,519</b>	<b>12,903,826</b>	<b>-</b>	<b>12,187,693</b>
<b>Beginning Net Position</b>	<b>139,573,397</b>	<b>133,077,209</b>	<b>187,821,279</b>	<b>181,413,641</b>	<b>327,394,676</b>	<b>314,490,850</b>	<b>-</b>	<b>12,903,826</b>
<b>Ending Net Position</b>	<b>\$ 156,974,247</b>	<b>\$ 139,573,397</b>	<b>\$ 195,511,948</b>	<b>\$ 187,821,279</b>	<b>\$ 352,486,195</b>	<b>\$ 327,394,676</b>	<b>-</b>	<b>25,091,519</b>

**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

**FINANCIAL ANALYSIS OF THE CITY'S POSITION AND OPERATIONS - continued**

The City's overall revenues increased \$11,972,975 or 13% from 2018. Most of this increase was in the Governmental Activities Operating and Capital Grants and Contributions and is related to an increase in ELOST proceeds for school construction and an increase in SPLOST collections.

Property Taxes had a modest increase, attributable mainly to a higher than anticipated collection rate for 2019. Sales Tax revenues had a modest increase for 2019. Miscellaneous revenues had a moderate increase with most of that coming from an increase in overall interest earnings. Other revenue sources, as previously noted, had modest increases or have remained flat during 2019.

On the Governmental Activities expense side, most expense categories were close to 2018 numbers. General Government was down compared to 2018 and school building construction. Community Development was down in comparison to 2018 in which expenses were higher due to execution of TAD notes.

In the Business Activities, Water and Sewer, Fire, and Solid Waste Management expenses had relatively modest increases due to normal expense increases. Transit was down due to lower personnel costs and repair/maintenance costs.

Solid Waste Commission expenses are up slightly over 2018 with normal increases in closure and post-closure costs.

The Tennis Center was above 2018 expenses as they were in full operation.

Transfers between Governmental and Business Activities were above last year numbers due to an increase in Retirement costs.

This combined moderate increase in revenues has created an increase in net position of \$17,400,850 for the Governmental Activities for 2019.

Business Type Activities ended the year with a \$7,690,669 increase to net position with that increase primarily coming from an overall increase in charges for services and capital Grants and Contributions.

The overall change in net position for the City was \$25,091,519, which was a larger increase than 2018. The City, in 2019, was encouraged by a higher than anticipated tax collection rate and modest increases in revenue sources tied to economic drivers such as intangible taxes, sales taxes, and real estate transfer taxes. Although other revenue sources have continued to be relatively flat, the modest increase in some revenues is encouraging for future growth.

The City has continued to work diligently to minimize expenses for 2019 with most departments and funds at or below budgeted amounts. This continued combination has helped the City to continue to live within its financial resources for 2019 and generate a positive increase to net position.

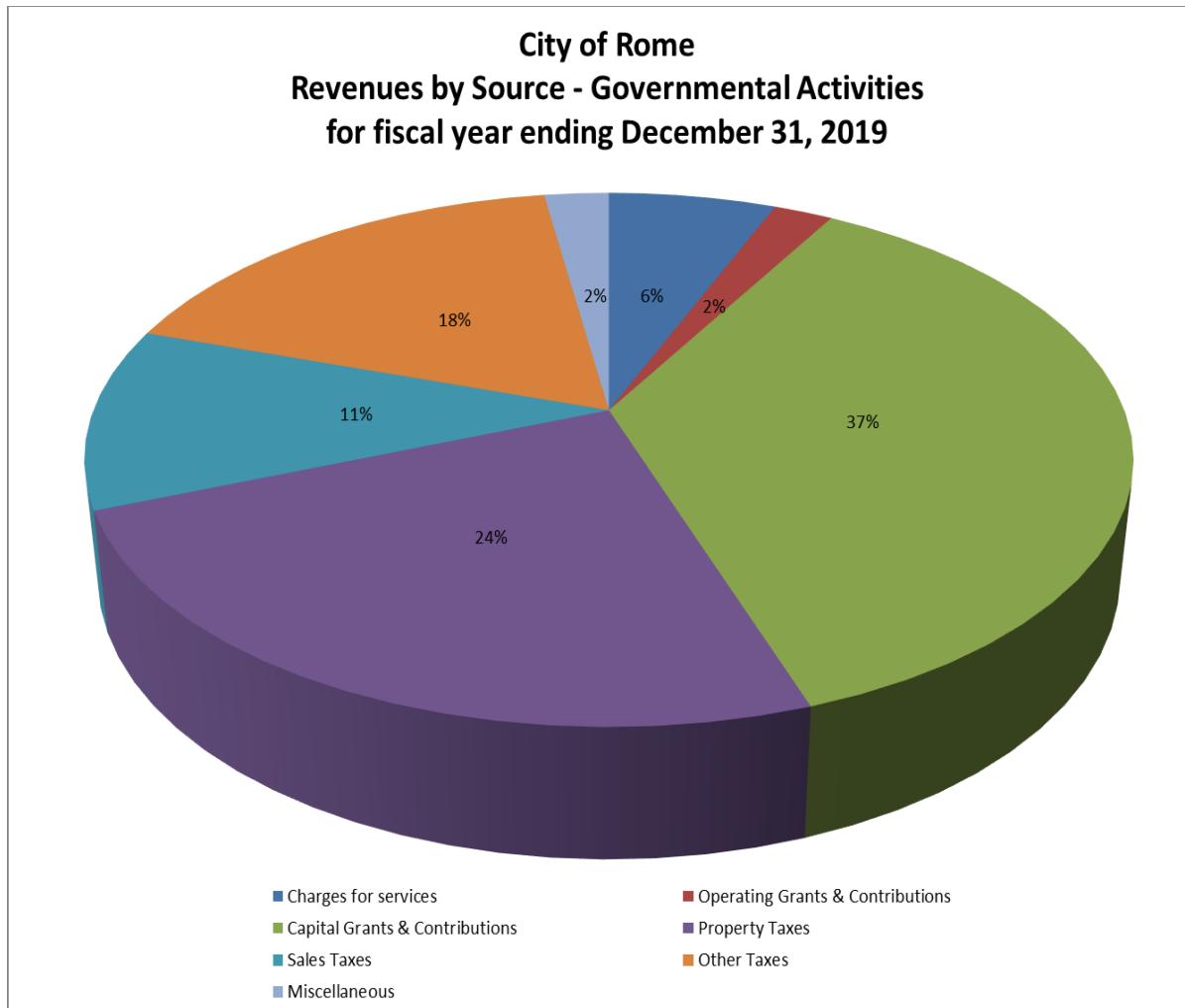
**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

**FINANCIAL ANALYSIS OF THE CITY'S POSITION AND OPERATIONS – continued**

The following chart depicts the allocation by source of all governmental activities' revenue:



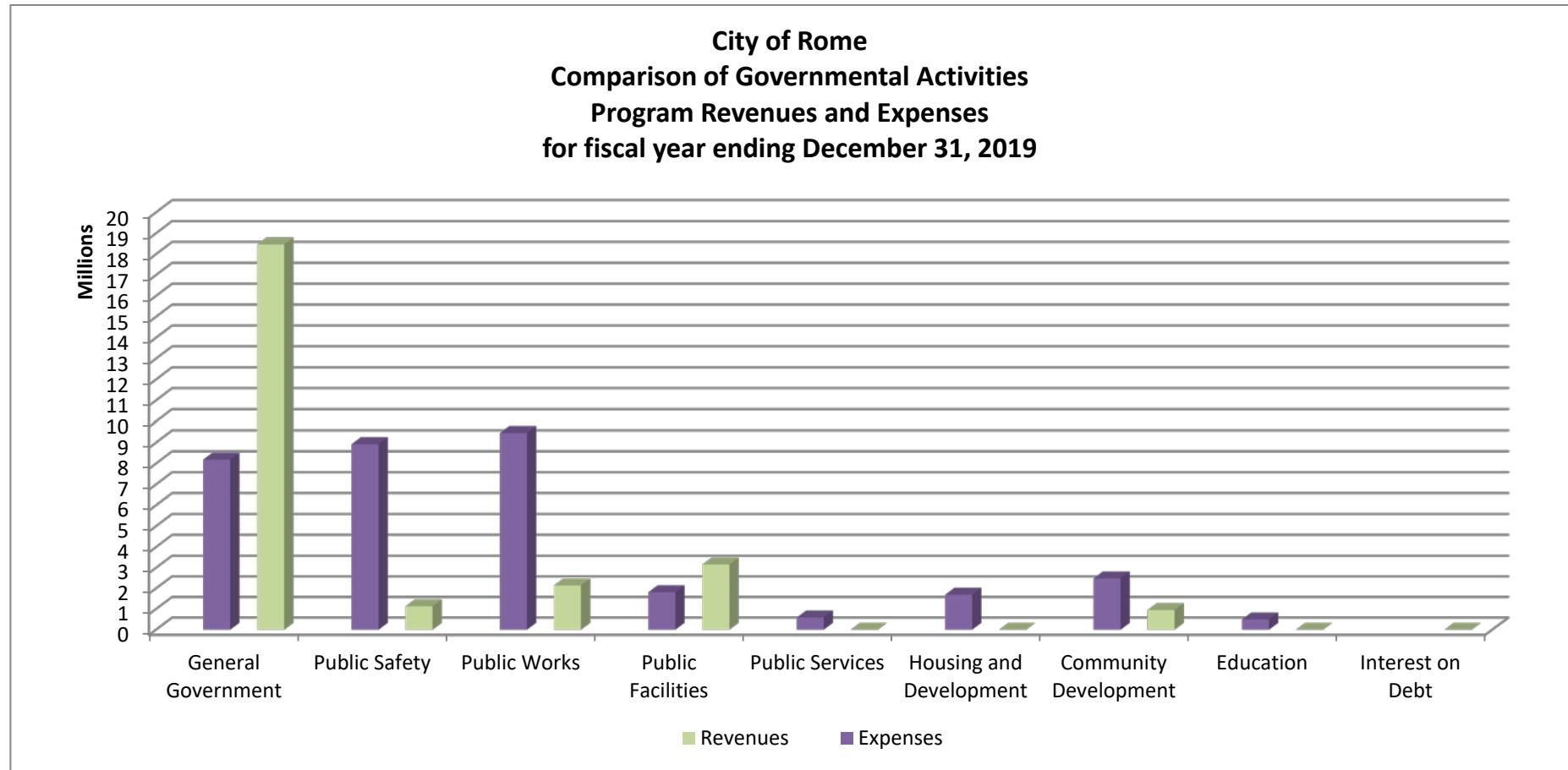
**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

**FINANCIAL ANALYSIS OF THE CITY'S POSITION AND OPERATIONS – continued**

The following chart depicts the comparison of functional expenses and program revenues for governmental activities:



**City of Rome, Georgia**

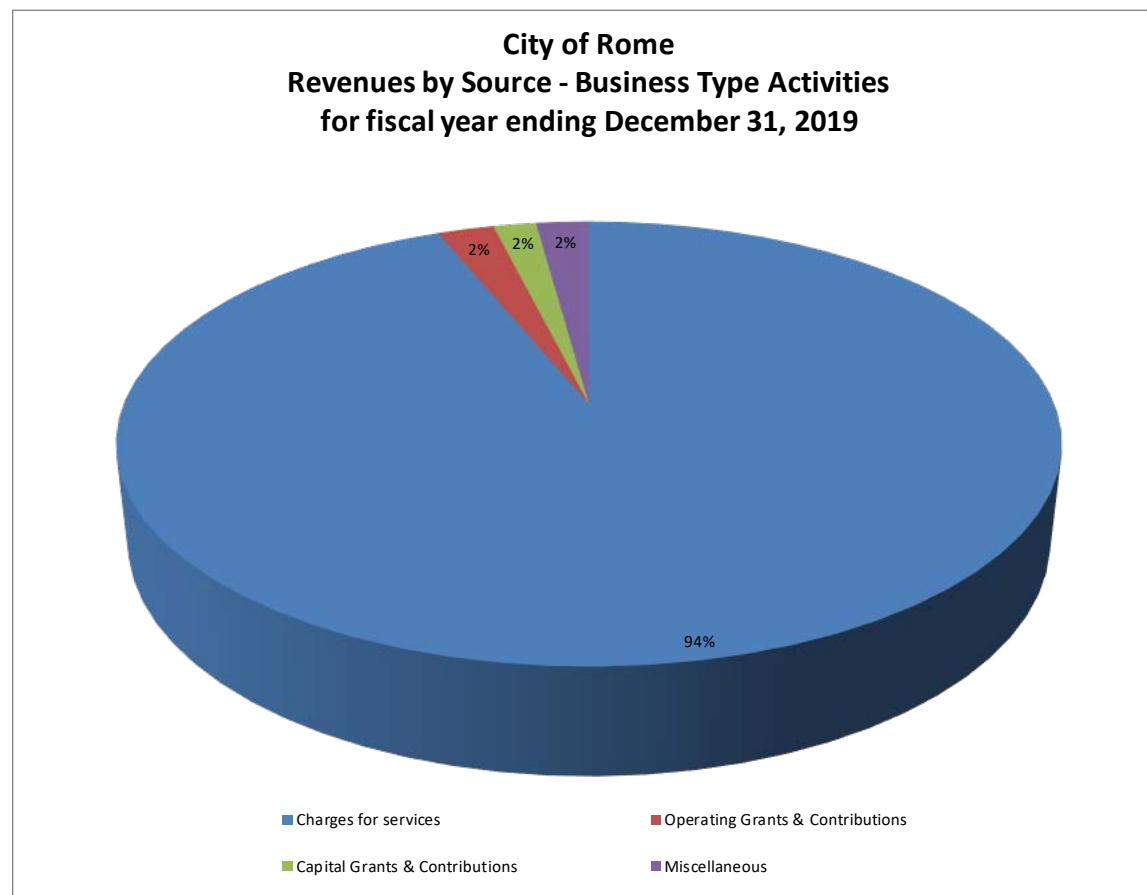
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

**FINANCIAL ANALYSIS OF THE CITY'S POSITION AND OPERATIONS - continued**

Business-type activities Charges for Services account for \$42,828,630 or 93.8% of total operating revenues. Capital Grant revenues mainly include DOT reimbursements for Transit operating and capital purchases. Transfers in of \$6,742,412 represent 12.9% of total business-type revenues and transfers. This amount is mainly due to General Fund monies transferred to the Fire Fund.

The following chart depicts the allocation by source of all business-type revenues:



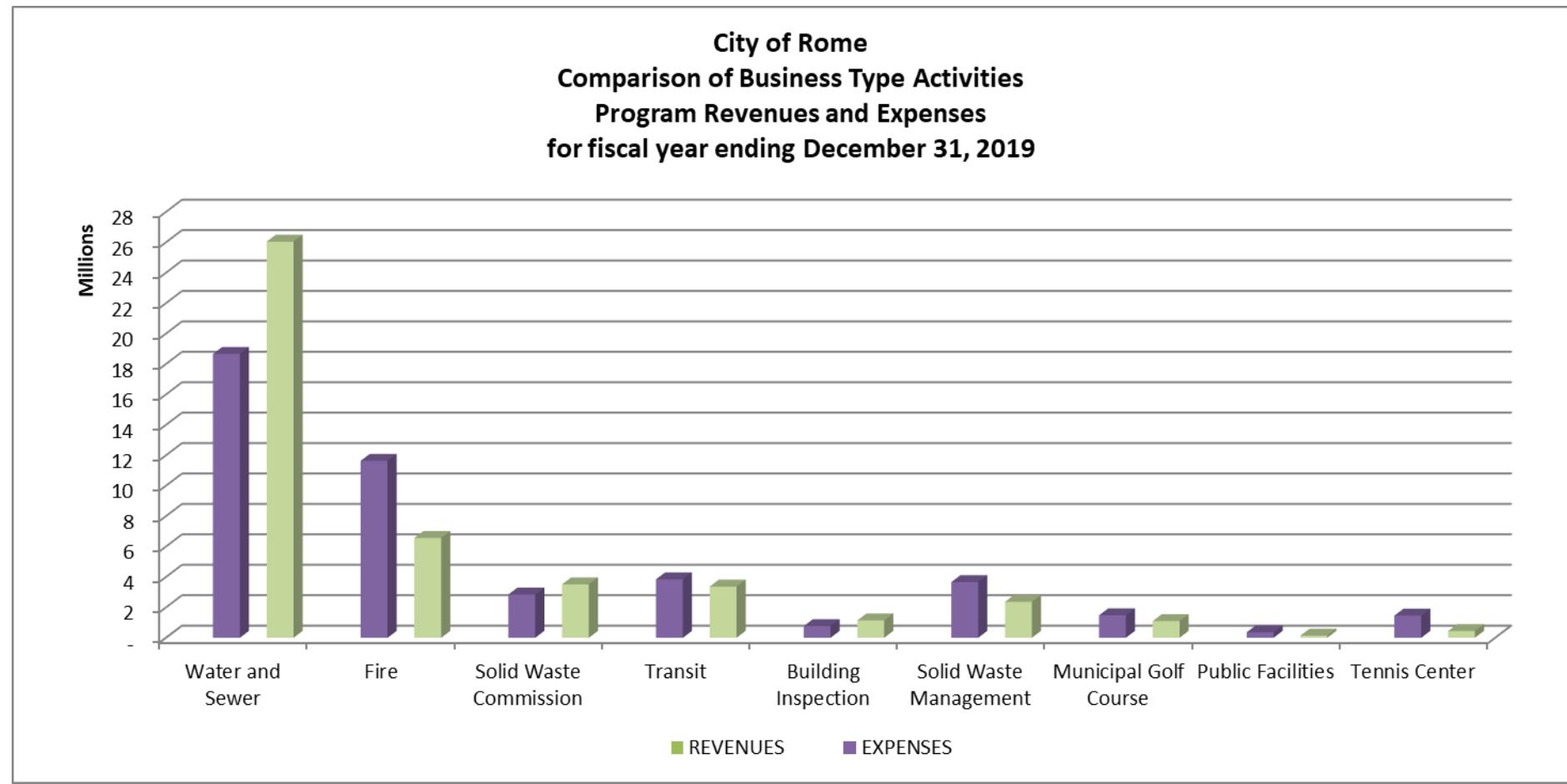
**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

**FINANCIAL ANALYSIS OF THE CITY'S POSITION AND OPERATIONS - continued**

The following chart depicts the comparison of business-type expenses and program revenues of business-type activities:



**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

As previously discussed, the City of Rome uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

***Governmental Funds***

As noted, the City of Rome's governmental funds' focus is to provide information on short term inflows and outflows and balances of expendable resources. Such information is useful in assessing the City's financial requirements. In particular, unrestricted and unassigned fund balance may serve as a useful measure of a government's net resources available for future spending. At the end of the fiscal year 2019 the City's governmental funds reported a combined ending fund balance of \$40,449,191 which is an increase of \$4,600,523 from 2018 with most of this increase occurring in the General Fund. Of this amount \$22,318,653 is unrestricted and unassigned which is a substantial increase from 2018 and demonstrates a conscious growth for future needs and expenditures. The General Fund comprises all of this unassigned balance. The General Fund is the major source of service delivery in the governmental funds.

***General Fund***

The General Fund is the City's primary operating fund. At the end of 2019 the fund balance of the General Fund was \$23,808,996 with \$22,318,653 in the unrestricted and unassigned portion of fund balance. This fund balance amount represents 102% of General Fund operating expenditures while total fund balance represents 108% of the same amount.

The nonspendable amount of fund balance of \$723,240 represents amounts held in inventories, prepaids, and the advance from the Capital Fund. The Restricted amount of \$766,903 is restricted for Cemetery maintenance.

The General Fund's fund balance increased by \$2,922,688 in 2019. Although many revenue sources were about the same in 2019, current year taxes were up over 2018. This was due to a higher than anticipated current year collection rate. Sales Tax revenues were also up compared to 2018 some 6.9%. Title Tax decreased \$122,844 due to new allocations of funds beginning July 2019 and the Georgia Power franchise fee was consistent with 2018. Revenues up in 2019 included intangible taxes, insurance premium tax and business licenses—all encouraging economic indicators of growth. On the expense side, operating expenses were under budget by approximately \$116,000. Increases in revenues were higher and generated the increase to net position.

***Capital Fund***

In 2019 the Capital Fund had an increase to fund balance of \$738,087. This increase was due mainly to a delay in beginning some capital projects and capital expenditures. There was also a reimbursement from SPLOST for prior year tennis covered court expenses.

***Tax Allocation District Fund***

The Tax Allocation District Fund had an increase in fund balance of \$455,044 due to an increase in taxes generated and one TAD debt payment paid in 2020, revenue recognized in 2019.

***Planning Commission Fund***

The Planning Commission fund had an increase to fund balance of \$89,103. This was due to delay of Aerial Mapping expenditures budgeted in 2019 completed in 2020.

**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS-Continued**

***SPLOST Fund***

The SPLOST fund had a decrease to fund balance of \$84,425 due to the completion of most of the 2013 SPLOST projects.

***Community Development Fund***

The Community Development fund had an increase in fund balance of \$409,819 due to the receipt of revenues from the sale of the Homebuild houses. These monies will be available for other loans or housing initiatives.

***Proprietary Funds***

The City of Rome's proprietary funds provide the same type of information found in the government-wide financial statements, but with more detail. Total Enterprise Funds showed a combined net position of \$192,625,427 at year end with the Water and Sewer Fund comprising \$156,057,182 or 81.02% of that total.

The Water and Sewer Fund had an increase of \$6,035,294 in net position for fiscal year 2019. This increase was due to an increase in operating revenues, mainly in sewer revenues and less than budgeted capital expenses. The Water and Sewer Fund also had a bond coverage ratio of 2.02 for 2019, which is well above the covenant requirement of 1.2. This increase was anticipated due to the increase in revenues.

The Fire Fund had an increase in net position of \$808,099. The fund received more miscellaneous revenue than anticipated and was under budget in overall expenses. They also received SPLOST reimbursement for capital expenses.

The Solid Waste Commission Fund had an increase in net position of \$939,056 due to additional operating revenue. The fund also had a larger than budgeted transfer to the Recycling center.

The Tennis Center Fund had a decrease to net position of \$358,963. This was mainly due to depreciation expense and the deficit at the Downtown Tennis Center.

The Building Inspection Fund had an increase to net position of \$310,463. This was due to an increase in overall permit revenues over budget \$270,000.

The Municipal Golf Fund had an increase in net position of \$300,793. This was due to an increase in the transfer from the General Fund.

**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

**GENERAL FUND BUDGET HIGHLIGHTS**

The original budget for the General Fund was amended with commission approval after the beginning of the fiscal year with an ended approved amount of \$1,294,820 more in expenditures and transfers. This increase was mainly due to the consolidation of three separate special revenue funds that are collapsed into the General fund. The General fund also makes the entire retirement contribution for the City. Also expensed from the General Fund is the net effect of the retirees OPEB costs. The City ended the year with more in revenues than budget and slightly under in operating expenditures for an increase to fund balance of \$2,922,688. There were changes to the original budget due to the retirement and OPEB payments, and some department changes.

The following are highlighted budgetary changes from the original to final budgets:

- Current Year Property Taxes were increased to more accurately reflect projected increases in receipts, and actual numbers did exceed those expectations.
- Transfers in from other funds revenues were adjusted to reflect the re-allocation of retirement and OPEB health costs from the Business Type Activity funds.
- Commission was increased due to additional training costs.
- City Manager Office was increased for additional payroll expenditures.
- Public Works was increased to account for additional expenditures in Traffic and Street Lighting.
- Community Development expenses were increased to accommodate the consolidation of the special revenue funds.
- Public Facilities were increased due to the repair/maintenance of several HVAC units and repair and maintenance to buildings.
- Budget was added for renovation costs for the Carnegie Building.
- Budget was added to cover OPEB and Retirement costs.

Budget to actual Variances within the General fund occur due to unforeseen revenues or expenditures. Significant variances for 2019 include:

- Prior Year and Current Year Tax revenues were over budget due to increased collections.
- Title Tax Fee revenue increased from prior year and above anticipated budget.
- Franchise fee revenue for Georgia Power was slightly above anticipated collections.
- Insurance Premium Tax was significantly up over anticipated budget.
- Police fines and fees were significantly under budgeted amounts due to decrease in collection of fines.
- Charges for Services include revenues for Parking included in the consolidation of the special revenue funds.
- Police Department ended the year with expenditures under budget by \$189,155.
- Total Public Works expenditures were under budget by \$312,447.
- Transfers in were up over budget due to end of year OPEB and Retirement allocations.

General Fund operating expenditures and transfers ended the year under final budget numbers by \$1,221,542. This was one of the contributing factors that the fund ended the year with an increase to fund balance of \$2,922,688.

**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

***Capital Assets***

The City of Rome has invested \$316,625,573 in capital assets net of debt, with \$155,166,505 in governmental activities and \$161,459,068 in business-type activities. Capital assets for that calculation include machinery and equipment, buildings, land, and infrastructure. The 2019 Activity includes the transfer of completed School Building improvements to Governmental Activities.

Capital assets held by the City at the end of the current fiscal year are summarized as follows:

**City of Rome  
Capital Assets (net of depreciation)  
as of December 31, 2019**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Land	\$ 12,839,340	\$ 12,839,340	\$ 8,142,862	\$ 8,142,862	\$ 20,982,202	\$ 20,982,202
Construction in Progress	21,443,894	8,267,341	4,776,119	1,335,288	26,220,013	9,602,629
Buildings	121,941,223	121,941,223	117,475,166	115,886,254	239,416,389	237,827,477
Improvements other than buildings	14,953,499	14,013,947	24,833,895	24,833,895	39,787,394	38,847,842
Machinery & Equipment	7,482,843	7,481,145	19,328,001	17,790,249	26,810,844	25,271,394
Vehicles	6,159,223	5,841,903	26,402,451	24,365,276	32,561,674	30,207,179
Infrastructure	<u>138,489,668</u>	<u>137,845,269</u>	<u>161,726,170</u>	<u>158,250,786</u>	<u>300,215,838</u>	<u>296,096,055</u>
Total	323,309,690	308,230,168	362,684,664	350,604,610	685,994,354	658,834,778
Accumulated depreciation	(160,864,127)	(155,967,062)	(176,740,016)	(168,737,670)	(337,604,143)	(324,704,732)
Net Capital Assets	<u>\$ 162,445,563</u>	<u>\$ 152,263,106</u>	<u>\$ 185,944,648</u>	<u>\$ 181,866,940</u>	<u>\$ 348,390,211</u>	<u>\$ 334,130,046</u>

**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

**CAPITAL ASSETS AND DEBT ADMINISTRATION - continued**

Major capital asset additions during the current year for governmental activities included the following:

- Trolley Addition \$131,900
- Pedestrian Ramp/Carnegie Building \$143,075
- Street Improvements of \$468,948
- Sidewalk Improvements of \$180,981
- Police Equipment \$284,892
- Rome High Practice Field Improvements of \$796,478

Major capital asset additions during the current fiscal year for business-type activities included the following:

- Fire Capital Equipment Improvements of \$1,841,051
- Mt. Alto Water Project of \$799,117
- Water Treatment Plant Digester Cover, \$854,800
- Solid Waste Equipment purchases of \$179,353
- Water Bulk Storage Building \$675,554
- Solid Waste Commission (Landfill) Compactor/Dozer Equipment \$1,157,773
- Transit Bus Purchases \$182,758
- Water Jetter Truck \$307,710

Additional information on the City of Rome's Capital assets can be found in Note III- (C) on pages 56-60.

**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

***Long-term Debt***

At December 31, 2019 the City of Rome had \$36,937,798 in bonds, financed purchases, intergovernmental agreements and notes payable. This is a \$3,657,820 decrease from 2018 and reflects normal annual debt service payments. Compensated absences nor Landfill closure or post-closure debt have been included in these calculations.

**City of Rome  
Outstanding Note and Bond Debt  
as of December 31, 2019**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Bonds	\$ 4,527,000	\$ 21,976,104	\$ 26,503,104
Notes Payable from Direct Borrowing	4,732,188	1,945,380	6,677,568
Intergovernmental Agreement	2,750,000	-	2,750,000
Financed Purchase from Direct Borrowing	99,898	907,228	1,007,126
	<b>\$ 12,109,086</b>	<b>\$ 24,828,712</b>	<b>\$ 36,937,798</b>

The City currently maintains an Aa2 on its Intergovernmental Agreement bonds and A+ and Aa3 on its Water and Sewer bonds. Additional information on the City's long-term debt can be found in Note III-(E) on pages 64-73 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Revenue source collections during the 2019 fiscal year have had an uptick. The City had better than anticipated revenues in property tax collections and other revenue sources such as intangible taxes, business licenses, title tax fees, and real estate transfer taxes. Other revenues such as motor vehicle and Police fines continued their decline. Local option sales tax revenues were up in 2019 as well. Insurance Premium Tax was significantly up and the Georgia Power franchise fee also had an increase. There are areas that do seem to be on an upward trend, but the City is still dealing with many revenue sources that are still declining or at best flat. The greatest challenge for the City for the next fiscal year is to try to adjust expenditures to live within this projected up and down revenues, while trying to assess whether these modest increases will continue or come back after the impact of COVID. The tax digest, after taking substantial decreases for several years, has increased in the last couple of years, but still is not increasing at a pace to keep up with expenses. With the legislation in 2019 we saw a change in the distribution of the TAVT tax and the impact of that was a drastic decrease in TAVT collections to the City. There is now legislation in 2020 to again change the distribution and the impact of that is still unknown. The modest increase in sales taxes is encouraging and a potential collection of sales taxes on on-line sales continues to be an unknown. Expense increases continue to be a challenge, especially in the personnel sector as the City continues to struggle to compete against the private sector for employees. All of these factors weigh heavily on the next several fiscal years' budgets.

**City of Rome, Georgia**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2019**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET-continued**

Also of some concern is that because the City was not able to give competitive personnel merit raises for several years, the City has become vulnerable to loss of personnel back to the private sector as their economic conditions improve. This is especially a concern in the Public Safety area with the continued loss of Police and Firemen. However in the recent year, this loss in other areas such as CDL drivers, and equipment operators has also become a factor. Budgetary factors of concern as the 2020 budgets were prepared are as follows:

- Continued stagnation and unknown parameters in many revenue sources.
- Continued monitoring of vacant personnel positions and salary competitiveness with the private sector, especially in the Public Safety area. 2018 was the first year in several years the City was able to give full merit-based raises and continued in 2019. The continuation of competitive merit raises is of concern.
- Balance of finances with municipal provided services as the costs of these services is outpacing any corresponding revenues.
- Projected increases in retirement and workers' compensation costs.
- Projected increases in health insurance costs relating to the City as a self-insured entity.
- Impact of new legislation on revenue sources, especially as it relates to the long term sources of the Title Tax, and newly enacted legislation to re-vamp the gasoline tax for road improvements. Preliminary estimates for the new distribution of the Title Tax predicts an increase in this revenue source but the true impact is yet to be seen.

The City of Rome has been very effective in the last couple of years to have aligned their expenses within the current revenue stream. This has been a determined effort of all City employees and departments to deliver the services that the public requires, but to also be good stewards of the monies it receives. The City has seen successive years again with increases to net position that has helped offset the first couple of years of this current economic downturn. The City of Rome is committed to provide the highest level of services and maintain that within the anticipated revenue projections.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the City of Rome's finances to all those with an interest in the government. It also is intended to demonstrate fiscal accountability for the monies it receives. Questions concerning this report or requests for additional information should be directed as follows.

City of Rome, Georgia  
Attn: Finance Department  
P. O. Box 1433  
Rome, GA 30162  
706-236-4420

## **BASIC FINANCIAL STATEMENTS**

The basic financial statements include the government-wide statement of net position and the government-wide statement of activities which include the primary government's governmental and business type activities, and component units. The basic financial statements also include the fund financial statements and the notes to the financial statements.

**CITY OF ROME, GEORGIA**  
**STATEMENT OF NET POSITION**  
**December 31, 2019**

						Component Units										
	Primary Government			Greater Rome Convention & Visitors Bureau	Rome Board of Education											
	Governmental Activities	Business-Type Activities	Total													
<b>ASSETS</b>																
<b>Current Assets:</b>																
Cash	\$ 31,726,543	\$ 43,129,540	\$ 74,856,083	\$ 124,293	\$ 29,841,467											
Accounts receivable, net	3,782,058	2,851,401	6,633,459	1,228	316,655											
Accounts receivable, loans	78,310	-	78,310	-	-											
Taxes receivable, net	1,860,955	-	1,860,955	-	-											
Due from primary government	-	-	-	10,837	-											
Due from other governments	1,226,848	2,150,138	3,376,986	18,538	10,312,388											
Internal balances	3,133,631	(3,133,631)	-	-	-											
Due from component units	156	1,058	1,214	-	-											
Inventory	133,240	1,053,836	1,187,076	-	68,279											
Prepaid items	200	23,411	23,611	-	-											
<b>Total current assets</b>	<b>41,941,941</b>	<b>46,075,753</b>	<b>88,017,694</b>	<b>154,896</b>	<b>40,538,789</b>											
<b>Non Current Assets:</b>																
Restricted Assets																
Cash	550,826	4,063,919	4,614,745	-	-											
Investments	2,332,181	-	2,332,181	-	-											
Other noncurrent assets, derivative	1,127,602	-	1,127,602	-	-											
Prepaid bond insurance	-	24,110	24,110	-	-											
Capital Assets																
Non-depreciable assets	34,283,234	12,918,981	47,202,215	-	157,048											
Depreciable assets, net of depreciation	128,162,329	173,025,667	301,187,996	198,445	6,423,102											
<b>Total noncurrent assets</b>	<b>166,456,172</b>	<b>190,032,677</b>	<b>356,488,849</b>	<b>198,445</b>	<b>6,580,150</b>											
<b>TOTAL ASSETS</b>	<b>208,398,113</b>	<b>236,108,430</b>	<b>444,506,543</b>	<b>353,341</b>	<b>47,118,939</b>											
<b>DEFERRED OUTFLOWS OF RESOURCES</b>																
Deferred charge on refunding	106,052	567,035	673,087	-	-											
OPEB related items	1,819,091	-	1,819,091	-	3,338,690											
Pension related items	6,428,127	-	6,428,127	-	11,863,695											
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>8,353,270</b>	<b>567,035</b>	<b>8,920,305</b>	<b>-</b>	<b>15,202,385</b>											
<b>LIABILITIES</b>																
<b>Current Liabilities:</b>																
Accounts payable	1,639,688	1,807,257	3,446,945	14,577	2,083,711											
Accrued liabilities	354,997	922,407	1,277,404	13,602	7,352,153											
Accrued interest payable	1,131	-	1,131	-	17,341											
Retainage payable	8,212	248,013	256,225	-	-											
Unearned revenues	-	137,506	137,506	-	-											
Due to primary government	-	-	-	1,214	-											
Due to component units	8,009	2,828	10,837	-	-											
Due to other governments	114,773	-	114,773	-	-											
Intergovernmental agreements payable-current	175,000	-	175,000	-	-											
Financed purchase payable-current	48,894	118,184	167,078	-	-											
Bonds payable-current	-	1,007,000	1,007,000	-	-											
Closure and postclosure care-current	-	238,517	238,517	-	-											
Notes payable-current	678,823	110,553	789,376	-	-											
Claims payable	-	1,050,000	1,050,000	-	-											
Compensated absences payable - current	734,751	1,177,882	1,912,633	30,415	98,948											
<b>Total current liabilities</b>	<b>3,764,278</b>	<b>6,820,147</b>	<b>10,584,425</b>	<b>59,808</b>	<b>9,552,153</b>											

continued

**CITY OF ROME, GEORGIA**  
**STATEMENT OF NET POSITION**  
**December 31, 2019**

	Component Units				
	Primary Government			Greater Rome Convention & Visitors Bureau	
	Governmental Activities	Business-Type Activities	Total		
<b>Long-Term Liabilities:</b>					
Customer deposits	\$ -	\$ 1,075,321	\$ 1,075,321	\$ -	\$ -
Closure and postclosure care-long term	- -	9,272,669	9,272,669	- -	- -
Compensated absences payable-long term	244,917	402,405	647,322	10,138	- -
Financed purchase payable (net of current portion)	51,004	789,044	840,048	- -	- -
Total other postemployment benefits liability	16,254,177	- -	16,254,177	- -	41,980,498
Intergovernmental agreements payable-long term	2,575,000	- -	2,575,000	- -	- -
Notes payable-long term, net of discount	4,053,365	1,834,827	5,888,192	- -	- -
Bonds payable (net of current portion)	4,527,000	20,969,104	25,496,104	- -	24,232,626
Net pension liability	25,944,798	- -	25,944,798	- -	50,127,993
<b>Total long term liabilities</b>	<b>53,650,261</b>	<b>34,343,370</b>	<b>87,993,631</b>	<b>10,138</b>	<b>116,341,117</b>
<b>TOTAL LIABILITIES</b>	<b>57,414,539</b>	<b>41,163,517</b>	<b>98,578,056</b>	<b>69,946</b>	<b>125,893,270</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred change in fair value of hedging derivative instruments	1,127,602	- -	1,127,602	- -	- -
OPEB related items	1,138,108	- -	1,138,108	- -	8,975,836
Pension related items	96,887	- -	96,887	- -	2,510,328
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>2,362,597</b>	<b>- -</b>	<b>2,362,597</b>	<b>- -</b>	<b>11,486,164</b>
<b>NET POSITION</b>					
Net investment in capital assets	155,166,505	161,459,068	316,625,573	198,445	(1,503,247)
Restricted for:					
Capital projects	11,465,644	- -	11,465,644	- -	1,299,953
Other purposes:					
Revolving loans and housing initiatives	1,252,073	- -	1,252,073	- -	- -
Debt service	- -	3,657,893	3,657,893	- -	- -
EOC	- -	54,431	54,431	- -	- -
Food services	- -	- -	- -	- -	585,995
Barron stadium operations	- -	- -	- -	- -	146,319
School activities	- -	- -	- -	- -	8,961
Dental services	- -	- -	- -	- -	34,261
Tourism and forum promotions	1,203,393	- -	1,203,393	- -	- -
Planning and zoning activities	233,263	- -	233,263	- -	- -
Forum parking deck operations	82,766	- -	82,766	- -	- -
Cemetery perpetual care	766,903	- -	766,903	- -	- -
GMA leasepool	2,332,181	- -	2,332,181	- -	- -
Unrestricted	(15,528,481)	30,340,556	14,812,075	84,950	(75,630,352)
<b>TOTAL NET POSITION</b>	<b>\$ 156,974,247</b>	<b>\$ 195,511,948</b>	<b>\$ 352,486,195</b>	<b>\$ 283,395</b>	<b>\$ (75,058,110)</b>

**CITY OF ROME, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2019**

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units		
		Charges for Services, Sales and Fines	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	Greater Rome Conv/Vis Bureau	Rome Board of Education	
					Governmental Activities	Business-Type Activities				
<b>PRIMARY GOVERNMENT:</b>										
<b>Governmental Activities:</b>										
General Government	\$ 8,185,525	\$ 2,632,680	\$ 160,555	\$ 15,670,442	\$ 10,278,152	\$ -	\$ 10,278,152	\$ -	\$ -	\$ -
Public Safety	8,925,350	802,276	77,696	252,473	(7,792,905)	-	(7,792,905)	-	-	-
Public Works	9,459,995	-	196,977	1,945,895	(7,317,123)	-	(7,317,123)	-	-	-
Public Facilities	1,815,152	-	-	3,158,434	1,343,282	-	1,343,282	-	-	-
Public Services	590,522	-	-	-	(590,522)	-	(590,522)	-	-	-
Community Development	1,696,018	126,396	824,676	-	(744,946)	-	(744,946)	-	-	-
Education	2,485,867	-	-	-	(2,485,867)	-	(2,485,867)	-	-	-
Interest on Debt	434,534	-	-	-	(434,534)	-	(434,534)	-	-	-
<b>Total Governmental Activities</b>	<b>33,592,963</b>	<b>3,561,352</b>	<b>1,259,904</b>	<b>21,027,244</b>	<b>(7,744,463)</b>	<b>-</b>	<b>(7,744,463)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Business-Type Activities:</b>										
Water and Sewer	18,659,446	26,044,848	-	-	-	7,385,402	7,385,402	-	-	-
Fire	11,634,103	6,558,608	-	5,000	-	(5,070,495)	(5,070,495)	-	-	-
Solid Waste Commission	2,844,483	3,513,374	-	-	-	668,891	668,891	-	-	-
Transit	3,847,639	1,589,876	1,000,284	775,112	-	(482,367)	(482,367)	-	-	-
Building Inspection	764,083	1,093,604	47,228	-	-	376,749	376,749	-	-	-
Solid Waste Management	3,661,213	2,363,035	-	-	-	(1,298,178)	(1,298,178)	-	-	-
Municipal Golf Course	1,474,582	1,096,865	-	-	-	(377,717)	(377,717)	-	-	-
Public Facilities	360,767	141,778	-	-	-	(218,989)	(218,989)	-	-	-
Tennis Center	1,454,856	426,642	-	13,700	-	(1,014,514)	(1,014,514)	-	-	-
<b>Total Business-Type Activities:</b>	<b>44,701,172</b>	<b>42,828,630</b>	<b>1,047,512</b>	<b>793,812</b>	<b>-</b>	<b>(31,218)</b>	<b>(31,218)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total - Primary Government</b>	<b>\$ 78,294,135</b>	<b>\$ 46,389,982</b>	<b>\$ 2,307,416</b>	<b>\$ 21,821,056</b>	<b>\$ (7,744,463)</b>	<b>\$ (31,218)</b>	<b>\$ (7,775,681)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Component Units</b>										
Rome Board of Education	\$ 82,263,939	\$ 820,964	\$ 48,970,355	\$ 3,189,450				\$ -	\$ (29,283,170)	
Greater Rome Convention & Visitors Bureau	759,721	43,278	819,372	-				102,929	-	
<b>Total - Component Units</b>	<b>\$ 83,023,660</b>	<b>\$ 864,242</b>	<b>\$ 49,789,727</b>	<b>\$ 3,189,450</b>				<b>\$ 102,929</b>	<b>\$ (29,283,170)</b>	
<b>GENERAL REVENUES:</b>										
Taxes:										
Property		\$ 14,032,855	\$ -	\$ 14,032,855	\$ -	\$ 20,021,725				
Sales		6,377,883	-	6,377,883	-	5,886,294				
Franchise		3,668,579	-	3,668,579	-	-				
Insurance Premium		2,770,696	-	2,770,696	-	-				
Alcoholic Beverage		915,960	-	915,960	-	-				
Intangible		312,055	-	312,055	-	-				
Hotel/Motel		1,508,050	-	1,508,050	-	-				
Other		928,417	-	928,417	-	-				
Gain on Disposal of Capital Assets		-	138,971	138,971	-	-				
Interest Earned		717,414	840,504	1,557,918	-	-		121	-	
Miscellaneous		655,816	-	655,816	-	-		-		
<b>Total General Revenues</b>		<b>31,887,725</b>	<b>979,475</b>	<b>32,867,200</b>				<b>25,908,140</b>		
Transfers		(6,742,412)	6,742,412	-				-		
<b>Total General Revenues and Transfers</b>		<b>25,145,313</b>	<b>7,721,887</b>	<b>32,867,200</b>				<b>25,908,140</b>		
<b>Change in Net Position</b>		<b>17,400,850</b>	<b>7,690,669</b>	<b>25,091,519</b>				<b>102,929</b>	<b>(3,375,030)</b>	
<b>NET POSITION BEGINNING OF YEAR</b>		<b>139,573,397</b>	<b>187,821,279</b>	<b>327,394,676</b>				<b>180,466</b>	<b>(71,683,080)</b>	
<b>NET POSITION END OF YEAR</b>		<b>\$ 156,974,247</b>	<b>\$ 195,511,948</b>	<b>\$ 352,486,195</b>				<b>\$ 283,395</b>	<b>\$ (75,058,110)</b>	

**CITY OF ROME, GEORGIA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**December 31, 2019**

	<b>Major Governmental Funds</b>				Non-major Governmental Funds	Total Governmental Funds		
	General	Capital	SPLOST	Major Governmental Funds				
	General	Capital	SPLOST					
<b>ASSETS:</b>								
Cash and cash equivalents	\$ 21,389,856	\$ 619,847	\$ 5,973,570	\$ 3,743,270	\$ 31,726,543			
Taxes receivable, net of allowances for uncollectibles	1,696,487	-	-	164,468	1,860,955			
Accounts receivable, net of allowances for uncollectibles	3,672,337	7,200	-	102,521	3,782,058			
Accounts receivable loans	-	-	-	78,310	78,310			
Due from other governments	631,186	-	408,880	186,782	1,226,848			
Due from other funds	326,290	2,761,468	-	15,741	3,103,499			
Due from component units	113	43	-	-	156			
Prepaid items	200	-	-	-	200			
Inventories	133,240	-	-	-	133,240			
Restricted cash	416,575	-	134,251	-	550,826			
Restricted investments	-	2,332,181	-	-	2,332,181			
Advances due from other funds	590,000	1,763,453	-	-	2,353,453			
<b>TOTAL ASSETS</b>	<b>\$ 28,856,284</b>	<b>\$ 7,484,192</b>	<b>\$ 6,516,701</b>	<b>\$ 4,291,092</b>	<b>\$ 47,148,269</b>			
<b>LIABILITIES:</b>								
Accounts payable	\$ 1,425,222	\$ 204,129	\$ 4,909	\$ 5,428	\$ 1,639,688			
Retainage payable	-	-	8,212	-	8,212			
Accrued liabilities	342,518	-	-	12,479	354,997			
Due to other funds	2,953,818	69,751	5,896	176,452	3,205,917			
Due to other governments	-	-	-	114,773	114,773			
Due to component units	-	-	-	8,009	8,009			
Advances due to other funds	-	1,041,752	-	-	1,041,752			
<b>TOTAL LIABILITIES</b>	<b>4,721,558</b>	<b>1,315,632</b>	<b>19,017</b>	<b>317,141</b>	<b>6,373,348</b>			
<b>DEFERRED INFLOWS OF RESOURCES:</b>								
Unavailable revenue - property taxes	325,730	-	-	-	325,730			
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>325,730</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>325,730</b>			
<b>FUND BALANCES:</b>								
<b>Nonspendable:</b>								
Prepaid items	200	-	-	-	-	200		
Inventories	133,240	-	-	-	-	133,240		
Advances due from other funds	590,000	-	-	-	-	590,000		
<b>Restricted for:</b>								
Revolving loans and housing initiatives	-	-	-	1,252,073	1,252,073			
Planning and zoning activities	-	-	-	233,263	233,263			
Tourism and forum promotion	-	-	-	1,203,393	1,203,393			
Capital improvements	-	3,836,379	6,497,684	1,131,581	11,465,644			
Forum parking deck operations	-	-	-	82,766	82,766			
Cemetery perpetual care	766,903	-	-	-	766,903			
GMA leasepool	-	2,332,181	-	-	2,332,181			
<b>Assigned for:</b>								
Community development operations	-	-	-	70,875	70,875			
<b>Unassigned</b>	<b>22,318,653</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,318,653</b>		
<b>TOTAL FUND BALANCES</b>	<b>23,808,996</b>	<b>6,168,560</b>	<b>6,497,684</b>	<b>3,973,951</b>	<b>40,449,191</b>			
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 28,856,284</b>	<b>\$ 7,484,192</b>	<b>\$ 6,516,701</b>	<b>\$ 4,291,092</b>	<b>\$ 47,148,269</b>			

See accompanying notes to the basic financial statements.

**CITY OF ROME, GEORGIA**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO**  
**NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**December 31, 2019**

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<b>TOTAL GOVERNMENTAL FUND BALANCES</b>	\$ 40,449,191
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**Amounts reported for governmental activities in the statement of net position are different because:**

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Cost	\$ 323,309,690
Less accumulated depreciation	<u>(160,864,127)</u>
	162,445,563

Internal service funds are used by management to charge the costs of certain activities such as health insurance and workers' compensation to individual funds. Governmental activities net position has been increased by the effect of the internal service funds' net position.

1,924,348

The derivative is not a current financial resource and is not recorded in the governmental fund statements.

1,127,602

Other long-term assets or deferred inflows and outflows of resources are not available to pay for current-period expenditures and, therefore, are unavailable in the governmental funds.

Property taxes	\$ 325,730
Deferred charges on refunding	106,052
Derivative - effective hedge	<u>(1,127,602)</u>
	(695,820)

The net pension liability, total OPEB liability, and related deferred inflows and outflows of resources related to the City's defined benefit pension and OPEB plans are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the governmental funds.

(35,186,752)

Long-term liabilities, including capital leases, compensated absences, and the GMA lease contract bonds are not due and payable in the current period and, therefore, are not reported in the governmental fund statements.

Accrued interest	\$ 1,131
Compensated absences	979,668
Notes payable	5,388,426
Discount on notes payable	(656,238)
Lease payable	99,898
GMA lease pool contract certificates of participation	4,527,000
Intergovernmental agreements	<u>2,750,000</u>
	<u>(13,089,885)</u>

**NET POSITION OF GOVERNMENTAL ACTIVITIES**

\$ 156,974,247

**CITY OF ROME, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2019**

	<b>Major Governmental Funds</b>			<b>Non- major Governmental Funds</b>	<b>Total Governmental Funds</b>
	<b>General</b>	<b>Capital</b>	<b>SPLOST</b>		
<b>REVENUES:</b>					
Taxes	\$ 26,084,421	\$ 1,990,000	\$ -	\$ 2,436,467	\$ 30,510,888
Licenses and permits	2,118,016	-	-	-	2,118,016
Intergovernmental	435,228	549,129	5,196,950	1,266,220	7,447,527
Charges for services	514,664	-	-	126,396	641,060
Fines and forfeitures	802,276	-	-	-	802,276
Interest earned	427,735	262,218	84,344	27,461	801,758
Miscellaneous	179,750	87,318	-	388,748	655,816
<b>TOTAL REVENUES</b>	<b>30,562,090</b>	<b>2,888,665</b>	<b>5,281,294</b>	<b>4,245,292</b>	<b>42,977,341</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
General government	6,924,978	-	-	-	6,924,978
Public safety	8,083,375	-	-	-	8,083,375
Public works	5,402,033	-	-	-	5,402,033
Public facilities	630,324	-	-	862,238	1,492,562
Public services	534,699	-	-	-	534,699
Community development	409,765	-	-	1,236,263	1,646,028
Capital outlay	-	2,482,226	733,321	441,544	3,657,091
Debt service	-	-	-	-	-
Principal	-	217,805	2,975,000	259,145	3,451,950
Interest	-	317,945	148,750	15,855	482,550
<b>TOTAL EXPENDITURES</b>	<b>21,985,174</b>	<b>3,017,976</b>	<b>3,857,071</b>	<b>2,815,045</b>	<b>31,675,266</b>
<b>EXCESS (DEFICIENCY) OF REVENUES</b>					
<b>OVER (UNDER) EXPENDITURES</b>	<b>8,576,916</b>	<b>(129,311)</b>	<b>1,424,223</b>	<b>1,430,247</b>	<b>11,302,075</b>

continued

**CITY OF ROME, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2019**

	<b>Major Governmental Funds</b>			<b>Non- major Governmental Funds</b>	<b>Total Governmental Funds</b>
	<b>General</b>	<b>Capital</b>	<b>SPLOST</b>		
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	\$ 4,147,221	\$ 1,081,539	\$ -	\$ 328,483	\$ 5,557,243
Transfers out	(9,801,449)	(255,001)	(1,508,648)	(734,557)	(12,299,655)
Proceeds from sale of capital assets	-	40,860	-	-	40,860
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(5,654,228)</b>	<b>867,398</b>	<b>(1,508,648)</b>	<b>(406,074)</b>	<b>(6,701,552)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>2,922,688</b>	<b>738,087</b>	<b>(84,425)</b>	<b>1,024,173</b>	<b>4,600,523</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>20,886,308</b>	<b>5,430,473</b>	<b>6,582,109</b>	<b>2,949,778</b>	<b>35,848,668</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 23,808,996</b>	<b>\$ 6,168,560</b>	<b>\$ 6,497,684</b>	<b>\$ 3,973,951</b>	<b>\$ 40,449,191</b>

**CITY OF ROME, GEORGIA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2019**

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<b>NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	\$ 4,600,523
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**Amounts reported for governmental activities in the statement of activities are different because:**

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 as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.

Capital outlay	\$ 1,076,605	
Depreciation expense	(5,482,080)	
	<hr/>	(4,405,475)

Governmental funds do not report the acquisition of capital assets acquired through donations or capital contributions.

However, in the statement of activities, the costs of those assets are reported at acquisition value.

Assets acquired through donation or capital contributions-current year	14,755,277
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The net effect of various miscellaneous transactions involving capital assets (i.e., disposals) to decrease net position. (167,345)

Internal service funds are used by management to charge the costs of certain activities such as health insurance and workers' compensation to individual funds. The effect of current year internal service fund income (loss) for governmental activities has been included.

152,440

Revenues in the statements of activities that do not provide current financial resources are reported as deferred inflow of resources in the funds.

Property tax deferred inflows	3,607
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The receipt and repayment of bonds, notes payable and capital lease principal is a revenue and expenditure in the governmental funds, but the activity increases and decreases long-term liabilities in the statement of net position.

Bond issuance premium	\$ 107,073	
Amortization of deferred charges on refunding	(8,158)	
Amortization of discount on notes payable	(113,068)	
Accrual of interest expense	62,169	
Long-term debt principal payment	<hr/>	3,451,950
		3,499,966

Some expenses reported in the statement of activities, such as compensated absences and pension related items do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	\$ 5,105	
OPEB expense	(319,399)	
Pension expense	<hr/>	(723,849)
		(1,038,143)

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES**

\$ 17,400,850

**CITY OF ROME, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**December 31, 2019**

	Enterprise Funds										Internal Service Funds
	Major Enterprise Funds				Non-major Enterprise Funds			Total			
	Water & Sewer System	Fire	Solid Waste Commission	Tennis Center							
<b>ASSETS</b>											
<b>Current Assets:</b>											
Cash and cash equivalents	\$ 18,003,248	\$ 1,862,936	\$ 13,500,829	\$ 21,085	\$ 4,474,074	\$ 37,862,172	\$ 5,267,368				
Restricted cash	720,252	54,431	-	2,937,641	351,595	4,063,919	-				
Accounts receivable, net of allowances											
for uncollectibles	2,197,649	-	311,116	12,298	329,578	2,850,641	760				
Due from other governments	1,372,835	41,581	109	5,000	649,975	2,069,500	80,638				
Due from other funds	66,695	5,000	2	-	184,029	255,726	107,742				
Due from component units	-	-	-	-	-	-	1,058				
Prepaid items	-	8,643	-	-	9,663	18,306	5,105				
Inventories	748,431	11,581	-	35,528	258,296	1,053,836	-				
<b>Total Current Assets</b>	<b>23,109,110</b>	<b>1,984,172</b>	<b>13,812,056</b>	<b>3,011,552</b>	<b>6,257,210</b>	<b>48,174,100</b>	<b>5,462,671</b>				
<b>Noncurrent Assets:</b>											
Advances due from other funds	-	-	-	-	-	-	451,752				
Prepaid bond insurance	24,110	-	-	-	-	-	24,110				
Capital assets											
Non-depreciable assets	3,084,386	148,424	365,682	3,759,903	5,560,586	12,918,981	-				
Depreciable assets, net of accumulated depreciation	148,984,225	6,248,574	3,286,034	11,059,949	3,446,885	173,025,667	-				
<b>Total Noncurrent Assets</b>	<b>152,092,721</b>	<b>6,396,998</b>	<b>3,651,716</b>	<b>14,819,852</b>	<b>9,007,471</b>	<b>185,968,758</b>	<b>451,752</b>				
<b>TOTAL ASSETS</b>	<b>175,201,831</b>	<b>8,381,170</b>	<b>17,463,772</b>	<b>17,831,404</b>	<b>15,264,681</b>	<b>234,142,858</b>	<b>5,914,423</b>				
<b>DEFERRED OUTFLOWS OF RESOURCES</b>											
Deferred charge on refunding	472,627	-	-	-	94,408	567,035	-				
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>472,627</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>94,408</b>	<b>567,035</b>	<b>-</b>				

continued

**CITY OF ROME, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**December 31, 2019**

	Enterprise Funds						Internal Service Funds				
	Major Enterprise Funds				Non-major Enterprise Funds	Total					
	Water & Sewer System	Fire	Solid Waste Commission	Tennis Center							
<b>LIABILITIES</b>											
<b>Current Liabilities:</b>											
Closure and postclosure care, current	\$ -	\$ -	\$ 238,517	\$ -	\$ -	\$ 238,517	\$ -				
Revenue bonds, current	642,000	-	-	-	365,000	1,007,000	-				
Accounts payable	486,185	59,116	226,232	838,411	146,336	1,756,280	50,977				
Retainage payable	5,471	-	-	242,542	-	248,013	-				
Accrued liabilities	292,965	248,603	14,359	99,447	264,561	919,935	2,472				
Unearned revenue	71,550	-	-	-	65,956	137,506	-				
Due to other funds	37,134	40,411	20,642	1,319	161,439	260,945	105				
Due to component unit	-	-	-	2,828	-	2,828	-				
Compensated absences, current	256,934	717,022	19,549	3,667	180,710	1,177,882	-				
Claims payable	-	-	-	-	-	-	1,050,000				
Financed purchase, current	-	118,184	-	-	-	118,184	-				
Notes payable, current	110,553	-	-	-	-	110,553	-				
<b>Total Current Liabilities</b>	<b>1,902,792</b>	<b>1,183,336</b>	<b>519,299</b>	<b>1,188,214</b>	<b>1,184,002</b>	<b>5,977,643</b>	<b>1,103,554</b>				
<b>Long-Term Liabilities:</b>											
Closure and postclosure care, long-term	-	-	9,272,669	-	-	9,272,669	-				
Customer deposits	1,075,321	-	-	-	-	1,075,321	-				
Revenue bonds, long-term	14,133,581	-	-	5,128,334	1,707,189	20,969,104	-				
Financed purchase, long-term	-	789,044	-	-	-	789,044	-				
Notes payable, long-term	1,834,827	-	-	-	-	1,834,827	-				
Advances due to Capital Fund	585,110	400,100	146,000	-	632,243	1,763,453	-				
Compensated absences, long term	85,645	239,007	6,516	11,000	60,237	402,405	-				
<b>Total Long-Term Liabilities</b>	<b>17,714,484</b>	<b>1,428,151</b>	<b>9,425,185</b>	<b>5,139,334</b>	<b>2,399,669</b>	<b>36,106,823</b>	<b>-</b>				
<b>TOTAL LIABILITIES</b>	<b>19,617,276</b>	<b>2,611,487</b>	<b>9,944,484</b>	<b>6,327,548</b>	<b>3,583,671</b>	<b>42,084,466</b>	<b>1,103,554</b>				
<b>NET POSITION</b>											
Net investment in capital assets	135,838,916	5,489,770	3,651,716	9,448,976	7,029,690	161,459,068	-				
Restricted for debt service	720,252	-	-	2,937,641	-	3,657,893	-				
Restricted for EOC	-	54,431	-	-	-	54,431	-				
Unrestricted	19,498,014	225,482	3,867,572	(882,761)	4,745,728	27,454,035	4,810,869				
<b>TOTAL NET POSITION</b>	<b>\$ 156,057,182</b>	<b>\$ 5,769,683</b>	<b>\$ 7,519,288</b>	<b>\$ 11,503,856</b>	<b>\$ 11,775,418</b>	<b>\$ 192,625,427</b>	<b>\$ 4,810,869</b>				

**CITY OF ROME, GEORGIA**  
**RECONCILIATION OF PROPRIETARY FUND NET POSITION TO**  
**BUSINESS TYPE ACTIVITIES STATEMENT OF NET POSITION**  
**December 31, 2019**

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<b>TOTAL PROPRIETARY FUND NET POSITION</b>	\$ 192,625,427
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**Amounts reported for business type activities in the statement of net position are different because:**

Internal service funds are used by management to charge the costs of certain activities such as health insurance and workers' compensation to individual funds. Business type activities net position have been increased by the effect of the internal service fund's net position.

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	<u>2,886,521</u>
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<b>NET POSITION OF BUSINESS TYPE ACTIVITIES</b>	<u>\$ 195,511,948</u>
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**CITY OF ROME, GEORGIA**  
**STATEMENT OF REVENUES,**  
**EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2019**

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Enterprise Funds								
	Major Enterprise Funds				Non-major Enterprise		Internal Service Funds	
	Water & Sewer System	Fire	Solid Waste Commission	Tennis Center	Funds	Total		
<b>OPERATING REVENUES</b>								
Metered sales	\$ 25,176,942	\$ -	\$ -	\$ -	\$ -	\$ 25,176,942	\$ -	\$ -
Charges for services	864,774	6,543,679	3,513,374	426,642	6,234,854	17,583,323	8,605,366	
Miscellaneous	3,132	14,929	-	-	50,304	68,365		
<b>TOTAL OPERATING REVENUES</b>	<b>26,044,848</b>	<b>6,558,608</b>	<b>3,513,374</b>	<b>426,642</b>	<b>6,285,158</b>	<b>42,828,630</b>	<b>8,605,366</b>	
<b>OPERATING EXPENSES</b>								
Cost of goods sold	-	-	-	45,169	120,032	165,201		-
Salaries and employee benefits	5,811,765	9,783,681	562,803	-	5,655,372	21,813,621	113,324	
Supplies	1,969,078	519,150	186,302	-	855,264	3,529,794		-
Maintenance and repairs	898,472	279,314	275,367	-	441,277	1,894,430		-
Other services and charges	2,485,808	489,267	298,553	1,015,644	1,688,132	5,977,404	1,598,381	
Depreciation	6,728,624	552,158	695,042	257,645	1,278,703	9,512,172		-
Claims	-	-	-	-	-	-	6,419,777	
Closure and postclosure costs	-	-	502,273	-	-	502,273		-
Administrative fees	39,204	-	-	-	-	39,204	358,248	
<b>TOTAL OPERATING EXPENSES</b>	<b>17,932,951</b>	<b>11,623,570</b>	<b>2,520,340</b>	<b>1,318,458</b>	<b>10,038,780</b>	<b>43,434,099</b>	<b>8,489,730</b>	
<b>OPERATING INCOME (LOSS)</b>	<b>8,111,897</b>	<b>(5,064,962)</b>	<b>993,034</b>	<b>(891,816)</b>	<b>(3,753,622)</b>	<b>(605,469)</b>	<b>115,636</b>	

continued

**CITY OF ROME, GEORGIA**  
**STATEMENT OF REVENUES,**  
**EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2019**

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	Enterprise Funds								Internal Service Funds	
	Major Enterprise Funds				Non-major Enterprise Funds					
	Water & Sewer System	Fire	Solid Waste Commission	Tennis Center	Funds	Total				
<b>NON-OPERATING INCOME (EXPENSE)</b>										
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 1,047,512	\$ 1,047,512			\$ 191,791	
Intergovernmental expense	- -	- -	(324,143)	- -	- -	- -			- (324,143)	
Interest income	350,032	17,760	276,090	54,194	68,755	766,831			73,673	
Interest expense	(881,482)	(10,533)	- -	(136,398)	(69,504)	(1,097,917)			- -	
Gain on disposal of capital assets	- -	46,631	88,037	- -	4,303	138,971			- -	
<b>TOTAL NON-OPERATING INCOME (EXPENSE)</b>	<b>(531,450)</b>	<b>53,858</b>	<b>39,984</b>	<b>(82,204)</b>	<b>1,051,066</b>	<b>531,254</b>			<b>265,464</b>	
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>										
	7,580,447	(5,011,104)	1,033,018	(974,020)	(2,702,556)	(74,215)			381,100	
Transfers in	75,480	7,422,228	- -	646,886	2,609,985	10,754,579			- -	
Transfers out	(1,620,633)	(1,608,025)	(93,962)	(45,529)	(644,018)	(4,012,167)			- -	
Capital contributions	- -	5,000	- -	13,700	775,112	793,812			- -	
<b>CHANGE IN NET POSITION</b>	<b>6,035,294</b>	<b>808,099</b>	<b>939,056</b>	<b>(358,963)</b>	<b>38,523</b>	<b>7,462,009</b>			<b>381,100</b>	
<b>NET POSITION - BEGINNING OF YEAR</b>	<b>150,021,888</b>	<b>4,961,584</b>	<b>6,580,232</b>	<b>11,862,819</b>	<b>11,736,895</b>	<b>185,163,418</b>			<b>4,429,769</b>	
<b>NET POSITION - END OF YEAR</b>	<b>\$ 156,057,182</b>	<b>\$ 5,769,683</b>	<b>\$ 7,519,288</b>	<b>\$ 11,503,856</b>	<b>\$ 11,775,418</b>	<b>\$ 192,625,427</b>			<b>\$ 4,810,869</b>	

**CITY OF ROME, GEORGIA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION OF PROPRIETARY FUNDS**  
**TO THE BUSINESS TYPE STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2019**

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<b>CHANGE IN NET POSITION-PROPRIETARY FUNDS</b>	\$ 7,462,009
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**Amounts reported for business type activities in the statement of activities are different because:**

Internal service funds are used by management to charge the costs of certain activities such as health insurance and workers' compensation to individual funds. The effect of current year internal service fund income for business type activities has been included.

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	228,660
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<b>CHANGE IN NET POSITION OF BUSINESS TYPE ACTIVITIES</b>	<hr/> <hr/> \$ 7,690,669
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**CITY OF ROME, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2019**

	<b>Enterprise Funds</b>								
	<b>Major Proprietary Funds</b>				<b>Nonmajor Enterprise Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>		
	<b>Water &amp; Sewer System</b>	<b>Fire</b>	<b>Solid Waste Commission</b>	<b>Tennis Center</b>					
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>									
Receipts from customers and users	\$ 26,052,563	\$ 6,562,713	\$ 3,467,300	\$ 417,577	\$ 6,708,937	\$ 43,209,090	\$ 8,633,577		
Receipts from interfund services provided	64,783	-	-	-	56,141	120,924	-		
Payments to suppliers	(5,477,678)	(1,248,451)	(1,018,393)	(160,631)	(3,023,319)	(10,928,472)	(1,968,602)		
Payments to employees	(5,835,837)	(9,718,535)	(561,485)	-	(5,660,664)	(21,776,521)	(113,324)		
Claims paid	-	-	-	-	-	-	(6,044,777)		
Payments for interfund services used	(22,669)	(43,831)	(68,590)	(410)	(218,881)	(354,381)	243,029		
Net cash provided (used) by operating activities	<u>14,781,162</u>	<u>(4,448,104)</u>	<u>1,818,832</u>	<u>256,536</u>	<u>(2,137,786)</u>	<u>10,270,640</u>	<u>749,903</u>		
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>									
Transfer from other funds	75,480	7,422,228	-	646,886	2,609,985	10,754,579	-		
Transfer to other funds	(1,620,633)	(1,608,025)	(93,962)	(45,529)	(644,018)	(4,012,167)	-		
Advances from other funds	475,112	-	-	-	142,303	617,415	-		
Repayment of advances from other funds	-	(80,020)	(29,200)	-	(105,889)	(215,109)	-		
Intergovernmental revenue	-	-	-	-	47,228	47,228	191,791		
Intergovernmental expense	-	-	(324,143)	-	-	(324,143)	-		
Subsidy from federal grant	-	-	-	-	1,000,284	1,000,284	-		
Net cash provided (used) by noncapital financing activities	<u>(1,070,041)</u>	<u>5,734,183</u>	<u>(447,305)</u>	<u>601,357</u>	<u>3,049,893</u>	<u>7,868,087</u>	<u>191,791</u>		
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>									
Capital contributions	-	5,000	-	-	775,112	780,112	-		
Purchases of capital assets	(6,563,348)	(1,868,171)	(1,157,773)	(3,028,210)	(716,136)	(13,333,638)	-		
Principal paid on capital debt	(5,499,226)	-	-	-	(365,000)	(5,864,226)	-		
Interest paid on capital debt	(881,482)	(10,533)	-	(136,398)	(26,804)	(1,055,217)	-		
Proceeds from the issuance of debt	-	907,228	-	4,265,000	1,955,000	7,127,228	-		
Refunding deposit with escrow agent	-	-	-	-	(2,067,700)	(2,067,700)	-		
Bond premium	-	-	-	883,007	125,754	1,008,761	-		
Advances to other funds	-	-	-	-	-	-	150,000		
Proceeds from sales of capital assets	-	46,631	88,037	-	4,303	138,971	-		
Net cash provided (used) by capital and related financing activities	<u>(12,944,056)</u>	<u>(919,845)</u>	<u>(1,069,736)</u>	<u>1,983,399</u>	<u>(315,471)</u>	<u>(13,265,709)</u>	<u>150,000</u>		

**CITY OF ROME, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2019**

	<b>Enterprise Funds</b>						
	<b>Major Proprietary Funds</b>				<b>Nonmajor Enterprise Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
	<b>Water &amp; Sewer System</b>	<b>Fire</b>	<b>Solid Waste Commission</b>	<b>Tennis Center</b>			
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Interest received	\$ 350,032	\$ 17,760	\$ 276,090	\$ 54,194	\$ 68,755	\$ 766,831	\$ 73,673
Net cash provided by investing activities	<u>350,032</u>	<u>17,760</u>	<u>276,090</u>	<u>54,194</u>	<u>68,755</u>	<u>766,831</u>	<u>73,673</u>
Net increase in cash and cash equivalents	1,117,097	383,994	577,881	2,895,486	665,391	5,639,849	1,165,367
Cash and cash equivalents, January 1	17,606,403	1,533,373	12,922,948	63,240	4,160,278	36,286,242	4,102,001
Cash and cash equivalents, December 31	<u>\$ 18,723,500</u>	<u>\$ 1,917,367</u>	<u>\$ 13,500,829</u>	<u>\$ 2,958,726</u>	<u>\$ 4,825,669</u>	<u>\$ 41,926,091</u>	<u>\$ 5,267,368</u>
<b>Reconciliation of Cash and Cash Equivalents:</b>							
Cash and cash equivalents	\$ 18,003,248	\$ 1,862,936	\$ 13,500,829	\$ 21,085	\$ 4,474,074	\$ 37,862,172	\$ 5,267,368
Cash and cash equivalents - restricted	<u>720,252</u>	<u>54,431</u>	<u>-</u>	<u>2,937,641</u>	<u>351,595</u>	<u>4,063,919</u>	<u>-</u>
Total cash and cash equivalents	<u><u>\$ 18,723,500</u></u>	<u><u>\$ 1,917,367</u></u>	<u><u>\$ 13,500,829</u></u>	<u><u>\$ 2,958,726</u></u>	<u><u>\$ 4,825,669</u></u>	<u><u>\$ 41,926,091</u></u>	<u><u>\$ 5,267,368</u></u>

**CITY OF ROME, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2019**

	<b>Enterprise Funds</b>						
	<b>Major Proprietary Funds</b>				<b>Nonmajor Enterprise Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
	<b>Water &amp; Sewer System</b>	<b>Fire</b>	<b>Solid Waste Commission</b>	<b>Tennis Center</b>			
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>							
Operating income (loss)	\$ 8,111,897	\$ (5,064,962)	\$ 993,034	\$ (891,816)	\$ (3,753,622)	\$ (605,469)	\$ 115,636
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	6,728,624	552,158	695,042	257,645	1,278,703	9,512,172	-
Amortization	(130,210)	-	-	(19,673)	(23,018)	(172,901)	-
(Increase) decrease in accounts receivable	26,992	4,105	(46,227)	(9,065)	(58,015)	(82,210)	(590)
(Increase) decrease in due from other governments	(19,277)	-	153	-	471,363	452,239	28,801
(Increase) decrease in due from other funds	64,783	(1,007)	(2)	-	137,890	201,664	243,057
(Increase) decrease in prepaid items	-	3,324	-	4,000	(496)	6,828	-
(Increase) decrease in inventories	(89,443)	2,033	-	7,023	26,245	(54,142)	-
Increase (decrease) in accounts payable and accrued liabilities	296,312	33,923	244,102	666,290	78,655	1,319,282	363,027
Increase (decrease) in retainage payable	(161,775)	-	-	242,542	-	80,767	-
Increase (decrease) in compensated absences payable	(24,072)	65,146	1,318	-	(5,292)	37,100	-
Increase in unearned revenue	-	-	-	-	10,431	10,431	-
Decrease in due to other funds	(22,669)	(42,824)	(68,588)	(3,238)	(300,630)	(437,949)	(28)
Increase in due to component unit	-	-	-	2,828	-	2,828	-
Total adjustments	<u>6,669,265</u>	<u>616,858</u>	<u>825,798</u>	<u>1,148,352</u>	<u>1,615,836</u>	<u>10,876,109</u>	<u>634,267</u>
Net cash provided (used) by operating activities	<u>\$ 14,781,162</u>	<u>\$ (4,448,104)</u>	<u>\$ 1,818,832</u>	<u>\$ 256,536</u>	<u>\$ (2,137,786)</u>	<u>\$ 10,270,640</u>	<u>\$ 749,903</u>
<b>Schedule of non-cash capital and related financing activities:</b>							
Contributions of capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,700</u>	<u>\$ -</u>	<u>\$ 13,700</u>	<u>\$ -</u>

**CITY OF ROME, GEORGIA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**EMPLOYEE BENEFIT TRUST FUND**  
**December 31, 2019**

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	<b>Flexible Spending Fund</b>
<b>ASSETS</b>	
Cash	<u>\$ 37,140</u>
<b>TOTAL ASSETS</b>	<u>37,140</u>
 <b>NET POSITION</b>	
Held in trust for flexible spending	<u>37,140</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 37,140</u></u>

**CITY OF ROME, GEORGIA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**EMPLOYEE BENEFIT TRUST FUND**  
**For the Year Ended December 31, 2019**

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	<b>Flexible Spending Fund</b>
<b>ADDITIONS</b>	
Contributions	\$ 159,637
Investment earnings	135
Total additions	<hr/> 159,772 <hr/>
<b>DEDUCTIONS</b>	
Claims paid	157,835
Total deductions	<hr/> 157,835 <hr/>
<b>NET INCREASE</b>	1,937
<b>NET POSITION HELD IN TRUST FOR FLEXIBLE SPENDING</b>	
<b>NET POSITION, BEGINNING OF YEAR</b>	<hr/> 35,203 <hr/>
<b>NET POSITION, END OF YEAR</b>	\$ 37,140 <hr/>

## **NOTES TO THE FINANCIAL STATEMENTS**

The notes to the financial statements are a part of the basic financial statements and present additional detailed information to amounts presented on the face of the statements.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City of Rome operates under a Commissioner-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture, recreation, education, public improvements, planning and zoning, and general administrative services. As required by generally accepted accounting principles, these financial statements present the City (the "primary government") and its component units. The component units are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. Unless otherwise indicated, the "City" refers to the primary government. The City's blended component units are reported as if they are a part of the City because their sole purpose is to provide services to the City. Discretely presented component units that are presented in the City of Rome financial statements are reported in separate columns in the government-wide statements to emphasize that they are legally separate from the City. Each discretely presented component unit has a December 31 year end, except for the Rome Board of Education, which has a June 30 fiscal year end.

***Blended Component Units***

City of Rome Public Facilities, Inc. - This entity is governed by a three member board appointed by the Rome City Commission. Although it is legally separate from the City, it is reported as a proprietary fund type in the City's financial statements. The sole purpose is to finance and construct certain City facilities and to account for their subsequent activities. Separate financial statements are not prepared for this component unit.

City of Rome Recreational Facilities Authority - This entity is governed by a five member board appointed by the Rome City Commission. Although it is legally separate from the City, the Authority's activity related to the refinancing of the debt for the Stonebridge Golf Club, which is owned and operated by the City, is reported within the Municipal Golf Fund, a proprietary fund in the City's financial statements. The Authority also issued Bonds for the City of Rome Tennis Center at Berry College that is reported in the SPLOST fund due to repayment being made out from SPLOST funding. Separate financial statements are not prepared for this component unit.

***Discretely Presented Component Units***

Rome Board of Education - The Rome Board of Education (the "Board") operates the Rome City School System. Financing is provided by property taxes and contributions from the State of Georgia. The Board is fiscally dependent upon the City because the City Commission approves the budgets, approves tax rate, provides funding and issues debt on behalf of the Board. The Board is presented as a governmental fund type. Complete financial statements for the Rome Board of Education may be obtained at 508 East 2nd Street, Rome, Georgia 30161.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**A. Reporting Entity - Continued**

Greater Rome Convention & Visitors Bureau - The Greater Rome Convention and Visitors Bureau (the "Bureau") promotes tourism and convention activity for the City. Financing is provided by a special hotel/motel tax. The Bureau is fiscally dependent upon the City because the City Commission appoints a voting majority of the board members and approves the budget, but does not control operations of the Bureau. The Bureau is presented as a governmental fund type. Separate component unit financial statements are not prepared for the Greater Rome Convention and Visitors Bureau.

**B. Basis of Presentation**

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities followed by fund financial statements which will provide a more detailed level of financial information.

**Government-wide Financial Statements** – The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities which normally are supported by taxes, intergovernmental revenues, and City general revenues are reported separately from business type activities which rely on a significant extent on fees and charges for support from external users. Likewise, the primary government is reported separately from any legally separate discretely presented component units for which the primary government is financially accountable. The statement of activities demonstrates the degree to which the direct expenses of each function of the City are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers who purchase, use, or directly benefit from the goods, services, or privileges provided by a distinct function 2) operating grants and contributions restricted to the operational needs of a particular function and 3) capital grants and contributions restricted for the acquisition or construction of capital assets. Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the City. This comparison of direct expenses with program revenues does identify the extent to which each governmental function is self financing or is subsidized by general revenues. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**Fund Financial Statements** – Governmental Fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. Governmental Fund financial statements are reported using the current financial resource measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred inflows of resources and liabilities are included on the balance sheets. The Statement of Revenues, Expenditures and Changes in Fund Balance present increases (revenues and other financing resources) and decreases (expenditures and other financing uses) in fund balance.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**B. Basis of Presentation – Continued**

The City reports the following major governmental funds:

General Fund - The general operating fund of the City is used to account for all of the financial resources of the general government except those required to be accounted for in other funds.

Capital Fund - This fund accounts for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or fiduciary funds.

SPLOST Fund - This fund accounts for the acquisition of capital assets or construction of major capital projects financed by SPLOST proceeds.

The City reports the following major Proprietary Funds:

Water & Sewer System Fund - This fund accounts for all activity in the provision of water and sewer services to the residents of the City and County.

Fire Fund - This fund accounts for all activities in the provision of fire protection services to the residents of the City and the County.

Solid Waste Commission Fund - This fund accounts for all activities associated with the provision of solid waste disposal for City and County residents at the Walker Mountain and Berryhill landfills.

Tennis Center Fund - This fund accounts the activities related to the tennis center operations.

Additionally, the City reports the following fund types:

**Governmental Fund Types**

Special Revenue Funds - This fund type is used to account for proceeds of specific revenue sources (other than major capital projects) that are legally restricted or committed to expenditures for specific purposes.

Capital Projects Funds - This fund type accounts for capital project expenditures not financed through proprietary or fiduciary funds.

**Proprietary Fund Types**

Enterprise Funds - This fund type is used to account for operations that (a) are financed and operated in a manner similar to private business enterprise where the intent of the City is that the costs (including depreciation) of providing the goods and services be financed or recovered primarily through user charges or (b) where the City has decided that a periodic determination of an increase or decrease in net position is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds - This fund type accounts for the financing of goods or services provided by one department to other departments, agencies, or other governmental units on a cost reimbursement basis. The City accounts for the provision of health care and workers' compensation claims in internal service funds.

City of Rome, Georgia

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**B. Basis of Presentation – Continued**

**Fiduciary Fund Type**

Trust Fund - This fund type is used to account for assets held by the City as an agent or trustee to be invested and expended in accordance with the conditions of the trustee capacity. The City uses this fund to account for the flexible spending activity through payroll deduction from employees' paychecks and the subsequent payment of medical or dependent care expenses.

**C. Measurement Focus – Basis of Accounting**

**Government-wide Financial Statements** – The Government-wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary and fiduciary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

**Fund Financial Statements** – All governmental funds are accounted for using the current financial resource measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers tax revenues available if they are collected within sixty (60) days of the end of the current fiscal period and one year for all other revenues. Revenues generally susceptible to accrual are property taxes, sales taxes, licenses, and other charges for services. Expenditures are generally recorded when a liability is incurred except for debt service expenditures and expenditures related to compensated absences and claims which are normally recorded when payment is due. Governmental fund financial statements therefore include reconciliation to the entity-wide statement to identify these differences.

As in the government-wide statements, all proprietary fund types are accounted for on an economic resource measurement level. The Statement of Net Position includes all assets, liabilities, deferred outflows, and deferred inflows and the Statement of Changes in Net Position present increases (i.e., revenues) and decreases (i.e., expenses) in total Net Position.

As a general rule, the effects of interfund activity have been eliminated from the government-wide financial statements. Exceptions to this general rule are user charges between the enterprise funds and other functions of the government whereby exclusion may distort the direct costs and program revenues for the functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses of enterprise funds and internal service funds include the cost of sales and services, administration expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**D. Assets, Deferred Outflows/Inflows of Resources, Liabilities and Equity**

**1. Deposits and Investments**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

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

Increases or decreases in fair value during the year are recognized as a component of interest income.

**2. Investments**

The City's nonparticipating interest-earning investment contracts are recorded at cost. The remaining investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

**3. Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds". All other outstanding balances between funds are reported as "due to/from other funds". Any advances between funds are offset by a fund balance restriction account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources. These amounts are eliminated in the governmental and business-type activities column of the Statement of Net Position except for any net residual amounts due between governmental and business type activities, which are reclassified and presented as internal balances.

**4. Inventories**

Inventories are valued at cost using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**D. Assets, Deferred Outflows/Inflows of Resources, Liabilities and Equity – Continued**

**5. Restricted Assets**

Certain resources are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants, or other external legislation or restrictions. Applicable expenses are paid from restricted assets first.

**6. Prepaid Items**

Certain payments to vendors reflecting costs applicable to periods beyond December 31, 2019 are recorded as prepaid items.

**7. Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e. g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital equipment assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated life of more than one fiscal year. Such assets are recorded at actual cost or estimated historical cost if actual costs are not available. They are updated for additions and retirements during the year. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are expensed. Improvements to capital assets are capitalized. Interest incurred during the construction of capital assets for business-type activities is capitalized. The City had no capitalized interest during the current year.

Current accounting standards require the City to report and depreciate infrastructure assets. These assets includes roads, bridges, dams & levees, curb & gutters, sidewalks, and traffic signals & signage. The current financial statements include these infrastructure amounts with applicable accumulated depreciation. All capital assets are depreciated except for land and construction in progress. Estimated useful lives for infrastructure are based on historical records of maintenance and replacement. Infrastructure assets acquired prior to December 31, 1980 are included in the amounts reported. Depreciation is computed using the straight-line method over the estimated useful life.

<u>Description</u>	<u>Governmental Activities</u> <u>Estimated Lives</u>	<u>Business-Type Activities</u> <u>Estimated Lives</u>
Improvements other than buildings	10 – 60 years	10 – 60 years
Buildings	40 – 60 years	40 – 60 years
Machinery and equipment	3 – 15 years	3 – 15 years
Infrastructure	40 – 60 years	20 – 40 years
Vehicles	3 – 5 years	3 – 5 years

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**D. Assets, Deferred Outflows/Inflows of Resources, Liabilities and Equity – Continued**

**8. Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation benefits. No liability is reported for unpaid accumulated sick leave. Accumulated unpaid vacation leave is accrued when incurred in the government-wide and proprietary fund financial statements. The liability in the proprietary funds is recorded as an expense and a liability in those funds as the benefits are accrued. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with current financial resources.

Sick leave is not paid upon termination, but is applied to the years of service credit used to determine retirement benefits if the employee remains employed by the City until retirement. Accordingly, accumulated unused sick leave is not recorded as a liability. There is no maximum amount of sick leave that may be accumulated.

**9. Unavailable Revenue**

Unavailable revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the deferred inflow of resources for unavailable revenue is removed from the balance sheet and revenue is recognized. On the governmental fund financial statements, property taxes receivable not collected within sixty (60) days of year end is recorded as deferred inflow of resources. Grants and entitlements received before the timing requirements are met are also recorded as deferred inflow of resources. Grants and entitlements received before other eligibility requirements are met are reported as unearned revenue in liabilities. In the government-wide financial statements, these amounts are recognized to comply with the full accrual measurement criteria.

**10. Long-Term Obligations**

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

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

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**D. Assets, Deferred Outflows/Inflows of Resources, Liabilities and Equity – Continued**

**11. Fund Equity**

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

**Fund Balance**

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

Fund balances are classified as follows:

*Nonspendable* – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

*Restricted* – Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

*Committed* – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by a resolution of the City Commission. Only the City Commission may modify or rescind the commitment also through a resolution.

*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. The City Commission has passed a resolution, which has expressly delegated to the Finance Director the authority to assign funds for particular purposes.

*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. The City intends to maintain an unassigned fund balance in the General Fund between ten and twenty percent of the operating budget or an amount equal to 2 months’ operating expenditures.

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

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**D. Assets, Deferred Outflows/Inflows of Resources, Liabilities and Equity – Continued**

**11. Fund Equity - Continued**

**Net Position**

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources for activities and funds which use the accrual basis of accounting. Amounts shown as net investment in capital assets are made up of capital asset costs, net of accumulated depreciation and any outstanding debt used to acquire, construct or improve the associated assets. Net position is reported as restricted when there are legal limitations or external restrictions imposed upon their use. 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.

**12. 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 Rome 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.

**13. Capital Contributions**

Capital contributions in the proprietary fund financial statements arise from outside contributions of grants and other financial resources restricted to capital acquisition and construction.

**14. Uses of Estimates in the Preparation of Financial Statements**

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/inflows of resources, and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**15. 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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. One item that qualifies for reporting in this category is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**D. Assets, Deferred Outflows/Inflows of Resources, Liabilities and Equity – Continued**

**15. Deferred outflows/inflows of resources - Continued**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of these deferrals, which arise only under a modified accrual basis of accounting that qualify for reporting in this category. Accordingly, those items, the unavailable revenue and the effective hedge on the deferral of fair value, are reported only in the governmental fund's balance sheet. The governmental funds report unavailable revenues from one source, property taxes. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

The City also has deferred inflows of resources and deferred outflows of resources related to the recording of changes in its net pension liability and total other postemployment benefit (OPEB) liability. Certain changes in the net pension liability and total OPEB liability are recognized as pension and OPEB expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the City's actuary which adjust the net pension liability and total OPEB liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension and OPEB expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability and total OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension and OPEB expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period. Additionally, any contributions made by the City to the pension plan and OPEB plan before year end but subsequent to the measurement date of the City's net pension liability and total OPEB liability are reported as deferred outflows of resources.

**NOTE II - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

In August of each year, all departments of the City submit a budgetary request to the City Manager. In November, the City Manager presents the proposed budgets to the Finance Committee of the City Commission. The City Commission adopts the final budgets in December of each year. During the year, the City made budgetary amendments totaling \$1,292,620 that were approved by the City Commission. The main reason for these amendments was to better align budgeted expenditures with actual revenues. This information was not available during the original budget process.

Budgetary appropriations are made at the object level within each department. The legal level of budgetary control is at the department level. Budget amendments which affect a department's total appropriations or transfers between funds must be authorized by the City Commission through a budget revision. All appropriations lapse at year end.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

**Credit Risk.** State statutes authorize the City to invest in U.S. Government obligations; U.S. Government agency (or other corporation of the U.S. Government) obligations; obligations fully insured or guaranteed by the U.S. Government or a U.S. Government agency; obligations of the State of Georgia or other states; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia; negotiable certificates of deposits issued by any bank or trust company organized under the laws of any state of the United States of America; prime bankers' acceptances; repurchase agreements; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. Operating funds are currently invested in the Georgia Fund 1 and a guaranteed investment contract with the Georgia Municipal Association.

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

The City maintains an account in the State of Georgia, Georgia Fund 1 that is utilized by all funds and component units except the Rome Board of Education. Each fund's or component unit's portion of this pool is displayed on its balance sheet with cash and cash equivalents since this pool has the general characteristics of a demand deposit account.

As of December 31, 2019, the City of Rome had the following investments:

Investment Type	Maturities	Credit Rating	Fair Value
Georgia Fund 1-included in cash	39 day weighted average	AAAf	\$ 44,009,332
Guaranteed Investment Contract	June 1, 2028	(a)	2,332,181
<b>Totals</b>			<b>\$ 46,341,513</b>

(a) This is a nonparticipating interest-earning investment contract with the Georgia Municipal Association (GMA) and is not rated.

**Interest rate risk.** The City of Rome does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, all investments are reviewed on a monthly basis for interest rate fluctuations and appropriate actions are taken to minimize this risk.

**Fair value measurements.** The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose investment in Georgia Fund 1 within the fair value hierarchy.

The Guaranteed Investment Contract is a nonparticipating interest-earning investment contract and, accordingly, is recorded at cost.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**A. Deposits and Investments - Continued**

**Custodial Credit Risk-Deposits.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes and City policy require all deposits and investments (other than federal or state government instruments) to be collateralized 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. As of December 31, 2019, the City deposits with two (2) financial institutions that were collateralized by pledged securities, as defined above, such that all of the City's bank balances were insured and/or collateralized as defined by GASB and required by State statutes.

**B. Receivables**

**1. Accounts Receivable**

Receivables at December 31, 2019 consisted of taxes, loans, accounts (including billings for user charges and unbilled utility receivables), and intergovernmental receivables. Receivables at December 31, 2019 consist of the following:

<b>Primary Government</b>	<b>Taxes</b>	<b>Loans</b>	<b>Account</b>	<b>Intergov't Receivables</b>	<b>Allowance for Uncollectibles</b>	<b>Net Receivables</b>
General Fund	\$ 3,374,618	\$ -	\$ 4,003,338	\$ 631,186	\$ (2,009,132)	\$ 6,000,010
Capital Fund	-	275,000	102,200	-	(370,000)	7,200
SPLOST Fund	-	-	-	408,880	-	408,880
Nonmajor Governmental Funds	207,526	97,266	102,521	186,782	(62,014)	532,081
Water and Sewer Fund	-	-	3,702,649	1,372,835	(1,505,000)	3,570,484
Fire Fund	-	-	-	41,581	-	41,581
Solid Waste Commission Fund	-	-	323,116	109	(12,000)	311,225
Tennis Center Fund	-	-	12,298	5,000	-	17,298
Nonmajor Proprietary Funds	-	-	471,578	649,975	(142,000)	979,553
Internal Service Funds	-	-	760	80,638	-	81,398
<b>Total Primary Government</b>	<b>3,582,144</b>	<b>372,266</b>	<b>8,718,460</b>	<b>3,376,986</b>	<b>(4,100,146)</b>	<b>11,949,710</b>
Greater Rome CVB	-	-	1,228	18,538	-	19,766
Rome Board of Education	-	-	316,655	10,312,388	-	10,629,043
<b>Total Reporting Entity</b>	<b>\$ 3,582,144</b>	<b>\$ 372,266</b>	<b>\$ 9,036,343</b>	<b>\$ 13,707,912</b>	<b>\$ (4,100,146)</b>	<b>\$ 22,598,519</b>

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**B. Receivables– Continued**

**2. Property Taxes**

Property taxes were levied on July 22, 2019 and were payable on or before November 15, 2019. An interest penalty of 12% per annum is charged on property taxes paid after that date. Property taxes become an enforceable lien on January 1 each year. City property tax revenues are recognized when levied to the extent that they are collected within the current fiscal year or within 60 days of fiscal year end. The City of Rome has an agreement with Floyd County and the Floyd County Tax Commissioner to collect the City's property taxes. This agreement allows taxpayers to pay all of their property taxes at one location since the County can now bill all taxes due on one bill. The City pays a fee for this service.

A summary of outstanding delinquent property taxes receivable at December 31, 2019 is as follows:

<b>Tax Year</b>	
2019	\$ 2,677,448
Prior Years	904,696
	<hr/>
	3,582,144
Allowance for uncollectible	(1,721,189)
	<hr/>
Net taxes receivable	\$ 1,860,955
	<hr/>

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**C. Capital Assets**

Changes in the City's Capital Assets for the year ended December 31, 2019 are as follows:

	<b>Beginning Balance 12/31/2018</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Ending Balance 12/31/2019</b>
<b>Governmental activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 12,839,340	\$ -	\$ -	\$ -	\$ 12,839,340
Construction in progress	8,267,341	14,786,465	(163,507)	(1,446,405)	21,443,894
Total capital assets, not being depreciated	<u>21,106,681</u>	<u>14,786,465</u>	<u>(163,507)</u>	<u>(1,446,405)</u>	<u>34,283,234</u>
Capital assets, being depreciated:					
Buildings	121,941,223	-	-	-	121,941,223
Improvements other than buildings	14,013,947	143,074	-	796,478	14,953,499
Machinery and equipment	7,481,145	246,830	(245,132)	-	7,482,843
Vehicles	5,841,903	655,513	(338,193)	-	6,159,223
Infrastructure	137,845,269	-	(5,528)	649,927	138,489,668
Total capital assets being depreciated	<u>287,123,487</u>	<u>1,045,417</u>	<u>(588,853)</u>	<u>1,446,405</u>	<u>289,026,456</u>
Less accumulated depreciation for:					
Buildings	(35,610,219)	(2,409,905)	-	-	(38,020,124)
Improvements other than buildings	(3,743,147)	(1,386,434)	-	-	(5,129,581)
Machinery and equipment	(5,685,100)	(425,065)	245,132	-	(5,865,033)
Vehicles	(4,779,873)	(481,087)	334,355	-	(4,926,605)
Infrastructure	(106,148,723)	(779,589)	5,528	-	(106,922,784)
Total accumulated depreciation	<u>(155,967,062)</u>	<u>(5,482,080)</u>	<u>585,015</u>	<u>-</u>	<u>(160,864,127)</u>
Total capital assets, being depreciated, net	131,156,425	(4,436,663)	(3,838)	1,446,405	128,162,329
<b>Governmental activities capital assets, net</b>	<b>\$ 152,263,106</b>	<b>\$ 10,349,802</b>	<b>\$ (167,345)</b>	<b>\$ -</b>	<b>\$ 162,445,563</b>
<b>Depreciation expense was charged to functions/programs of the primary government as follows:</b>					
<b>Governmental activities</b>					
General government	\$ 1,002,097				
Public safety	453,094				
Public works	1,187,568				
Public facilities	310,737				
Public services	18,394				
Community development	24,323				
Education	2,485,867				
	<u>\$ 5,482,080</u>				

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**C. Capital Assets – Continued**

Capital Assets for the year ended December 31, 2019 are as follows:

	<b>Beginning Balance 12/31/2018</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Ending Balance 12/31/2019</b>
<b>Business-type activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 8,142,862	\$ -	\$ -	\$ -	\$ 8,142,862
Construction in progress	1,335,288	4,560,351	-	(1,119,520)	4,776,119
Total capital assets, not being depreciated	<u>9,478,150</u>	<u>4,560,351</u>	<u>-</u>	<u>(1,119,520)</u>	<u>12,918,981</u>
Capital assets, being depreciated:					
Buildings	115,886,254	1,588,912	-	-	117,475,166
Improvements other than buildings	24,833,895	-	-	-	24,833,895
Machinery and equipment	17,790,249	2,359,858	(822,106)	-	19,328,001
Vehicles	24,365,276	2,733,539	(696,364)	-	26,402,451
Infrastructure	158,250,786	2,355,864	-	1,119,520	161,726,170
Total capital assets being depreciated	<u>341,126,460</u>	<u>9,038,173</u>	<u>(1,518,470)</u>	<u>1,119,520</u>	<u>349,765,683</u>
Less accumulated depreciation for:					
Buildings	(52,819,442)	(3,273,145)	-	-	(56,092,587)
Improvements other than buildings	(17,065,751)	(586,996)	-	-	(17,652,747)
Machinery and equipment	(14,175,978)	(918,015)	813,462	-	(14,280,531)
Vehicles	(19,264,910)	(1,256,127)	696,364	-	(19,824,673)
Infrastructure	(65,411,589)	(3,477,889)	-	-	(68,889,478)
Total accumulated depreciation	<u>(168,737,670)</u>	<u>(9,512,172)</u>	<u>1,509,826</u>	<u>-</u>	<u>(176,740,016)</u>
Total capital assets, being depreciated, net	<u>172,388,790</u>	<u>(473,999)</u>	<u>(8,644)</u>	<u>1,119,520</u>	<u>173,025,667</u>
<b>Business-type activities capital assets, net</b>	<b><u>\$ 181,866,940</u></b>	<b><u>\$ 4,086,352</u></b>	<b><u>\$ (8,644)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 185,944,648</u></b>

**Depreciation expense was charged to functions/programs of Business-type activities as follows:**

**Business-type activities:**

Water and Sewer System Fund	\$ 6,728,624
Fire Fund	552,158
Tennis Center Fund	257,645
Transit Fund	618,427
Solid Waste Management Fund	405,121
Municipal Golf Fund	63,378
Solid Waste Commission Fund	695,042
Building Inspection Fund	17,023
Public Facilities Fund	174,754
	<u>\$ 9,512,172</u>

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**C. Capital Assets – Continued**

The following table provides a summary of the City's net investment in capital assets. Notes payable for governmental activities does not relate to the acquisition of capital assets recorded by the City:

	Governmental Activities	Business-type Activities	Total
Net Investment in Capital Assets			
Capital assets, nondepreciable	\$ 34,283,234	\$ 12,918,981	\$ 47,202,215
Capital assets, net	128,162,329	173,025,667	301,187,996
Prepaid bond insurance	-	24,110	24,110
Deferred charges on refunding	106,052	567,035	673,087
Retainage payable	(8,212)	(248,013)	(256,225)
Intergovernmental agreements payable	(2,750,000)	-	(2,750,000)
Bonds payable	(4,527,000)	(21,976,104)	(26,503,104)
Notes payable	-	(1,945,380)	(1,945,380)
Financed purchase payable	(99,898)	(907,228)	(1,007,126)
	<u>\$ 155,166,505</u>	<u>\$ 161,459,068</u>	<u>\$ 316,625,573</u>

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**C. Capital Assets – Continued**

<b><u>Component Units</u></b>	<b>Beginning Balance 12/31/2018</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance 12/31/2019</b>
<b>Greater Rome Convention and Visitors Bureau</b>				
<b>Component unit:</b>				
Capital assets, being depreciated:				
Buildings	\$ 181,429	\$ -	\$ -	\$ 181,429
Machinery and equipment	7,000	-	-	7,000
Vehicles	50,092	142,019	(5,000)	187,111
Total capital assets being depreciated	<u>238,521</u>	<u>142,019</u>	<u>(5,000)</u>	<u>375,540</u>
Less accumulated depreciation for:				
Buildings	(140,157)	(2,632)	-	(142,789)
Machinery and equipment	(7,000)	-	-	(7,000)
Vehicles	(8,548)	(21,691)	2,933	(27,306)
Total accumulated depreciation	<u>(155,705)</u>	<u>(24,323)</u>	<u>2,933</u>	<u>(177,095)</u>
Total capital assets, being depreciated, net	82,816	117,696	(2,067)	198,445
<b>Greater Rome Convention and Visitors Bureau</b>	<b><u>\$ 82,816</u></b>	<b><u>\$ 117,696</u></b>	<b><u>\$ (2,067)</u></b>	<b><u>\$ 198,445</u></b>

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**C. Capital Assets – Continued**

<u>Component Units (Continued)</u>	<u>Beginning Balance 6/30/2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance 6/30/2019</u>
<b>Rome Board of Education</b>				
Component unit:				
Capital assets, not being depreciated:				
Land	\$ 157,048	\$ -	\$ -	\$ 157,048
Total capital assets not being depreciated	<u>157,048</u>	<u>-</u>	<u>-</u>	<u>157,048</u>
Capital assets, being depreciated:				
Buildings and Improvements	2,792,778	-	-	2,792,778
Computers and equipment	11,753,454	1,585,362	-	13,338,816
Vehicles	1,742,440	268,138	-	2,010,578
Total capital assets being depreciated	<u>16,288,672</u>	<u>1,853,500</u>	<u>-</u>	<u>18,142,172</u>
Less accumulated depreciation for:				
Buildings and Improvements	(1,342,852)	(78,420)	-	(1,421,272)
Computers and equipment	(7,075,027)	(1,586,479)	-	(8,661,506)
Vehicles	(1,543,186)	(93,106)	-	(1,636,292)
Total accumulated depreciation	<u>(9,961,065)</u>	<u>(1,758,005)</u>	<u>-</u>	<u>(11,719,070)</u>
Total capital assets, being depreciated, net	<u>6,327,607</u>	<u>95,495</u>	<u>-</u>	<u>6,423,102</u>
<b>Rome Board of Education capital assets, net</b>	<b>\$ 6,484,655</b>	<b>\$ 95,495</b>	<b>\$ -</b>	<b>\$ 6,580,150</b>

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**D. Interfund Transactions**

Interfund balances at December 31, 2019 consisted of the following amounts and represent charges for services or reimbursable expenditures. These balances result from a timing lag between 1) the date the interfund goods or services are provided 2) transactions are recorded and 3) payments between funds are made. The City expects to repay all interfund balances within one year.

Interfund receivables and payable balances at December 31, 2019 are as follows:

Payable To:	Payable From												Total								
	General		Capital		SPLOST		Non-major		Water & Sewer System		Fire		Tennis Center		Solid Waste		Non-major		Internal		
	General Fund	Capital Fund	SPLOST Fund	General Governmental Funds	SPLOST Fund	Non-major Governmental Funds	Water & Sewer System Fund	Fire Fund	Tennis Center Fund	Solid Waste Commission Fund	Non-major Enterprise Funds	Internal Service Funds	General Fund	Capital Fund	SPLOST Fund	General Governmental Funds	SPLOST Fund	Non-major Governmental Funds	Water & Sewer System Fund	Fire Fund	Tennis Center Fund
General Fund	\$ -	\$ 64,395	\$ 5,896	\$ 141,083	\$ 9,279	\$ 59	\$ -	\$ 17,996	\$ 87,582	\$ -	\$ -	\$ 326,290									
Capital Fund	2,746,396	-	-	14,284	343	-	370	-	75			2,761,468									
Non-major Governmental Funds	4,000	-	-	11,741	-	-	-	-	-			15,741									
Water & Sewer System Fund	191	356	-	-	-	4,708	-	30	61,330		80	66,695									
Solid Waste Commission Fund	-	-	-	-	2	-	-	-	-		-	2									
Fire Fund	-	5,000	-	-	-	-	-	-	-		-	5,000									
Non-major Enterprise Funds	166,780	-	-	7,663	9,338	-	-	223	-		25	184,029									
Internal Service Funds	36,451	-	-	1,681	18,172	35,644	949	2,393	12,452	-	-	107,742									
<b>Total</b>	<b>\$ 2,953,818</b>	<b>\$ 69,751</b>	<b>\$ 5,896</b>	<b>\$ 176,452</b>	<b>\$ 37,134</b>	<b>\$ 40,411</b>	<b>\$ 1,319</b>	<b>\$ 20,642</b>	<b>\$ 161,439</b>	<b>\$ 105</b>	<b>\$ 3,466,967</b>										

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**D. Interfund Transactions - Continued**

Interfund receivables and payables for Component Units consist of the following:

<b>Rome Convention &amp; Visitors Bureau</b>			
	<b>Payable</b>	<b>Payable</b>	
	<b>From</b>	<b>To</b>	
General Fund	\$ -	\$ 113	
Capital Fund	-	43	
Tennis Center Fund	2,828	-	
Non-major governmental funds	8,009	-	
Internal service funds	-	1,058	
<b>Total</b>	<b><u>\$ 10,837</u></b>	<b><u>\$ 1,214</u></b>	

Advances to other funds are amounts that are owed, other than for charges for goods and services rendered, to a particular fund by another fund in the government reporting entity and are not due within one year.

Interfund advances consist of the following:

<b>Advances To:</b>	<b>Advances From:</b>			
	<b>General Fund</b>	<b>Capital Fund</b>	<b>Internal Service Fund</b>	<b>Total</b>
Capital Fund	\$ 590,000	\$ -	\$ 451,752	\$ 1,041,752
Water and Sewer Fund	-	585,110	-	585,110
Fire Fund	-	400,100	-	400,100
Solid Waste	-	146,000	-	146,000
Commission Fund	-	632,243	-	632,243
Non-major				
Enterprise Funds	-	\$ 1,763,453	\$ 451,752	\$ 2,805,205
<b>Total</b>	<b><u>\$ 590,000</u></b>	<b><u>\$ 1,763,453</u></b>	<b><u>\$ 451,752</u></b>	<b><u>\$ 2,805,205</u></b>

The Solid Waste Commission Fund, through an intergovernmental agreement with the City of Rome, purchased a partial ownership in a portion of the Joint City-County Landfill. This long term financing balance of \$146,000 is included as an advance from the Capital Fund to the Solid Waste Commission Fund.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**D. Interfund Transactions - Continued**

In 2012, the Rome City Commission authorized the borrowing of up to \$1.5 million from the Health Insurance Fund to assist in the construction of the City Mausoleum. The advance will be repaid over a maximum of ten years at 3% interest. As of December 31, 2019, the principal amount outstanding was \$451,752.

Interfund transfers are used to report revenues and expenditures between funds whereby statute or formal budget requires them. These transfers also include revenues collected in the General Fund but by budget authorization are transferred to meet expenditures in other funds, segregation of monies for anticipated capital projects, and to provide additional resources for current operations or debt service. All transfers have occurred on a regular basis or are consistent with the purpose of the fund making the transfer. Transfers to component units are reported as expenditures in the financial statements.

Interfund transfers for the year ended December 31, 2019 are as follows:

<b>Transfers In</b>									
	General Fund	Capital Fund	Non-major Governmental Funds	Water & Sewer System Fund	Tennis Center Fund	Fire Fund	Non-major Enterprise Funds	<b>Total</b>	
<b>Transfers Out:</b>									
General Fund	\$ -	\$ 400,000	\$ 328,483	\$ 41,000	\$ -	\$ 6,535,000	\$ 2,496,966	\$ 9,801,449	
Capital Fund	5,584	-	-	-	136,398	-	113,019	255,001	
SPLOST Fund	-	621,420	-	-	-	887,228	-	1,508,648	
Non-major									
Governmental Funds	163,950	60,119	-	-	510,488	-	-	734,557	
Water & Sewer System Fund	1,620,633	-	-	-	-	-	-	1,620,633	
Fire Fund	1,573,545	-	-	34,480	-	-	-	1,608,025	
Tennis Center Fund	45,529							45,529	
Solid Waste Commission Fund	93,962	-	-	-	-	-	-	93,962	
Non-major									
Enterprise Funds	644,018	-	-	-	-	-	-	644,018	
<b>Total</b>	<b>\$ 4,147,221</b>	<b>\$ 1,081,539</b>	<b>\$ 328,483</b>	<b>\$ 75,480</b>	<b>\$ 646,886</b>	<b>\$ 7,422,228</b>	<b>\$ 2,609,985</b>	<b>\$ 16,311,822</b>	

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**E. Long-Term Debt**

**1. Water and Sewerage System Bonds Payable**

Outstanding Water and Sewerage System Bonds were issued as follows:

2012 Issue: \$32,125,000 in serial bonds maturing through 2022, with interest ranging from 3.00% to 5.00%

2013 Issue: \$ 7,934,000 in a private placement bond issue, maturing through 2028 at an interest rate of 2.25%

In May 2012, the City issued \$32,125,000 of Water and Sewerage Revenue Refunding and Improvement bonds. The 2012 bonds were issued to (i) refund \$33,540,000 in aggregate principal of its 2004 A Water and Sewerage Revenue Refunding and Improvement bonds and (ii) pay the costs of issuance of the 2012 bonds. The net proceeds from the issuance of the water revenue bonds were used to purchase general obligations of the United States of America and those securities were deposited into an irrevocable trust with an escrow agent to provide debt service payments of the prior bonds when due or called. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. Outstanding bonds from the refunded debt outstanding at December 31, 2019, considered defeased, totaled \$10,655,000.

In April 2013, the City of Rome issued \$7,934,000 of Water and Sewerage Revenue Bonds in a private placement. The 2013 bonds were issued to finance the repayment of several GEFA notes outstanding.

Debt covenants on the Series 2012 bonds stipulate that the City must maintain certain rates, fees and charges from its water and sewerage operations sufficient to produce revenues remaining after payment of operating and maintenance costs of the system equal to not less than 120 percent of the amounts required to be paid into the sinking fund, which has been established for debt service payment. The City must also make certain SEC disclosures to the public in accordance with the bond ordinance. In the event of default on payment of the bonds, bondholders may seek remedy, but there are no acceleration clauses enforceable. As of December 31, 2019, the City is in compliance with required debt covenants.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**E. Long-Term Debt - Continued**

**1. Water and Sewerage System Bonds Payable - Continued**

The City of Rome follows all of the applicable rules and regulations concerning bond arbitrage as set forth by the Internal Revenue Service.

Bonds outstanding at December 31, 2019 are as follows:

Water and Sewer Bonds - Series 2012	\$ 10,160,000
Water and Sewer Bonds - Series 2013 - Direct placement	<u>4,213,000</u>
Subtotal	14,373,000
Less current maturities	<u>642,000</u>
Bonds payable, long term	<u><u>\$ 13,731,000</u></u>

Reconciliation of Bonds Payable to Financial Statements:

Current

Bonds payable in less than one year	<u>642,000</u>
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Long-term

Bonds payable in more than one year	\$ 13,731,000
Bond premium, net of amortization	402,581
	<u><u>\$ 14,133,581</u></u>

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**E. Long-Term Debt - Continued**

**2. Golf Bonds Payable**

In 2019, the City of Rome Recreation Facilities Authority issued \$1,955,000 of Series 2019B Revenue Bonds to refund all of the Series 2009 Revenue Bonds and pay the costs of issuing the Series 2019B Bonds. Refunding was undertaken to save on the debt service payments maturing through 2024. The City defeased the 2009 bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets the liability on the defeased bonds are not included in the City's financial statements. At December 31, 2019, \$2,025,000 of bonds outstanding are considered defeased. The City has pledged its full faith and credit and taxing power to service the debt.

The Series 2019B Bonds mature through 2024 with interest ranging from 3.0% to 4.0%. At December 31, 2019, \$1,955,000 of these bonds were outstanding. Bonds payable reflected in the financial statements is net of \$117,189 of unamortized bond premium.

**3. Tennis Center Bonds Payable**

In 2019, the City of Rome Recreation Facilities Authority issued \$4,265,000 of Series 2019A Revenue Bonds to finance construction of indoor covered courts for the Rome Tennis Center of Georgia at Berry College (Project Phase II). The Series 2019A bonds mature through 2033 with interest ranging from 4.0% to 5.0%. At December 31, 2019, \$4,265,000 of these bonds were outstanding. Bonds payable reflected in the financial statements is net of \$863,334 of unamortized bond premium.

**4. Certificates of Participation – Georgia Municipal Association**

In June 1998, the City entered into a lease pool agreement with the Georgia Municipal Association (the "Association"). The funding of the lease pool was provided by the issuance of \$150,126,000 Certificates of Participation by the Association. The Association passed the net proceeds through to the participating municipalities with the City of Rome's participation totaling \$4,527,000. The lease pool agreement with the Association provides that the City owns their portion of the assets invested by the pool and is responsible for the payment of their portion of the principal and interest of the Certificates of Participation. The principal of \$4,527,000 is due in a lump sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year. The City draws from the investment account to lease equipment from the Association. The lease pool agreement requires the City to make lease payments back into its investment account to fund the principal and interest requirements of the 1998 GMA Certificates of Participation.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**E. Long-Term Debt – Continued**

**4. Certificates of Participation – Georgia Municipal Association - Continued**

As part of the issuance of the certificates of participation, the City entered into an interest rate swap agreement. Under the Swap Agreement, the City is required to pay (1) a semiannual (monthly beginning July 1, 2003) floating rate of interest based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index (plus a 31 basis points spread) to, or on behalf of, the Swap Counterparty (the “Swap Payment”); and the Swap Counterparty will pay to, or on behalf of, the City a semi-annual payment based on a rate equal to the fixed rate on the certificates of participation (4.75%) times a notional amount specified in the Swap Agreement, but generally equal to the outstanding unpaid principal portion of such Contract, less the amount originally deposited in the Reserve Fund relating to the Contract, and (ii) a one-time Swap Premium to be paid on the effective date of the Swap Agreement. The semiannual payments from the Swap Counterparty with respect to the City are structured, and expected, to be sufficient to make all interest payments due under the Contract, and related distributions of interest on the Certificates. Monthly interest payments between the City, the holders of the Certificates of Participation, and the Swap Counterparty can be made in net settlement form as part of this agreement. Under the Swap Agreement, the City’s obligation to pay floating payments to the Swap Counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus .05% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time of the certificates of participation. This derivative qualifies as a fair market hedge.

In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the City would be exposed to credit risk in the amount of the Swap’s fair value. To minimize this risk, the City executed this agreement with counterparties of appropriate credit strength, with the counterparty being rated Aa3 by Moody’s. At December 31, 2019, the floating rate being paid by the City is 1.92% and the fair value of this agreement is \$1,127,602, an increase of \$184,335 from the fair value at the end of the previous fiscal year. The fair value of the hedge was determined using settlement prices at the end of the day on December 31, 2019 based on the derivative contract. This fair value is reported as another asset in the statement of net position. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until fiscal year end) is deferred and reported as a deferred inflow of resources in the statement of net position.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**E. Long-Term Debt – Continued**

**5. Debt Service to Maturity for all Bond Issues**

	<b>Water and Sewer</b>		<b>Water and Sewer - Direct Placement Bonds</b>		<b>Golf</b>		<b>Tennis Center</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2020	\$ -	\$ 744,000	\$ 642,000	\$ 87,570	\$ 365,000	\$ 70,750	\$ -	\$ 208,950
2021	4,955,000	508,000	506,000	74,655	380,000	59,800	-	208,950
2022	5,205,000	260,250	483,000	63,529	390,000	48,400	-	208,950
2023	-	-	494,000	52,538	400,000	32,800	-	208,950
2024	-	-	483,000	41,546	420,000	16,800	-	208,950
2025-2029	-	-	1,605,000	72,867	-	-	2,145,000	848,600
2030-2033	-	-	-	-	-	-	2,120,000	271,750
	<b>\$ 10,160,000</b>	<b>\$ 1,512,250</b>	<b>\$ 4,213,000</b>	<b>\$ 392,705</b>	<b>\$ 1,955,000</b>	<b>\$ 228,550</b>	<b>\$ 4,265,000</b>	<b>\$ 2,165,100</b>
<b>Total</b>								
	<b>Principal</b>	<b>Interest</b>						
2020	\$ 1,007,000	\$ 1,111,270						
2021	5,841,000	851,405						
2022	6,078,000	581,129						
2023	894,000	294,288						
2024	903,000	267,296						
2025-2029	3,750,000	921,467						
2030-2033	2,120,000	271,750						
	<b>\$ 20,593,000</b>	<b>\$ 4,298,605</b>						

**6. Debt Service to Maturity for Certificates of Participation – Georgia Municipal Association**

	<b>GMA COP</b>	
	<b>Principal</b>	<b>Interest</b>
2020	\$ -	\$ 215,032
2021	-	215,032
2022	-	215,032
2023	-	215,032
2024	-	215,032
2025-2028	4,527,000	860,128
	<b>\$ 4,527,000</b>	<b>\$ 1,935,288</b>

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**E. Long-Term Debt – Continued**

**7. Notes Payable from Direct Borrowing and Intergovernmental Agreement**

In 2013, the City entered into a direct borrowing agreement with the Georgia Environmental Finance Authority (GEFA) and the State Revolving Loan Fund to finance the construction and improvements of various water and sewer facilities. As of December 31, 2019, the City had entered into one (1) such loan agreement with a loan balance of \$1,945,380.

The following is a schedule of the future required principal and interest payments on the GEFA direct borrowing loan agreements as of December 31, 2019:

Issue Date	Interest Rate (%)	Maturity Date	Beginning Balance	Retired	Outstanding	Current	Long-Term
12/31/2014	2.13%	1/1/2035	\$ 2,053,605	\$ 108,225	\$ 1,945,380	\$ 110,553	\$ 1,834,827

In 2008, Floyd County issued debt in the amount of \$7,880,000 (City's portion \$3,940,000) at an interest rate between 3.10% to 5.00%, in order to finance the costs of constructing the Forum parking deck. The City of Rome purchased one half of the project through an intergovernmental agreement from Floyd County and agreed to make installment payments to pay one half of the principal and interest on the debt when due. One half of the total project was capitalized on the City's books. In 2014, Floyd County advance refunded the original debt prior to the expiration of the intergovernmental agreement, in which the perceived economic advantages of the refunding are passed through to the City of Rome. The City adjusted the intergovernmental payable to the present value of future minimum payments in the revised agreement which resulted in a deferred charge on refunding to be amortized as a component of interest expenditures straight-line over the remaining life of the agreement.

The City entered into an agreement with three property owners to purchase property for \$1,675,000 at an interest rate of 5%. The City renegotiated the payment schedule with the final payment to be made in fiscal year 2018. In 2010, the City issued debt in the amount of \$571,600 at an interest rate of 5.83% per annum, in order to provide funds to pay certain redevelopment costs within TAD II. The final payment will be made in fiscal year 2024 for the TAD II note.

In January and April 2018, the City entered into agreements with two developers to provide for certain costs associated with the constructing of an apartment project, hotel project and reimbursing for a portion of related costs. Two notes were issued to provide for certain costs in the areas, which are designated as Tax Allocation Districts (TADs). The TAD notes are promissory notes issued by the City that are payable and secured by anticipated incremental increases in ad valorem property taxes collected within the districts and paid to the City. TAD Note 1 was issued for \$2,504,379 with a present value of \$2,142,302 and TAD Note 2 was issued for \$3,300,000 with a present value of \$2,774,676. TAD Note 1 matures in 2029 and TAD Note 2 matures in 2032. An imputed interest amount, or discount, was calculated on the notes payable due to neither note having a stated interest rate.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**E. Long-Term Debt - Continued**

**7. Notes Payable from Direct Borrowing and Intergovernmental Agreement - Continued**

The following is a schedule of the future required principal and interest payments on the notes payable as of December 31, 2019:

<b>Ended December 31,</b>	<b>Governmental Activities</b>			<b>Business-type Activities</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2020	\$ 678,823	\$ 13,573	\$ 692,396	\$ 110,553	\$ 40,361	\$ 150,914
2021	472,541	11,157	483,698	112,931	37,984	150,915
2022	475,098	8,600	483,698	115,360	35,554	150,914
2023	477,804	5,894	483,698	117,841	33,073	150,914
2024	480,667	3,031	483,698	120,376	30,539	150,915
2025-2029	2,143,493	-	2,143,493	641,850	112,723	754,573
2030-2034	660,000	-	660,000	713,915	40,660	754,575
2035	-	-	-	12,554	22	12,576
<b>Total</b>	<b>5,388,426</b>	<b>\$ 42,255</b>	<b>\$ 5,430,681</b>	<b>1,945,380</b>	<b>\$ 330,916</b>	<b>\$ 2,276,296</b>
Less current maturities	678,823			110,553		
<b>Long-term</b>	<b>\$ 4,709,603</b>			<b>\$ 1,834,827</b>		

The following is a schedule of the future required principal and interest payments on the intergovernmental agreement as of December 31, 2019:

<b>Year Ended December 31,</b>	<b>Governmental Activities</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2020	\$ 175,000	\$ 90,715	\$ 265,715
2021	180,000	85,465	265,465
2022	187,500	80,065	267,565
2023	190,000	76,315	266,315
2024	197,500	72,325	269,825
2025-2029	1,070,000	268,613	1,338,613
2030-2032	750,000	60,800	810,800
<b>Total</b>	<b>2,750,000</b>	<b>\$ 734,298</b>	<b>\$ 3,484,298</b>
Less current maturities	175,000		
<b>Long-term</b>	<b>\$ 2,575,000</b>		

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**E. Long-Term Debt - Continued**

**8. Financed Purchase from Direct Borrowing**

In December 2018, the City entered into a financed purchase agreement for the acquisition of police software used in general governmental activities. As of December 31, 2019, the City had software equipment under a financed purchase agreement with a cost of \$147,703 and accumulated depreciation of \$80,839 for a net book value of \$66,864. Annual depreciation of the asset is included in depreciation expense. The City's total debt service requirements to maturity on its financed purchase is as follows:

<b>Year Ended December 31,</b>	<b>Governmental Activities</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2020	\$ 48,894	\$ 4,309	\$ 53,203
2021	51,004	2,200	53,204
<b>Total</b>	<b>\$ 99,898</b>	<b>\$ 6,509</b>	<b>\$ 106,407</b>

In June 2019, the City entered into a financed purchase agreement for the acquisition of a fire truck for use in the Fire Fund. As of December 31, 2019, the City had the fire truck under a financed purchase agreement with a cost of \$930,526 and accumulated depreciation of \$25,848 for a net book value of \$904,678. Annual depreciation of the asset is included in depreciation expense. The City's total debt service requirements to maturity on its financed purchase is as follows:

<b>Year Ended December 31,</b>	<b>Fire Fund</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2020	\$ 118,184	\$ 27,761	\$ 145,945
2021	121,801	24,145	145,946
2022	125,528	20,418	145,946
2023	129,369	16,577	145,946
2024	133,328	12,618	145,946
2025-2026	279,018	12,871	291,889
<b>Total</b>	<b>\$ 907,228</b>	<b>\$ 114,390</b>	<b>\$ 1,021,618</b>

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**E. Long-Term Debt – Continued**

**9. Changes in Long - Term Debt of the City**

The following is a summary of changes in long-term debt of the City for fiscal year ended December 31, 2019. The General Fund has typically been used to liquidate the liability for compensated absences, notes payable and other long-term liabilities in the governmental activities:

	<b>Balance 12/31/2018</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance 12/31/2019</b>	<b>Due within one year</b>	<b>Due in more than one year</b>
<b>Governmental Activities:</b>						
Certificates of Participation	\$ 4,527,000	\$ -	\$ -	\$ 4,527,000	\$ -	\$ 4,527,000
Bonds Payable	2,975,000	-	2,975,000	-	-	-
Unamortized Bond Premium	107,073	-	107,073	-	-	-
Notes Payable	5,647,571	-	259,145	5,388,426	678,823	4,709,603
Discount on notes payable	(769,306)	-	(113,068)	(656,238)	-	(656,238)
Financed Purchase	147,703	-	47,805	99,898	48,894	51,004
Total OPEB Liability	17,366,694	1,140,968	2,253,485	16,254,177	-	16,254,177
Intergovernmental Agreements	2,920,000	-	170,000	2,750,000	175,000	2,575,000
Net Pension Liability	22,747,167	9,194,958	5,997,327	25,944,798	-	25,944,798
Compensated Absences	984,773	730,977	736,082	979,668	734,751	244,917
<b>Total Governmental Activities</b>	<b><u>\$ 56,653,675</u></b>	<b><u>\$ 11,066,903</u></b>	<b><u>\$ 12,432,849</u></b>	<b><u>\$ 55,287,729</u></b>	<b><u>\$ 1,637,468</u></b>	<b><u>\$ 53,650,261</u></b>
<b>Business-Type Activities:</b>						
Revenue Bonds	\$ 22,154,000	\$ 6,220,000	\$ 7,781,000	\$ 20,593,000	\$ 1,007,000	\$ 19,586,000
Unamortized Bond Premium	832,972	1,008,761	458,629	1,383,104	-	1,383,104
Notes Payable	2,053,605	-	108,225	1,945,380	110,553	1,834,827
Financed Purchase	-	907,228	-	907,228	118,184	789,044
Landfill Closure/Postclosure	9,118,037	484,491	91,342	9,511,186	238,517	9,272,669
Compensated Absences	1,528,520	1,192,287	1,140,520	1,580,287	1,177,882	402,405
<b>Total Business-Type Activities</b>	<b><u>\$ 35,687,134</u></b>	<b><u>\$ 9,812,767</u></b>	<b><u>\$ 9,579,716</u></b>	<b><u>\$ 35,920,185</u></b>	<b><u>\$ 2,652,136</u></b>	<b><u>\$ 33,268,049</u></b>

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**E. Long-Term Debt - Continued**

**9. Changes in Long - Term Debt of the City – Continued**

Component Unit	<u>Balance</u> <u>12/31/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2019</u>	<u>Due within</u> <u>one year</u>	<u>Due in more</u> <u>than one year</u>
<b>Greater Rome Convention &amp; Visitors Bureau</b>						
Compensated Absences	\$ 41,383	\$ 30,256	\$ 31,086	\$ 40,553	\$ 30,415	\$ 10,138
<b>Total Greater Rome Convention and Visitors Bureau</b>	<u>\$ 41,383</u>	<u>\$ 30,256</u>	<u>\$ 31,086</u>	<u>\$ 40,553</u>	<u>\$ 30,415</u>	<u>\$ 10,138</u>
 <b>Component Unit</b>						
<b>Rome Board of Education</b>	<u>Balance</u> <u>6/30/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2019</u>	<u>Due within</u> <u>one year</u>	<u>Due in more</u> <u>than one year</u>
General Obligation Bonds	\$ -	\$ 21,490,000	\$ -	\$ 21,490,000	\$ -	\$ 21,490,000
Bond Premiums	-	2,742,626	-	\$ 2,742,626	-	2,742,626
<b>Total Bonds Payable</b>	<u>-</u>	<u>24,232,626</u>	<u>-</u>	<u>24,232,626</u>	<u>-</u>	<u>24,232,626</u>
 Construction Bonds	2,000,000	-	2,000,000	-	-	-
Compensated Absences	81,270	253,433	235,755	98,948	98,948	-
<b>Total OPEB Liability</b>	<u>44,824,429</u>	<u>1,839,612</u>	<u>4,683,543</u>	<u>41,980,498</u>	<u>-</u>	<u>41,980,498</u>
Net Pension Liability	51,338,940	7,090,864	8,301,811	50,127,993	-	50,127,993
 <b>Total Rome Board of Education</b>	<u>\$ 98,244,639</u>	<u>\$ 33,416,535</u>	<u>\$ 15,221,109</u>	<u>\$ 116,440,065</u>	<u>\$ 98,948</u>	<u>\$ 92,108,491</u>

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**F. Pension Plans**

**1. City of Rome Defined Benefit Plan**

**a) Plan Description**

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

As provided by state law, benefit provisions for participants in GMEBS are established and amended by the respective employers. As authorized by City Council, the plan provides pension benefits and death and disability benefits for plan members and beneficiaries. Plan benefit provisions are established by the City Commission. Employees are eligible to participate in the Plan upon hire. Covered employees are not required to contribute to the Plan. Employees become vested after 10 years of service. The benefits of the Plan are paid in the form of a monthly life annuity based on the employees' final average earnings. Benefits are calculated at 1.35% to 2.0% of the average monthly earnings for the period of the five highest years prior to retirement. Normal retirement age is 60 if employed prior to April 1, 1958, 62 if participant has 25 or more years of service, and 65 if employed on or after April 1, 1958 with less than 25 years of service. Effective for all employees hired subsequent to September 1, 2013, all retirement classification age brackets were increased two years.

*Plan Membership.* At July 1, 2019, the date of the most recent actuarial valuation, there were 1,096 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	391
Terminated vested participants not yet receiving benefits	134
Active employees - vested	276
Active employees - nonvested	295
<b>Total</b>	<b><u>1,096</u></b>

*Contributions.* The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the plan is to contribute an amount equal to or greater than the recommended contribution described below. For 2019, the actuarially determined contribution was \$3,624,563. The City makes all contributions to the plan. For 2019, the City's contribution to the Plan was \$3,624,563.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**F. Pension Plans - Continued**

**1. City of Rome Defined Benefit Plan - Continued**

**b) Net Pension Liability of the City**

The City's net pension liability was measured as of March 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 with update procedures performed by the actuary to roll forward to the total pension liability measured as of March 31, 2019.

*Actuarial assumptions.* The total pension liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.25 - 8.25%, including inflation
Investment rate of return	7.5%, net of pension plan investment expense, including inflation

Mortality rates for the July 1, 2018 valuation were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010–June 30, 2014.

Cost of living adjustments were assumed to be 2.75% for Class 5; 0.00% otherwise.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**F. Pension Plans - Continued**

**1. City of Rome Defined Benefit Plan - Continued**

**b) Net Pension Liability of the City - Continued**

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 March 31, 2019 are summarized in the table below:

<b>Asset class</b>	<b>Target allocation</b>	<b>Long-term expected real rate of return*</b>
Domestic equity	45%	6.40%
International equity	20%	7.40
Real estate	10%	5.10
Global fixed income	5%	3.03
Domestic fixed income	20%	1.75
Cash	—%	
<b>Total</b>	<b>100%</b>	

\* Rates shown are net of the 3.25% assumed rate of inflation

*Discount rate.* The discount rate used to measure the total pension liability was 7.50%. 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.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**F. Pension Plans - Continued**

**1. City of Rome Defined Benefit Plan - Continued**

**b) Net Pension Liability of the City - Continued**

*Changes in the Net Pension Liability of the City.* The changes in the components of the net pension liability of the City for the fiscal year ended December 31, 2019 were as follows:

	<b>Total Pension</b>		<b>Plan Fiduciary</b>		<b>Net Pension</b>	
	<b>Liability</b>		<b>Net Position</b>		<b>Liability</b>	
	<b>(a)</b>	<b>(b)</b>	<b>(a)</b>	<b>(b)</b>	<b>(a) - (b)</b>	<b>(a) - (b)</b>
<b>Balances at 12/31/18</b>	\$ 92,857,850	\$ 70,110,683	\$ 22,747,167			
<b>Changes for the year:</b>						
Service cost	815,987		-		815,987	
Interest	6,799,568		-		6,799,568	
Differences between expected and actual experience	1,454,838		-		1,454,838	
Contributions—employer	-	3,517,829		(3,517,829)		
Net investment income	-	2,479,498		(2,479,498)		
Benefit payments, including refunds of employee contributions	(6,025,851)	(6,025,851)				-
Administrative expense	-	(124,565)		124,565		
<b>Net changes</b>	<b>3,044,542</b>	<b>(153,089)</b>		<b>3,197,631</b>		
<b>Balances at 12/31/19</b>	<b>\$ 95,902,392</b>	<b>\$ 69,957,594</b>	<b>\$ 25,944,798</b>			

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

City of Rome, Georgia

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**F. Pension Plans - Continued**

**1. City of Rome Defined Benefit Plan - Continued**

**b) Net Pension Liability of the City - Continued**

*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the City, calculated using the discount rate of 7.50%, 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 (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's net pension liability	\$ 35,736,774	\$ 25,944,798	\$ 17,603,498

*Changes in the Net Pension Liability of the City.* 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 March 31, 2019 and the current sharing pattern of costs between employer and employee.

City of Rome, Georgia

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**F. Pension Plans - Continued**

**1. City of Rome Defined Benefit Plan - Continued**

**c) Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the fiscal year ended December 31, 2019, the City recognized pension expense of \$4,528,412. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,751,460	\$ 96,887
Changes in assumptions	679,704	-
Net difference between projected and actual earnings on pension plan investments	98,541	-
City contributions subsequent to the measurement date	<u>2,718,422</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 6,248,127</u></b>	<b><u>\$ 96,887</u></b>

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**F. Pension Plans - Continued**

**1. City of Rome Defined Benefit Plan - Continued**

**c) Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued**

City contributions subsequent to the measurement date of \$2,718,422 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:

2020	\$	1,705,765
2021		897,863
2022		293,174
2023		536,016
Total	\$	<u><u>3,432,818</u></u>

**2. City of Rome Defined Contribution Plan**

**a) Plan Description**

The City participates in the Georgia Municipal Association 401(a) Defined Contribution Plan which is administered through the Georgia Municipal Association (GMA). The Plan is a governmental qualified defined contribution plan under Sections 401(a) and 414(d) of the Internal Revenue Code.

Employees are eligible to participate in the Plan after three months of continuous service. Covered employees are not required or permitted to contribute to the Plan. Vesting in the employer contribution portion of their accounts is based on years of participation. An employee is 100% vested after five years of participation. The City may amend any of the provisions in the adoption agreement with GMA by an official action from the City Commission and approval of GMA.

The City's contributions will be made to match all or a portion of an employee's contribution to an eligible 457(b) deferred compensation plan, including the GMA Deferred Compensation Plan. For each pay period in which the employee contributes to a 457 Plan of the City, the City will contribute on a dollar for dollar matching basis up to a maximum of 1¼ % of salary per Plan year. City contributions to the Plan for the year ended December 31, 2019 totaled \$230,137.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**G. Postretirement Health Care and Life Insurance Benefits**

**Plan Description and Benefits**

The Rome City Commission has contracted with the Standard Insurance Company to administer postretirement life insurance benefits to all employees who retire under early or normal retirement provisions. There are no separately issued financial statements related to the City's Plan. The City's obligation to provide these benefits was created under a City ordinance. At age 65, life insurance coverage is reduced to 65% of the amount previously allowed under the Plan and at age 70, the coverage is reduced to 50% of the amount previously allowed under the Plan. The City has elected not to establish a separate trust fund to account for other postemployment benefits, and has not funded the Plan as of December 31, 2019. The City of Rome Retirement Pension Insurance Plan is a single-employer defined benefit postemployment health care plan or other postemployment benefit (OPEB) plan.

The City of Rome currently contracts with Blue Cross Blue Shield to administer the postretirement health care benefits. The City's obligation to provide these benefits was created under a City ordinance. Upon termination of employment, eligible employees are entitled to continue coverage, at their own cost, under the City's medical self-insurance plan (Note H.1) up to age 65. After 15 years of service, the City pays 10% of the retiree's share of charges from the City's medical self-insurance fund and life insurance carriers. The City's portion is increased 1% for each year of service to a maximum of 30%.

**Eligibility**

Eligible participants for Other Postemployment Benefits include full time employees, hired prior to January 1, 2006, meeting the City's requirements for normal or early retirement.

**Plan Membership**

The following schedule (derived from the most recent actuarial valuation report) reflects membership for the OPEB Health Care Plan as of January 1, 2019:

Active members	576
Retired members	207
Total	<u>783</u>

**City Contributions**

The City has elected to fund the plan on a pay-as-you go basis. For the year ended December 31, 2019, the City contributed \$910,591 for the pay as you go benefits for the OPEB Plan.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**G. Postretirement Health Care and Life Insurance Benefits - Continued**

**Total OPEB Liability**

The City's total OPEB liability of \$16,254,177 was measured as of January 1, 2019 and was determined by an actuarial valuation as of January 1, 2018 using standard rollforward techniques.

**Actuarial Assumptions and Other Inputs**

The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation rate	2.75%
Salary increase, including wage inflation	3.25%
Discount rate	4.10%
Health care cost trends	
Pre-medicare	7.25% - 4.75%, Ultimate Trend in 2028
Medicare	5.38% - 4.75%, Ultimate Trend in 2022

Mortality rates were based on the SOA RP-2000 Combined Healthy Mortality Table with sex-distinct rates. Disability mortality based on RP-2000 disability.

The actuarial assumptions used in the January 1, 2018 valuation were based on a review of recent plan experience done concurrently with the January 1, 2018 valuation.

The discount rate is based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). Specifically, the chosen rate of the Bond Buyer General Obligation 20-year Municipal Bond Index published as of the measurement date of January 1, 2019.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**G. Postretirement Health Care and Life Insurance Benefits - Continued**

**Changes in the Total OPEB Liability**

The changes in the total OPEB liability for the City for the fiscal year ended December 31, 2019 were as follows:

	<b>Total OPEB Liability</b>
Balance at December 31, 2018	\$ 17,366,694
Service Cost	325,427
Interest	582,754
Experience differences	232,787
Assumption changes	(1,393,862)
Benefit payments	(859,623)
Balance at December 31, 2019	<b><u>\$ 16,254,177</u></b>

**Sensitivity for the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.10 percent) or 1-percentage-point higher (5.10) than the current discount rate:

	<b>Current</b>		
	<b>1% Decrease (3.10%)</b>	<b>Discount Rate (4.10%)</b>	<b>1% Increase (5.10%)</b>
Total OPEB liability	\$ 18,437,894	\$ 16,254,177	\$ 14,443,519

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**G. Postretirement Health Care and Life Insurance Benefits - Continued**

**Sensitivity for the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate**

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (Pre-Medicare 6.25% trended down to 3.75% and Medicare 4.38% trended down to 3.75%) or 1-percentage-point higher (Pre-Medicare 8.25% trended down to 5.75% and Medicare 6.38% trended down to 5.75%) than the current healthcare cost trend rates:

	<b>1% Decrease in Health Care Cost Trend Rates</b>	<b>Current Health Care Cost Trend Rates</b>	<b>1% Increase in Health Care Cost Trend Rates</b>
Total OPEB liability	\$ 15,641,543	\$ 16,254,177	\$ 16,988,342

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 revisions 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 January 1, 2019 and the current sharing pattern of costs between employer and inactive employees.

**OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2019 the City recognized OPEB expense of \$1,229,990. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 438,250	\$ -
Changes in plan assumptions	470,250	1,138,108
City contributions subsequent to the measurement date	910,591	-
<b>Total</b>	<b>\$ 1,819,091</b>	<b>\$ 1,138,108</b>

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**G. Postretirement Health Care and Life Insurance Benefits - Continued**

**OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB - Continued**

City contributions made subsequent to the measurement date of \$910,591 are reported as deferred outflows of resources and will be recognized as a decrease of the total OPEB liability in the year ending December 31, 2020. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

**Year ending December 31:**

2020	\$	(4,801)
2021		(4,801)
2022		(4,801)
2023		(119,335)
Thereafter		<u>(95,870)</u>
	<u>\$</u>	<u>(229,608)</u>

**H. Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance for claims in excess of workers' compensation and medical care coverage provided by its internal service funds. The City participates in an insurance pool for all other risks of loss. Settled claims have not exceeded insurance coverage in any of the past three fiscal years.

The City participates in the Georgia Interlocal Risk Management Agency (GIRMA) Fund (the "Fund"). The Fund was established by the Georgia Municipal Association to insure members for property and casualty losses. The Fund is obligated to provide for the cost of property and casualty losses incurred by the City along with the cost of defending such claims and losses. The Fund is intended to be self-sustaining through member premiums. Accordingly, the City is required to pay premiums to the Fund based upon estimated claims and losses incurred by all members of the Fund. The City is responsible for a pro rata share of fund losses that exceed member contributions.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**H. Risk Management – Continued**

**1. Health Insurance Fund**

The Health Insurance Fund was established to provide resources for and payment of employee medical claims. The Fund covers all of the City's employees and employees of the Greater Rome Visitors and Convention Bureau component unit. The City pays approximately 85% of the employee's premiums and approximately 75% of dependent medical premiums. The City's portion of the medical premiums is transferred to the self-insurance fund each month. The employee's portion of the medical premiums are withheld from the employee's payroll and transferred to the self-insurance fund each month. Charges to other funds and the component units are treated as operating revenues in the self-insurance fund.

The self-insurance program is designed so that the City pays actual aggregate claims up to 110% of annual projected claims. Projected maximum claims for the Plan year beginning January 1, 2019 total \$8,404,283. After the City's paid claims reach 110% of the annual projected claims, a private insurance carrier will pay the next \$1,000,000 of claims. If the private insurance were to be exhausted, the City would be liable for any additional claims filed during the year. In addition to the annual limit, claims for any one claim which exceed \$175,000 in the annual claims year will be covered by the private insurance carrier. The City has entered into a contract with a third party to administer the program.

The City has accrued a liability for medical claims that were incurred prior to year-end but were not paid or reported during the period. This liability is based upon historical experience and other factors. Changes in the balances of claims liabilities were as follows:

	<b>Beginning of Fiscal-Year Liability</b>	<b>Current-Year Claims and Changes in Estimates</b>	<b>Claim Payments</b>	<b>End of Fiscal-Year Liability</b>
2018	\$ 500,000	\$ 4,676,822	\$ (4,751,822)	\$ 425,000
2019	425,000	6,195,335	(5,970,335)	650,000

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**H. Risk Management - Continued**

**2. Workers' Compensation Self-Insurance Fund**

The Workers' Compensation Fund was established to provide resources for payment of workers' compensation claims to the City and Greater Rome Convention & Visitors Bureau component unit employees. Individual departments and component units were charged for workers' compensation based upon previous insurance carriers' cost charges. Charges to other funds and component units are treated as operating revenues in the self-insurance fund. As of January 1, 2002, the City became fully insured through participation in the GMA Workers Compensation risk pool. This pool operates as a common risk management and insurance program for member local governments. As part of this risk pool, the City is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claims or loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds. The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member governments' contracts and in accordance with the workers' compensation laws of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense. Therefore, the City is not liable for workers' compensation claims occurring subsequent to January 1, 2002. However, the City continues to be responsible for outstanding claims filed prior to January 1, 2002. There is a stop-loss limit of \$250,000 per claim covered through a private insurance carrier. Also, during 2019, the City recorded a reimbursement of \$191,791 from the Subsequent Injury Trust Fund of the State.

The City has accrued a liability for workers' compensation claims that were incurred prior to January 1, 2002, but were not paid as of December 31, 2019. Also included in the accrued liability for workers' compensation claims are the outstanding deductibles owed by the City for all current claims. This liability is based upon historical experience and other factors. Changes in the balances of claims liabilities were as follows:

	<b>Beginning of Fiscal-Year Liability</b>	<b>Current-Year Claims and Changes in Estimates</b>	<b>Claim Payments</b>	<b>End of Fiscal-Year Liability</b>
2018	\$ 275,000	\$ 442,428	\$ (467,428)	\$ 250,000
2019	250,000	599,442	(449,442)	400,000

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**I. Contingent Liabilities**

The City is involved in a number of legal matters, which either have or could result in litigation. In the opinion of City management, the ultimate outcome of these contingencies will not have a material impact on the financial position of the City.

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the City believes such disallowance, if any, will be immaterial.

The City has a property, old Fox Manufacturing Company site, listed on the Georgia Hazardous Site Inventory as Number 10012. The site has been used for the production of lumber and furniture from the late 1800's until the early 1980's. A Corrective Action Plan (CAP) was designed to explain conditions at the site and propose any remedial actions that might be necessary. Based on the findings presented in the CAP, the site is in compliance with Type 3 non-residential Risk Reduction Standards (RRS) except for a few locations within the site but those locations do comply with Type 1 or 2 residential RRS and/or Type 4 non-residential RRS.

**J. Landfill Closure and Postclosure Care Cost**

The City has closed and placed a final cover on its Walker Mountain Phase I - III landfill site and is currently operating Phases IV, V, VI and VII sites and C&D construction and demolition Phase I site. State and Federal laws and regulations require the City to perform certain maintenance and monitoring functions at these sites for 30 years after closure. Although these postclosure care costs will be paid only after the date that the landfill stops accepting waste, the City has reported these postclosure care costs as an operating expense in the current and prior years based on landfill capacity used as of each statement of net position date. The \$2,568,414 (\$126,742 current) reported as postclosure care liability at December 31, 2019, represents the cumulative amount reported to date based on the use of 100% of the capacity of Phase I - VI of the landfill and 80% of the capacity of Phase VII. The \$1,380,499 (\$47,934 current) reported as postclosure care liability at December 31, 2019 represents the cumulative amount reported to date based on the use of 96% of the capacity of Phase I of C&D. In addition, \$4,413,135 has been accrued at December 31, 2019 for closure costs for Phases IV, V, VI, and VII and the C&D sites based on the landfill capacity used as of the statement of net position date. The estimated remaining life of the Walker Mountain landfill is 30 years.

Under an agreement with Floyd County, the County will provide certain financial resources to the City's Solid Waste Commission Fund and the Solid Waste Commission Fund will pay for the postclosure care costs at a landfill site previously operated by the County (Berryhill site). Accordingly, a liability for postclosure costs totaling \$1,149,138 (\$63,841 current) has been recognized in the Solid Waste Commission Fund as of December 31, 2019. This represents approximately 100 percent of the estimated total future postclosure costs for this landfill site.

The liability for closure and postclosure care costs is based on what it would cost to perform all closure and postclosure care as of December 31, 2019 and is subject to changes resulting from inflation, deflation, technology or changes in laws or regulations. These costs are expected to be funded by revenues generated from future landfill operations. The Subtitle D landfill is jointly owned by the City and Floyd County and is operated by the Solid Waste Commission Fund. This fund is intended to be self-supporting by user fees. However, under a contract between the City and the County, the City and County are each responsible for fifty percent of any costs not funded by user fees.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS - Continued**

**K. Joint Venture**

Under Georgia law, the City in conjunction with other cities and counties in the Northwest Georgia area, is a member of the Northwest Georgia Regional Commission (NWGRC). Membership in a NWGRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the NWGRC. Membership in the NWGRC includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a NWGRC. During fiscal year 2019, the City paid dues in the amount of \$36,634 to the NWGRC. The financial burdens of the City related to the NWGRC are limited to the amount of the City's annual dues. Separate financial statements may be obtained from the Northwest Georgia Regional Commission, PO Box 1798, Rome, Georgia 30162.

**L. Hotel/Motel Tax**

The City of Rome levies an 8% lodging tax. In 1995, the City of Rome and Floyd County imposed a 1% tax for the purpose of promoting tourism, conventions and trade shows. In July 2014, the lodging tax was increased to 8%. The additional 2% is for operations and maintenance of the Rome Tennis Center at Berry College. A summary of transactions for the fiscal year ended December 31, 2019 is as follows:

	<u>5% Levy</u>	<u>1% Levy</u>	<u>2% Levy</u>	<u>Total</u>
Balance as of December 31, 2018	\$ 949,799	\$ 181,507	\$ 697	\$ 1,132,003
2019 Tax Revenues	942,923	188,438	376,689	1,508,050
2019 Interest Revenue	15,367	2,928	-	18,295
2019 Expenditures				
Greater Rome Convention & Visitors Bureau	600,000	77,712	-	677,712
City of Rome	180,156	-	-	180,156
Floyd County	-	76,599	-	76,599
Transfer to Tennis Center	143,799	-	376,689	520,488
Balance as of December 31, 2019	<u>\$ 984,134</u>	<u>\$ 218,562</u>	<u>\$ 697</u>	<u>\$ 1,203,393</u>

Expenditures paid with the 1% hotel/motel tax were used to promote tourism, conventions and trade shows as required by O.C.G.A. 48-13-51. Expenditures of \$154,310 made during 2019 were 82% of total 2019 1% tax collections and expenditures of \$923,955 were 98% of 2019 5% tax collections.

**City of Rome, Georgia**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2019**

**NOTE III - DETAILED NOTES ON ALL FUNDS – Continued**

**M. Related Organizations**

The Rome City Commission is responsible for appointing all board members of the Northwest Georgia Housing Authority. However, the City has no further accountability for the Authority.

**N. Construction Commitments**

The City of Rome has several active construction projects as of December 31, 2019. These projects are associated with water and sewer improvements and other construction. They are all financed with SPLOST proceeds, budgeted capital monies and bond monies.

<b>Projects</b>	<b>Remaining Commitment</b>
Hamler Filter Console	\$ 137,342
North Avenue Upgrades	43,370
Wastewater Digester Cover	494,886
Wastewater Inflent	75,625
Wastewater RAS	24,300
Mount Berry Trail Connectivity	261,054
Tennis Center at Berry	1,533,884
<b>Total</b>	<b><u>\$ 2,570,461</u></b>

**O. Tax Abatements**

For the year ended December 31, 2019, City property tax revenues were reduced by \$189,956 under agreements entered into by the Rome Floyd County Development Authority. 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**

The City of Rome General Fund schedule of revenues and expenditures, budget and actual is presented as required supplementary information to the basic financial statements.

The General Fund is the primary operating fund of the City and is presented as a major fund in the basic financial statements.

The City of Rome Schedule of Changes in the City's Net Pension Liability and Related Ratios, Schedule of City Contributions, and Schedule of Changes in the City's Total OPEB Liability and Related Ratios – OPEB Plan are presented as required supplementary information to the basic financial statements.

**CITY OF ROME, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES & EXPENDITURES**  
**BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Ad valorem taxes:				
Real and personal property:				
Current year	\$ 8,300,000	\$ 9,408,290	\$ 9,934,181	\$ 525,891
Prior years	950,000	950,000	953,773	3,773
Public utilities	325,000	325,000	386,498	61,498
Motor vehicles	120,000	120,000	162,736	42,736
Tag Title Fee	890,000	890,000	933,281	43,281
Mobile homes	2,000	2,000	1,155	(845)
Total ad valorem taxes	<u>10,587,000</u>	<u>11,695,290</u>	<u>12,371,624</u>	<u>676,334</u>
Other taxes:				
Intangible tax	250,000	250,000	312,055	62,055
Insurance premium tax	2,450,000	2,450,000	2,770,696	320,696
Franchise tax	3,287,000	3,287,000	3,282,081	(4,919)
Local option sales tax	6,025,000	6,025,000	6,377,883	352,883
Real estate transfer tax	53,000	53,000	54,121	1,121
Tax on liquor and wine	780,000	780,000	788,734	8,734
Mixed drink tax	90,000	90,000	127,227	37,227
Total other taxes	<u>12,935,000</u>	<u>12,935,000</u>	<u>13,712,797</u>	<u>777,797</u>
Licenses, permits and fees:				
Business licenses	1,880,000	1,880,000	1,997,893	117,893
Permits and fees	140,000	140,000	120,123	(19,877)
Total licenses, permits and fees	<u>2,020,000</u>	<u>2,020,000</u>	<u>2,118,016</u>	<u>98,016</u>
Intergovernmental:				
Highway maintenance	120,000	120,000	134,784	14,784
Traffic signals	50,000	50,000	62,193	12,193
County environmental information	75,000	75,000	25,382	(49,618)
Entitlement reimbursement	25,000	25,000	50,175	25,175
Housing authority	50,725	50,725	77,696	26,971
Grant reimbursement	-	-	84,998	84,998
Total intergovernmental	<u>320,725</u>	<u>320,725</u>	<u>435,228</u>	<u>114,503</u>

continued

**CITY OF ROME, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES & EXPENDITURES**  
**BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	<b>ORIGINAL BUDGET</b>	<b>FINAL BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE POSITIVE (NEGATIVE)</b>
Fines and forfeitures:				
Police court fines and fees	\$ 1,098,000	\$ 1,098,000	\$ 802,276	\$ (295,724)
Total fines and forfeitures	<u>1,098,000</u>	<u>1,098,000</u>	<u>802,276</u>	<u>(295,724)</u>
Other revenues:				
Charges for services	-	-	199,904	199,904
Interest and costs	250,000	250,000	208,848	(41,152)
Cemetery revenue	150,000	150,000	168,930	18,930
Rent	100,000	100,000	145,830	45,830
Interest on investments	140,000	140,000	218,887	78,887
Miscellaneous revenue	45,000	45,000	179,750	134,750
Total other revenues	<u>685,000</u>	<u>685,000</u>	<u>1,122,149</u>	<u>437,149</u>
<b>TOTAL REVENUES</b>	<b>27,645,725</b>	<b>28,754,015</b>	<b>30,562,090</b>	<b>1,808,075</b>

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**CITY OF ROME, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES & EXPENDITURES**  
**BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	<b>ORIGINAL BUDGET</b>	<b>FINAL BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE POSITIVE (NEGATIVE)</b>
<b>EXPENDITURES:</b>				
<b>GENERAL GOVERNMENT</b>				
City Commission:				
Personal services	\$ 166,020	\$ 166,020	\$ 165,743	\$ 277
Supplies	9,070	15,100	15,023	77
Other services and charges	51,900	61,600	61,539	61
Total City Commission	<u>226,990</u>	<u>242,720</u>	<u>242,305</u>	<u>415</u>
Municipal Court:				
Personal services	328,540	328,540	295,986	32,554
Supplies	20,000	20,000	18,887	1,113
Other services and charges	72,600	72,600	74,183	(1,583)
Total Municipal Court	<u>421,140</u>	<u>421,140</u>	<u>389,056</u>	<u>32,084</u>
Manager's Office:				
Personal services	295,810	300,700	300,672	28
Supplies	9,100	8,000	7,952	48
Other services and charges	12,500	14,200	14,171	29
Total Manager's Office	<u>317,410</u>	<u>322,900</u>	<u>322,795</u>	<u>105</u>
Clerk's Office:				
Personal services	357,440	357,440	356,560	880
Supplies	11,500	11,500	11,626	(126)
Other services and charges	16,050	16,050	14,570	1,480
Total Clerk's Office	<u>384,990</u>	<u>384,990</u>	<u>382,756</u>	<u>2,234</u>
Finance:				
Personal services	527,180	527,180	516,788	10,392
Supplies	13,500	13,500	16,275	(2,775)
Other services and charges	10,250	10,250	6,079	4,171
Total Finance	<u>550,930</u>	<u>550,930</u>	<u>539,142</u>	<u>11,788</u>

continued

**CITY OF ROME, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES & EXPENDITURES**  
**BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Human Resources:				
Personal services	\$ 248,370	\$ 248,370	\$ 227,199	\$ 21,171
Supplies	17,240	17,240	12,949	4,291
Other services and charges	49,050	49,050	35,395	13,655
Total Human Resources	<u>314,660</u>	<u>314,660</u>	<u>275,543</u>	<u>39,117</u>
Purchasing:				
Personal services	269,070	269,070	247,411	21,659
Supplies	6,950	6,950	4,141	2,809
Other services and charges	11,420	11,420	7,589	3,831
Total Purchasing	<u>287,440</u>	<u>287,440</u>	<u>259,141</u>	<u>28,299</u>
Information Technology:				
Personal services	375,730	375,730	371,698	4,032
Supplies	241,850	241,850	223,378	18,472
Other services and charges	15,990	15,990	11,444	4,546
Total Information Technology	<u>633,570</u>	<u>633,570</u>	<u>606,520</u>	<u>27,050</u>
Assistant City Manager:				
Personal services	128,730	128,730	126,073	2,657
Supplies	1,625	1,625	1,336	289
Other services and charges	10,250	10,250	5,719	4,531
Total Assistant City Manager	<u>140,605</u>	<u>140,605</u>	<u>133,128</u>	<u>7,477</u>
General Administration:				
Personal services	2,768,860	3,502,440	2,845,250	657,190
Supplies	22,300	22,300	49,934	(27,634)
Other services and charges	413,500	413,500	879,408	(465,908)
Total General Administration	<u>3,204,660</u>	<u>3,938,240</u>	<u>3,774,592</u>	<u>163,648</u>

continued

**CITY OF ROME, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES & EXPENDITURES**  
**BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	<b>ORIGINAL BUDGET</b>	<b>FINAL BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE POSITIVE (NEGATIVE)</b>
Total General Government:				
Personal services	\$ 5,465,750	\$ 6,204,220	\$ 5,453,380	\$ 750,840
Supplies	353,135	358,065	361,501	(3,436)
Other services and charges	663,510	674,910	1,110,097	(435,187)
<b>TOTAL GENERAL GOVERNMENT</b>	<b>6,482,395</b>	<b>7,237,195</b>	<b>6,924,978</b>	<b>312,217</b>
 <b>PUBLIC SAFETY</b>				
Police:				
Personal services	7,169,870	7,169,870	6,958,092	211,778
Supplies	656,700	656,700	641,465	15,235
Other services and charges	316,060	316,090	370,444	(54,354)
Total Police	8,142,630	8,142,660	7,970,001	172,659
Police Training Center:				
Supplies	50,820	50,820	48,140	2,680
Other services and charges	79,050	79,050	65,234	13,816
Total Police Training Center	129,870	129,870	113,374	16,496
Total Public Safety:				
Personal services	7,169,870	7,169,870	6,958,092	211,778
Supplies	707,520	707,520	689,605	17,915
Other services and charges	395,110	395,140	435,678	(40,538)
<b>TOTAL PUBLIC SAFETY</b>	<b>8,272,500</b>	<b>8,272,530</b>	<b>8,083,375</b>	<b>189,155</b>
 <b>PUBLIC WORKS</b>				
Public Works Office:				
Personal services	351,050	351,050	293,332	57,718
Supplies	32,870	32,870	32,495	375
Other services and charges	14,610	14,610	10,689	3,921
Total Public Works Office	398,530	398,530	336,516	62,014

continued

**CITY OF ROME, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES & EXPENDITURES**  
**BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	<b>ORIGINAL BUDGET</b>	<b>FINAL BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE POSITIVE (NEGATIVE)</b>
Engineering:				
Personal services	\$ 525,850	\$ 525,850	\$ 512,856	\$ 12,994
Supplies	18,250	18,250	15,509	2,741
Other services and charges	6,610	6,610	7,538	(928)
Total Engineering	<u>550,710</u>	<u>550,710</u>	<u>535,903</u>	<u>14,807</u>
Streets and Drainage:				
Personal services	1,963,430	1,963,430	1,938,977	24,453
Supplies	373,160	373,160	270,423	102,737
Other services and charges	58,000	58,000	45,242	12,758
Total Streets and Drainage	<u>2,394,590</u>	<u>2,394,590</u>	<u>2,254,642</u>	<u>139,948</u>
Electrical/Traffic Control:				
Personal services	274,920	275,300	275,214	86
Supplies	65,650	65,650	76,888	(11,238)
Other services and charges	42,180	42,180	30,865	11,315
Total Electrical/Traffic Control	<u>382,750</u>	<u>383,130</u>	<u>382,967</u>	<u>163</u>
Street Lighting:				
Supplies	3,000	5,500	5,498	2
Other services and charges	902,500	903,400	903,327	73
Total Street Lighting	<u>905,500</u>	<u>908,900</u>	<u>908,825</u>	<u>75</u>
Buildings and Grounds:				
Supplies	1,000	1,000	-	1,000
Other services and charges	2,300	2,300	2,239	61
Total Buildings and Grounds	<u>3,300</u>	<u>3,300</u>	<u>2,239</u>	<u>1,061</u>

continued

**CITY OF ROME, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES & EXPENDITURES**  
**BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	<b>ORIGINAL BUDGET</b>	<b>FINAL BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE POSITIVE (NEGATIVE)</b>
Cemetery:				
Personal services	\$ 387,220	\$ 387,220	\$ 349,718	\$ 37,502
Supplies	35,380	35,380	25,477	9,903
Other services and charges	30,210	30,210	26,515	3,695
Total Cemetery	<u>452,810</u>	<u>452,810</u>	<u>401,710</u>	<u>51,100</u>
Garage:				
Personal services	546,820	546,820	506,479	40,341
Supplies	39,470	39,470	43,134	(3,664)
Other services and charges	36,220	36,220	29,618	6,602
Total Garage	<u>622,510</u>	<u>622,510</u>	<u>579,231</u>	<u>43,279</u>
Total Public Works:				
Personal services	4,049,290	4,049,670	3,876,576	173,094
Supplies	568,780	571,280	469,424	101,856
Other services and charges	1,092,630	1,093,530	1,056,033	37,497
<b>TOTAL PUBLIC WORKS</b>	<b><u>5,710,700</u></b>	<b><u>5,714,480</u></b>	<b><u>5,402,033</u></b>	<b><u>312,447</u></b>
<b>PUBLIC FACILITIES</b>				
City Auditorium:				
Personal services	176,160	181,000	180,904	96
Supplies	44,050	60,000	59,887	113
Other services and charges	110,000	114,000	113,756	244
Total City Auditorium	<u>330,210</u>	<u>355,000</u>	<u>354,547</u>	<u>453</u>
Civic Center:				
Supplies	14,000	14,000	5,328	8,672
Other services and charges	21,710	21,710	22,379	(669)
Total Civic Center	<u>35,710</u>	<u>35,710</u>	<u>27,707</u>	<u>8,003</u>
Other Facilities:				
Supplies	59,800	135,000	131,481	3,519
Other services and charges	64,700	72,100	73,619	(1,519)
Total Other Facilities	<u>124,500</u>	<u>207,100</u>	<u>205,100</u>	<u>2,000</u>
Roman Holiday Boat:				
Supplies	10,050	20,000	18,341	1,659
Other services and charges	21,750	24,150	24,108	42
Total Roman Holiday Boat	<u>31,800</u>	<u>44,150</u>	<u>42,449</u>	<u>1,701</u>

continued

**CITY OF ROME, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES & EXPENDITURES**  
**BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	<b>ORIGINAL BUDGET</b>	<b>FINAL BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE POSITIVE (NEGATIVE)</b>
Trolley:				
Personal services	\$ 640	\$ 640	\$ 101	\$ 539
Supplies	800	800	-	800
Other services and charges	610	610	420	190
<b>Total Trolley</b>	<b>2,050</b>	<b>2,050</b>	<b>521</b>	<b>1,529</b>
Total Public Facilities:				
Personal services	176,800	181,640	181,005	635
Supplies	128,700	229,800	215,037	14,763
Other services and charges	218,770	232,570	234,282	(1,712)
<b>TOTAL PUBLIC FACILITIES</b>	<b>524,270</b>	<b>644,010</b>	<b>630,324</b>	<b>13,686</b>
<b>PUBLIC SERVICES</b>				
Community Services:				
Other services and charges	276,500	277,800	253,415	24,385
<b>Total Community Services</b>	<b>276,500</b>	<b>277,800</b>	<b>253,415</b>	<b>24,385</b>
Environmental Information:				
Personal Services	241,530	241,530	222,208	19,322
Supplies	12,750	12,750	6,231	6,519
Other services and charges	26,650	26,650	19,414	7,236
<b>Total Environmental Information</b>	<b>280,930</b>	<b>280,930</b>	<b>247,853</b>	<b>33,077</b>
Public Information Coordinator:				
Other services and charges	18,000	18,000	18,000	-
<b>Total Public Information Coordinator</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>-</b>
Community Events:				
Supplies	2,500	2,500	673	1,827
Other services and charges	18,300	18,300	14,758	3,542
<b>Total Community Events</b>	<b>20,800</b>	<b>20,800</b>	<b>15,431</b>	<b>5,369</b>
Total Public Services:				
Personal services	241,530	241,530	222,208	19,322
Supplies	25,300	35,250	6,904	28,346
Other services and charges	339,450	340,750	305,587	35,163
<b>TOTAL PUBLIC SERVICES</b>	<b>606,280</b>	<b>617,530</b>	<b>534,699</b>	<b>82,831</b>
<b>COMMUNITY DEVELOPMENT</b>				
Personal services	-	413,000	328,941	84,059
Supplies	38,000	38,000	36,634	1,366
Other services and charges	54,450	44,470	44,190	280
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<b>92,450</b>	<b>495,470</b>	<b>409,765</b>	<b>85,705</b>
<b>TOTAL EXPENDITURES</b>	<b>21,688,595</b>	<b>22,981,215</b>	<b>21,985,174</b>	<b>996,041</b>

**CITY OF ROME, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES & EXPENDITURES**  
**BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<b>OTHER FINANCING SOURCES AND USES:</b>				
<b>TRANSFERS IN:</b>				
Water and Sewer Fund	1,488,360	1,533,500	1,533,208	(292)
Building Inspection Fund	76,700	80,500	78,319	(2,181)
Transit Fund	325,000	343,000	342,878	(122)
Fire Fund	1,516,000	1,579,000	1,573,545	(5,455)
Solid Waste Commission Fund	92,450	94,450	93,962	(488)
Forum Parking Deck Fund			25,500	25,500
Tourism Fund	56,400	59,000	-	(59,000)
Hotel/Motel Tax Fund	100,000	100,000	100,000	-
Downtown Development Fund	14,800	15,700	-	(15,700)
Solid Waste Fund	192,000	222,850	222,820	(30)
Planning Commission Fund	33,560	38,500	38,450	(50)
Downtown Parking Fund	12,700	14,700	-	(14,700)
Tennis Fund	49,650	49,650	45,529	(4,121)
Community Development Fund	20,160	21,600	-	(21,600)
Insurance Fund	13,250	14,200	5,584	(8,616)
Renewal and Extension Fund	76,590	87,500	87,426	(74)
<b>TOTAL TRANSFERS IN</b>	<b>4,067,620</b>	<b>4,254,150</b>	<b>4,147,221</b>	<b>(106,929)</b>

continued

**CITY OF ROME, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES & EXPENDITURES**  
**BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<b>TRANSFERS OUT:</b>				
Planning Commission Fund	\$ 202,250	\$ 202,250	\$ 202,250	\$ -
Capital Fund	400,000	400,000	400,000	- -
Transit Fund	485,000	485,000	451,966	33,034
Community Development Fund	145,000	145,000	123,483	21,517
Building Inspection Fund	- -	2,200	- -	2,200
Downtown Development Fund	171,500	171,500	- -	171,500
Water Fund	41,000	41,000	41,000	- -
Fire Fund	6,535,000	6,535,000	6,535,000	- -
Golf Fund	565,000	565,000	565,000	- -
Solid Waste Management Fund	1,480,000	1,480,000	1,482,750	(2,750)
<b>TOTAL TRANSFERS OUT</b>	<b>10,024,750</b>	<b>10,026,950</b>	<b>9,801,449</b>	<b>225,501</b>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(5,957,130)</b>	<b>(5,772,800)</b>	<b>(5,654,228)</b>	<b>118,572</b>
Net change in fund balance	- -	- -	2,922,688	
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>20,886,308</b>	<b>20,886,308</b>	<b>20,886,308</b>	
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 20,886,308</b>	<b>\$ 20,886,308</b>	<b>\$ 23,808,996</b>	

**City of Rome, Georgia**

**NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION**

**December 31, 2019**

**NOTE I – BUDGETARY INFORMATION AND RECONCILIATION**

**A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except for the Capital Projects Funds, which adopts project length budgets.

In August of each year, all departments of the City submit a budgetary request to the City Manager. In November, the City Manager presents the proposed budgets to the Finance Committee of the City Commission. The City Commission adopts the final budgets in December of each year. During the year, the City made budgetary amendments totaling \$1,292,620, which were approved by the City Commission. The main reason for these amendments was to better align budgeted expenditures with a decrease in actual revenues. This information was not available during the original budget process.

Budgetary appropriations are made at the object level within each department. The legal level of budgetary control is at the department level. Budget amendments which affect a department's total appropriations or transfers between funds must be authorized by the City Commission through a budget revision. All appropriations lapse at year end.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, and Capital Projects Funds. All encumbrances lapse at year end.

**B. Budget/GAAP Reconciliation**

Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual are presented as required supplemental information for the General Fund. This fund has an annual budget adopted on a GAAP basis.

Annual budgets are not adopted for the Capital Projects funds since they are controlled by project budgets adopted at the initiation of the project. Annual budgets are adopted for proprietary funds for management control purposes only since they are not legally required.

**CITY OF ROME, GEORGIA**

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

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Total pension liability</b>					
Service cost	\$ 815,987	\$ 853,503	\$ 795,901	\$ 744,598	\$ 789,416
Interest on total pension liability	6,799,568	6,484,320	6,373,185	6,093,495	5,972,746
Differences between expected and actual experience	1,454,838	3,320,661	(387,547)	1,852,264	1,678,459
Changes of assumptions	-	1,359,407	-	-	(2,274,787)
Change of benefit terms	-	-	121,617	-	-
Benefit payments, including refunds of employee contributions	(6,025,851)	(5,657,377)	(5,280,938)	(4,881,972)	(4,333,589)
<b>Net change in total pension liability</b>	<b>3,044,542</b>	<b>6,360,514</b>	<b>1,622,218</b>	<b>3,808,385</b>	<b>1,832,245</b>
<b>Total pension liability - beginning</b>	<b>92,857,850</b>	<b>86,497,336</b>	<b>84,875,118</b>	<b>81,066,733</b>	<b>79,234,488</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 95,902,392</b>	<b>\$ 92,857,850</b>	<b>\$ 86,497,336</b>	<b>\$ 84,875,118</b>	<b>\$ 81,066,733</b>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 3,517,829	\$ 3,243,663	\$ 3,092,227	\$ 3,067,188	\$ 3,005,912
Net investment income	2,479,498	7,948,555	7,359,944	160,536	5,492,303
Benefit payments, including refunds of member contributions	(6,025,851)	(5,657,377)	(5,280,938)	(4,881,972)	(4,333,589)
Administrative expenses	(124,565)	(121,270)	(125,388)	(93,523)	(84,874)
<b>Net change in plan fiduciary net position</b>	<b>(153,089)</b>	<b>5,413,571</b>	<b>5,045,845</b>	<b>(1,747,771)</b>	<b>4,079,752</b>
<b>Plan fiduciary net position - beginning</b>	<b>70,110,683</b>	<b>64,697,112</b>	<b>59,651,267</b>	<b>61,399,038</b>	<b>57,319,286</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 69,957,594</b>	<b>\$ 70,110,683</b>	<b>\$ 64,697,112</b>	<b>\$ 59,651,267</b>	<b>\$ 61,399,038</b>
<b>City's net pension liability - ending (a) - (b)</b>	<b>\$ 25,944,798</b>	<b>\$ 22,747,167</b>	<b>\$ 21,800,224</b>	<b>\$ 25,223,851</b>	<b>\$ 19,667,695</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>		72.95%	75.50%	74.80%	70.28%
<b>Covered payroll</b>	\$ 25,001,520	\$ 25,394,265	\$ 25,117,322	\$ 24,044,603	\$ 23,529,213
<b>City's net pension liability as a percentage of covered payroll</b>		103.77%	89.58%	86.79%	104.90%
					83.59%

**Notes to the Schedule:**

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

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

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Actuarially determined contribution	\$ 3,624,563	\$ 3,127,262	\$ 3,155,064	\$ 2,918,508	\$ 3,007,137
Contributions in relation to the actuarially determined contribution	<u>3,624,563</u>	<u>3,482,251</u>	<u>3,164,134</u>	<u>3,066,825</u>	<u>3,067,144</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (354,989)</u>	<u>\$ (9,070)</u>	<u>\$ (148,317)</u>	<u>\$ (60,007)</u>
Covered payroll	\$ 25,394,265	\$ 25,117,322	\$ 24,044,603	\$ 23,529,213	\$ 24,044,603
Contributions as a percentage of covered payroll	14.27%	13.86%	13.16%	13.03%	12.76%

**Notes to the Schedule:**

(1) Actuarial Assumptions:

Valuation Date	July 1, 2018
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return on Investments	7.50%
Projected Salary Increases	2.75% plus service based merit increases
Cost-of-living Adjustment	2.75% for Class 5; 0.00% otherwise
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective period of 11 years

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

**CITY OF ROME, GEORGIA**

**REQUIRED SUPPLEMENTARY INFORMATION  
OPEB HEALTHCARE BENEFIT PLAN  
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY  
AND RELATED RATIOS**

	<b>2019</b>	<b>2018</b>
Total OPEB liability		
Service cost	\$ 325,427	\$ 289,143
Interest on total OPEB liability	582,754	598,669
Difference between expected and actual experience	232,787	392,046
Changes of assumptions and other inputs	(1,393,862)	742,860
Benefit payments	(859,623)	(978,573)
<b>Net change in total OPEB liability</b>	<b>(1,112,517)</b>	<b>1,044,145</b>
 Total OPEB liability - beginning	 17,366,694	 16,322,549
<b>Total OPEB liability - ending</b>	<b>\$ 16,254,177</b>	<b>\$ 17,366,694</b>
 Covered payroll	 \$ 25,070,957	 \$ 25,070,957
 Total OPEB liability as a percentage of covered-employee payroll	 64.8%	 69.3%

**Notes to the Schedule:**

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

The City is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of  
GASB Statement No. 75 for payment of future OPEB benefits.

**NONMAJOR GOVERNMENTAL FUNDS  
COMBINED STATEMENTS**

**CITY OF ROME, GEORGIA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**December 31, 2019**

	<b>Nonmajor Governmental Funds</b>			<b>Total Nonmajor Governmental Funds</b>
	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds (Entitlement Fund)</b>		
<b>ASSETS</b>				
Cash	\$ 3,743,268	\$ 2		\$ 3,743,270
Taxes receivable, net of allowance for uncollectibles	164,468	-		164,468
Accounts receivable, net of allowance for uncollectibles	102,521	-		102,521
Accounts receivable loans	78,310	-		78,310
Due from other funds	15,721	20		15,741
Due from other governments	172,443	14,339		186,782
Total assets	<u>\$ 4,276,731</u>	<u>\$ 14,361</u>		<u>\$ 4,291,092</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 5,408	\$ 20		\$ 5,428
Accrued liabilities	12,479	-		12,479
Due to component unit	8,009	-		8,009
Due to other governments	114,773	-		114,773
Due to other funds	162,113	14,339		176,452
Total liabilities	<u>\$ 302,782</u>	<u>\$ 14,359</u>		<u>\$ 317,141</u>
<b>FUND BALANCES</b>				
Restricted for:				
Revolving loans and housing initiatives	1,252,073	-		1,252,073
Planning and zoning activities	233,263	-		233,263
Tourism & forum promotion	1,203,393	-		1,203,393
Capital improvements	1,131,579	2		1,131,581
Forum parking deck operations	82,766	-		82,766
Assigned for:				
Community development operations	<u>70,875</u>	<u>-</u>		<u>70,875</u>
Total fund balances	<u>\$ 3,973,949</u>	<u>\$ 2</u>		<u>\$ 3,973,951</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 4,276,731</b>	<b>\$ 14,361</b>		<b>\$ 4,291,092</b>

**CITY OF ROME, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2019**

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	Nonmajor Governmental Funds			Total Nonmajor Governmental Funds
	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds (Entitlement Fund)		
<b>REVENUES</b>				
Intergovernmental	\$ 824,676	\$ 441,544		\$ 1,266,220
Charges for services	126,396	-		126,396
Taxes	2,436,467	-		2,436,467
Interest earned	27,461	-		27,461
Miscellaneous	388,748	-		388,748
<b>TOTAL REVENUES</b>	<b>3,803,748</b>	<b>441,544</b>		<b>4,245,292</b>
<b>EXPENDITURES</b>				
Community development	1,236,263	-		1,236,263
Public facilities	862,238	-		862,238
Capital outlay	-	441,544		441,544
Debt service:				
Principal	259,145	-		259,145
Interest	15,855	-		15,855
<b>TOTAL EXPENDITURES</b>	<b>2,373,501</b>	<b>441,544</b>		<b>2,815,045</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>1,430,247</b>	<b>-</b>		<b>1,430,247</b>
<b>OTHER FINANCING SOURCES AND USES</b>				
Transfers in	328,483	-		328,483
Transfers out	(734,557)	-		(734,557)
	<b>(406,074)</b>	<b>-</b>		<b>(406,074)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>1,024,173</b>	<b>-</b>		<b>1,024,173</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>2,949,776</b>	<b>2</b>		<b>2,949,778</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 3,973,949</b>	<b>\$ 2</b>		<b>\$ 3,973,951</b>

## **NONMAJOR GOVERNMENTAL FUNDS**

Special revenue funds are used to account for specific revenue sources that are restricted or committed to expenditures for specific purposes.

*Community Development Fund -*

to account for community development projects generally financed by various grants and entitlements.

*Planning Commission Fund -*

to account for activities related to transportation planning, land use planning, and land development regulations for the City of Rome and Floyd County.

*Hotel/Motel Tax Fund -*

to account for the collection and disbursement of hotel/motel taxes.

*Business Improvement*

*District Fund -*

to account for funds for downtown promotional activities funded by a special millage assessment.

*Tax Allocation District Fund -*

to account for the collection of funds for improvements within the special tax districts.

*Forum Parking Deck Fund -*

to account for the activities related to a parking deck jointly owned with Floyd County.

## **NONMAJOR GOVERNMENTAL FUNDS – Continued**

Capital Projects Funds are used to account for the acquisition or construction of capital equipment or facilities other than those accounted for in proprietary or trust funds.

*Entitlement Fund* - to account for capital activities related to the Federal Grant entitlement awards.

**CITY OF ROME, GEORGIA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS**  
**December 31, 2019**

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	Special Revenue Funds						Total Nonmajor Special Revenue Funds
	Community Development Fund	Planning Commission Fund	Hotel/Motel Tax Fund	Business Improvement District Fund	Tax Allocation District	Forum Parking Deck Fund	
<b>ASSETS</b>							
Cash	\$ 1,243,611	\$ 209,837	\$ 1,127,979	\$ 114,670	\$ 938,729	\$ 108,442	\$ 3,743,268
Taxes receivable, net of allowance for uncollectibles	-	-	-	20,659	143,809	-	164,468
Accounts receivable, net of allowance for uncollectibles	-	-	102,521	-	-	-	102,521
Accounts receivable loans	78,310	-	-	-	-	-	78,310
Due from other funds	12,971	-	-	-	-	2,750	15,721
Due from other governments	125,613	34,693	-	1,852	7,535	2,750	172,443
<b>Total assets</b>	<b>\$ 1,460,505</b>	<b>\$ 244,530</b>	<b>\$ 1,230,500</b>	<b>\$ 137,181</b>	<b>\$ 1,090,073</b>	<b>\$ 113,942</b>	<b>\$ 4,276,731</b>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities							
Accounts payable	\$ 536	\$ 3,044	\$ -	\$ -	\$ -	\$ 1,828	\$ 5,408
Accrued liabilities	4,697	7,472	-	-	-	310	12,479
Due to component unit	-	-	8,009	-	-	-	8,009
Due to other governments	-	-	19,098	-	95,675	-	114,773
Due to other funds	132,324	751	-	-	-	29,038	162,113
<b>Total liabilities</b>	<b>\$ 137,557</b>	<b>11,267</b>	<b>27,107</b>	<b>-</b>	<b>95,675</b>	<b>31,176</b>	<b>302,782</b>
<b>FUND BALANCES</b>							
Restricted for:							
Revolving loans and housing initiatives	1,252,073	-	-	-	-	-	1,252,073
Planning and zoning activities	-	233,263	-	-	-	-	233,263
Tourism & forum promotion	-	-	1,203,393	-	-	-	1,203,393
Capital improvements	-	-	-	137,181	994,398	-	1,131,579
Forum parking deck operations	-	-	-	-	-	82,766	82,766
Assigned for:							
Community development operations	70,875	-	-	-	-	-	70,875
<b>Total fund balances</b>	<b>\$ 1,322,948</b>	<b>233,263</b>	<b>1,203,393</b>	<b>137,181</b>	<b>994,398</b>	<b>82,766</b>	<b>\$ 3,973,949</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>							
	<b>\$ 1,460,505</b>	<b>\$ 244,530</b>	<b>\$ 1,230,500</b>	<b>\$ 137,181</b>	<b>\$ 1,090,073</b>	<b>\$ 113,942</b>	<b>\$ 4,276,731</b>

**CITY OF ROME, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2019**

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	Special Revenue Funds						Total Nonmajor Special Revenue Funds
	Community Development Fund	Planning Commission Fund	Hotel/Motel Tax Fund	Business Improvement District Fund	Tax Allocation District	Forum Parking Deck Fund	
<b>REVENUES</b>							
Intergovernmental	\$ 510,662	\$ 314,014	\$ -	\$ -	\$ -	\$ -	\$ 824,676
Charges for services	210	18,359	-	34,108	-	73,719	126,396
Taxes	-	-	1,508,050	72,068	856,349	-	2,436,467
Interest earned	3,991	931	18,295	543	3,182	519	27,461
Miscellaneous	388,748	-	-	-	-	-	388,748
<b>TOTAL REVENUES</b>	<b>903,611</b>	<b>333,304</b>	<b>1,526,345</b>	<b>106,719</b>	<b>859,531</b>	<b>74,238</b>	<b>3,803,748</b>
<b>EXPENDITURES</b>							
Community development	617,275	408,001	-	81,500	129,487	-	1,236,263
Public facilities	-	-	784,348	-	-	77,890	862,238
Debt Service:							
Principal	-	-	-	-	259,145	-	259,145
Interest	-	-	-	-	15,855	-	15,855
<b>TOTAL EXPENDITURES</b>	<b>617,275</b>	<b>408,001</b>	<b>784,348</b>	<b>81,500</b>	<b>404,487</b>	<b>77,890</b>	<b>2,373,501</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>286,336</b>	<b>(74,697)</b>	<b>741,997</b>	<b>25,219</b>	<b>455,044</b>	<b>(3,652)</b>	<b>1,430,247</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	123,483	202,250	-	-	-	2,750	328,483
Transfers out	-	(38,450)	(670,607)	-	-	(25,500)	(734,557)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>123,483</b>	<b>163,800</b>	<b>(670,607)</b>	<b>-</b>	<b>-</b>	<b>(22,750)</b>	<b>(406,074)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>409,819</b>	<b>89,103</b>	<b>71,390</b>	<b>25,219</b>	<b>455,044</b>	<b>(26,402)</b>	<b>1,024,173</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>913,129</b>	<b>144,160</b>	<b>1,132,003</b>	<b>111,962</b>	<b>539,354</b>	<b>109,168</b>	<b>2,949,776</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 1,322,948</b>	<b>\$ 233,263</b>	<b>\$ 1,203,393</b>	<b>\$ 137,181</b>	<b>\$ 994,398</b>	<b>\$ 82,766</b>	<b>\$ 3,973,949</b>

## **SPECIAL REVENUE FUNDS**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL**

**CITY OF ROME, GEORGIA**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	<b>Community Development</b>			<b>Variance Positive (Negative)</b>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	
<b>REVENUES</b>				
Intergovernmental	\$ 381,000	\$ 381,000	\$ 510,662	\$ 129,662
Charges for services	-	-	210	210
Interest earned	70	70	3,991	3,921
Miscellaneous	-	-	388,748	388,748
Total revenues	381,070	381,070	903,611	522,541
<b>EXPENDITURES</b>				
Community development	505,910	505,910	617,275	(111,365)
Total expenditures	505,910	505,910	617,275	(111,365)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(124,840)	(124,840)	286,336	411,176
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	145,000	145,000	123,483	(21,517)
Transfers out	(20,160)	(20,160)	-	20,160
Total other financing sources (uses)	124,840	124,840	123,483	(1,357)
<b>NET CHANGE IN FUND BALANCE</b>	-	-	409,819	409,819
<b>FUND BALANCE, BEGINNING OF YEAR</b>	913,129	913,129	913,129	-
<b>FUND BALANCE, END OF YEAR</b>	\$ 913,129	\$ 913,129	\$ 1,322,948	\$ 409,819

**CITY OF ROME, GEORGIA**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	<b>Planning Commission</b>			<b>Variance</b> <b>Positive</b> <b>(Negative)</b>
	<b>Original</b> <b>Budget</b>	<b>Final</b> <b>Budget</b>	<b>Actual</b>	
<b>REVENUES</b>				
Intergovernmental	\$ 321,500	\$ 321,500	\$ 314,014	\$ (7,486)
Charges for services	15,040	15,040	18,359	3,319
Interest earned	1,000	1,000	931	(69)
Total revenues	<u>337,540</u>	<u>337,540</u>	<u>333,304</u>	<u>(4,236)</u>
<b>EXPENDITURES</b>				
Community development	503,390	503,390	408,001	95,389
Total expenditures	<u>503,390</u>	<u>503,390</u>	<u>408,001</u>	<u>95,389</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	(165,850)	(165,850)	(74,697)	91,153
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	202,250	202,250	202,250	-
Transfers out	(36,400)	(36,400)	(38,450)	(2,050)
Total other financing sources (uses)	<u>165,850</u>	<u>165,850</u>	<u>163,800</u>	<u>(2,050)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	89,103	89,103
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>144,160</u>	<u>144,160</u>	<u>144,160</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 144,160</u>	<u>\$ 144,160</u>	<u>\$ 233,263</u>	<u>\$ 89,103</u>

**CITY OF ROME, GEORGIA**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	<b>Hotel/Motel Tax</b>			<b>Variance Positive (Negative)</b>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	
<b>REVENUES</b>				
Taxes	\$ 1,456,000	\$ 1,456,000	\$ 1,508,050	\$ 52,050
Interest earned	10,000	10,000	18,295	8,295
Total revenues	1,466,000	1,466,000	1,526,345	60,345
<b>EXPENDITURES</b>				
Public facilities	922,000	922,000	784,348	137,652
Total expenditures	922,000	922,000	784,348	137,652
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	544,000	544,000	741,997	197,997
<b>OTHER FINANCING USES</b>				
Transfers out	(544,000)	(544,000)	(670,607)	126,607
Total other financing uses	(544,000)	(544,000)	(670,607)	126,607
<b>NET CHANGE IN FUND BALANCE</b>	-	-	71,390	71,390
<b>FUND BALANCE, BEGINNING OF YEAR</b>	1,132,003	1,132,003	1,132,003	-
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 1,132,003</u>	<u>\$ 1,132,003</u>	<u>\$ 1,203,393</u>	<u>\$ 71,390</u>

**CITY OF ROME, GEORGIA**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	<b>Business Improvement District</b>			<b>Variance</b> <b>Positive</b> <b>(Negative)</b>
	<b>Original</b> <b>Budget</b>	<b>Final</b> <b>Budget</b>	<b>Actual</b>	
<b>REVENUES</b>				
Charges for services	\$ 34,500	\$ 34,500	\$ 34,108	\$ (392)
Taxes	60,000	60,000	72,068	12,068
Interest earned	500	500	543	43
Total revenues	95,000	95,000	106,719	11,719
<b>EXPENDITURES</b>				
Community development	95,000	95,000	81,500	13,500
Total expenditures	95,000	95,000	81,500	13,500
<b>NET CHANGE IN FUND BALANCE</b>	-	-	25,219	25,219
<b>FUND BALANCE, BEGINNING OF YEAR</b>	111,962	111,962	111,962	-
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 111,962</u>	<u>\$ 111,962</u>	<u>\$ 137,181</u>	<u>\$ 25,219</u>

**CITY OF ROME, GEORGIA**  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (GAAP BASIS)**  
**For the Year Ended December 31, 2019**

	<b>Forum Parking Deck</b>			<b>Variance</b> <b>Positive</b> <b>(Negative)</b>
	<b>Original</b> <b>Budget</b>	<b>Final</b> <b>Budget</b>	<b>Actual</b>	
<b>REVENUES</b>				
Charges for services	\$ 92,000	\$ 92,000	\$ 73,719	\$ (18,281)
Interest earned	500	500	519	19
Total revenues	<u>92,500</u>	<u>92,500</u>	<u>74,238</u>	<u>(18,262)</u>
<b>EXPENDITURES</b>				
Public facilities	67,000	67,000	77,890	(10,890)
Total expenditures	<u>67,000</u>	<u>67,000</u>	<u>77,890</u>	<u>(10,890)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER)</b> <b>EXPENDITURES</b>	25,500	25,500	(3,652)	(29,152)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	2,750	2,750
Transfers out	<u>(25,500)</u>	<u>(25,500)</u>	<u>(25,500)</u>	<u>-</u>
Total other financing sources (uses)	<u>(25,500)</u>	<u>(25,500)</u>	<u>(22,750)</u>	<u>2,750</u>
<b>NET CHANGE IN</b> <b>FUND BALANCE</b>	-	-	(26,402)	(26,402)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>109,168</u>	<u>109,168</u>	<u>109,168</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 109,168</u>	<u>\$ 109,168</u>	<u>\$ 82,766</u>	<u>\$ (26,402)</u>

**CITY OF ROME, GEORGIA  
TAX ALLOCATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (GAAP BASIS)  
For the Year Ended December 31, 2019**

	<b>Tax Allocation District</b>			<b>Variance Positive (Negative)</b>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	
<b>REVENUES</b>				
Taxes	\$ 860,000	\$ 860,000	\$ 856,349	\$ (3,651)
Interest earned	-	-	3,182	3,182
Total revenues	<u>860,000</u>	<u>860,000</u>	<u>859,531</u>	<u>(469)</u>
<b>EXPENDITURES</b>				
Community development	375,000	375,000	129,487	245,513
Principal	430,000	430,000	259,145	170,855
Interest	55,000	55,000	15,855	39,145
Total expenditures	<u>860,000</u>	<u>860,000</u>	<u>404,487</u>	<u>455,513</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	455,044	455,044
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>539,354</u>	<u>539,354</u>	<u>539,354</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 539,354</u>	<u>\$ 539,354</u>	<u>\$ 994,398</u>	<u>\$ 455,044</u>

## **SPECIAL REPORTS**

**SCHEDULE OF PROJECTS CONSTRUCTED  
WITH SPECIAL SALES TAX PROCEEDS**

**CITY OF ROME, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED**  
**WITH SPECIAL SALES TAX PROCEEDS**  
**For the Year Ended December 31, 2019**

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Project	Total Allocated SPLOST Costs (Unaudited)	Total Allocated SPLOST Costs Adjusted (Unaudited)	Expenditures			Estimated Percentage of Completion (Unaudited)	
	Prior Years	Current Year	Total				
<b>1996 SPLOST</b>							
<i>Fire Stations:</i>							
John Davenport	\$ 350,000	\$ 413,134	\$ 413,134	\$ -	\$ 413,134	100%	
Woods Road	400,000	484,968	484,968	-	484,968	100%	
Wilshire Road	350,000	417,960	417,960	-	417,960	100%	
Armuchee	450,000	528,158	528,158	-	528,158	100%	
Wax Road	450,000	450,000	54,373	-	54,373	12%	
Burnett Ferry	450,000	574,696	574,696	-	574,696	100%	
	<u>2,450,000</u>	<u>2,868,916</u>	<u>2,473,289</u>	<u>-</u>	<u>2,473,289</u>		
<b>2006 SPLOST</b>							
Second Avenue Levee	1,955,000	2,031,898	2,031,898	-	2,031,898	100%	
Boys/Girls Club	2,000,000	2,125,800	2,125,800	-	2,125,800	100%	
North Fifth Avenue Turn Lane	550,000	535,057	535,057	-	535,057	100%	
North Broad Turn Lane	330,000	214,645	214,645	-	214,645	100%	
Rome High Access Road	2,900,000	1,905,925	1,905,925	-	1,905,925	100%	
BioSolids Disposal	5,200,000	5,102,060	5,102,060	-	5,102,060	100%	
Renovate Marine Armory	1,600,000	2,363,838	2,363,838	-	2,363,838	100%	
Redmond Road Turn Lane	1,470,000	1,610,572	1,610,572	-	1,610,572	100%	
Fire Training Facility	500,000	547,555	547,555	-	547,555	100%	
Turner McCall Bridge	2,000,000	2,000,000	-	-	-	0%	
River Education Center	834,825	917,605	917,605	-	917,605	100%	
South Broad Corridor	2,000,000	2,128,347	2,128,347	-	2,128,347	100%	
North Rome Swim Center	530,000	512,621	512,621	-	512,621	100%	
New Tennis Courts	600,000	702,853	702,853	-	702,853	100%	
City Park Practice Fields	200,000	174,908	174,908	-	174,908	100%	
Town Green	1,690,000	1,684,818	1,684,818	-	1,684,818	100%	
City Hall/Carnegie Repairs	1,500,000	1,131,220	1,131,220	-	1,131,220	100%	
	<u>25,859,825</u>	<u>25,689,722</u>	<u>23,689,722</u>	<u>-</u>	<u>23,689,722</u>		

continued

**CITY OF ROME, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED**  
**WITH SPECIAL SALES TAX PROCEEDS**  
**December 31, 2019**

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Project	Total Allocated SPLOST Costs (Unaudited)	Total Allocated SPLOST Costs Adjusted (Unaudited)	Expenditures			Estimated Percentage of Completion (Unaudited)
	Prior Years	Current Year	Total			
<b>2013 SPLOST</b>						
Tennis Center	\$ 11,400,000	\$ 11,424,000	\$ 11,423,446	\$ 14,571	\$ 11,438,017	100%
Chulio Hills Back Entrance for Bus	800,000	800,000	200,645	400,020	600,665	75%
Trail Connectivity Expansion	1,800,000	1,800,000	358,621	300,533	659,154	37%
Fire Equipment & Fire Facility Improvements	750,000	750,000	345,886	-	345,886	46%
Police Training Facility Improvements	396,000	397,338	397,338	-	397,338	100%
City Hall Auditorium Modernization	1,700,000	2,102,320	2,102,320	-	2,102,320	100%
City Street Milling and Paving	500,000	500,000	500,000	-	500,000	100%
Unity Point/South Broad Bridge Renovations	1,800,000	1,542,458	-	-	-	0%
Jackson Hill Fort Norton Renovation	200,000	245,883	245,883	5,075	250,958	102%
Downtown Visitor Information Center	50,000	50,000	50,000	-	50,000	100%
Sewer Improvements	1,000,000	1,000,001	1,000,001	-	1,000,001	100%
Burnett Ferry Road	2,721,000	2,505,000	2,504,741	-	2,504,741	100%
Playground Improvements	500,000	500,000	478,038	-	478,038	96%
	<u>23,617,000</u>	<u>23,617,000</u>	<u>19,606,919</u>	<u>720,199</u>	<u>20,327,118</u>	
<b>2017 SPLOST</b>						
Barron Stadium Improvements	\$ 825,000	\$ 825,000	\$ -	\$ 249,000	\$ 249,000	30%
Public works/Infrastructure	5,000,000	5,000,000	-	13,122	13,122	0%
Police Equipment	925,000	925,000	-	372,420	372,420	40%
Fire Equipment	3,475,000	3,475,000	-	887,228	887,228	26%
	<u>10,225,000</u>	<u>10,225,000</u>	<u>-</u>	<u>1,521,770</u>	<u>1,521,770</u>	
<b>Total Projects</b>	<b>\$ 62,151,825</b>	<b>\$ 62,400,638</b>	<b>\$ 45,769,930</b>	<b>\$ 2,241,969</b>	<b>\$ 48,011,899</b>	
Fire Station Renovations (Floyd County SPLOST)			578,604 55,597	-	578,604 55,597	
<b>Total SPLOST Expenditures</b>			<b>\$ 46,404,131</b>	<b>\$ 2,241,969</b>	<b>\$ 48,646,100</b>	
Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds						
Special Purpose Local Option Sales Tax Fund						
Total Expenditures and Transfers						
Debt Service Expenditures						
			\$ 5,365,719			
			(3,123,750)			
			<u>\$ 2,241,969</u>			

## **NONMAJOR PROPRIETARY FUNDS**

### **ENTERPRISE FUNDS**

Enterprise funds are funds financed and operated in a manner similar to a private business enterprise.

<i>Transit Fund</i> –	to account for all activity in the provision of transit services to the residents of the City of Rome and Floyd County.
<i>Building Inspection Fund</i> –	to account for the provision for building inspection services to the City of Rome and Floyd County.
<i>Solid Waste Management Fund</i> –	to account for the provision of solid waste collection services to the residents of the City.
<i>Municipal Golf Fund</i> –	to account for the activities related to the City's golf course.
<i>Public Facilities Fund</i> –	to account for the operating lease and debt of the public facilities building housing the State of Georgia Department of Family and Children Services.

**CITY OF ROME, GEORGIA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR PROPRIETARY - ENTERPRISE FUNDS**  
**December 31, 2019**

	<b>Transit Fund</b>	<b>Building Inspection Fund</b>	<b>Solid Waste Management Fund</b>	<b>Municipal Golf Fund</b>	<b>Public Facilities Fund</b>	<b>Total</b>
<b>ASSETS</b>						
<b>Current Assets:</b>						
Cash and cash equivalents	\$ 909,887	\$ 1,071,402	\$ 563,951	\$ 81,378	\$ 1,847,456	\$ 4,474,074
Restricted cash	-	-	-	-	351,595	351,595
Accounts receivable, net of allowance for uncollectibles	30,184	-	290,886	8,508	-	329,578
Due from other governments	649,975	-	-	-	-	649,975
Due from other funds	53,105	9,775	9,586	111,563	-	184,029
Prepaid items	-	-	-	9,663	-	9,663
Inventories	241,394	-	-	16,902	-	258,296
<b>Total current assets</b>	<b>1,884,545</b>	<b>1,081,177</b>	<b>864,423</b>	<b>228,014</b>	<b>2,199,051</b>	<b>6,257,210</b>
<b>Non-current Assets:</b>						
Capital assets:						
Non-depreciable assets	400,933	-	-	4,609,653	550,000	5,560,586
Depreciable assets, net of accumulated depreciation	2,419,519	27,680	653,135	346,551	-	3,446,885
<b>Total non-current assets</b>	<b>2,820,452</b>	<b>27,680</b>	<b>653,135</b>	<b>4,956,204</b>	<b>550,000</b>	<b>9,007,471</b>
<b>TOTAL ASSETS</b>	<b>4,704,997</b>	<b>1,108,857</b>	<b>1,517,558</b>	<b>5,184,218</b>	<b>2,749,051</b>	<b>15,264,681</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred charge on refunding	-	-	-	94,408	-	94,408
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>94,408</b>	<b>-</b>	<b>94,408</b>

continued

**CITY OF ROME, GEORGIA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR PROPRIETARY - ENTERPRISE FUNDS**  
**December 31, 2019**

	<b>Transit Fund</b>	<b>Building Inspection Fund</b>	<b>Solid Waste Management Fund</b>	<b>Municipal Golf Fund</b>	<b>Public Facilities Fund</b>	<b>Total</b>
<b>LIABILITIES</b>						
<b>Current Liabilities:</b>						
Revenue bonds, current	\$ -	\$ -	\$ -	\$ 365,000	\$ -	\$ 365,000
Accounts payable	52,482	2,041	59,799	31,921	93	146,336
Accrued liabilities	70,040	15,397	76,732	102,392	-	264,561
Unearned revenue	-	-	-	54,055	11,901	65,956
Due to other funds	4,981	2,697	97,313	102	56,346	161,439
Compensated absences, current	<u>57,932</u>	<u>24,777</u>	<u>98,001</u>	<u>-</u>	<u>-</u>	<u>180,710</u>
<b>Total current liabilities</b>	<b><u>185,435</u></b>	<b><u>44,912</u></b>	<b><u>331,845</u></b>	<b><u>553,470</u></b>	<b><u>68,340</u></b>	<b><u>1,184,002</u></b>
<b>Long-term Liabilities:</b>						
Revenue bonds, long-term, net	-	-	-	1,707,189	-	1,707,189
Advances due to Capital Fund	-	-	489,940	142,303	-	632,243
Compensated absences, long term	<u>19,311</u>	<u>8,259</u>	<u>32,667</u>	<u>-</u>	<u>-</u>	<u>60,237</u>
<b>Total long-term liabilities</b>	<b><u>19,311</u></b>	<b><u>8,259</u></b>	<b><u>522,607</u></b>	<b><u>1,849,492</u></b>	<b><u>-</u></b>	<b><u>2,399,669</u></b>
<b>TOTAL LIABILITIES</b>	<b><u>204,746</u></b>	<b><u>53,171</u></b>	<b><u>854,452</u></b>	<b><u>2,402,962</u></b>	<b><u>68,340</u></b>	<b><u>3,583,671</u></b>
<b>NET POSITION</b>						
Net investment in capital assets	2,820,452	27,680	653,135	2,978,423	550,000	7,029,690
Unrestricted	<u>1,679,799</u>	<u>1,028,006</u>	<u>9,971</u>	<u>(102,759)</u>	<u>2,130,711</u>	<u>4,745,728</u>
<b>TOTAL NET POSITION</b>	<b><u>\$ 4,500,251</u></b>	<b><u>\$ 1,055,686</u></b>	<b><u>\$ 663,106</u></b>	<b><u>\$ 2,875,664</u></b>	<b><u>\$ 2,680,711</u></b>	<b><u>\$ 11,775,418</u></b>

**CITY OF ROME, GEORGIA**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENSES, AND CHANGES IN FUND NET POSITION**  
**NONMAJOR PROPRIETARY - ENTERPRISE FUNDS**  
**For the Year Ended December 31, 2019**

	<b>Transit Fund</b>	<b>Building Inspection Fund</b>	<b>Solid Waste Management Fund</b>	<b>Municipal Golf Fund</b>	<b>Public Facilities Fund</b>	<b>Total</b>
<b>OPERATING REVENUES</b>						
Charges for services	\$ 1,589,718	\$ 1,087,864	\$ 2,361,596	\$ 1,060,649	\$ 135,027	\$ 6,234,854
Miscellaneous	158	5,740	1,439	36,216	6,751	50,304
<b>TOTAL OPERATING REVENUES</b>	<b>1,589,876</b>	<b>1,093,604</b>	<b>2,363,035</b>	<b>1,096,865</b>	<b>141,778</b>	<b>6,285,158</b>
<b>OPERATING EXPENSES</b>						
Cost of goods sold	-	-	-	120,032	-	120,032
Salaries and employee benefits	2,253,605	661,098	2,167,504	573,165	-	5,655,372
Supplies	353,479	31,836	296,538	127,476	45,935	855,264
Maintenance and repairs	56,849	2,880	145,782	161,497	74,269	441,277
Operating services and charges	565,279	51,246	637,517	368,281	65,809	1,688,132
Depreciation	618,427	17,023	405,121	63,378	174,754	1,278,703
<b>TOTAL OPERATING EXPENSES</b>	<b>3,847,639</b>	<b>764,083</b>	<b>3,652,462</b>	<b>1,413,829</b>	<b>360,767</b>	<b>10,038,780</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(2,257,763)</b>	<b>329,521</b>	<b>(1,289,427)</b>	<b>(316,964)</b>	<b>(218,989)</b>	<b>(3,753,622)</b>
<b>NON-OPERATING INCOME (EXPENSE)</b>						
Intergovernmental	1,000,284	47,228	-	-	-	1,047,512
Interest income	13,404	12,034	3,682	491	39,144	68,755
Interest and amortization expense	-	-	(8,751)	(60,753)	-	(69,504)
Gain (loss) on sale of capital assets	510	-	3,793	-	-	4,303
<b>TOTAL NON-OPERATING INCOME (EXPENSE)</b>	<b>1,014,198</b>	<b>59,262</b>	<b>(1,276)</b>	<b>(60,262)</b>	<b>39,144</b>	<b>1,051,066</b>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	<b>(1,243,565)</b>	<b>388,783</b>	<b>(1,290,703)</b>	<b>(377,226)</b>	<b>(179,845)</b>	<b>(2,702,556)</b>

continued

**CITY OF ROME, GEORGIA**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENSES, AND CHANGES IN FUND NET POSITION**  
**NONMAJOR PROPRIETARY - ENTERPRISE FUNDS**  
**For the Year Ended December 31, 2019**

	<b>Transit Fund</b>	<b>Building Inspection Fund</b>	<b>Solid Waste Management Fund</b>	<b>Municipal Golf Fund</b>	<b>Public Facilities Fund</b>	<b>Total</b>
Transfers in	\$ 451,966	\$ -	\$ 1,480,000	\$ 678,019	\$ -	\$ 2,609,985
Transfers out	(342,878)	(78,320)	(222,820)	-	-	(644,018)
Capital contributions	775,112	-	-	-	-	775,112
	<u>884,200</u>	<u>(78,320)</u>	<u>1,257,180</u>	<u>678,019</u>	<u>-</u>	<u>2,741,079</u>
<b>CHANGE IN NET POSITION</b>	<b>(359,365)</b>	<b>310,463</b>	<b>(33,523)</b>	<b>300,793</b>	<b>(179,845)</b>	<b>38,523</b>
<b>NET POSITION - BEGINNING OF YEAR</b>	<b><u>4,859,616</u></b>	<b><u>745,223</u></b>	<b><u>696,629</u></b>	<b><u>2,574,871</u></b>	<b><u>2,860,556</u></b>	<b><u>11,736,895</u></b>
<b>NET POSITION - END OF YEAR</b>	<b><u>\$ 4,500,251</u></b>	<b><u>\$ 1,055,686</u></b>	<b><u>\$ 663,106</u></b>	<b><u>\$ 2,875,664</u></b>	<b><u>\$ 2,680,711</u></b>	<b><u>\$ 11,775,418</u></b>

**CITY OF ROME, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR PROPRIETARY - ENTERPRISE FUNDS**  
**For the Year Ended December 31, 2019**

	<b>Transit Fund</b>	<b>Building Inspection Fund</b>	<b>Solid Waste Management Fund</b>	<b>Municipal Golf Fund</b>	<b>Public Facilities Fund</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from customers and users	\$ 2,033,838	\$ 1,093,604	\$ 2,340,144	\$ 1,099,401	\$ 141,950	\$ 6,708,937
Receipts from interfund services provided	-	-	-	50,090	6,051	56,141
Payments to suppliers	(923,041)	(82,198)	(1,056,482)	(775,180)	(186,418)	(3,023,319)
Payments to employees	(2,266,065)	(666,110)	(2,155,324)	(573,165)	-	(5,660,664)
Payments for interfund services used	(116,566)	(12,443)	(89,872)	-	-	(218,881)
Net cash provided (used) by operating activities	<u>(1,271,834)</u>	<u>332,853</u>	<u>(961,534)</u>	<u>(198,854)</u>	<u>(38,417)</u>	<u>(2,137,786)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Transfer from other funds	451,966	-	1,480,000	678,019	-	2,609,985
Transfer to other funds	(342,878)	(78,320)	(222,820)	-	-	(644,018)
Advances from other funds	-	-	-	142,303	-	142,303
Repayment of advances from other funds	-	-	(105,889)	-	-	(105,889)
Intergovernmental revenue	-	47,228	-	-	-	47,228
Subsidy from federal grant	1,000,284	-	-	-	-	1,000,284
Net cash provided (used) by noncapital financing activities	<u>1,109,372</u>	<u>(31,092)</u>	<u>1,151,291</u>	<u>820,322</u>	<u>-</u>	<u>3,049,893</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Capital contributions	775,112	-	-	-	-	775,112
Purchases of capital assets	(264,313)	-	(179,353)	(272,470)	-	(716,136)
Proceeds from the sale of capital assets	510	-	3,793	-	-	4,303
Proceeds from the issuance of debt	-	-	-	1,955,000	-	1,955,000
Refunding deposit with escrow agent	-	-	-	(2,067,700)	-	(2,067,700)
Bond premium	-	-	-	125,754	-	125,754
Principal paid on capital debt	-	-	-	(365,000)	-	(365,000)
Interest paid on capital debt	-	-	(8,751)	(18,053)	-	(26,804)
Net cash provided (used) by capital and related financing activities	<u>511,309</u>	<u>-</u>	<u>(184,311)</u>	<u>(642,469)</u>	<u>-</u>	<u>(315,471)</u>

continued

**CITY OF ROME, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR PROPRIETARY - ENTERPRISE FUNDS**  
**For the Year Ended December 31, 2019**

	<b>Transit Fund</b>	<b>Building Inspection Fund</b>	<b>Solid Waste Management Fund</b>	<b>Municipal Golf Fund</b>	<b>Public Facilities Fund</b>	<b>Total</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest received	\$ 13,404	\$ 12,034	\$ 3,682	\$ 491	\$ 39,144	\$ 68,755
Net cash provided by investing activities	<u>13,404</u>	<u>12,034</u>	<u>3,682</u>	<u>491</u>	<u>39,144</u>	<u>68,755</u>
Net increase (decrease) in cash and cash equivalents	362,251	313,795	9,128	(20,510)	727	665,391
Cash and cash equivalents, January 1	<u>547,636</u>	<u>757,607</u>	<u>554,823</u>	<u>101,888</u>	<u>2,198,324</u>	<u>4,160,278</u>
Cash and cash equivalents, December 31	<u><u>\$ 909,887</u></u>	<u><u>\$ 1,071,402</u></u>	<u><u>\$ 563,951</u></u>	<u><u>\$ 81,378</u></u>	<u><u>\$ 2,199,051</u></u>	<u><u>\$ 4,825,669</u></u>
<b>Reconciliation of Cash and Cash Equivalents:</b>						
Cash and cash equivalents	\$ 909,887	\$ 1,071,402	\$ 563,951	\$ 81,378	\$ 1,847,456	\$ 4,474,074
Cash and cash equivalents - restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>351,595</u>	<u>351,595</u>
Total cash and cash equivalents	<u><u>\$ 909,887</u></u>	<u><u>\$ 1,071,402</u></u>	<u><u>\$ 563,951</u></u>	<u><u>\$ 81,378</u></u>	<u><u>\$ 2,199,051</u></u>	<u><u>\$ 4,825,669</u></u>

continued

**CITY OF ROME, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR PROPRIETARY - ENTERPRISE FUNDS**  
**For the Year Ended December 31, 2019**

	<b>Transit Fund</b>	<b>Building Inspection Fund</b>	<b>Solid Waste Management Fund</b>	<b>Municipal Golf Fund</b>	<b>Public Facilities Fund</b>	<b>Total</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>						
Operating income (loss)						
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation expense	618,427	17,023	405,121	63,378	174,754	1,278,703
Amortization expense	-	-	-	(23,018)	-	(23,018)
Increase in accounts receivable	(27,401)	-	(22,891)	(7,723)	-	(58,015)
Decrease in due from other governments	471,363	-	-	-	-	471,363
(Increase) decrease in due from other funds	91,021	370	(3,766)	50,000	265	137,890
Increase in prepaid items	-	-	-	(496)	-	(496)
(Increase) decrease in inventories	30,792	-	-	(4,547)	-	26,245
Increase (decrease) in accounts payable and accrued liabilities	21,774	3,764	23,355	30,167	(405)	78,655
Increase (decrease) in compensated absences payable	(12,460)	(5,012)	12,180	-	-	(5,292)
Decrease in unearned revenue	-	-	-	10,259	172	10,431
Increase (decrease) in due to other funds	(207,587)	(12,813)	(86,106)	90	5,786	(300,630)
<b>Total adjustments</b>	<b>985,929</b>	<b>3,332</b>	<b>327,893</b>	<b>118,110</b>	<b>180,572</b>	<b>1,615,836</b>
Net cash provided (used) by operating activities	<b>\$ (1,271,834)</b>	<b>\$ 332,853</b>	<b>\$ (961,534)</b>	<b>\$ (198,854)</b>	<b>\$ (38,417)</b>	<b>\$ (2,137,786)</b>

## **INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or agencies on a cost-reimbursed basis.

*Health Insurance Fund –*

to account for all revenues and expenses related to group health and life benefits for employees of the City.

*Workers' Compensation Fund –*

to account for all revenues and expenses related to workers' compensation claims for the City.

**CITY OF ROME, GEORGIA**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**December 31, 2019**

	<b>Health Insurance Fund</b>	<b>Workers' Compensation Fund</b>	<b>Total</b>
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 2,899,181	\$ 2,368,187	\$ 5,267,368
Accounts receivable, net	760	-	760
Due from other funds	107,742	-	107,742
Due from other governments	-	80,638	80,638
Due from component unit	1,058	-	1,058
Prepaid items	5,105	-	5,105
<b>Total current assets:</b>	<b>3,013,846</b>	<b>2,448,825</b>	<b>5,462,671</b>
<b>Non-current assets:</b>			
Advances due from other funds	451,752	-	451,752
<b>Total non-current assets:</b>	<b>451,752</b>	<b>-</b>	<b>451,752</b>
<b>TOTAL ASSETS</b>	<b>3,465,598</b>	<b>2,448,825</b>	<b>5,914,423</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable	42,360	8,617	50,977
Accrued liabilities	2,472	-	2,472
Due to other funds	105	-	105
Claims payable	650,000	400,000	1,050,000
<b>TOTAL LIABILITIES</b>	<b>694,937</b>	<b>408,617</b>	<b>1,103,554</b>
<b>NET POSITION</b>			
Unrestricted	2,770,661	2,040,208	4,810,869
<b>TOTAL NET POSITION</b>	<b>\$ 2,770,661</b>	<b>\$ 2,040,208</b>	<b>\$ 4,810,869</b>

**CITY OF ROME, GEORGIA**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENSES, AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**For the Year Ended December 31, 2019**

	<b>Health Insurance Fund</b>	<b>Workers' Compensation Fund</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 7,115,327	\$ 1,490,039	\$ 8,605,366
<b>TOTAL OPERATING REVENUES</b>	<u>7,115,327</u>	<u>1,490,039</u>	<u>8,605,366</u>
<b>OPERATING EXPENSES</b>			
Salaries and employee benefits	113,324	-	113,324
Other services and charges	1,034,139	564,242	1,598,381
Claims	5,970,335	449,442	6,419,777
Administrative fees	<u>326,952</u>	<u>31,296</u>	<u>358,248</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>7,444,750</u>	<u>1,044,980</u>	<u>8,489,730</u>
<b>OPERATING INCOME (LOSS)</b>	(329,423)	445,059	115,636
<b>NON-OPERATING INCOME</b>			
Intergovernmental	-	191,791	191,791
Interest income	<u>41,244</u>	<u>32,429</u>	<u>73,673</u>
<b>CHANGE IN NET POSITION</b>	(288,179)	669,279	381,100
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>3,058,840</u>	<u>1,370,929</u>	<u>4,429,769</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 2,770,661</u>	<u>\$ 2,040,208</u>	<u>\$ 4,810,869</u>

**CITY OF ROME, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**For the Year Ended December 31, 2019**

	<b>Health Insurance Fund</b>	<b>Workers' Compensation Fund</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 7,114,737	\$ 1,518,840	\$ 8,633,577
Payments for interfund services provided	243,029	-	243,029
Payments to suppliers	(1,332,233)	(636,369)	(1,968,602)
Payments to employees	(113,324)	-	(113,324)
Claims paid	(5,745,335)	(299,442)	(6,044,777)
Net cash provided by operating activities	<u>166,874</u>	<u>583,029</u>	<u>749,903</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>			
Repayment of advances to other funds	150,000	-	150,000
Net cash provided by capital financing activities	<u>150,000</u>	<u>-</u>	<u>150,000</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Intergovernmental revenue	-	191,791	191,791
Net cash provided by non capital financing activities	<u>-</u>	<u>191,791</u>	<u>191,791</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	41,244	32,429	73,673
Net cash provided by investing activities	<u>41,244</u>	<u>32,429</u>	<u>73,673</u>
Net increase in cash and cash equivalents	358,118	807,249	1,165,367
Cash and cash equivalents, January 1	2,541,063	1,560,938	4,102,001
Cash and cash equivalents, December 31	<u>\$ 2,899,181</u>	<u>\$ 2,368,187</u>	<u>\$ 5,267,368</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>			
Operating income (loss)	\$ (329,423)	\$ 445,059	\$ 115,636
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Increase in accounts receivable	(590)	-	(590)
Decrease in due from other funds	243,057	-	243,057
Decrease in due from other governments	-	28,801	28,801
Increase in accounts and claims payable	253,858	109,169	363,027
Decrease in due to other funds	(28)	-	(28)
Total adjustments	496,297	137,970	634,267
Net cash provided by operating activities	<u>\$ 166,874</u>	<u>\$ 583,029</u>	<u>\$ 749,903</u>

**COMPONENT UNIT**  
**GREATER ROME CONVENTION & VISITORS BUREAU**

*Greater Rome Convention & Visitors Bureau – to account for the activities associated with the promotion of tourism and conventions for the City of Rome.*

**CITY OF ROME, GEORGIA**  
**BALANCE SHEET**  
**COMPONENT UNIT- GREATER ROME CONVENTION & VISITORS BUREAU**  
**December 31, 2019**

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	<b>Greater Rome Convention &amp; Visitors Bureau</b>
<b>ASSETS</b>	
Cash	\$ 124,293
Accounts Receivable, net of allowance	1,228
Due from other governments	18,538
Due from primary government	10,837
Total assets	<u><u>\$ 154,896</u></u>
<b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ 14,577
Accrued liabilities	13,602
Due to primary government	1,214
Total liabilities	<u><u>29,393</u></u>
<b>FUND BALANCE</b>	
Unrestricted	125,503
Total fund balance	<u><u>125,503</u></u>
<b>TOTAL LIABILITIES AND FUND</b>	<u><u>\$ 154,896</u></u>

**CITY OF ROME, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**COMPONENT UNIT- GREATER ROME CONVENTION & VISITORS BUREAU**  
**For the Year Ended December 31, 2019**

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	<b>Greater Rome Convention &amp; Visitors Visitors Bureau</b>
<b>REVENUES</b>	
Intergovernmental	\$ 681,972
Charges for services	43,278
Contributions	<u>137,400</u>
<b>TOTAL REVENUES</b>	<u>862,650</u>
<b>EXPENDITURES</b>	
Personal services	496,250
Supplies	52,427
Other services and charges	<u>327,503</u>
<b>TOTAL EXPENDITURES</b>	<u>876,180</u>
<b>NET CHANGE IN FUND BALANCE</b>	(13,530)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>139,033</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 125,503</u>

## STATISTICAL SECTION

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

*Financial Trends -*

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

*Revenue Capacity -*

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

*Debt Capacity -*

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government'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 government's financial activities take place.

*Operating Information -*

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

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

**City of Rome, Georgia**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 117,293	\$ 125,089	\$ 124,859	\$ 122,991	\$ 132,207	\$ 137,041	\$ 127,674	\$ 134,594	\$ 141,661	\$ 155,167
Restricted	741	3,255	3,696	3,459	5,986	20,178	14,192	14,147	15,727	17,336
Unrestricted	19,618	16,251	15,538	16,636	16,423	(16,833)	(4,232)	(15,664)	(17,815)	(15,529)
Total governmental activities net position	<u>\$ 137,652</u>	<u>\$ 144,595</u>	<u>\$ 144,093</u>	<u>\$ 143,086</u>	<u>\$ 154,616</u>	<u>\$ 140,386</u>	<u>\$ 137,634</u>	<u>\$ 133,077</u>	<u>\$ 139,573</u>	<u>\$ 156,974</u>
Business - type activities										
Net investment in capital assets	\$ 122,951	\$ 128,164	\$ 131,764	\$ 134,833	\$ 136,590	\$ 139,466	\$ 152,422	\$ 155,279	\$ 157,536	\$ 161,459
Restricted	368	372	377	942	698	1,572	1,082	1,025	786	3,712
Unrestricted	5,011	5,957	7,031	7,829	12,724	16,306	21,980	25,110	29,499	30,341
Total business - type activities net position	<u>\$ 128,330</u>	<u>\$ 134,493</u>	<u>\$ 139,172</u>	<u>\$ 143,604</u>	<u>\$ 150,012</u>	<u>\$ 157,344</u>	<u>\$ 175,484</u>	<u>\$ 181,414</u>	<u>\$ 187,821</u>	<u>\$ 195,512</u>
Primary government										
Net investment in capital assets	\$ 240,244	\$ 253,253	\$ 256,623	\$ 257,824	\$ 268,797	\$ 276,507	\$ 280,096	\$ 289,873	\$ 299,197	\$ 316,626
Restricted	1,109	3,627	4,073	4,401	6,684	21,750	15,274	15,172	16,513	21,048
Unrestricted	24,629	22,208	22,569	24,465	29,147	(527)	17,748	9,446	11,684	14,812
Total primary government net position	<u>\$ 265,982</u>	<u>\$ 279,088</u>	<u>\$ 283,265</u>	<u>\$ 286,690</u>	<u>\$ 304,628</u>	<u>\$ 297,730</u>	<u>\$ 313,118</u>	<u>\$ 314,491</u>	<u>\$ 327,394</u>	<u>\$ 352,486</u>

**City of Rome, Georgia**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses:</b>										
Governmental activities:										
General government	\$ 3,726	\$ 4,504	\$ 3,651	\$ 3,701	\$ 4,037	\$ 5,643	\$ 7,475	\$ 7,349	\$ 11,044	\$ 8,186
Public safety	7,659	7,167	7,393	7,546	7,706	7,850	7,637	7,988	7,968	8,925
Public Works	8,881	10,441	10,850	11,781	10,731	10,626	4,164	4,208	6,422	9,460
Public Facilities	1,381	1,419	1,916	1,516	1,589	1,356	1,432	1,509	1,593	1,815
Public Services	397	514	431	448	468	449	424	529	510	591
Community Development	1,759	1,315	1,217	2,113	1,136	1,079	1,095	1,304	6,042	1,696
Education	1,185	1,275	1,466	1,463	1,458	1,425	1,682	1,722	1,919	2,486
Interest on debt	241	153	274	538	474	933	520	454	517	434
Total governmental activities expenses	<b>\$ 25,229</b>	<b>\$ 26,788</b>	<b>\$ 27,198</b>	<b>\$ 29,106</b>	<b>\$ 27,599</b>	<b>\$ 29,361</b>	<b>\$ 24,429</b>	<b>\$ 25,063</b>	<b>\$ 36,015</b>	<b>\$ 33,593</b>
Business - type activities:										
Water and Sewer	17,279	18,187	18,156	17,501	17,852	17,220	17,415	17,620	17,427	18,659
Fire	10,249	10,645	12,748	11,959	11,500	11,167	11,068	11,295	11,302	11,634
Solid Waste Commission	1,988	2,076	3,093	1,899	2,267	1,483	2,214	2,287	2,791	2,844
Transit	3,092	3,120	3,589	3,734	3,464	3,574	3,531	3,844	4,034	3,848
Building Inspection	839	853	782	755	690	624	687	759	758	764
Solid Waste Management	3,304	3,503	3,551	3,495	3,513	3,353	3,339	3,557	3,599	3,661
Municipal Golf Fund	1,256	1,158	1,163	1,242	1,309	1,250	1,266	1,250	1,196	1,475
Public Facilities	394	460	388	364	319	324	333	332	330	361
Tennis Center	-	-	-	-	1	8	553	1,073	1,057	1,455
Total business - type activities expenses	<b>\$ 38,401</b>	<b>\$ 40,002</b>	<b>\$ 43,470</b>	<b>\$ 40,949</b>	<b>\$ 40,915</b>	<b>\$ 39,003</b>	<b>\$ 40,406</b>	<b>\$ 42,017</b>	<b>\$ 42,494</b>	<b>\$ 44,701</b>
Total primary government expenses	<b>\$ 63,630</b>	<b>\$ 66,790</b>	<b>\$ 70,668</b>	<b>\$ 70,055</b>	<b>\$ 68,514</b>	<b>\$ 68,364</b>	<b>\$ 64,835</b>	<b>\$ 67,080</b>	<b>\$ 78,509</b>	<b>\$ 78,294</b>
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services:										
General Government	\$ 1,880	\$ 1,992	\$ 2,063	\$ 2,078	\$ 2,191	\$ 2,270	\$ 2,413	\$ 2,421	\$ 2,406	\$ 2,633
Public Safety	1,581	1,302	1,244	1,358	1,176	1,260	1,219	1,129	887	802
Community Development	258	122	131	134	117	117	149	147	148	126
Operating grants and contributions	711	881	871	943	862	707	849	1,089	663	1,260
Capital grants and contributions	11,259	14,201	7,054	6,556	16,662	13,886	6,589	6,752	13,283	21,028
Total governmental activities program revenues	<b>\$ 15,689</b>	<b>\$ 18,498</b>	<b>\$ 11,363</b>	<b>\$ 11,069</b>	<b>\$ 21,008</b>	<b>\$ 18,240</b>	<b>\$ 11,219</b>	<b>\$ 11,538</b>	<b>\$ 17,387</b>	<b>\$ 25,849</b>
Business - type activities:										
Charges for services:										
Water and Sewer	21,403	21,408	21,975	21,960	23,446	23,248	24,519	24,200	24,519	26,044
Fire	5,351	5,403	5,530	5,607	5,792	5,889	6,137	6,319	6,402	6,559
Solid Waste Commission	2,550	2,439	2,377	2,454	2,468	2,763	2,721	3,016	3,274	3,513
Transit	1,397	1,403	1,458	1,492	1,509	1,671	1,678	1,665	1,689	1,590
Building Inspection	702	797	693	615	726	783	970	836	1,023	1,094
Solid Waste Management	1,653	1,829	1,923	1,913	2,041	2,079	2,126	2,211	2,231	2,363
Municipal Golf Fund	801	795	1,024	963	977	918	1,019	961	975	1,097
Public Facilities	694	694	694	694	694	694	322	138	140	142
Tennis Center	-	-	-	-	-	-	136	323	373	427
Operating grants and contributions	708	744	1,618	1,243	1,077	944	954	969	945	1,048
Capital grants and contributions	1,034	2,924	895	1,359	1,028	957	516	1,133	1,465	793
Total business- type activities program revenues	<b>\$ 36,293</b>	<b>\$ 38,436</b>	<b>\$ 38,187</b>	<b>\$ 38,300</b>	<b>\$ 39,758</b>	<b>\$ 39,946</b>	<b>\$ 41,098</b>	<b>\$ 41,771</b>	<b>\$ 43,036</b>	<b>\$ 44,670</b>
Total primary government program revenues	<b>\$ 51,982</b>	<b>\$ 56,934</b>	<b>\$ 49,550</b>	<b>\$ 49,369</b>	<b>\$ 60,766</b>	<b>\$ 58,186</b>	<b>\$ 52,317</b>	<b>\$ 53,309</b>	<b>\$ 60,423</b>	<b>\$ 70,519</b>

	Fiscal Year										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Net (expense)/ revenue											
Governmental activities	\$ (9,539)	\$ (8,290)	\$ (15,836)	\$ (6,591)	\$ (11,121)	\$ (13,210)	\$ (13,525)	\$ (18,628)	\$ (18,628)	\$ (7,744)	
Business- type activities	(2,108)	(1,566)	(5,283)	(1,157)	943	692	(246)	542	542	(31)	
Total primary government net expense	<u>\$ (11,647)</u>	<u>\$ (9,856)</u>	<u>\$ (21,119)</u>	<u>\$ (7,748)</u>	<u>\$ (10,178)</u>	<u>\$ (12,518)</u>	<u>\$ (13,771)</u>	<u>\$ (18,086)</u>	<u>\$ (18,086)</u>	<u>\$ (7,775)</u>	
General Revenues and Other Changes in Net Position											
Governmental activities:											
Taxes											
Property taxes	\$ 10,007	\$ 9,749	\$ 10,221	\$ 10,074	\$ 10,967	\$ 11,790	\$ 12,088	\$ 13,055	\$ 13,466	\$ 14,033	
Sales taxes	5,980	6,162	6,232	5,590	5,762	5,320	5,682	5,675	5,963	6,378	
Other taxes	7,188	7,147	7,211	7,294	7,788	8,109	8,446	8,800	9,658	10,103	
Gain on Sale of Capital Assets	-	-	-	-	66	17	-	-	-	-	
Interest Earnings	654	714	790	599	654	715	711	597	674	717	
Miscellaneous	150	501	684	691	263	358	837	576	620	656	
Transfers	(7,401)	(8,549)	(9,803)	(7,018)	(7,379)	(6,248)	(17,306)	(5,854)	(5,256)	(6,742)	
Total governmental activities	<u>\$ 16,578</u>	<u>\$ 15,724</u>	<u>\$ 15,335</u>	<u>\$ 17,230</u>	<u>\$ 18,121</u>	<u>\$ 20,061</u>	<u>\$ 10,458</u>	<u>\$ 22,849</u>	<u>\$ 25,125</u>	<u>\$ 25,145</u>	
Business- type activities:											
Gain on Sale of Capital Assets	50	109	82	0	110	55	26	25	47	139	
Investment earnings	42	27	32	62	63	80	113	281	561	841	
Miscellaneous	165	12	44	1	13	7	3	15	-	-	
Transfers	7,401	8,549	9,803	7,018	7,379	6,248	17,306	5,854	5,256	6,742	
Total business- type activities	<u>\$ 7,658</u>	<u>\$ 8,697</u>	<u>\$ 9,961</u>	<u>\$ 7,081</u>	<u>\$ 7,565</u>	<u>\$ 6,390</u>	<u>\$ 17,448</u>	<u>\$ 6,175</u>	<u>\$ 5,864</u>	<u>\$ 7,722</u>	
Total primary government	<u>\$ 24,236</u>	<u>\$ 24,421</u>	<u>\$ 25,296</u>	<u>\$ 24,311</u>	<u>\$ 25,866</u>	<u>\$ 26,451</u>	<u>\$ 27,906</u>	<u>\$ 29,024</u>	<u>\$ 30,989</u>	<u>\$ 32,867</u>	
Change in Net Position											
Governmental activities	\$ 7,038	\$ 7,434	\$ (502)	\$ (807)	\$ 11,530	\$ 8,940	\$ (3,067)	\$ 4,221	\$ 6,497	\$ 17,401	
Business- type activities	5,549	7,131	4,679	4,432	6,408	7,333	17,202	6,717	6,406	7,691	
Total primary government	<u>\$ 12,587</u>	<u>\$ 14,565</u>	<u>\$ 4,177</u>	<u>\$ 3,625</u>	<u>\$ 17,938</u>	<u>\$ 16,273</u>	<u>\$ 14,135</u>	<u>\$ 10,938</u>	<u>\$ 12,903</u>	<u>\$ 25,092</u>	

**City of Rome, Georgia**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	<b>Fiscal Year</b>									
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
General fund										
Reserved	\$ 891	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	10,120	-	-	-	-	-	-	-	-	-
Nonspendable	-	216	792	763	735	705	721	743	745	723
Restricted	-	790	771	784	782	801	812	812	809	767
Assigned	-	-	25	-	-	-	520	-	-	-
Unassigned	-	10,661	11,012	11,260	12,101	12,667	15,230	17,598	19,332	22,319
Total General fund	<b>\$ 11,011</b>	<b>\$ -</b>	<b>\$ 12,600</b>	<b>\$ 12,807</b>	<b>\$ 13,618</b>	<b>\$ 14,173</b>	<b>\$ 17,283</b>	<b>\$ 19,153</b>	<b>\$ 20,886</b>	<b>\$ 23,809</b>
All other governmental funds										
Reserved	\$ 4,978	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	125	-	-	-	-	-	-	-	-	-
Capital projects funds	1,633	-	-	-	-	-	-	-	-	-
Nonspendable	- *	2,828	2,221	2,365	-	-	-	-	-	-
Restricted		2,465	2,925	2,676	7,030	19,377	13,379	13,334	14,918	16,569
Assigned, reported in										
Special revenue funds	-	57	74	83	47	36	32	17	44	71
Capital projects funds	-	1,617	-	-	-	-	-	-	-	-
Unassigned	-	-	(165)	(226)	-	-	-	-	-	-
Total all other governmental funds	<b>\$ 6,736</b>	<b>\$ -</b>	<b>\$ 5,055</b>	<b>\$ 4,898</b>	<b>\$ 7,077</b>	<b>\$ 19,413</b>	<b>\$ 13,411</b>	<b>\$ 13,351</b>	<b>\$ 14,962</b>	<b>\$ 16,640</b>

\* Due to the implementation of GASB 54 Fund Balance reclassification.

**City of Rome, Georgia**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	<b>Fiscal Year</b>									
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Revenues</b>										
Taxes	\$ 23,053	\$ 23,069	\$ 23,450	\$ 23,010	\$ 24,651	\$ 24,882	\$ 27,035	\$ 27,606	\$ 29,088	\$ 30,511
Licenses and permits	1,681	1,658	1,722	1,735	1,813	1,890	1,947	1,988	1,974	2,118
Intergovernmental	9,911	10,019	5,164	5,268	5,950	7,621	6,784	6,917	7,083	7,448
Charges for services	542	464	472	476	495	497	615	580	580	641
Fines/Forfeitures	1,496	1,294	1,244	1,358	1,176	1,260	1,219	1,129	887	802
Investment earnings	654	715	790	599	653	715	711	635	739	802
Miscellaneous	150	500	684	691	263	358	837	576	620	655
Total revenues	<u>37,487</u>	<u>37,719</u>	<u>33,526</u>	<u>33,137</u>	<u>35,001</u>	<u>37,223</u>	<u>39,148</u>	<u>39,431</u>	<u>40,971</u>	<u>42,977</u>
<b>Expenditures</b>										
General government	3,313	3,143	3,138	3,181	3,477	5,347	6,495	6,326	7,256	6,925
Public safety	7,414	7,222	7,122	7,372	7,397	7,659	7,243	7,630	7,864	8,083
Public works	5,430	5,670	5,623	5,577	5,614	5,447	5,390	5,348	5,421	5,402
Public facilities	1,023	1,007	1,035	1,039	1,116	1,128	1,205	1,246	1,318	1,493
Public services	379	388	407	433	442	436	419	514	515	535
Community development	1,126	1,135	1,204	1,163	1,120	1,081	1,078	1,291	6,048	1,646
Capital outlay	11,165	9,416	5,658	6,907	4,692	7,525	11,304	5,730	4,759	3,657
Debt service										
Principal	262	557	319	306	376	364	2,572	3,139	3,658	3,452
Interest	245	245	276	542	469	515	824	765	632	482
Bond Issuance Costs	-	-	-	-	-	245	-	-	-	-
Total expenditures	<u>30,357</u>	<u>28,783</u>	<u>24,782</u>	<u>26,520</u>	<u>24,703</u>	<u>29,747</u>	<u>36,530</u>	<u>31,989</u>	<u>37,471</u>	<u>31,675</u>
Excess of revenues over expenditures	7,130	8,936	8,744	6,617	10,298	7,476	2,618	7,442	3,500	11,302

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Other financing sources (uses)</b>										
Transfers in	\$ 1,847	\$ 2,672	\$ 1,807	\$ 1,903	\$ 1,909	\$ 3,532	\$ 4,781	\$ 4,405	\$ 4,929	\$ 5,557
Transfers out	(9,248)	(11,221)	(11,610)	(8,922)	(9,288)	(9,780)	(10,398)	(10,113)	(10,186)	(12,300)
Proceeds from sale of bonds/notes	-	-	-	-	-	10,785	-	-	-	-
Premium on issuance of Long Term Debt	-	-	-	-	-	861	-	-	-	-
Financed purchase	-	50	-	-	-	-	-	-	148	-
Notes payable	-	-	-	-	-	-	-	-	5,804	-
Discount on notes payable	-	-	-	-	-	-	-	-	(887)	-
Proceeds from sale of capital assets	85	449	80	452	70	17	107	75	36	41
Total other financing sources (uses)										
	(7,316)	(8,050)	(9,723)	(6,567)	(7,309)	5,415	(5,510)	(5,633)	(156)	(6,702)
Net change in fund balances	<u>\$ 1,620</u>	<u>\$ 694</u>	<u>\$ (3,106)</u>	<u>\$ 3,731</u>	<u>\$ 167</u>	<u>\$ 8,033</u>	<u>\$ 1,932</u>	<u>\$ (2,133)</u>	<u>\$ 3,344</u>	<u>\$ 4,600</u>
Debt service as a percentage of noncapital expenditures	2.7%	4.0%	2.9%	3.8%	4.0%	4.8%	13.9%	16.4%	13.1%	12.9%

**City of Rome, Georgia**  
**General Governmental Tax Revenues By Source**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Franchise Tax</b>	<b>Insurance Premium Tax</b>	<b>Alcoholic Beverage Tax</b>	<b>Other Taxes</b>	<b>Total</b>
2010	\$ 10,207	\$ 6,029	\$ 3,352	\$ 1,883	\$ 825	\$ 757	\$ 23,053
2011	10,047	6,162	3,553	1,703	812	792	23,069
2012	10,403	6,232	3,357	1,809	841	808	23,450
2013	10,612	5,590	3,236	1,873	855	844	23,010
2014	11,554	5,762	3,428	1,958	869	1,080	24,651
2015	11,844	5,320	3,445	2,092	862	1,319	24,882
2016	13,458	5,681	3,297	2,281	879	1,439	27,035
2017	13,630	5,675	3,220	2,435	867	1,779	27,606
2018	14,086	5,963	3,332	2,607	882	2,218	29,088
2019	14,434	6,378	3,282	2,771	916	2,730	30,511
% change between 2010 & 2019	41.41%	5.79%	-2.09%	47.16%	11.03%	260.63%	32.35%

**City of Rome, Georgia**  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Year</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Public Utilities</b>	<b>Motor Vehicles</b>	<b>Mobile Homes</b>	<b>Total Assessed Value City</b>	<b>Less School Tax Exemption</b>	<b>Total Assessed Value School</b>	<b>Total Direct Tax Rate *</b>	<b>Estimated Actual Value</b>	<b>Assessed Value to Estimated Actual Value</b>
2010	\$ 829,091,871	\$ 185,601,135	\$ 25,503,243	\$ 68,205,850	\$ 172,014	\$ 1,108,574,113	\$ (71,811,792)	\$ 1,078,630,642	26.15	\$ 2,696,576,605	40%
2011	816,351,825	186,162,190	28,265,457	69,194,300	192,965	1,100,166,737	(71,808,416)	1,062,672,937	26.15	2,656,682,342	40%
2012	815,093,673	185,918,089	28,265,457	70,303,830	170,110	1,099,751,159	(70,124,530)	1,045,889,201	26.15	2,614,723,003	40%
2013	810,347,679	189,949,428	29,001,905	76,515,750	180,990	1,105,995,752	(69,730,929)	1,050,919,941	26.15	2,627,299,853	40%
2014	811,586,270	198,147,609	31,601,367	66,616,670	174,465	1,108,126,381	(68,821,009)	1,053,960,998	26.15	2,634,902,495	40%
2015	834,527,447	199,255,502	33,184,031	47,340,010	165,982	1,114,472,972	(70,736,324)	1,056,420,392	26.14	2,641,050,980	40%
2016	836,127,575	208,975,968	32,000,019	35,162,930	154,808	1,112,421,300	(72,205,318)	1,053,828,111	27.54	2,634,570,278	40%
2017	857,637,052	219,269,723	30,456,372	26,087,700	136,582	1,133,587,429	(72,327,731)	1,076,721,213	27.54	2,691,803,033	40%
2018	882,516,219	237,497,031	31,659,637	19,438,420	129,037	1,171,240,344	(75,970,985)	1,119,487,012	27.54	2,798,717,530	40%
2019	916,353,240	241,241,903	32,753,967	15,044,050	128,985	1,205,522,145	(76,281,841)	1,163,041,594	27.54	2,907,603,985	40%

Source-Floyd County Tax Assessors Office

(1) Denotes change in tax assessment calculation from prior years

(2) School Tax Exemptions increased to reflect new changes in state law

Properties in the City are reassessed on a rotating basis by the county tax assessment office. The county assessed all property at 40% of actual value. Estimated actual value is calculated by dividing assessed value by 40%.

\* Includes General, Capital and School Tax Rates

**City of Rome, Georgia**  
**Property Tax Rates-Direct and Overlapping Governments**  
**(Per \$1,000 of Assessed Value)**  
**Last Ten Fiscal Years**

Year	City of Rome				Overlapping Rates **			
	General Fund	Capital Fund	Debt Service	City Schools	Total Direct Rate	Floyd County	State of Georgia	Total Rate
2010	6.80	1.90	-	17.45	26.15	8.767	0.25	35.17
2011	6.80	1.90	-	17.45	26.15	8.767	0.25	35.17
2012	6.80	1.90	-	17.45	26.15	8.767	* 0.20	35.12
2013	6.80	1.90	-	17.45	26.15	8.767	0.15	35.07
2014	6.80	1.90	-	17.45	26.15	8.767	0.10	35.02
2015	6.80	1.89	-	17.45	26.14	9.600	0.05	35.79
2016	8.15	1.94	-	17.45	27.54	9.600	-	37.14
2017	8.15	1.94	-	17.45	27.54	9.487	-	37.03
2018	8.15	1.94	-	17.45	27.54	9.480	-	37.02
2019	8.15	1.94	-	17.45	27.54	9.480	-	37.02

Source-City of Rome Finance Department  
Floyd County Finance Office

\* First year of phase out of state tax

\*\* Overlapping rates are those of county and state governments that apply to taxpayers within the City of Rome

**City of Rome, Georgia**  
**Principal Property Taxpayers**  
**December 31, 2019**  
**(amounts expressed in thousands)**

<b>Taxpayer</b>	<b>2019</b>			<b>2010</b>		
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total Taxable Assessed Value</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total Taxable Assessed Value</b>
Redmond Regional Medical Center	\$ 33,442	1	2.77%	\$ 29,274	1	2.64%
Harbin Properties, LLC	21,738	2	1.80%	20,977	2	1.89%
Georgia Power Company	20,994	3	1.74%	13,742	7	1.24%
Southeastern Mills	19,768	4	1.64%	14,228	6	1.28%
Keebler Company	19,515	5	1.62%	11,703	8	1.06%
GE Energy Parts	16,911	6	1.40%			
Walmart	15,976	7	1.33%	16,384	4	1.48%
Foss	10,962	8	0.91%			
Bekaert Corporation	10,650	9	0.88%	16,797	3	1.52%
River Root Partners LLC	10,421	10	0.86%	8,256	9	0.74%
Larry Martin				15,599	5	1.41%
Bellsouth/AT&T				7,565	10	0.68%
 Totals	 \$ 180,377		 14.96%	 \$ 154,525		 13.94%

Source-Floyd County Tax Assessor Office

**City of Rome, Georgia**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the			Total Collections to Date		
		Fiscal Year of the Levy					
		Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy	
2010	\$ 26,281	\$ 23,044	87.7%	\$ 1,311	\$ 24,355	92.7%	
2011	25,709	22,690	88.3%	1,942	24,631	95.8%	
2012	25,523	23,081	90.4%	1,883	24,963	97.8%	
2013	25,597	23,437	91.6%	1,293	24,727	96.2%	
2014	26,229	23,994	91.5%	1,932	25,921	98.8%	
2015	27,219	24,690	90.7%	2,368	27,054	99.4%	
2016	28,889	26,088	90.3%	2,801	28,799	99.7%	
2017	29,763	27,692	93.0%	1,776	29,212	98.1%	
2018	31,208	29,229	93.7%	1,235	30,120	96.5%	
2019	32,556	30,045	92.3%	-	31,382	96.4%	

\* Includes Homestead Tax

**City of Rome, Georgia**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands, except per capita amount)**

Fiscal Year	Governmental Activities				Business- Type Activities					Percentage of Personal Income(1)	Per Capita(1)
	General Obligation Bonds	Notes Payable & Intergovernmental Agreements	Certificates of Participation	Financed Purchase	Bonded Debt	Notes Payable	Financed Purchases	Total Primary Government			
2010	\$ -	\$ 5,547	\$ 4,527	\$ -	\$ 60,813	\$ 9,224	\$ 228	\$ 80,339	7.28%	2,213	
2011	-	5,492	4,527	40	55,497	8,602	793	74,951	6.54%	2,072	
2012	-	5,183	4,527	30	52,744	7,956	570	71,010	6.14%	1,976	
2013	-	4,886	4,527	20	54,241	1,336 *	460	65,470	5.54%	1,811	
2014	-	4,676	4,527	10	47,655	2,456	349	59,673	4.88%	1,658	
2015	11,645	4,322	4,527	-	40,797	2,365	235	63,891	5.02%	1,759	
2016	9,150	3,950	4,527	-	34,952	2,263	119	54,961	4.30%	1,509	
2017	6,131	3,561	4,527	-	29,025	2,160	-	45,404	3.43%	1,249	
2018	3,082	7,798	4,527	148	22,987	2,054	-	40,596	3.00%	1,116	
2019	-	7,482	4,527	100	21,976	1,945	-	36,030	2.55%	981	

Note-Additional information regarding the City's outstanding debt can be found in the notes to the financial statements

(1) See the Schedule of Demographics and Economic Statistics for personal income and population data

\* Prior GEFA balance became bonded debt in 2013

**City of Rome, Georgia**  
**Ratio of Net General Bonded Debt**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands, except per capita amount)**

<b>Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available for Debt Service</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property</b> **	<b>Per Capita</b> ***
2010	\$ -	\$ -	\$ -	N/A	\$ N/A
2011	-	-	-	N/A	N/A
2012	-	-	-	N/A	N/A
2013	-	-	-	N/A	N/A
2014	-	-	-	N/A	N/A
2015	11,645	2,087	9,558	0.36%	263
2016	9,150	2,033	7,117	0.27%	195
2017	6,131	2,046	4,085	0.15%	112
2018	3,082	2,173	909	0.03%	24.99
2019	-	-	-	0.00%	-

\*\* See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

\*\*\* Population data can be found in the Schedule of Demographic and Economic Statistics.

N/A Information not available for select years.

**City of Rome, Georgia**  
**Computation of Direct and Overlapping Governmental Activities Debt**  
**December 31, 2019**

<b>Governmental Unit</b>	<b>Certificates of Participation</b>	<b>Financed Purchases</b>	<b>General Obligation Bonds</b>	<b>Notes Payable</b>	<b>Other Debt Outstanding</b>	<b>Percent Applicable to City of Rome</b>	<b>Amount Applicable to City of Rome</b>
City of Rome Academy Bonds	\$ 4,527,000	\$ 99,898	\$ -	** \$ -	\$ 2,750,000	100%	\$ 7,376,898
	<u>\$ 4,527,000</u>	<u>\$ 99,898</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,750,000</u>		<u>\$ 7,376,898</u>

Source-Rome Board of Education

Note-Overlapping governments are those that may coincide, at least in part, with the geographic boundaries of the city.

\*\* Does not include TAD Debt because TAD debt is not supported by general tax payor obligation.

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

	<b>Fiscal Year</b>									
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Debt limit	\$ 110,857,411	\$ 110,016,673	\$ 109,975,116	\$ 110,599,575	\$ 110,812,638	\$ 111,380,929	\$ 111,242,130	\$ 113,358,743	\$ 117,124,034	\$ 120,552,215
Total net debt applicable to limit	-	-	-	-	-	11,645,000	9,150,000	6,131,000	3,082,000	-
Legal debt margin	<u>\$ 110,857,411</u>	<u>\$ 110,016,673</u>	<u>\$ 109,852,761</u>	<u>\$ 110,599,575</u>	<u>\$ 110,812,638</u>	<u>\$ 123,025,929</u>	<u>\$ 102,092,130</u>	<u>\$ 107,227,743</u>	<u>\$ 114,042,034</u>	<u>\$ 120,552,215</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	10.46%	8.23%	5.41%	2.63%	0.00%

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

**City of Rome, Georgia**  
**Pledged - Revenue Coverage**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>Water &amp; Sewer Revenue Bonds</b>			<b>Debt Service</b>		
	<b>Water &amp; Sewer Charges &amp; Other (1)</b>	<b>Less: Operating Expenses (2)</b>	<b>Net Available Revenue</b>	<b>Principal</b>	<b>Interest</b>	<b>Coverage</b>
2010	\$ 21,411,092	\$ 8,978,125	\$ 12,432,967	\$ 4,465,000	\$ 2,297,715	1.8
2011	21,413,544	9,677,717	11,735,827	4,605,000	2,159,128	1.7
2012	21,980,265	10,163,561	11,816,704	4,780,000	1,321,847	1.9
2013	21,965,249	9,361,007	12,604,242	5,441,000	1,826,484	1.7
2014	23,466,061	9,634,424	13,831,637	5,601,000	1,633,467	1.9
2015	23,263,538	9,032,695	14,230,843	5,824,000	1,542,939	1.9
2016	24,548,427	9,507,896	15,040,531	4,862,000	1,357,125	2.4
2017	24,312,060	10,000,236	14,311,824	5,021,000	1,224,650	2.3
2018	24,770,269	10,303,146	14,467,123	5,206,000	1,035,290	2.3
2019	26,394,880	11,204,327	15,190,553	5,391,000	838,793	2.4

(1) Includes interest income

(2) Excludes depreciation expense

**City of Rome, Georgia**  
**Demographics and Economic Statistics**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>(1) Population</b>	<b>(2) Personal Income (in thousands)</b>	<b>Per Capita Personal Income</b>	<b>(3) School Enrollment</b>	<b>(4) Unemployment Rate</b>
2010	36,303	\$ 1,103,430	\$ 30,395	5,579	10.6%
2011	36,181 **	1,145,816 **	31,669	5,737	12.7%
2012	35,942 **	1,156,110 **	32,166	5,669	11.8%
2013	36,159 **	1,182,219 **	32,695	6,006	9.0%
2014	35,997 **	1,223,682 **	33,994	6,114	7.9%
2015	36,323 **	1,273,266 **	35,054	6,210	5.8%
2016	36,431 **	1,277,052 **	35,054	6,267	5.6%
2017	36,340 **	1,325,320 **	36,470	6,311	4.5%
2018	36,375 **	1,353,296 **	37,204	6,448	4.4%
2019	36,716 **	1,414,447 **	38,524	6,517	3.8%

Data Sources:

- (1) U.S. Census Bureau
- (2) U.S. Department of Commerce, Bureau of Economic Analysis
- (3) Rome Board of Education
- (4) State Department of Labor

\*\* Trend Estimate based on 2010 Census

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

<b>Employer</b>	<b>2019</b>			<b>2010</b>			<b>Percentage of Total City Employment</b>
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	
Floyd Medical Center	3,380	1	7.98%	2,300	1	13.41%	
Redmond Regional Medical Center	1,375	2	3.25%	1,200	3	6.54%	
Harbin Clinic	1,300	3	3.07%	1,130	2	6.92%	
Rome City Schools	852	4	2.01%	680	5	4.37%	
Floyd County Government	711	5	1.68%	871	4	4.61%	
City of Rome	650	6	1.53%	597	6	3.74%	
Kellogg's	552	8	1.30%	593	7	3.22%	
Berry College	541	7	1.28%				
F & P Georgia	518	9	1.22%				
Neaton Rome	337	10	0.80%				
Mohawk Industries				452	8	2.61%	
Sara Lee Food Services				365	9	1.96%	
Southeastern Mills				310	10	1.77%	
<b>Totals</b>	<b><u>10,216</u></b>		<b><u>24.1%</u></b>	<b><u>8,498</u></b>		<b><u>49.15%</u></b>	

Source-Rome Chamber of Commerce

**City of Rome, Georgia**  
**Full-time Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**

<b>Function</b>	<b>Fiscal Year</b>									
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
General government	28	28	28	27	28	27	30	34	32	29
Legislative and judicial										
Commission	9	9	9	9	9	9	9	9	9	9
Municipal court	2	2	2	7	5	6	6	6	6	7
Attorney	1	1	1	1	1	1	1	1	1	1
Public safety										
Police										
Officers	92	95	95	101	98	96	96	96	96	96
Civilians	11	15	15	15	18	20	20	20	20	20
Public services	4	4	4	3	3	3	3	3	4	4
Public facilities	4	4	4	4	4	3	3	3	3	3
Fire										
Civilians	3	2	1	2	2	11	6	7	7	7
Firefighters and officers	148	149 **	162	161	161	154	158	159	159	159
Public works										
Public works office	4	4	4	4	4	3	4	4	4	4
Engineering	7	7	6	6	6	5	5	5	6	6
Street	31	31	31	31	31	29	29	35	35	35
Traffic	13	13	13	13	13	13	13	4	4	4
Cemetery	6	6	6	6	6	5	5	5	5	6
Garage	11	12	12	12	13	12	12	12	12	12
Building inspection	9	9	9	8	9	9	10	10	10	10
Transit	43	43	43	43	43	51	51	55	57	57
Planning commission	6	6	6	6	6	5	5	5	6	6
Solid Waste Management	56	55	57	57	57	56	57	57	56	56
Culture and recreation	11	19	21	24	24	28	40	44	51	56
Water and sewer	102	102	102	105	105	105	105	109	109	116
Total	601	616	631	645	646	651	668	683	692	703

Source-City of Rome Human Resource Department

\*\* Includes increase for personnel funded with SAFER grant

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

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public Safety:										
Police arrests	2,030	1,858	1,793	2,197	2,008	1,952	1,986	2,028	1,640	1,611
Parking/Traffic violations	14,455	13,228	12,270	14,253	11,452	11,520	13,375	12,639	10,494	11,417
Public Works:										
Street resurfacing (miles)	10.50	5.78	4.25	3.64	4.19	3.73	4.43	5.48	6.14	8.06
Public Facilities:										
Rentals - Aud/Civic Center	54,072	58,773	57,613	57,007	58,156	61,275	87,703	97,489	79,398	92,038
Senior Citizen Center	2,803	2,795	2,371	2,935	2,740	4,971	11,052	10,952	8,350	(5) 17,495
Education:										
School Enrollment	5,579	5,737	5,669	6,006	6,114	6,210	6,267	6,311	6,448	6,517
Water and Sewer:										
Customers										
Water	20,065	20,083	20,094	20,120	20,155	20,186	20,242	(4) 19,319	19,401	18,893
Sewer	21,163	21,173	21,181	21,211	21,254	21,299	21,338	21,422	21,545	21,729
Water - (millions of gallons)										
Average daily production	7.9	7.6	7.4	7.1	7.5	6.8	7.4	6.5	6.7	6.9
Maximum daily production	10.9	12.1	11.1	9.7	10.8	9.9	10.2	8.5	8.64	9.77
Wastewater - (millions of gallons)										
Average daily sewage treatment	10.8	10.7	9.1	13.9 (1)	11.3	12.0	10.2	11.5	15.39	10.63
Maximum daily sewage treatment	51.5	56.3	31.1	50.0	53.7	53.7	46.2	39.9	55.72	37.61
Fire										
Number of responses	4,292	4,401	4,142	4,247	4,699	4,919	6,313	6,954	6,812	6,760
Inspections	1,045	1,413	1,915	1,751	1,352	1,361	2,202	2,032	1,491	1,015
Solid Waste Management:										
Refuse collected (tons)										
Inert	9,075	8,330	6,879	6,535	8,847	7,647	5,767	5,485	5,068	5,443
Trash	1,865	1,578	1,423	1,407	1,456	1,749	2,016	2,115	2,322	2,515
Garbage	13,801	14,248	13,755	14,311	14,164	14,703	15,037	16,388	16,021	16,090
Recycling	1,017	1,409	1,472	1,325	1,329	1,589	854	524	1,003	937
Transit:										
Transit miles	591,152	585,837	589,766	604,407	591,300	614,038	617,241	604,762	509,719	659,369
Transit passengers	982,471	1,014,181	1,053,540	1,075,603	1,069,526	1,110,252	1,164,287	1,118,401	1,065,947	1,118,354
Building Inspection:										
New Construction Permits	67	36	55	62	93	121	145	182	227	288
Solid Waste Commission:										
Inert tonnage	194	816 (2)	733	488	697	2,224	1,187	2,148	2,441	4,427
C&D tonnage	24,753	22,654	20,030	24,117	20,041	22,663	8,147	11,048	14,206	20,149
Garbage tonnage	73,410	70,417	70,179	69,416	72,939	79,320	90,054	96,324	103,414	101,825
Municipal Golf:										
Rounds played	28,542	29,405	39,715 (3)	34,113	30,243	34,406	37,174	34,440	33,376	34,457

Source: City of Rome Trends Publication

Note: Operating indicators are not available for General Government, Public Services, and Community Development

(1) Sharp increase in maximum daily sewage treatment due to very wet year and increase in commercial users

(2) Increase due to storm related incidents

(3) Increased play contributed to conversion of greens

(4) Decrease due to exclusion of Solid Waste Dumpster Accounts

(5) Increase due to expansion of senior citizen provided services

**City of Rome, Georgia**  
**Principal Water and Sewer Customers**  
**Current Year and Ten Years Ago**

**Principal Water Customers (in descending order):**

	2019	2010
1)	Floyd County Wholesale	1) Floyd County Wholesale
2)	Floyd Medical Center	2) Bekaert Steel
3)	Bekaert Steel	3) Pierre Newco
4)	Redmond Regional Medical Center	4) Rome Housing Authority
5)	Mohawk Industries	5) Floyd Medical Center
6)	Syntec	6) Floyd County Government
7)	Floyd County Jail	7) Redmond Regional Medical Center
8)	Rome Housing Authority	8) Kelloggs
9)	Shorter University	9) Mohawk Industries
10)	Kelloggs	10) NW GA Regional Hospital

**Principal Sewer Customers (in descending order):**

1)	Marglen Industries	1) Bekaert Steel
2)	Bekaert Steel	2) Berry College
3)	Floyd County Jail	3) Crothall Laundry
4)	Rome Housing Authority	4) Pierre Newco
5)	Syntec	5) Rome Housing Authority
6)	Kelloggs	6) Floyd Medical Center
7)	Shorter University	7) Floyd County Government
8)	Redmond Regional Medical Center	8) Ball Corporation
9)	Floyd Medical Center	9) Marglen Industries
10)	Floyd County Government	10) General Electric

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

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public Safety:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Patrol Vehicles	65	65	71	71	72	80	80	80	80	93
Public Works:										
Streets (miles) **	266	267	267	265	267	268	268	268	268	269
Street lights	4,566	4,566	4,566	4,566	4,566	4,566	4,641	4,645	4,645	4,648
Traffic signals	93	93	95	95	95	95	95	96	96	96
Signage	10,248	10,250	10,253	10,257	10,257	10,257	10,257	10,257	10,257	10,257
Public Facilities:										
Parks	22	22	22	22	22	22	22	22	22	22
Auditoriums and Civic Centers	3	3	3	3	3	3	3	3	3	3
Public Services:										
Volumes in Library System	359,188	364,338	366,293	366,383	362,859	323,302	366,129	378,591	378,591	*
Water:										
Water mains (miles)	285	285	285	285	285	285	285	285	285	285
Fire hydrants	1,661	1,718	1,800	1,800	1,339	1,339	1,339	1,888	1,888	1,977
Sewer:										
Sanitary sewers (miles)	399	399	401	401	399	399	399	399	399	404
Storm sewers (miles)										
Fire:										
Fire stations	10	10	10	10	10	10	10	10	10	10
Solid Waste Management:										
Collection Vehicles	40	40	37	37	35	36	36	38	38	37
Transit:										
Buses	48	49	58	59	64	58	58	56	56	61

Source:

City of Rome Trends Publication  
 City of Rome Finance Department

Note: Capital Asset indicators are not available for the General Government, Community Development, Education, Building Inspection, Solid Waste Commission, and Municipal Golf Course functions.

\* New Catalog System at Sara Hightower Regional Library

\*\* Includes State Route 34.66 miles

**CITY OF ROME, GEORGIA**

**REPORT OF INDEPENDENT CERTIFIED  
PUBLIC ACCOUNTANTS IN ACCORDANCE  
WITH THE UNIFORM GUIDANCE AND  
*GOVERNMENT AUDITING STANDARDS***

**DECEMBER 31, 2019**

# **CITY OF ROME, GEORGIA**

## **SINGLE AUDIT OF FEDERAL PROGRAMS FOR THE YEAR ENDED DECEMBER 31, 2019**

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

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**To the Board of Commissioners of  
the City of Rome, Georgia  
Rome, Georgia**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Rome, Georgia** (the "City") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 7, 2020.

### **Internal Control over Financial Reporting**

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

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

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

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### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
August 7, 2020



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL  
AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

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**To the Board of Commissioners of  
the City of Rome, Georgia  
Rome, Georgia**

**Report on Compliance for Each Major Federal Program**

We have audited the City of Rome, Georgia's (the "City's") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2019. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The City's basic financial statements include the operations of the Rome Board of Education, which received \$9,942,024 in federal awards during the year ended June 30, 2019 which is not included in the City's schedule of expenditures of federal awards. Our audit, described below, did not include the operations of the City of Rome Board of Education because the component unit obtained a separate audit in accordance with the Uniform Guidance.

**Management's Responsibility**

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the City of Rome, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

### **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

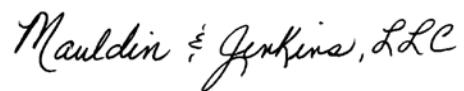
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Rome, Georgia as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise City of Rome Georgia's basic financial statements. We issued our report thereon dated August 7, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is cursive and fluid, with "Mauldin & Jenkins" on the top line and "LLC" on the bottom line.

Atlanta, Georgia  
August 7, 2020

**CITY OF ROME, GEORGIA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>Federal Grantor/Pass-Through Program Title</b>	<b>CFDA Number</b>	<b>Agency or Pass-through Grantor Number</b>	<b>Passed Through to Subrecipients</b>	<b>Expenditures</b>
<b>U.S. Department of Transportation</b>				
Passed through the Georgia Department of Transportation:				
Metropolitan Transportation Planning Services Program	20.505	T005138	\$ -	\$ 57,288
Passed through the Georgia Department of Transportation:				
Highway Planning and Construction Cluster:				
Highway Planning and Construction Program	20.205	PI 0015468	-	104,938
Subtotal Highway Planning and Construction Cluster			-	104,938
Passed through the Georgia Department of Transportation:				
Federal Transit - Urbanized Area Formula Grant	20.507	T006046	-	173,681
Federal Transit - Urbanized Area Formula Grant	20.507	T005580	-	58,565
Federal Transit - Urbanized Area Formula Grant	20.507	T006497	-	112,450
Federal Transit - Urbanized Area Formula Grant	20.507	T004893	-	320,209
Federal Transit - Urbanized Area Formula Grant	20.507	T006107	-	974,084
Subtotal Federal Transit Cluster			-	1,638,989
Total U.S. Department of Transportation			-	1,801,215
<b>U.S. Department of Justice</b>				
Passed through the Bureau of Justice Assistance:				
Bulletproof Vest Partnership Program	16.607	2019	-	3,998
Edward Byrne Memorial Justice Assistance Program	16.738	2018-DJ-BX-0767	3,800	19,190
Edward Byrne Memorial Justice Assistance Program	16.738	2019-DJ-BX-0767	3,933	18,211
Total U.S. Department of Justice			-	41,399
<b>U.S. Department of Homeland Security</b>				
Passed through the Georgia Emergency Management Agency Homeland Security Grant Program	97.067	EMW-2018-SS-00067-S01-SH018-050	-	16,345
Total U.S. Department of Interior			-	16,345
<b>U.S. Department of Housing and Urban Development</b>				
Community Development Block Grant - Entitlement Grants Cluster				
Entitlement Grant	14.218	B-17-MC-13-0014	-	92,433
Entitlement Grant	14.218	B-18-MC-13-0014	-	349,111
Subtotal Community Development Block Grant - Entitlement Grants Cluster			-	441,544
Community Home Investment Partnerships -				
Community HOME Investment Program (CHIP)	14.239	2018-111	-	471,663
HOME Homeownership and Small Rental Housing Development	14.239	SF2014-103	-	34,199
Subtotal Community Home Investment Partnerships			-	505,862
Total U.S. Department of Housing and Urban Development			-	947,406
Total Expenditures of Federal Awards			\$ -	\$ 2,806,365

See accompanying note to Schedule of Expenditures of Federal Awards.

## **CITY OF ROME, GEORGIA**

### **NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019**

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#### **BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Rome, Georgia (the “City”) and is presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the related liability is incurred.

In instances where the grant agreement requires the City to match the grant awards with local funds, such matching funds are excluded in the accompanying Schedule of Expenditures of Federal Awards.

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

Federal grant programs which are administered through state agencies (pass-through awards) have been included in this report. These programs are operated according to federal regulations promulgated by the federal agency providing this funding.

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

# CITY OF ROME, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

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### SECTION I SUMMARY OF AUDITOR'S RESULTS

#### Financial Statements

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

Internal control over financial reporting:

Material weaknesses identified?  yes  no

Significant deficiencies identified?

yes  no reported

Noncompliance material to financial statements noted?

yes  no

#### Federal Awards

Internal Control over major federal programs:

Material weaknesses identified?  yes  no

Significant deficiencies identified?

yes  no reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

yes  no

Identification of major federal programs:

CFDA Number  
20.507

Name of Federal Program or Cluster  
Federal Transit Cluster

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

yes  no

**CITY OF ROME, GEORGIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**Section II – Financial Statement Findings and Questioned Costs**

**None reported**

**CITY OF ROME, GEORGIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**Section III - Federal Awards Findings and Questioned Costs**

**None reported**

**CITY OF ROME, GEORGIA**

**STATUS OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**None reported**