CITY OF BLACKSHEAR, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2020

Earl A. Lawson
Certified Public Accountant
Blackshear, Georgia

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City of Blackshear, Georgia
Financial Statements
For the Fiscal Year Ended June 30, 2020

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Introductory Section

CITY OFFICIALS

MAYOR
Kevin L. Grissom

MAYOR PROTEM & DISTRICT 2 COUNCIL
Charles Broady

COUNCIL
Keith Brooks, District 1
Corey Lesseig, District 2
Timmy Sapp, District 3
Charles Boady, District 4
Sharon Komanacky, District 5
Linda Gail Dennison, District 6

CITY CLERK
Jenny Grant

CITY JUDGE
Dan Bennett

POLICE CHIEF
Chris Wright

FIRE CHIEF
Bucky Goble

CITY ATTORNEY
Adam Ferrell

PUBLIC WORKS SUPERVISOR
Wallace Tomlinson

WATER AND SEWER SUPERVISOR
Wallace Tomlinson

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Earl A. Lawson, CPA
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

To the City Council
Blackshear, Georgia

Report on Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of Blackshear, Georgia, as of and for the year ended June 30, 2020, and the related notes 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 controls 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I 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, I 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.

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I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Blackshear, Georgia as of June 30, 2020, and the respective changes in financial position and where applicable, cashflows 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, budgetary comparison and pension information on pages 12-21 and 80-90 be presented to supplement the financial statements. Such information although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Blackshear, Georgia's basic financial statements. The combining, individual nonmajor fund financial statements, the budgetary comparison schedules for capital projects, the budgetary comparison schedule for the Water and Sewer fund are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The major capital project funds as well as the combining, individual fund statements of the non major funds and the budgetary comparison schedule for the Water and Sewer Fund is the respondibility of management. Was derived from and relates 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 my opinion, the combining, individual nonmajor financial statements, the budgetary comparison schedules for capital projects, the budgetary comparison schedule for the Water and Sewer Fund is fairly stated in relation to the basic financial statements taken as a whole.

Other Reproting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated February 15, 2021 on my consideration of the City of Blackshear Georgia's internal controls over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of my testing, of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on 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 of Blackshear's internal control over financial reporting.

Earl A. Lawson
Certified Public Accountant
Blackshear, Georgia
February 15, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

Management's Discussion and Analysis

Within this section of the City of Blackshear, Georgia (City) annual financial report, the City's management provides narrative discussion and analysis of the financial activities of the City the year ended June 30, 2020. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the City's primary government.

FINANCIAL HIGHLIGHTS

The City's total assets exceeded its total liabilities by $17,712,140 (net position) for the year reported. This compares to the previous year when the total assets exceeded the total liabilities by $17,467,023

Total net position is comprised of the following:

1. Net Investment in Capital Assets, of $12,698,974 include property and equipment, net of accumulated depreciation, and reduced by outstanding debt related to the purchase and construction of capital assets.
2. Net position of $1,833,575 are restricted by constraints imposed upon the City by laws and regulations.
3. Unrestricted net position of $3,179,591 represents the portion available to maintain the City's continuing obligations to citizens and creditors.

The City's governmental funds reported total ending fund balance of $3,732,606 this year. This compares to the prior year ending fund balance, of $4,384,866 showing a decrease of $652,260 during the current year.

At the end of the current year, unassigned fund balance for the General Fund was $2,055,453, or 76.2% of total General Fund expenditures.

Overall, the City of Blackshear, Georgia, is in a strong financial position.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on pages 23-24 provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on pages 25-33. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

Overview to the Financial Statements

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

Government-wide Financial Statements

The City's annual report includes two government- wide financial statements. These statements provide both long-term and short-term information about the City's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Position. This is the City-wide statement of position presenting information that includes all of the City's assets and liabilities, with the difference reported as Net Position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall health of the City would extend to other nonfinancial factors such as diversification to the taxpayer base or the condition of City infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities which reports how the City's net position changed during the current year. All current year revenues and expenses are included *regardless of when cash is received or paid. An important purpose of the design of the statement* of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Governmental activities include general government, public safety, public works, culture and recreation and community development.

The City's financial reporting includes the funds of the City (primary government).

The Government-wide financial statements are presented on pages 23-24 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported.

The City has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus Is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the required supplementary information for the general. fund Budgetary comparison for special revenue funds and capital project funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the City's adopted and final revised budget.

The basic governmental fund financial statements are presented on pages 25-29 of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the City charges customers a fee. These are enterprise funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the City organization such as the water system, solid waste and revolving loans.

Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements but with more detail for major enterprise funds. Individual fund information for the non-major enterprise funds is found in combining and individual fund statements in a later section of this report.

The basic proprietary fund financial statements are presented on pages 30-33 of this report.

Notes to the basic financial statements:

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements are on pages 34-77 of this report.

THE CITY AS A WHOLE

The City's combined net position were $17,712,140 at the end of June 30, 2020 and $17,467,023 at the end of June 30, 2019 for a increase of $245,117 during the year. The net position belonging to the Governmental Activities $10,425,736 and the Business-type Activities $7,286,404.

Table 1

	Governmental Activities		Business-type Activities		Total Primary Government	
	June '30		June '30		June '30	
	2020	2019	2020	2019	2020	2019
Current and other assets	$ 4,616,070	$ 4,382,568	$ 1,728,483	$ 1,560,781	$ 6,344,553	$ 5,943,349
Non-Current assets	7,397,589	6,730,765	12,937,165	6,853,193	20,334,754	13,583,958
Deferred outflows of resources	162,380	159,088	44,934	33,209	207,314	192,297
Total assets and deferred outflows of resources	12,176,039	11,272,421	14,710,582	8,447,183	26,886,621	19,719,604
Current Liabilities	176,343	113,794	312,421	140,095	488,764	253,889
Long term liabilities	814,360	828,326	7,108,879	1,077,625	7,923,239	1,905,951
Deferred inflows of resources	759,600	76,725	2,878	16,016	762,478	92,741
Total liabilities and deferred inflows o	1,750,303	1,018,845	7,424,178	1,233,736	8,412,003	2,252,581
Net position:						
Net investment in capital assets	7,087,479	6,158,209	5,611,495	5,730,122	12,698,974	11,888,331
Restricted	1,503,078	1,648,794	330,497	226,035	1,833,575	1,874,829
Unrestricted (deficit)	1,835,179	2,446,573	1,344,412	1,257,290	3,179,591	3,703,863
Total net position	$ 10,425,736	$ 10,253,576	$ 7,286,404	$ 7,213,447	$ 17,712,140	$ 17,467,023

Net position of the City's governmental activities increase by $172,160 during the year ended June 30, 2020 compared to $506,743 for the year ended June 30, 2019

The net position of our business type activities increased by $72,957 for the year ended June 30, 2020, and increased by $353,078 for the year ended June 30, 2019. This increase in the business type activities is the result of the transfer of capital assets from the 2014 SPLOST fund in the amount of $90,634, and the current operations of the Water and Sewer Fund.

Governmental Activities and Business Type Activities:

The City has net position for 2020 of $17,712,140 and in 2019 of $17,467,023.

The City has an increase in net position for 2020 of $245,117 and in 2019 increase of $859,821

The Governmental Activities recognized more revenue from grants in 2020 as compared to 2019. The other increase in revenue and the increase in expenses was the result of timing differences.

The revenue decrease within the Business-type Activities and the increase in expenses was the result of timing differences in the recognition of revenue as well as expenses.

Table 2
Changes in Net Position of
Government and Business Type Activities

	Governmental Activities		Business-type Activities		Total Primary Government	
	June '30		June '30		June '30	
Revenues:	2020	2019	2020	2019	2020	2019
Program Revenues:						
Charges for services	$ 304,101	$ 931,032	$ 1,797,944	$ 1,767,855	$ 2,102,045	$ 2,698,887
Operating grants	83,124	62,713	-	-	83,124	62,713
Capital grants	663,133	635,112	-	66,925	663,133	702,037
General Revenues:						
Property taxes	1,120,041	1,239,947	-	-	1,120,041	1,239,947
Other taxes	1,244,735	1,154,119	-	-	1,244,735	1,154,119
Interest	13,693	17,672	874	1,805	14,567	19,477
Total Revenues	3,428,827	4,040,595	1,798,818	1,836,585	5,227,645	5,877,180
Expenses						
General government	409,227	378,410	-	-	409,227	378,410
Public safety	1,921,265	2,105,269	-	-	1,921,265	2,105,269
Public works	743,019	730,258	-	-	743,019	730,258
Culture and recreation	49,397	71,642	-	-	49,397	71,642
Community development	57,608	60,421	-	-	57,608	60,421
Interest	14,749	13,950	123,187	14,859	137,936	28,809
Revolving loan	-	-	-	26,953	-	26,953
Water and Sewer	-	-	1,426,353	1,384,462	1,426,353	1,384,462
Solid waste	-	-	245,689	309,692	245,689	309,692
Total expense	3,195,265	3,359,950	1,795,229	1,735,966	4,990,494	5,095,916
Excess (deficiency) before transfers and contributions	233,562	680,645	3,589	100,619	237,151	781,264
Other Income	-	72,688	-	-	-	72,688
Gain on sale of capital assets	7,966	5,869	-	-	7,966	5,869
Transfers	(69,368)	(252,459)	69,368	252,459	-	-
Increase (decrease) in net position	$ 172,160	$ 506,743	$ 72,957	$ 353,078	$ 245,117	$ 859,821

The cost of all governmental activities this year was $3,195,265 compared to $3,359,950 last year. However, as shown in the Statement of Activities on page 24, the amount that our taxpayers ultimately financed for these activities through City taxes was $2,144,907 because some of the cost was paid by those who directly benefited from the programs $304,101 or by other governments and organizations that subsidized certain programs with grants and contribution $749,257

In the Governmental Activities, the charges for services was down in 2020 compared to 2019 because the Police had a large confiscation and forfeiture award in 2019 but not in 2020.

Business-Type Activities

Revenues of the City's business-type activities (see Table 2) increased by 3.00 percent $37,767 in 2020 compared to a decrease $96,907 in 2019 and expenses increased by 3.30 percent $59,263 in 2020 compared to a decrease by 8.66% $164,610 in 2019. The factors driving these results include:

The water and sewer fund had an increase in interest expense due to the increase in debt resulting from the renewal of the waste water treatment facilities.

THE CITY'S FUNDS

As the City completed the year, its governmental funds as presented in the balance sheet on page 25 reported a combined fund balance of $3,732,606 which is a decrease from last year's total of $4,384,866

General Fund Budgetary Highlights

The City Council did adjust the budget during the year ended June 30, 2020.

The City General Fund had a variance of $122,966 in the revenue. The budget had total revenue of as originally adopted $2,538,070. The actual revenue was $2,661,036 . The city Clerk, Mayor and the City Council is monitoring the budget to actual results monthly.

The City General Fund had a variance of $(285,763) in expenditures. The budget as originally adopted had total expenditures of $2,411,068.The actual expenditures were $2,696,831. The City Clerk, Mayor, City Council and department heads are monitoring the budget to actual results monthly.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2020 the City had $19,967,631 invested in a broad range of capital assets, including police and fire equipment, buildings, roads, bridges, and water and sewer lines. (See Table 4 below.) This amount represents a net increase) including additions and deductions) of $6,792,848, or 51.55 percent, over last year. The increase in net capital assets resulted from the construction in process in the business-type activities and the additions of equipment in the governmental activities.

Table 4
Capital Assets at Year-End June 30, 2020 and 2019
(Net of Depreciation)

	Governmental Activities June '30		Business-type Activities June '30		Primary Government June '30	
	2020	2019	2020	2019	2020	2019
Land and construction in progr	$ 814,453	$ 814,453	$ 8,101,500	$ 2,243,546	$ 8,915,953	$ 3,057,999
Building and Improvements	770,702	784,394	-	-	770,702	784,394
Infrastructure	3,839,459	3,403,236	-	-	3,839,459	3,403,236
System and system improvements			4,563,536	4,393,027	4,563,536	4,393,027
Equipment	1,877,981	1,536,127	-	-	1,877,981	1,536,127
Totals	$ 7,302,595	$ 6,538,210	$ 12,665,036	$ 6,636,573	$ 19,967,631	$ 13,174,783

This year's major addition included:

> The City plans to continue to update its equipment within it's Governmental Activities as well as it's Business-type Activities, as well as a construction project for it's Waste Water Treatment Plant.

See note 5 on page 52 and page 53 of this report for additional information about the City's capital assets.

The City has entered into an agreement with the United States Department of Agriculture to improve and expand it's Waste Water Treatment Plant.
The upgrade and expansion is estimated to cost approximately $7,737,000 and will be paid for with a loan from USDA in the amount of $5,667,000 and a grant from USDA of $2,070,000.However, these estimates may be adjusted as the construction continues.

Debt

At year-end, the City had $7,435,291 in notes outstanding compared to $1,477,878 last year a increase of $5,957,413 or 402.43 percent --as shown in Table 5.

Table 5
Outstanding Debt at Year-End

	Governmental Activities		Business-type Activities		Primary Government	
	June '30		June '30		June '30	
	2020	2019	2020	2019	2020	2019
Leases	$ -	$ -	$ -	$ -	$ -	$ -
Revenue bonds (backed by water & sewer fee revenues)	-	-	-	-	-	-
Capital leases	-	-	-	-	-	-
Note payable	215,116	380,001	7,053,539	906,451	7,268,655	1,286,452
Compensated absences	166,636	191,426	-	-	166,636	191,426
Totals	$ 381,752	$ 571,427	$ 7,053,539	$ 906,451	$ 7,435,291	$ 1,477,878

The City repaid debt during the year ended June 30, 2020 in the amount of $700,572 in its business type activities and $225,355 in its governmental activities.

See Note 8 on pages 57 - 64 for additional information about the City's long term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's elected and appointed officials considered many factors when setting the fiscal-year June 30, 2021 budget, tax rates, and fees that will be charged for the business-type activities. One of those factors is the economy.

The City is continuing to upgrade its water and sewer system, with a major expansion . to it's Waste Water Treatment System.

If these estimates are realized, the City's budgetary General Fund balance is expected to increase modestly by the close of June 30, 2021.

As for the City's business-type activities, we expect that the June 30, 2021 results will also improve based upon these decisions:

Blackshear also features:

A modern library facility.
A modern community center.
The Better Hometown Program is very active within the City.
The City Park is undergoing extensive improvements.
Extensive upgrade to the waste water treatment system
Other improvements are continuing to be made within the City.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the

Basic Financial Statements

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

City of Blackshear, Georgia
Statement of Net Position
June 30, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets and Deferred Outflows of Resources:			
Current Assets			
Cash	$ 3,528,803	$ 1,397,368	$ 4,926,171
Receivables (net)	218,210	321,000	539,210
Intergovernmental receivables	830,594	-	830,594
Notes receivable	-	-	-
Prepaid	38,463	10,115	48,578
Total Current Assets	4,616,070	1,728,483	6,344,553
Non-Current Assets:			
Internal balances	94,994	(94,994)	-
Notes receivable	-	367,123	367,123
Capital assets :			
Land, improvements, and construction in progress	814,453	8,101,500	8,915,953
Other capital assets, net of depreciation	6,488,142	4,563,536	11,051,678
Total Non-Current Assets	7,397,589	12,937,165	20,334,754
Total assets	12,013,659	14,665,648	26,679,307
Deferred Outflows of Resources	162,380	44,934	207,314
Total Assets and Deferred Outflows of Resources	12,176,039	14,710,582	26,886,621
Liabilities and Deferred Inflow of Resources			
Current Liabilities			
Accounts payable and accrued expenses	146,688	114,661	261,349
Accured Interest	5,154	9,188	14,342
Intergovernmental	-	-	-
Due within one year	24,501	188,572	213,073
Total Current Liabilities	176,343	312,421	488,764
Long-term liabilities (net of current portion):			
Due in more than one year	190,615	6,864,969	7,055,584
Customer Deposits	-	106,900	106,900
Net Pension Liability	457,109	137,010	594,119
Compensated absences	166,636	-	166,636
Total long term liabilities	814,360	7,108,879	7,923,239
Deferred Inflows of Resources	759,600	2,878	762,478
Total Liabilities and Deferred Inflows or Resources	1,750,303	7,424,178	9,174,481
Net Position			
Net Investment in Capital Assets	7,087,479	5,611,495	12,698,974
Restricted for:			
Debt service	-	330,497	330,497
Capital projects	1,503,078	-	1,503,078
Public Safety	-	-	-
Unrestricted (deficit)	1,835,179	1,344,412	3,179,591
Total net position	$ 10,425,736	$ 7,286,404	$ 17,712,140

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

City of Blackshear, Georgia
Statement of Activities
For The Year Ended June 30, 2020

Functions/Programs	Expense	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total
PRIMARY GOVERNMENT:							
Government activities:							
General government	$ 409,227	$ 76,734	$ -	$ -	$ (332,493)	$ -	$ (332,493)
Public safety	1,921,265	206,767	-	297,630	(1,416,868)	-	(1,416,868)
Public works	743,019	20,600	83,124	333,771	(305,524)	-	(305,524)
Culture and recreation	49,397	-	-	31,732	(17,665)	-	(17,665)
Community development	57,608	-	-	-	(57,608)	-	(57,608)
Interest on long-term debt	14,749	-	-	-	(14,749)	-	(14,749)
Total governmental activities	3,195,265	304,101	83,124	663,133	(2,144,907)	-	(2,144,907)
Business-type activities:							
Revolving loan	-	835	-	-	-	835	835
Solid Waste	245,689	208,459	-	-	-	(37,230)	(37,230)
Water & Sewer	1,549,540	1,588,650	-	-	-	39,110	39,110
Total business-type activities	1,795,229	1,797,944	-	-	-	2,715	2,715
Total primary government	$ 4,990,494	$ 2,102,045	$ 83,124	$ 663,133	(2,144,907)	2,715	(2,142,192)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					1,120,041	-	1,120,041
Sales Taxes					468,434	-	468,434
Franchise taxes					273,848	-	273,848
Insurance premium tax					246,490	-	246,490
Other taxes					255,963	-	255,963
Gain on sale of capital assets					7,966	-	7,966
Other income					-	-	-
Interest earned					13,693	874	14,567
Total general revenues					2,386,435	874	2,387,309
Transfers					(69,368)	69,368	-
Total general revenues and transfers					2,317,067	70,242	2,387,309
Change in net position					172,160	72,957	245,117
Net position---beginning					10,253,576	7,213,447	17,467,023
Net position---ending					$ 10,425,736	$ 7,286,404	$ 17,712,140

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

City of Blackshear, Georgia
Balance Sheet
Governmental Funds
June 30, 2020

Assets	General	Capital Project: 2014 SPLOST	Capital Project: CDBG19p-x 113-2-6050	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 1,648,631	$ 1,461,678	$ 100	$ 418,394	$ 3,528,803
Receivables, net	218,210	-	-	-	218,210
Due from other funds	342,238	-	-	6,800	349,038
Intergovernmental	28,490	-	750,000	52,104	830,594
Prepaids	38,463	-	-	-	38,463
Inventories	-	-	-	-	-
Total Assets	$ 2,276,032	$ 1,461,678	$ 750,100	$ 477,298	$ 4,965,108
Liabilities and Deferred inflows of Resources and Fund Balance					
Liabilities:					
Accounts payable and accruals	$ 138,809	$ 3,354	$ -	$ 4,525	$ 146,688
Due to other funds	-	253,644	100	300	254,044
Payable to other governments	-	-	-	-	-
Total Liabilities	138,809	256,998	100	4,825	400,732
Deferred Inflows of Resources	81,770	-	750,000	-	831,770
Total Liabilities and Deferred Inflows of Resources	220,579	256,998	750,100	4,825	1,232,502
Fund balances:					
Nonspendable	38,463	-	-	-	38,463
Restricted:					
Capital Projects	-	1,204,680	-	298,398	1,503,078
Public Safety	-	-	-		-
Committed					
Public Safety	-	-	-	-	-
Capital Projects	-	-	-	174,075	174,075
Assigned	-	-	-	-	-
Unassigned	2,016,990	-	-	-	2,016,990
Total Fund Balances	2,055,453	1,204,680	-	472,473	3,732,606
Total Liabilities, Deferred Inflow of Resources and Fund Balances	$ 2,276,032	$ 1,461,678	$ 750,100	$ 477,298	$ 4,965,108

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

City of Blackshear, Georgia
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities
For The Year Ended June 30, 2020

TOTAL GOVERNMENTAL FUND BALANCES		$ 3,732,606
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
Cost	11,299,238	
Less accumulated depreciation	(3,996,643)	
Net capital assets		7,302,595
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Outflows Pension	162,380	
Property taxes	81,770	
Special Local Option Sales Tax	-	
Transporation Special Local Option Sales Tax	-	
Local Option Sales Tax	-	244,150
Liabilities, including notes and capital leases are not due and payable in the current period and therefore are not reported in the funds:		
Accrued Interest	(5,154)	
Notes payable	(215,116)	
Net Pension Liability	(457,109)	
Inflows Pension	(9,600)	
Compensated absences	(166,636)	(853,615)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 10,425,736

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

City of Blackshear, Georgia
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For The Year Ended June 30, 2020

	General	Capital Project: 2014 SPLOST	Capital Project: CDBG19p-x 113-2-6050	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	$ 2,376,196	$ -	$ -	$ 28,266	$ 2,404,462
Fines and forfeitures	141,507	-	-	33,395	174,902
Intergovernmental	4,577	510,443	-	273,255	788,275
Charges for services	125,832	-	-	-	125,832
Interest	12,924	1,661	-	840	15,425
Other	-	-	-	3,367	3,367
Total Revenues	2,661,036	512,104	-	339,123	3,512,263
Expenditures					
Current:					
General government	357,621	-	-	187	357,808
Public safety	1,711,092	-	-	109,046	1,820,138
Public works	570,511	-	-	3,992	574,503
Parks and recreation	-	-	-	28,266	28,266
Community development	57,608	-	-	-	57,608
Capital Outlay:					
General government	-	77,740	-	13,753	91,493
Public safety	-	40,316	-	291,398	331,714
Public works	-	646,323	-	7,538	653,861
Parks and recreation	-	7,302	-	-	7,302
Capital Outlay: Utilities		90,633	-	-	90,633
Debt service:					
Principal	-	-	-	164,885	164,885
Interest and other charges	-	-	-	15,543	15,543
Total Expenditures	2,696,832	862,314	-	634,608	4,193,754
Excess (deficiency) of revenues over expenditures	(35,796)	(350,210)	-	(295,485)	(681,491)
Other Financing Sources (Uses)					
Issuance of Debt	-	-	-	-	-
Sale of general capital assets	7,966	-	-	-	7,966
Transfers in	1,050	-	-	212,747	213,797
Transfers out	(192,532)	-	-	-	(192,532)
Total financing Sources And Uses	(183,516)	-	-	212,747	29,231
Net Change in Fund Balance	(219,312)	(350,210)	-	(82,738)	(652,260)
Fund Balances Beginning	2,274,765	1,554,890	-	555,211	4,384,866
Fund Balances Ending	$ 2,055,453	$ 1,204,680	$ -	$ 472,473	$ 3,732,606

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

City of Blackshear, Georgia
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For The Year Ended June 30, 2020

NET CHANGES IN FUND BALANCES TOTAL GOVERNMENTAL FUNDS		$ (652,260)
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 capital outlays exceeded depreciation expense in the current period.		
Capital outlay	$ 1,084,370	
Depreciation expense	(319,985)	764,385
In the statement of activities, only the gain on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position deiffers from the change in fund balance by the net book value of assets sold.		
Cost of capital assets sold	$ 207,349	
Less: accumulated depreciation	(207,349)	
Net book value of assets sold		-
Elimination of transfers between Governmental funds:		
Transfers in	$ 192,532	
Transfers out	(192,532)	-
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Taxes	(39,685)	
Special Local Option Sales Tax	-	
Transporation Special Local Option Sales Tax	(43,750)	
Local Option Sales taxes	-	(83,435)
Issuance of long term debt provides current financial resources to governmental funds while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. The issuance of long term debt increases long term liabilities and the repayment of long term debt reduces long term liabilities in the statement of net position.		
Issuance of Note Payable	-	
Accrued interest	794	
Repayment of long term debt	164,884	165,678
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences	24,790	
Net pension deferred outflows and pension deferred inflows	(46,998)	(22,208)

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

City of Blackshear, Georgia
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For The Year Ended June 30, 2020

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 172,160

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

City of Blackshear, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2020

Assets and Deferred Outflows of Resources	Enterprise Funds			
Resources	Water and Sewer	Solid Waste	Other Proprietary	Totals
Current assets:				
Cash	$ 808,916	$ 229,048	$ 28,907	$ 1,066,871
Receivables, net	295,361	25,639	-	321,000
Due from other governments	-	-	-	-
Due from other funds	288,006	-	-	288,006
Prepaid	6,333	3,782	-	10,115
Total Current Assets	1,398,616	258,469	28,907	1,685,992
Noncurrent assets:				
Restricted cash	330,497	-	-	330,497
Notes Receivable	301,021	-	66,102	367,123
Capital assets:				
Land and improvements	644,147	-	-	644,147
Construction in progress	7,457,353	-	-	7,457,353
Distribution, collection systems and				
Buildings and equipment	13,758,029	-	-	13,758,029
Less accumulated depreciation	(9,194,493)	-	-	(9,194,493)
Total Noncurrent Assets	13,296,554	-	66,102	13,362,656
Deferred Outflows of Resources	36,197	8,737		44,934
Total Assets and Deferred Outflows of Resources	$ 14,731,367	$ 267,206	$ 95,009	$ 15,093,582
Liabilities and Deferred Inflows of Resources and Net Position:				
Current liabilities:				
Accounts payable and accrued expenses	$ 103,841	$ 10,821	$ -	$ 114,662
Accrued interest	9,188	-	-	9,188
Due to other funds	308,834	74,165	-	382,999
Total Current Liabilities	421,863	84,986	-	506,849
Noncurrent liabilities:				
Customer deposits	106,900	-	-	106,900
Net pension liability	112,385	24,625		137,010
Due within one year	188,572			188,572
Due in more than one year	6,864,969			6,864,969
Total Noncurrent Liabilities	7,272,826	24,625	-	7,297,451
Total Liabilities	7,694,689	109,611	-	7,804,300
Deferred Inflows of Resources	2,361	517		2,878
Total Liabilities and Deferred Inflows of Resources	7,697,050	110,128	-	7,807,178
Net Position				
Net Investment in capital assets	5,611,495	-	-	5,611,495
Restricted for debt service	330,497	-	-	330,497
Unrestricted	1,092,325	157,078	95,009	1,344,412
Total Net Position	7,034,317	157,078	95,009	7,286,404
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 14,731,367	$ 267,206	$ 95,009	$ 15,093,582

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

City of Blackshear, Georgia
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For The Year Ended June 30, 2020

	Enterprise Funds			
	Water and Sewer	Solid Waste	Other Proprietary	Totals
OPERATING REVENUES				
Charges for services	$ 1,448,730	$ 208,449	$ -	$ 1,657,179
Other service charges	139,920	10	-	139,930
Interest on Loans	-	-	835	835
TOTAL OPERATING REVENUES	1,588,650	208,459	835	1,797,944
OPERATING EXPENSES				
Personnel services	376,013	80,919	-	456,932
Contracted services	238,446	141,083	-	379,529
Repairs and maintenance	14,797	13,805	-	28,602
Other supplies and expense	396,585	9,882	-	406,467
Depreciation	400,512	-	-	400,512
TOTAL OPERATING EXPENSES	1,426,353	245,689	-	1,672,042
OPERATING INCOME (LOSS)	162,297	(37,230)	835	125,902
NONOPERATING INCOME (EXPENSES)				
Intergovernmental	-	-	-	-
Interest revenue	859	-	15	874
Interest expense	(123,187)	-	-	(123,187)
TOTAL NONOPERATING INCOME (EXPENSES)	(122,328)	-	15	(122,313)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	39,969	(37,230)	850	3,589
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital Contributions: Utilities	90,634	-	-	90,634
Transfers In	-	-	-	-
Transfers Out	(9,704)	(11,562)	-	(21,266)
NET CAPITAL CONTRIBUTIONS AND TRANSFERS	80,930	(11,562)	-	69,368
CHANGE IN NET POSITION	120,899	(48,792)	850	72,957
				-
TOTAL NET POSITION BEGINNING	6,913,418	205,870	94,159	7,213,447
TOTAL NET POSITION ENDING	$ 7,034,317	$ 157,078	$ 95,009	$ 7,286,404

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

City of Blackshear, Georgia
Statement of Cash Flows
Proprietary Funds
For The Year Ended June 30, 2020

	Enterprise Funds			
	Water and Sewer	Solid Waste	Other Proprietary	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$ 1,608,612	$ 247,802	$ 835	$ 1,857,249
Payments to suppliers	(609,831)	(208,248)	-	(818,079)
Payments to employees	(337,762)	(83,199)	-	(420,961)
Other receipts (payments)	-	-	-	-
Net cash provided by operating activities	661,019	(43,645)	835	618,209
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Due from other governments	23,630	-	-	23,630
Funds returned to DCA			-	-
Advances (to) from other funds	(171,727)	74,165		(97,562)
Loans receivable	-	-	18,422	18,422
Transfers In (Out)	(9,704)	(11,562)	-	(21,266)
Net cash (used) by Noncapital Financing Activities	(157,801)	62,603	18,422	(76,776)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	6,847,660	-	-	6,847,660
Proceeds from sale of equipment	-	-	-	-
Acquisition and Construstion of Capital Assets	(6,428,975)	-	-	(6,428,975)
Principal paid on debt	(700,572)	-	-	(700,572)
Interest paid on Revenue bonds & equipment debt	(123,187)	-	-	(123,187)
Changes in pension liability	82,023			82,023
Other receipts (payments)	18,701	-	-	18,701
Net cash (used) by capital and related financing activities	(304,350)	-	-	(304,350)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest	859	-	15	874
Net cash provided by investing activities	859	-	15	874
Net (decrease) in cash and cash equivalents	199,727	18,958	19,272	237,957
BALANCES BEGINNING OF THE YEAR	939,686	210,090	9,635	1,159,411
BALANCES END OF THE YEAR	$ 1,139,413	$ 229,048	$ 28,907	$ 1,397,368
Displayed As:				
Cash	$ 808,916	$ 229,048	$ 28,907	$ 1,066,871
Restricted cash	330,497	-	-	330,497
CASH BALANCE END OF YEAR	$ 1,139,413	$ 229,048	$ 28,907	$ 1,397,368
Noncash Transactions:				
Contribution of Capital Assets	90,634	-	-	90,634

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

City of Blackshear, Georgia
Statement of Cash Flows
Proprietary Funds
For The Year Ended June 30, 2020

	Enterprise Funds			
	Water and Sewer	Solid Waste	Other Proprietary	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED BY OPERATING ACTIVITIES				
Operating income (loss)	$ 162,297	$ (37,230)	$ 835	$ 125,902
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	400,512	-	-	400,512
Change in assets and liabilities:				
Receivables	37,874	39,343	-	77,217
Prepaid	(3,183)	(3,782)	-	(6,965)
Deferred Outflows of Resources	(11,718)	(7)	-	(11,725)
Accounts and other payables	43,180	(41,969)	-	1,211
Defered Inflows of Resources	(10,165)	-	-	(10,165)
Accrued expenses	60,137	-	-	60,137
Deposits	(17,915)	-	-	(17,915)
Net cash provided by operating activities	$ 661,019	$ (43,645)	$ 835	$ 618,209

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

City of Blackshear, Georgia
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City of Blackshear, Georgia
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The City of Blackshear, Georgia (the "City") is a Georgia municipal corporation and operates under a charter and a mayor/council form of government.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. For it's enterprise funds, the City applies any FASB statements and interpretations issued after November 30, 1989, unless they conflict with or contradict GASB pronouncements.

The most significant of the City's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, and other organizations that are included to ensure that the financial statements are not misleading.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization.

Discretely presented component units generally are reported only at the government-wide financial reporting level.

Discretely Presented Component Units - Based on the GASB criteria, the City has no entities that qualify as discretely presented component units.

Blended Component Units - Based on the GASB criteria, the City has no entities that qualify as blended component units.

1-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 and fund financial statements, which provide a more detailed level of financial information.

Note 1 - Summary of Significant Accounting Policies (Continued)

Government-wide Financial Statements - The government-wide financial statements include a statement of net position and a statement of activities. These statements report financial information for the City as a whole. All funds other than fiduciary activities are included at the government-wide reporting level. Individual funds are not displayed at this reporting level, but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the City.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the business-type activities of the City. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly related to the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finances annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the City. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental, proprietary, and fiduciary funds.

Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Accounting - The City uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses two categories of funds; governmental and proprietary.

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

> ***General Fund*** - The general fund accounts for all financial resources except those required to be accounted for in other funds. The general fund's fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Georgia.
>
> **Capital Project Funds:**
>
> The 2014 Special Local Option Sales Tax Fund is to account for the acquisition and construction of major facilities as required by the resolution.
>
> The CDBG 19P-X-113-2-6050 is to account for the funds provided by the Community Development Block Grant.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise funds. The following is the City's major Proprietary Funds:

> ***Water and Sewer System Fund*** - This fund is used for the operation of the City's water and sewer system which renders services to the residents and businesses located within the City.
>
> **Solid Waste Fund**- To account for the collection of funds for the removal and disposal of yard and other waste material.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position. The statement of activities reports revenues and expenses, including depreciation.

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

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

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase "available for exchange transactions" means expected to be received within twelve months of year-end.

Note 1 - Summary of Significant Accounting Policies (Continued)

Revenues - Non-exchange Transactions - Non-exchange transactions in which the City receives value without directly giving equal value in return, include sales taxes, property taxes, grants, and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place and on the modified accrual basis, it is recognized in the year received (i.e., when considered available). Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 4-c) Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue form non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

Unearned Revenue:

Unearned Revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Liabilities and Fund Equity

1-E-1. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

Georgia law authorizes the City to invest in the following type of obligations:

Obligations of the State of Georgia or of any other states
Obligations of the United states Government
Obligations fully insured or guaranteed by the Government of governmental agency
Obligations of any corporation of the government
Prime bankers' acceptances
The State of Georgia local government investment pool (i.e., Georgia Fund I)
Repurchase agreements
Obligations of the other political subdivisions of the State of Georgia

Any investment or deposit in excess of the Federal Deposit Insurance Corporation (FDIC) insured amount must be secured by 110% of an equivalent amount of State or U.S. obligations.

1-E-2. Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as expenditure in the governmental fund types when consumed.

1-E-3. Prepaid Items:

Payments made to vendors for services that will benefit periods beyond June 30, 2019, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure in the year in which the services are consumed. At the fund reporting level, an equal amount of fund balance in reserved as this amount is not available for general appropriation.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-4 Receivables:

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes, grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Accounts receivable comprise the majority of proprietary fund receivables. Allowance for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

The majority receivable for the City is property taxes and grant receivable. Property is appraised and a lien on such property becomes enforceable 60 days after final notification on delinquency of property taxes. Property taxes are levied by the last quarter of the year in which they are assessed, or as soon after as deemed practical. Taxes are due and payable when levied. Property taxes are levied on all taxable real, public utility and personal property (including vehicles) located within the City. Assessed values for property tax purposes are determined by the Pierce County Board of Tax Assessors for all property except public utilities and motor vehicles. Assessed value is set at 40% of market value. Public utility assessed values are established by the State of Georgia. The City of Blackshear may place liens on property once the related tax payments become delinquent.

The property tax calendar is as follows:

Beginning of year for taxes	January 1, 2019
Levy date and Millage Rate Established	August 24, 2019
Real Property Assessment Notice Mailed	May 24, 2019
City digest approved by the State of Georgia	October 21, 2019
Real Property tax bill rendered	October 20, 2019
Real Property tax payment due	December 20, 2019

1-E-5. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The City reports these assets in the governmental activities column of the government-wide statement to net position but does not report these assets in the governmental fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the enterprise funds' statement of net position.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-5. Capital Assets (Continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consist of roads, bridges and water and sewer lines. Improvements (i.e., betterments) to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend as asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise funds is capitalized.

The City of Blackshear is a Phase III Government in regards to the implementation of GASB 34. Therefore, the infrastructure included in these financial statements includes the infrastructure added since GASB 34 was implemented. Infrastructure prior to the implementation of GASB 34 is not included.

All reported capital assets are depreciated except for land, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land improvements	20 years	20 years
Buildings and plant	40 years	40 years
Machinery and equipment	5 - 10 years	5 - 30 years
Vehicles	8 years	8 years
Infrastructure	10 - 65 years	0
System Improvements Water & Sewer	0	30-40 Years

General infrastructure assets acquired prior to July 1, 2003 are not reported in the basic financial statements. General infrastructure assets include all roads and bridges and other infrastructure assets acquired subsequent to July 1, 2003.

It is the City's policy not to capitalize interest during construction.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-6. Compensated Absences

Vacation and sick leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only *"when due."*

1-E-7. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

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

1-E-8. Bond Premiums, Discounts and Issuance Cost

On the government-wide statement of net position and the proprietary fund type statement of net position, bond premiums and discounts are netted against bonds payable and bonds payable and bond issuance costs are expensed in the period incurred.

1-E-9. 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 current assets and current liabilities. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-9. Fund Equity (Continued)

Nonspendable - Fund balances are reported as nonspendable when amounts cannot be spent because that are either (a) no in spendable form (I.E., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

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

Committed - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. The City Council also may modify or rescind the commitment.

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 or committed. Through resolution, the City Council has authorized the City's Mayor to assign fund balances.

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.

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 first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance. It is the City's policy to use fund balance in the following order:

Committed
Assigned
Unassigned

Net Position- Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used (i.e., the amount the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted as described in the fund balance section above. All other net positions are reported as unrestricted .

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-10. Operating and non-operating revenues and expenses: Revenues and Expense

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and or services. Also included are all revenues and expenses not related to capital and related financing, non-capital financing, or investing activities. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, the County's policy is to use restricted resources first, then unrestricted resources as needed.

Expenditures/expenses:

In the government-wide financial statements, expenses are classified by function for governmental activities. In the fund financial statements, governmental fund expenditures are classifies by character i.e. current (further classified by function), debt service, and capital outlay. Proprietary fund expenses are classified as operating and non-operating.

In the fund financial statements, governmental funds report expenditures of current financial resources. Proprietary funds report expenses relating to use of economic resources.

1-E-11. Contributions of Capital

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

1-E-12. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement of repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and the after non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business type activities column are eliminated.

1-E-12. Interfund Activity (continue)

Policy for eliminating internal activity in government-wide statements:

Internal balances - amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are reported as internal balances.

Internal activities- amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide statement of activities except for for the net amount of transfers between governmental and business-type activities, which are reported as transfers-internal activities.

The effect of interfund services between funds is not eliminated in the statement of activities.

1-E-13. Estimates

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

Note 2 - Stewardship, Compliance and Accountability

2-A. Budgetary Information - The City adopts an annual operating budget for the general fund and enterprise fund. The budget resolution reflects the total of each department's appropriation in each fund.

The governmental funds budgets are adopted on the modified accrual basis of accounting. The budget for the enterprise funds are prepared on the accrual basis of accounting.

The City Charter established the fiscal year as the twelve-month period beginning July 1. The departments submit to the City Administer a budget of estimated expenditures for the ensuing fiscal year after which the City Administer subsequently submits a budget of estimated expenditures and revenues to the City Council by May 1.

Note 2 - Stewardship, Compliance and Accountability (Continued)

The City follows these procedures in establishing budgetary data reflected in the financial statements:

Prior to May 1, the City's Financial Management prepares a proposed budget for the fiscal year commencing July 1.

The City's Financial Management submits the proposed budget to the Mayor and Council.

Public hearings are held to obtain taxpayer's comments.

The budget is legally enacted through the passage of a resolution.

All revisions to the budget must be submitted to the City Council for approval.

Budgetary appropriations lapse at the end of the fiscal year.

Encumbrances - The City does not use encumbrance accounting; under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level with the following provisions:

The City Council may transfer funds from one object or purpose to another within the same department.

The City Council may amend the budget by motion during the fiscal year.

Formal budgetary integration is employed as a management control device during the year for all budgeted funds.

3. Excess of Expenditures Over Appropriations

The General fund had expenditures over appropriations for the year ended June 30, 2020.

Fund	Appropriation	Expenditures
General:		
Public Safety	$ 1,391,155	$1,711,092
Public Works	$ 433,309	$ 570,511
Community Dev.	$ 56,316	$ 57,607

Note 4 - Detailed Notes on All Funds

4. Receivables

Receivables at June 30, 2020, consisted of taxes, accounts (billings for user charges), and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the City's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

The receivable between the general fund and the water and sewer fund is cash advanced to the water and sewer fund which will be repaid within one year.

NOTE 4. RECEIVABLES AND PAYABLES

Receivables

Receivables at June 30, 2020 were as follows:

	Accounts	Taxes	Due from Other Gov't	Notes	Interest	Total
Governmental activities:						
General	$ 68,860	$ 132,887	$ 40,990	$ -	3,963	$ 246,700
Special revenue	-		-	-	-	-
Capital projects	-	-	802,104	-	-	802,104
Total governmental activities	$ 68,860	$ 132,887	$ 843,094	$ -	3,963	$ 1,048,804
Business-type activities:						
Water and Sewer	$ 295,361	$ -	$ -	$ 301,021	-	$ 596,382
Solid Waste	25,639	-	-	-	-	25,639
Revolving Loan	-	-	-	66,102	-	66,102
Total business-type activities	$ 321,000	$ -	$ -	$ 367,123	-	$ 688,123

Payables at June 30, 2020, were as follows:

	Vendors	Salaries/ Benefits	Accrued Interest	Other	Total Payables
Governmental activities:					
General	$ 138,809	$ -	$ 5,154	$ -	143,963
Special revenue	-	-	-	-	-
Capital projects	7,879	-	-	-	7,879
Total governmental activities	$ 146,688	$ -	$ -	$ -	151,842
Business-type activities:					
Water and Sewer	$ 103,841	$ -	$ 9,188	$ -	113,029
Solid Waste	10,821	-	-	-	10,821
Revolving loan	-	-	-	-	-
Total business-type activities	$ 114,662	$ -	$ 9,188	$ -	123,850

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

Primary Government

Governmental activities--Net Position Invested in Capital Assets Net of Related Debts:

	Beginning Balance	Increase	Decrease	Ending Balance
Not being depreciated:				
Land	$ 814,453	$ -	$ -	$ 814,453
Being depreciated:				
Buildings	1,853,666	33,786	-	1,887,452
Equipment	3,418,427	456,655	207,349	3,667,733
Infrastructure	4,335,671	593,929	-	4,929,600
Totals	9,607,764	1,084,370	207,349	10,484,785
Less accumulated depreciation for:				
Buildings	1,069,272	47,478	-	1,116,750
Equipment	1,882,300	114,801	207,349	1,789,752
Infrastructure	932,435	157,706	-	1,090,141
Totals	3,884,007	319,985	207,349	3,996,643
Depreciable-net	5,723,757	764,385	-	6,488,142
Capital Assets-Net	6,538,210	764,385	-	7,302,595
Note Payable	122,304	-	122,304	-
Note Payable	238,972	-	23,856	215,116
Note Payable	18,725	-	18,725	-
Totals	380,001	-	164,885	215,116
Net Investment in Capital Assets	$ 6,158,209	$ 764,385	$ 164,885	$ 7,087,479

Current year increases in the accumulated depreciation of the capital assets were allocated to the governmental functional activities as follows:

General government	$ 8,140
Police	49,821
Fire	61,842
Public Works	179,051
Parks and recreation	21,131
Total	$ 319,985

NOTE 5. CAPITAL ASSETS (CONT'D)

Business-type activities-Net Position Invested in Capital Assets Net of Related Debts:

	Beginning Balance	Increase	Decrease	Ending Balance
Not being depreciated:				
Construction in progress	$ 1,599,399	$ 5,857,954	$ -	$ 7,457,353
Land	644,147	-	-	644,147
Total	2,243,546	5,857,954	-	8,101,500
Being depreciated:				
Buildings	74,717	-	-	74,717
System Improvements	13,112,291	571,021	-	13,683,312
Total	13,187,008	571,021	-	13,758,029
Less accumulated depreciation for:				
Buildings	74,717	-	-	74,717
Systems Improvements	8,719,264	400,512	-	9,119,776
Total	8,793,981	400,512	-	9,194,493
Depreciable-net	4,393,027	170,509	-	4,563,536
Capital Assets-Net	6,636,573	6,028,463	-	12,665,036
Notes Payable	324,651	-	23,630	301,021
Notes Payable	581,800	-	581,800	-
Notes Payable	-	962,000	12,897	949,103
Notes Payable	-	5,667,000	82,245	5,584,755
Lease Payable	-	111,250	-	111,250
Lease Payable	-	107,410	-	107,410
Total	906,451	6,847,660	700,572	7,053,539
Capital Assets Net of Related Debt	$ 5,730,122	$ (819,197)	$ (700,572)	$ 5,611,497

NOTE 6. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Deferred Outflows of Resources

Statement of Net Position:

In addition to assets, the statement of net position reports a separate section for deferred expenses. This separate financial statement element, *deferred outflows of resources,* represents a decrease in net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The City reports two of these items.

The deferred outflows of resources are reported in the Statement of Net Postion in the Governmental Activities and the Business-type Activities as follows:

NOTE 6. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES (Continued)

Statement of Net Position:

	Governmental Activities	Business-Type Activities	Total
Deferred Outflow of Resources-Pensions	$ 162,380	$ 44,934	$ 207,314

The reporting requirements of GASB 68 Accounting and Financial Reporting for Pensions and is timing difference between the January 1, 2020 year end of the Actuarial Valuation and Review of the Georgia Municipal Employees Benefit System and the June 30, 2020 of the City.

The Deferred Outflow of Resources--Pensions consists of the following:

	Governmental Activities	Water & Sewer	Solid Waste	Totals
Contributions subsequent to the measurement date	$ 34,941	$ 8,592	$ 1,880	$ 45,413
Differences between expected and actuarial experience in TPL	66,805	16,428	3,595	86,827
(Gain)/Loss due to assumption change	60,635	11,177	3,262	75,074
	$ 162,380	$ 36,197	$ 8,737	$ 207,314

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position reports a separate section for deferred 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 ill not be recognized as an inflow of resources (revenue) until that time. The City reports three of these items.

Statement of Net Position:

The Deferred Outflow of Resources--consists of the following:

	Governmental Activities	Water & Sewer	Solid Waste	Totals
Pensions:				
Differences between projected and actual investment earnings	$ 9,600	$ 2,361	$ 517	$ 12,478
CDBG19-P-X-113-2-6050:				
Deferred Revenue Grant	750,000	-	-	$ 750,000
	$ 759,600	$ 2,361	$ 517	$ 762,478

NOTE 6. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES (Continued)

Deferred Inflows of Resources

The Deferred Inflows of Resources are reported on the Governmental Funds Balance Sheet as follows:

General Fund	$ 81,770
Capital Project CDBG19 p-x-113-2-6050	750,000
Other Governmenal Funds	-
Total	$ 831,770

Governmental Funds:
Balance Sheet

General Fund:

Property Taxes	$ 81,770
Total General Fund	$ 81,770

Capital Project Funds:

CDBG19p-x-113-2-6050	$ 750,000

These amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available.

NOTE 7. INTERFUND BALANCES AND ACTIVITY

Transfers:

Interfund transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget required to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Fund Transferred From:	Fund Transferred To:	Amount	Purpose
Solid Waste Fund	General Fund	$ 1,050	To reimburse for payment of invoice.
General Fund	Capital Improvement Fund	192,532	To purchase capital assets
Water and Sewer Fund	Capital Improvement Fund	9,704	To provide for payment of note
Solid Waste Fund	Capital Improvement Fund	10,512	To provide for payment of note

Interfund Balances:

Interfund balances at June 30, 2020 consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period and (3) payments between funds are made. The City expects to repay all interfund balances within one year.

Receivable Fund:	Payable Fund	Amount
General fund	Transporation SPLOST	$ 100
General fund	CDBG 19p-x-113-2-6050	100
General fund	2020 SPLOST	200
General fund	2014 SPLOST	23,653
General fund	Water and Sewer Fund	302,034
General fund	Solid Waste	16,151
2014 SPLOST	Water and Sewer Fund	229,992
Water and Sewer	CIP Fund	6,800
Solid Waste	Water and Sewer Fund	$ 58,014

All interfund balances are due either to timing differences within the various funds. All interfund balances are expected to be repaid during the fiscal year ending June 30, 2021.

NOTE 8. LONG-TERM OBLIGATIONS

Governmental Activities:	Outstanding 7/1/2019	Additions	Deductions	Outstanding 6/30/2020	Due In one year	Due In more than one year
Note payable	$ 122,304	-	$ 122,304	$ -	$ -	$ -
Note payable	238,972	-	23,856	215,116	24,501	190,615
Note payable	18,725	-	18,725	-	-	-
Compensated absences	191,426	35,680	60,470	166,636	-	166,636
Total governmental activities	$ 571,427	$ 35,680	$ 225,355	$ 381,752	$ 24,501	$ 357,251

Notes Payable:

The City entered into a note with the United States Department of Agriculture in April of 2002 for the purpose of constructing a Multi Purpose Building to house the City Fire, Police and Public Works. The original principal portion of the loan was $606,000. The repayment is as follows $28,785 due April 16, 2003 with $4,043 due the 16th of each month thereafter for a period of 20 years at 4.750%.

Year Ended	Principal	Interest	Total Princ & Interest
6/30/2021	$ -	$ -	$ -
6/30/2022	-	-	-
6/30/2023	-	-	-
6/30/2024	-	-	-
6/30/2025	-	-	-
6/30/2026-2030	-	-	-
6/30/2031-2035	-	-	-
Totals	$ -	$ -	$ -

NOTE 8. LONG-TERM OBLIGATIONS (CONT'D)

The City entered into a note with the United States Department of Agriculture in June of 2017 for the purpose of purchasing a fire truck for the public safety. The original principal portion of the note was $263,000. The repayment is to be in ten annual installments of $30,349.55 at 2.75% interest. The payments are to began on September 15, 2018.

Year Ended	Principal	Interest	Total
6/30/2021	$ 24,501	5,849	30,350
6/30/2022	25,175	5,175	30,350
6/30/2023	25,868	4,482	30,350
6/30/2024	26,581	3,769	30,350
6/30/2025	27,294	3,056	30,350
6/30/2026-2030	85,697	7,663	93,360
6/30/2031-2035	-	-	-
Totals	$ 215,116	$ 29,994	$ 245,110

The City entered into a note with a bank On August 18, 2017 for the purchase of two (2) Ford Explorer police vehicles. The original principal portion of the note is $54,532.00, the note is to be repaid in three (3) annual installments with two (2) of the installments to be $19,483.08 and one annual installment of $19,427.00 at an annual reate of 3.75% interest. The payments will begin on July 1, 2018.

Year Ended	Principal	Interest	Total
6/30/2021	$ -	-	-
6/30/2022	-	-	-
6/30/2023	-	-	-
6/30/2024	-	-	-
6/30/2025	-	-	-
6/30/2026-2030	-	-	-
6/30/2031-2035	-	-	-
Totals	$ -	$ -	$ -

NOTE 8. LONG-TERM OBLIGATIONS (CONT'D)

Compensated Absences:

	Balance 6/30/19	Additions	Deductions	Balance 6/30/2020
Compensated absences:	$ 191,426	$ 35,680	$ 60,470	$ 166,636

The compensated absences are expected to be paid from the fund benefited.

Governmental Funds:	General Fund
Prpprietary Funds:	Water and Sewer Fund Solid Waste Fund

The pension liabilities are expected to be paid from the fund benefited.

Governmental Funds:	General Fund
Prpprietary Funds:	Water and Sewer Fund Solid Waste Fund

NOTE 8. LONG-TERM OBLIGATIONS (CONT'D)

Business type activities:

Business type activities:	Outstanding 7/1/2019	Additions	Deductions	Outstanding 6/30/2020	Due In one year	Due In more than one year
Note payable	$ 324,651	$ -	$ 23,630	$ 301,021	$ 24,386	$ 276,635
Note payable	581,800	-	581,800	-	-	-
Note Payable		962,000	12,897	949,103	15,480	933,623
Note Payable	-	5,667,000	82,245	5,584,755	100,289	5,484,466
Note Payable	-	111,250	-	111,250	22,251	88,999
Note Payable	-	107,410	-	107,410	26,166	81,244
Total business type activitie:	$ 906,451	$ 6,847,660	$ 700,572	$ 7,053,539	$ 188,572	$ 6,864,967

The following schedules represent the annual requirements to amortize the notes outstanding at June 30, 2020.

Water and Sewer Promissary Note: Issued February 8, 2011 in the amount of $498,000.00 at an interest rebate of 3.25% for the purpose of providing water and sewer to a school for the Board of Education. The note is with the United States Department of Agriculture. The City then entered into an Intergovernmental Contract with the Board of Education on March 17, 2011 whereby the Board of Education will pay the City $498,000 at a reate of 3.25% in equal monthly installmets of $2,829.00 monthly for a period of twenty years. The City is responsible to the United States Department of Agriculture to pay monthly installments of $2,829.00 monthly for a period of 20 years with the first payment to be due on March 8, 2011 and continue as provided below:

Year Ended	Interest Rate	Principal	Interest	Total Requirement
6/30/2021	3.25%	24,386	10,318	34,704
6/30/2022	3.25%	25,144	9,562	34,706
6/30/2023	3.25%	25,902	8,804	34,706
6/30/2024	3.25%	26,660	11,046	37,706
6/30/2025	3.25%	27,618	11,046	38,664
6/30/2026-2030	3.25%	130,368	39,372	169,740
6/30/2031-2035	3.25%	40,943	16,402	57,345
6/30/2036-2040	3.25%	-	-	-
Totals		$ 301,021	$ 106,550	$ 407,571

NOTE 8. LONG-TERM OBLIGATIONS (CONT'D)

Water and Sewer Promissory Note: Issued August 16, 2019 in the amount of $962,000 from the United States of America Acting Through the Department of Agriculture. The Purpose of the loan is to build a Sewage Treatment Facility. The interest rate is 2.125% per annum. A total of 480 payments of principal and interest shall be made in equal monthly payments in the amount of $2,983 beginning September 16, 2019 until this Bond is paid in full. The final installment shall be due and payable on August 16, 2059. This note is 2019B and is secured by the first pledge of and charge or lien of the Series 2019A which is payalbe out of the net revenue of the System. The principal can be prepaid at any time, without penalty, at the option of the City.

Year Ended	Interest Rate	Principal	Interest	Total Requirement
6/30/2021	2.13%	15,480	20,316	35,796
6/30/2022	2.13%	16,119	19,677	35,796
6/30/2023	2.13%	16,465	19,331	35,796
6/30/2024	2.13%	16,819	18,977	35,796
6/30/2025	2.13%	17,179	18,617	35,796
6/30/2026-2030	2.13%	91,587	87,393	178,980
6/30/2031-2035	2.13%	101,845	77,135	178,980
6/30/2036-2040	2.13%	113,251	65,729	178,980
6/30/2040-2059	2.13%	560,358	119,587	679,945
Totals		$ 949,103	$ 446,762	$ 1,395,865

NOTE 8. LONG-TERM OBLIGATIONS (CONT'D)

Water and Sewer Promissory Note: Issued August 16, 2019 in the amount of $5,667,000 from the United States of America Acting Through the Department of Agriculture. The Purpose of the loan is to build a Sewage Treatment Facility. The interest rate is 1.75% per annum. A total of 480 payments of principal and interest shall be made in equal monthly payments in the amount of $16,435 beginning September 16, 2019 until this Bond is paid in full. The final installment shall be due and payable on August 16, 2059. This note is 2019A and is secured by the first pledge of and charge or lien of the Series 2019B which is payalbe out of the net revenue of the System. The principal can be prepaid at any time, without penalty, at the option of the City.

Year Ended	Interest Rate	Principal	Interest	Total Requirement
6/30/2021	1.75%	100,289	96,931	197,220
6/30/2022	1.75%	102,058	95,162	197,220
6/30/2023	1.75%	103,858	93,362	197,220
6/30/2024	1.75%	105,690	91,530	197,220
6/30/2025	1.75%	107,555	89,665	197,220
6/30/2026-2030	1.75%	566,914	419,186	986,100
6/30/2031-2035	1.75%	618,714	367,386	986,100
6/30/2036-2040	1.75%	675,248	310,852	986,100
6/30/2040-2059	1.75%	3,204,429	542,751	3,747,180
Totals		$ 5,584,755	$ 2,106,825	$ 7,691,580

The City entered into a note with the Prime South Bank on July 1, 2020 to purchase of a 410L Backhoe Loader.
The original principal portion of the note was $111,250 payment is to be made in five annual installments of $24,151 at 3.50% interest. The payments are to begin on July 1, 2020 and continue annually until July 1, 2024.

Year Ended	Principal	Interest	Total
6/30/2021	$ 22,251	1,900	24,151
6/30/2022	21,050	3,101	24,151
6/30/2023	21,787	2,364	24,151
6/30/2024	22,549	1,602	24,151
6/30/2025	23,613	812	24,425
6/30/2026-2030	-	-	-
6/30/2031-2035	-	-	-
Totals	$ 111,250	$ 9,779	$ 121,029

NOTE 8. LONG-TERM OBLIGATIONS (CONT'D)

The City entered into a note with the Prime South Bank on August 23, 2019 to purchase of a 308 Caterpillar Excavator.
The original principal portion of the note was $107,410 payment is to be made in four annual installments of $29,133.32 at 3.50% interest. The payments are to begin on July 1, 2020 and continue annually until July 1, 2023.

Year Ended	Principal	Interest	Total
6/30/2021	$ 26,166	2,967	29,133
6/30/2022	26,240	2,893	29,133
6/30/2023	27,170	1,963	29,133
6/30/2024	27,834	999	28,833
6/30/2025	-	-	-
6/30/2026-2030	-	-	-
6/30/2031-2035	-	-	-
Totals	$ 107,410	$ 8,822	$ 116,232

Operating Lease:

The City entered into an operating lease for equipment for the Water and Sewer Department. The lease contract was dated February 22, 2018 through February 27, 2023 The lease calls for monthly rentals of 60 equal payments of $1,079.18 the first payment to be due at signing and each 23rd day of the month thereafter. The lease payments are as follows:

6/30/2021	12,950
6/30/2022	12,950
6/30/2023	7,166
6/30/2024	-
6/30/2025	-
6/30/2026-2030	-
6/30/2031-2035	-
6/30/2034-2038	$ -

NOTE 8. LONG-TERM OBLIGATIONS (CONT'D)

Annual debt service requirements to amortize all obligations outstanding, as of June 30, 2020 are as follows:

Governmental Type Activities

Year Ending June 30	Capital Lease		Note Payable		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	-	-	24,501	5,849	24,501	5,849
2022	-	-	25,175	5,175	25,175	5,175
2023	-	-	25,868	4,482	25,868	4,482
2024	-	-	26,581	3,769	26,581	3,769
2025	-	-	27,294	3,056	27,294	3,056
2026-2030	-	-	85,697	7,663	85,697	7,663
2031-2035	-	-	-	-	-	-
2036-2040			-	-	-	-
	$ -	$ -	$ 215,116	$ 29,994	$ 215,116	$ 29,994

Business Type Activities

Year Ending June 30	Bonds		Note Payable		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	$ -	-	$ 188,572	132,432	$ 188,572	$ 132,432
2022	-	-	190,611	130,395	190,611	130,395
2023	-	-	195,182	125,824	195,182	125,824
2024	-	-	199,552	124,154	199,552	124,154
2025			175,965	120,140	175,965	120,140
2026-2030	-	-	788,869	545,951	788,869	545,951
2031-2035	-	-	761,502	460,923	761,502	460,923
2036-2040	-	-	788,499	376,581	788,499	376,581
2037-2059			3,764,787	662,338	3,764,787	662,338
	$ -	$ -	$ 7,053,539	$ 2,678,738	$ 7,053,539	$ 2,678,738

Capitalization of Interest

It is the City's policy not to capatilize interest.

Note 9. PENSIONS

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 fiduciary net position of the City of Blackshear's Pension Plan (CBPP) and additions to/deduction from CBPP's fiduciary net position have been determined on the same basis as they are reported by CBPP. For this purpose, payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan Description--The City contributes to the City of Blackshear Retirement Plan, which participating member in the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer defined benefit pension plan. O.C.G.A. Section 47-5-1 et Seq. assigns the authority to establish and amend the benefit provisions of the plans that participate in the GEMBS to the respective employer entities. For the City of Blackshear Retirement Plan, that authority rests with the City of Blackshear, Georgia. It is the responsibility of GMEBS to function as the investment and administrative agent for the City of Blackshear, Georgia with respect to the pension plan. GMEBS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The GMEBS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Georgia Municipal Employee Benefit Systems, 201 Pryor Street, SW, Atlanta, Georgia 30303 or calling (404) 688-0472.

Benefits Provided. CBPP provides retirement, disability, and death benefits. Retirement benefits are determined as 1.25 percent of the employee's final 3-year average compensation times the employee's years of service. Effective January 1, 2015, the Plan was amended to provide for immediate participation for Employees. This change has no impact on service credited under the Plan and has no impact on benefits. As a result of this change, all Employees are now included in the valuation. Elected officials are not covered. The employees are vested after five years. The normal retirement age is sixty five plus five years with the early retirement age being fifty five plus ten years.

Contributions - The Plan is subject to minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). The GMEBS Board of Trustees has adopted an actuarial funding policy that requires a different funding level than the estimated minimum annual contribution to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the Plan. If the employer contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet the applicable state funding standards. Under the City of Blackshear's Pension Plan, the City makes 100% of the contributions to the plan. The contractually required contributions, which are actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions actuarially calculated for the year ended June 30, 2019 $95,149, contributions paid by City $95,149 the total expensed $95,149. Total contributions by employees for the year ended June 30, 2020 $0.00.

Note 9. PENSIONS

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

At June 30, 2020, the City reported the net pension liability. The amount recognized by the City as the net pension liability were as follows:

City's Net Pension Liability:	
Governmental Activities	$ 457,109
Business-Type Activities	137,010
total Net Pension Liability	$ 594,119

The net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's net pension liability was based on the projection of the City's long-term contributions to the pension plan. Actuarially determined at September 30, 2019.

	For Year Ended	
	June 30, 2020	June 30, 2019
The Discount Rate:	7.38%	7.50%

Net Pension Liability:

Changes in the Net Pension Liability

	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (NPL) (a)-(b)
Balances at September 30, 2018 (*)	$ 2,083,722	$ 1,673,139	$ 410,583
Changes for the year:			
Service Cost	42,135	-	42,135
Interest	154,446	-	154,446
Differences between expected and actual experiences	44,233	-	44,233
contributions--employer	-	96,327	(96,327)
Contributions--employee	-	-	-
Net investment income	-	48,468	(48,468)
Benefit payments, including refunds of employee contributions	(133,161)	(133,161)	-
Administrative expense	-	(8,607)	8,607
Other	78,910	-	78,910
Net Changes	186,563	3,027	183,536
Balances at September 30, 2019 (**)	$ 2,270,285	$ 1,676,166	$ 594,119

Note 9. PENSIONS

Sensitivity of the Net Pension Liability to Changes in the Discount Rate	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
	$ 878,918	$ 594,119	$ 358,339

(*) Entry age Normal liabilities calculated using ages and service amounts as of January 1, 2019 are used to measure TPL as of September 30, 2018.. The balances as of September 30, 2018 constitute measurements of the NPL for the fiscal year ending June 30, 2019.

(**) Entry Age Normal liabilities calculated using ages and service amounts as of January 1, 2020 are used to measure TPL as of September 30, 2019. The balances as of September 30, 2019 constitute measurements of the NPL for the fiscal year ending June 30, 2020.

Pension Plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report.

Pension expenses for the year ended June 30, 2020:

Service Cost	$ 42,135
Interest on The Pension Liability (TPL)	154,446
Employee contributions	-
Administrative expense	8,607
Expected return on assets	(123,781)
Expensed portion of current year period differences expected and actual experience in TPL	8,845
Expensed portion of current year period assumption changes	15,782
Current year plan changes	-
Expensed portion of current year period differences between projected and actual investment earnings	15,061
Current year recognition of deferred inflows and outflows established in prior years	13,764
Total Expense	$ 134,859

$98,286 reported as deferred of resources related to pensions resulting from the City's contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension as follows:

Note 9. PENSIONS

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension:

	Year Established	Outstanding Balance at July 1, 2019	Amount Recognized During FYE June 30, 2020	Outstanding Balance at June 30, 2020
Projected recognition of deferred outflows due to differences between expected and acturial experience in TPL.				
Fiscal year Outflows				
Demographic	2016	8,354	8,354	-
Demographic	2017	1,936	968	968
Demographic	2018	14,916	4,972	9,944
Demographic	2019	54,036	13,509	40,527
Demographic	2020	44,233	8,845	35,388
Total Demographic Outflows		123,475	36,648	86,827
Projected recognitionof deferred outflows due to assumption changes"				
Fiscal year Outflows				
Assumition	2018	17,919	5,973	11,946
Assumition	2020	78,910	15,782	63,128
total Assumptio Outflows		96,829	21,755	75,074
Total Outflows		220,304	58,403	161,901

Deferred Outflows//(Inflows) due to the difference between projected and actual investment earnings.

Projected recognition of deferred outflows//(inflows) due to difference between projected and actual investment earnings:

Fiscal Year Outflows:				
Investments	2016	16,872	16,872	-
Investments	2020	75,313	15,061	60,252
Total Investments Outflows		92,185	31,933	60,252
Fiscal year Inflows				
Investment	2017	(17,580)	(8,790)	(8,790)
Investment	2018	(61,029)	(20,343)	(40,686)
Investment	2019	(31,004)	(7,751)	(23,253)
Investment	2020	-	-	-
Total Investments Inflows		(109,613)	(36,884)	(72,729)
total		(17,428)	(4,951)	(12,477)

Note 9. PENSIONS

FYE June 30	Deferred Outflows	Deferred Inflows
2021	50,051	(21,821)
2022	49,083	(13,031)
2023	38,138	7,312
2024	24,629	15,063
2025	-	-
2026 &After	-	-
	$ 161,901	$ (12,477)

	Deferred Outflows	Deferred Inflows
Contributions subsequent to measurement date	$ 98,286	-
Demographic	86,827	-
Investment	-	12,477
Assumption Change	75,074	-
Total	260,187	12,477

Deferred outflows of resources and deferred inflow of resources arising from differences between projected and actual pension plan investment earnings in different measurement periods should be aggregated and reported as the net deferred outflow of resources related to pension or a net deferred inflow of resources related to pensions. Therefore the deferred outflow/inflow of resources related to pension is shown on the financial statements as follows:

	Governmental Activities	Business-Type Activities	Total
Deferred Outflows	215,253	44,934	260,187
Deferred Inflows	10,322	2,155	12,477

Valuation Date: The actuarially determined contribution rate was determined as of January 1, 2019, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2020

Actuarial Cost Method: Projected Unit Credit. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by service.

Amortization Method: Closed level dollar for remaining unfunded liability

Note 9. PENSIONS

Remaining Amortization Period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years		
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at the end of year. The actuarial value is adjusted, necessary, to be within 20% of market value.		
Actuarial assumptions:			
Net investment rate of return		7.375%	On-going basis, based on long-term expected rate of return on pension plan investments.
Projected salary increases		2.25% plus service based merit increases	
Retirement Rates:			
	Employees	Age 65-69	Annual Rate % 60%
		70 and Over	100%
	Retirement Age for Inactive Vested Participants:	65	
	Form of Payment	Life Annuity	
Social security wage base increase:		2.75%	
Cost of living adjustments		0.00%	

Experience Studies:

The investment return and inflation assumptions used to value the Plan were approved in December, 2018 by the Board based on an experience study conducted in September 2018.

The remaining assumptions and methods used to value the Plan were approved in December, 2018 by the Board of Trustees based on an experience study for the period January 1, 2010 through June 30, 2018

Future actuarial measurements may differ significantly from the current measurements in the due to such factors as the following: plan experience differing from that anticipated by the economic or or demographic assumptions; changes in economic or demographic economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in plan provisions or applicable law.

Note 9. PENSIONS

Membership of the Plan:
The valuation was made with respect to the following data:

Pensioners as of the valuation date (including 2 beneficiaries) currently receiving benefits		24
Participants inactive during year ended December 31, 2019 with vested rights		17
Participants active during the year ended December 31, 2019 officials) (including 0 elected officials):		37
Active Employees Fully vested	24	
Active Employees Not vested	13	

The actuarial factors as of the valuation date are as follows:

Normal cost, including administrative expenses		$ 61,705
Present value of future benefits		2,572,720
Actuarial accrued liability:		2,041,562
Pensioners and beneficiaries	$ 1,162,730	
Inactive participants with vested rights	250,752	
Active participants	628,080	
Actuarial value of assets ($1,676,166 at market value)		1,673,936
Unfunded/(Surplus) actuarial accrued liability		$ 367,626

Actuarial Methods and Assumptions:

Changes of assumptions:
Amounts reported for the fiscal year ending in 2018 and later reflect the following assumption changes based on an actuarial study conducted in September 2017:

The investment return assumption was decreased from 7.50% to 7.375%.

The inflation assumption was decreased from 2.75% to 2.25%

Benefit changes:

There were no changes in benefit provisions in the last two fiscal years.

Note 9. PENSIONS

The Social Security wage base increase assumption was reduced from 3.25% to 2.75% This salary increase rates were reduced by 0.50% for all years of service, consistent with the reduction in the inflation assumption.
There were no other changes in methods or assumptions.

The determination of the recommended contribution is as follows:	Year Beginning July 1, 2020	Year Beginning July 1, 2019
Total benefit normal cost	$ 52,667	$ 48,792
Administrative expenses	9,038	8,940
Expected employee contributions	-	-
Employer normal cost	61,705	57,732
Actuarial accrued liability at valuation date	2,041,562	1,891,542
Actuarial value of assets at valuation date	1,673,936	1,600,775
Unfunded/(surplus) actuarial accrued liability	367,626	290,767
Payment on unfunded/(surplus) actuarial accrued liability*	49,374	40,856
Fully funding credit	-	-
Recommended mid-year contribution at valuation date	111,079	98,588
Adjustment to fiscal year **	4,023	3,630
Total recommended mid-year contribution, for fiscal year	$ 115,102	$ 102,218
Total recommended contribution as a percentage of expected payroll	8.17%	7.97%

The City made all scheduled contributions during the year ended June 30, 2020.

* Details of the amortization payment are show in Section 5, Exhibit II of the Actuarial Valuation and Review Report dated January 1, 2020.

** Fiscal Year Begins July 1,

Mortality Rates: Healthy: RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward tow years for males and one year for females.
Disabled: RP-2000 Disabled Retiree Mortality Table with sex-distinct rates,

Plan termination basis (all lives) 2.80% (3-year Treasury Securities Rate as of August 2017, published in September 217 2.26% last year)

The RP-2000 mortality tables were determined to contain sufficient provisions appropriate to reasonably reflect future mortality improvements based on a four-year review of mortality experience for the period January 1, 2010 to June 30, 2014. Mortality experience will be reviewed periodically and updated if necessary.

Note 9. PENSIONS

Net Investment Return:

Net investment rate of return 7.375% on-going basis, based on long-term expected rate of return on pension plan investments.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return

The largest allocation and best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as as of March 1, 2018 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	45%	6.41%
International Equity	20%	6.96%
Real Estate	10%	4.76%
Global Fixed Income	5%	3.06%
Domestic Fixed Income	20%	1.96%
Cash	0%	
Total	100%	

Plan termination basis: 2.12% (30 year Treasury Securities Rate as of August, 2019, published September, 2019; 3.04% last year

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

Note 10 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The City joined the Georgia Interlocal Risk Management Agency (GIRMA). This membership allows the City to share liability, crime, motor vehicle, and property damage risks.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form Interlocal risk management agencies. GIRMA is a municipal Interlocal risk management agency to function as an unincorporated nonprofit instrumentality of its member municipalities - GIRMA establishes and administers one or more group self insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government. GIRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of GIRMA against liability or loss.

The City must participate at all times in at least one fund, which is established by GRIMA. Other responsibilities of the City are as follows:

To pay all contributions, assessments or other sums due to GIRMA at such times and in such amounts as shall be established by GIRMA.

To select a person to serve as a Member representative.

To allow attorneys appointed by GIRMA to represent the City in investigation, settlement discussions and all records, including but not limited to financial records, which relate to the purposes of GIRMA.

To allow attorneys appointed by GIRMA to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim make against the City within the scope of loss protection furnished by the Fund or Funds established by GIRMA.

To assist and cooperate in the defense and settlement of claims against the City.

To furnish full cooperation to GIRMA'S attorneys claims adjuster, Service Company, and any agent, employee, officer or independent contractor of GIRMA relating to the purposes of GIRMA.

To furnish to GIRMA such budget, operating and underwriting information as may be requested.

Note 10 - RISK MANAGEMENT (Continued)

To report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in GIRMA or any fund established by GIRMA being required to pay claim for loss or injuries to municipal property when such loss or injury is within the scope of the protection of a fund or funds in which the City participates.

The City retains the first $2,500 of each risk of loss in the form of a deductible. The City files all claims with GIRMA. GIRMA bills the City for any risk of loss up to $2,500 deductible.

The Fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the preview of the Worker's Compensation Law of Georgia, or on the basis or employer's liability, including suits or other proceedings alleging such injuries and demanding or compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The Fund is to pay all costs 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 of defense.

Georgia Municipal Association Worker's Compensation Self-Insurance: The Liability of the fund to the employees of any employer City of Patterson is specifically limited to such obligations as are imposed by applicable state laws against the employer for worker's compensation and/or employer's liability.

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

The funds are to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the preview of the Worker's Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding or compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The funds are to pay all costs taxes 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.

There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceed the City's insurance coverage during the past three years.

Note 11 - CONTINGENT LIABILITIES

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 disallowances, if any, will be immaterial.

Note 12 - LANDFILL

The Georgia Environmental Protection Division has completed its evaluation of the technical and administrative data for the closure of the City's landfill.

The closure was in accordance with the provisions of the Gorgia Comprehensive Solid Waste Management Act O.C.G.A., 12-8-20 and the rules for Solid Waste Management Chapter 391-3-4.

The closure is conditioned upon the City complying with the conditions of monitoring as set by the Environmental Protection Division Department of Natural Resources for a period of five (5) years.

The City has completed its five (5) year monitoring period with no adverse finding.

After closing the City landfill, the City used the Pierce County landfill until Pierce County closed its landfill. The City then contracted with Southland Waste for the transport and disposal of its solid waste.

13. JOINT VENTURES

Under Georgia law, the City, in conjunction with other municipalities and counties in the South Georgia is a member of the Southern Georgia Regional Commission Council (RCC). The RCC is comprised of 18 counties in the Southern Georgia area. Membership in the RCC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organization structure of the RCC in Georgia. The RDC Board membership includes representation from each county and municipality of the area, as well as representatives from the private sector and other governmental entities. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RCC. During its year ended June 30, 2020, the City paid $4,750 in RCC dues. Separate financial statements for the RCC are available from:

Southern Georgia Regional Commission Council
3395 Harris Road
Waycross, Georgia 31503

14. RELATED ORGANIZATION:

The Housing Authority of the City is considered a related organization based upon the criteria of GASB Statement 10. The Housing Authority is a legally separate entity having a board composed of members appointed originally by the City. The City is not able to impose its will upon the Housing Authority and a financial benefit/burden relationship does not exist between them. Therefore, based upon the criteria above, the Housing Authortiy of the City of Blackshear, Georgia is a related organization.

15. Subsequent Events:

the City has started a project to it's Waste Water Treatment Plant as follows:

The project will consist of wastewater treatment plant improvements, land application system upgrades, infiltration/inflow reduction involving gravity sewer pipeline rehabilitation, and demolition of two existing wastewater treatment facilities.

The expected project cost is $7,737,000. The project is to be funded by the United States Department of Agriculture loan and grant.
The project funding will be as follows:

USDA Loan	$ 5,667,000
USDA Grant	2,070,000
Total	$ 7,737,000

The interest rate will be the lower of the rate in effect at the time of loan approval or the time of the loan closing, unless the City requests otherwise.

For planning purposes the loan repayment is scheduled over a period of 40 years. Payments will be equal 480 amortized installments beginning one month after closing.

The loan will require a Debt Service Reserve, and a Short-Lived Asset Reserve be established.

The complete description of the project as well as the Grant, Loan and Reserve requirements is detailed in the Letter and other documents from the United States Department of Agriculture.

At June 30, 2020 the City was involved in two legal actions. The City will contest the cases vigorously. For these actions, the City has retained the services of defense counsel employed by the City's liability insurer.

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

GENERAL FUND

A MAJOR FUND

The General Fund is the principal fund of the City and is used to account for all activities except those required to be accounted for in another fund.

City of Blackshear, Georgia
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For The Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	$ 2,168,100	$ 2,168,100	$ 2,376,196	$ 208,096
Intergovernmental	5,500	5,500	4,577	(923)
Fines and forfeitures	151,100	151,100	141,507	(9,593)
Charges for services	179,870	179,870	125,832	(54,038)
Other	30,000	30,000	-	(30,000)
Interest	3,500	3,500	12,924	9,424
Total Revenues	2,538,070	2,538,070	2,661,036	122,966
Expenditures				
Current:				
General government:	530,288	530,288	357,621	172,667
Public safety:	1,391,155	1,391,155	1,711,092	(319,937)
Public works:	433,309	433,309	570,511	(137,202)
Community development	56,316	56,316	57,607	(1,291)
TOTAL EXPENDITURES	2,411,068	2,411,068	2,696,831	(285,763)
Excess of revenues over (under) expenditures	127,002	127,002	(35,795)	(162,797)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	7,966	7,966
Contingency	-	-	-	-
Transfers in	-	-	1,050	1,050
Transfers (out)	(127,002)	(127,002)	(192,532)	(65,530)
TOTAL OTHER FINANCING SOURCES (USES)	(127,002)	(127,002)	(183,516)	(56,514)
Net change in fund balance	-	-	(219,311)	(219,311)
FUND BALANCE BEGINNING			2,274,765	2,274,765
FUND BALANCE ENDING	$ -	$ -	$ 2,055,454	$ 2,055,454

City of Blackshear, Georgia
Notes to the Budgetary Schedule
For The Year Ended June 30, 2020

The City's budget is prepared on the modified accrual basis for all governmental funds. The budget for the enterprise funds is prepared on the accrual basis. The budgets for all funds is prepared in accordance with Generally Accepted Accounting Principles as applied to a government.

The City prepares budgets for the funds as follows:

Governmental Funds:

Major Governmental Funds:
- General Fund

Capital Project Funds:
- 2014 SPLOST
- CDBG 19p-X-113-2-6050

Non-Major Governmental Funds:

Special Revenue Funds:
- Hotel Motel Tax
- Police Fines and Forfeitures

Capital Project Funds:
- 2020 SPLOST Fund
- 2008 SPLOST Fund
- Transporation SPLOST
- Multi Purpose Building
- Capital Improvement Fund

Enterprise Funds:

Major Enterprise Funds:
- Water and Sewer Fund
- Solid Waste Fund

Non-Major Enterprise Funds:
- Revolving Loan Fund

Expenditures in excess of appropriations:	Appropriations:	Expenditures
Public safety:	$ 1,391,155	$ 1,711,092
Public works:	$ 433,309	$ 570,511
Community Development	$ 56,316	$ 57,607

Required Supplementary Information

Pension Plan

City of Blackshear, Georgia
Schedule of the City's Net Pension Liability
Employees Pension Plan
Last 10 Fiscal Years *

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Pension Liability:										
Service Cost	$ 42,135	$ 42,266	$ 40,361	$ 39,557	$ 35,999	$ 30,984				
Interest	154,446	145,222	138,148	132,677	124,541	116,188				
Difference between expected and actual experience	44,233	67,547	24,862	4,842	41,770	53,235				
Benefits payments, including refunds of employee contributio	(133,161)	(130,670)	(112,873)	(100,071)	(94,611)	(77,186)				
Other	78,910	-	29,863	-	-	(6,720)				
Net change in total pension liability	186,563	124,365	120,361	77,005	116,501	116,501				
Total pension liability:										
Beginning	2,083,722	1,959,357	1,838,996	1,761,991	1,654,292	1,537,791				
Ending (a)	$ 2,270,285	$ 2,083,722	$ 1,959,357	$ 1,838,996	$ 1,770,793	$ 1,654,292				

(Historical Information prior to implementation of GASB 67/68 is not required)

City of Blackshear, Georgia
Schedule of the City's Net Pension Liability
Employees Pension Plan
Last 10 Fiscal Years *

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Plan fiduciary net position:										
Contributions--employer	$ 96,327	$ 79,646	$ 83,769	$ 74,330	$ 66,805	$ 61,286				
Contributions--employee	-	-	-	-	-	-				
Net investment income	48,468	154,885	209,333	143,194	16,150	136,157				
Benefits payments, including refunds of employee contributio	(133,161)	(130,670)	(112,873)	(100,071)	(94,611)	(77,186)				
Administrative expense	(8,607)	(9,209)	(9,872)	(5,515)	(5,950)	(4,662)				
Other	-	-	-	-	-	-				
Net change in Fiduciary net position	3,027	94,652	170,357	111,938	(17,606)	115,595				
Plan fiduciary net position:										
Beginning	1,673,139	1,578,487	1,408,130	1,296,192	1,313,798	1,198,203				
Ending (b)	$ 1,676,166	$ 1,673,139	$ 1,578,487	$ 1,408,130	$ 1,296,192	$ 1,313,798				

(Historical Information prior to implementation of GASB 67/68 is not required)

City of Blackshear, Georgia
Schedule of the City's Net Pension Liability
Employees Pension Plan
Last 10 Fiscal Years *

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
City's net pension liability ending: (a) - (b)	$ 594,119	$ 410,583	$ 380,870	$ 430,866	$ 474,601	$ 340,494				
Plan fiduciary net position as a percentage of total pension liability	73.83%	80.30%	80.56%	73.56%	73.56%	79.42%				
Covered employee payroll	$ 1,392,828	$ 1,264,635	$ 1,276,200	$ 1,166,515	$ 1,180,197	$ 1,183,453				
Net pension liability as a percentage of covered employee payroll	42.66%	32.47%	29.84%	39.47%	39.47%	28.77%				

(Historical Information prior to implementation of GASB 67/68 is not required)

City of Blackshear, Georgia
Schedule of the City's Net Pension Liability
Employees Pension Plan
Last 10 Fiscal Years *

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Schedule of Contributions:										
Actuarially determined contributi	*	$ 95,149	$ 85,051	$ 83,342	$ 71,326	$ 65,298				
Contributions in relation to the actuarially determined contribution	*	$ 95,149	$ 85,051	$ 83,342	$ 71,326	$ 65,298				
Contribution deficiency (excess)	*	*	*	$ -	$ -	$ -				
Covered-employee payroll	*	$ 1,264,635	$ 1,276,200	$ 1,166,515	$ 1,180,197	$ 1,183,453				
Contribution as a percentage of covered employee payroll	*	7.52%	6.66%	7.14%	6.04%	5.52%				

2020 information will be determined after fiscal year end and will be included in the 2021 valuation report.

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

2019 covered payroll is based on data collected as of September 30, 2018 for the 2019 actuarial valuation.

City of Blackshear, Georgia
Notes to Required Supplementary Information
Employees Pension Plan
Last 10 Fiscal Years *

Notes to Schedule of Contributions:

Valuation Date	The actuarially determined contribution rate was determined as of January 1, 2020, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2020.

Methods and assumptions used to determine contribution rates:

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

City of Blackshear, Georgia
Notes to Required Supplementary Information
Employees Pension Plan
Last 10 Fiscal Years *

Notes to Schedule of Contributions:

Actuarial Assumptions:

Net Investment Rate of Return	7.38%
Projected Salary Increases	2.25% plus service based merit increases
Cost of Living Adjustments	0.00%

Retirement Rates:
Employees

Age	Annual Rate %
65-69	60
70 and over	100

Retirement Age for Inactive:
Vested Participants: 65
Form of Payment: Life Annuity

Mortality Rates:
Healthily: RP-2000 Combined Healthily Mortality Table for sex-distinct rates, set forward two years for males and one year for females.
Disabled: RP-200 Disabled Retiree Mortality Table with sex-distinct rates.
Plan termination basis (all lives): 1994 Group Annuity Reserving Unisex Table.
The RP-2000 mortality tables were determined to contain sufficient provision appropriate to reasonably reflect future mortality improvement, based on a four-year review of mortality experience for the period January 1, 2010 to June 30, 2014. Mortality experience will be reviewed periodically and updated if necessary.

City of Blackshear, Georgia
Notes to Required Supplementary Information
Employees Pension Plan
Last 10 Fiscal Years *

Actuarial Valuation History for Notes to Schedules:

Changes in Assumptions:

Amounts reported for the fiscal year ending in 2020 and later reflect the following assumption changes based on an actuarial study conducted in September 2019:

The investment return assumption was decreased from 7.50% to 7.375%.

This inflation assumption was decreased from 2.75% to 2.25%.

Benefit Changes:

There were no changes in benefit provisions in the last two fiscal years.

City of Blackshear, Georgia
Notes to Required Supplementary Information
Employees Pension Plan
Last 10 Fiscal Years *

Actuarial Valuation History for Notes to Schedules:

The valuation was made with respect to the following data:

Pensioners as of the valuation date (including 2 beneficiaries)		24
Participants inactive during the year ended December 31, 2018 with vested rights		17
Participants active during the year ended December 31, 2018 (including 0 elected officials)		37
Fully Vested	24	
Not Vested	13	

The actuarial factors as of the valuation date are as follows:

Normal cost, including administrative expenses		$ 61,705
Present value of future benefits		2,572,720
Actuarial accrued liability:		2,041,562
Pensioners and beneficiaries	$ 1,162,730	
Inactive participants with vested rights	250,752	
Active participants	628,080	
Actuarial value of assets ($1,676,166 at market value)		1,673,936
Unfunded/(Surplus) actuarial accrued liability		367,626

NON-MAJOR GOVERNMENTAL FUNDS

Funds generally used to account for tax supported activities which include the non-major governmental funds and the capital project funds of the City.

City of Blackshear, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Cash	$ -	$ 418,394	$ 418,394
Intergovernmental Receivable	-	52,104	52,104
Tax receivable (net of	-	-	-
allowance for uncollectibles)	-	-	-
Interest receivable	-	-	-
Due from other funds	-	6,800	6,800
Due from other governments	-	-	-
Total Assets	$ -	$ 477,298	$ 477,298
Liabilities, Deferred Inflows of Resources and Fund Balances:			
Liabilities			
Accounts Payable	$ -	$ 4,525	$ 4,525
Due to Other funds		300	300
Total Liabilities	-	4,825	4,825
Deferred Inflows of Resources	-	-	-
Total Liabilities and Deferred Inflow of Resources	-	4,825	4,825
Fund Balances			
Restricted:			
Public safety	-		-
Capital Projects	-	298,398	298,398
Committed:			
Public safety	-	-	-
Capital Projects	-	174,075	174,075
TOTAL FUND BALANCE	-	472,473	472,473
TOTAL LIABILITIES AND FUND BALANCES	$ -	$ 477,298	$ 477,298

City of Blackshear, Georgia
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2020

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Taxes	$ 28,266	$ -	$ 28,266
Intergovernmental	-	273,255	273,255
Fines and Forfeitures	-	33,395	33,395
Interest	-	840	840
Other	-	3,367	3,367
Total Revenues	28,266	310,857	339,123
Expenditures:			
Current:			
General Government	-	187	187
Public Safety	-	109,046	109,046
Public Works	-	3,992	3,992
Tourism and Economic Development	28,266	-	28,266
Capital Outlay:			
General Government	-		-
Public Safety	-	13,753	13,753
Public Works	-	291,398	291,398
Parks and recreation	-	7,538	7,538
Debt Service:			
Principal	-	164,885	164,885
Interest	-	15,543	15,543
Total Expenditures	28,266	606,342	634,608
Excess of Revenues Over (Under) Expenditures	-	(295,485)	(295,485)
Other Financing Sources			
Proceeds of Capital Lease	-	-	-
Transfers In	-	212,747	212,747
Transfers (Out)	-	-	-
Total Other Financing Sources	-	212,747	212,747
Net Change in Fund Balances	-	(82,738)	(82,738)
Fund Balance Beginning	-	555,211	555,211
Fund Balance Ending	$ -	$ 472,473	$ 472,473

NON-MAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditures for particular purposes.

The City's Non-Major Special Revenue Funds are as follows:

Hotel/Motel Tax Fund

NON-MAJOR SPECIAL REVENUE FUNDS

Hotel/Motel Tax Fund: To account for the cash received from the hotel/motel tax.

City of Blackshear, Georgia
Hotel/Motel Tax Fund
Balance Sheet
June 30, 2020

ASSETS:	
Cash	$ -
TOTAL ASSETS	$ -
LIABILITIES AND FUND BALANCE:	
LIABILITIES	
Accounts Payable	$ -
TOTAL LIABILITIES	-
FUND BALANCES	
Restricted:	
Public safety	-
TOTAL FUND BALANCES	-
TOTAL LIABILITIES AND FUND BALANCES	$ -

City of Blackshear, Georgia
Hotel/Motel Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For The Year Ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
REVENUES:	$	$	$	$
Taxes	30,000	30,000	28,266	(1,734)
Interest	-	-	-	-
TOTAL REVENUES	30,000	30,000	28,266	(1,734)
EXPENDITURES:				
Current:				
Tourism and Economic Development	30,000	30,000	28,266	1,734
Capital Outlay:				
Community Development	-	-	-	-
TOTAL EXPENDITURES	30,000	30,000	28,266	1,734
Excess (deficiency) of Revenues over (under) Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE BEGINNING	-	-	-	-
FUND BALANCE ENDING	$ -	$ -	$ -	$ -

NON-MAJOR CAPITAL PROJECTS FUNDS

The Capital Project Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary of trust funds.

The City's Non-Major Capital Project Funds are as follows:

Multiple Purpose Building Fund
Capital Improvement Fund
2008 SPLOST
2020 SPLOST
Transportation SPLOST
Police Fines and Forfeitures

NON-MAJOR CAPITAL PROJECTS FUNDS

Multi Purpose Building Fund:	To account for funds for the City's Multi Purpose Building.
Capital Improvement Fund:	To account for funds accumulated for the purpose of purchasing and maintaining major capital assets.
2008 SPLOST	To account for funds provided by the 2008 SPLOST, to be used as provided by the 2008 SPLOST documents.
2020 SPLOST	To account for funds provided by the 2008 SPLOST, to be used as provided by the 2020 SPLOST documents.
Transportation SPLOST	To account for funds provided by the Transportation SPLOST, to be used as provided by the Transportation SPLOST documents.
Police Fines and Forfeitures	To account for funds provided by police fines, forfeitures and confiscations.

City of Blackshear, Georgia
All Nonmajor Capital Project Funds
Combining Balance Sheet
June 30, 2020

	Capital Project Funds						
	Multiple Purpose Building	Capital Improvements Fund	2008 SPLOST	2020 SPLOST	Transporation SPLOST	Police Fines & Forfeitures	Total Nonmajor Capital ProJect Funds
Assets							
Cash	$ -	$ 171,800	$ -	$ 40,820	$ 112,694	$ 93,080	$ 418,394
Intergovernmental Receivables	-	-	-	45,983	6,121	-	52,104
Receivable - Other	-	-	-	-	-	-	-
Receivable - Grant	-	-	-	-	-	-	-
Taxes Receivables	-	-	-	-	-	-	-
Due from Other Funds	-	6,800	-	-	-	-	6,800
Total Assets	$ -	$ 178,600	$ -	$ 86,803	$ 118,815	$ 93,080	$ 477,298
Liabilities, Deferred Inflows of Resources and Fund Balance							
Liabilities:							
Accounts Payable	$ -	$ 4,525	$ -	$ -	$ -	$ -	$ 4,525
Due to Other Funds	-	-	-	200	100	-	300
Total Liabilities	-	4,525	-	200	100	-	4,825
Deferred Inflows of Resources	-	-	-	-	-	-	-
Total Liabilities and Deferred Inflow of Resources	-	4,525	-	200	100	-	4,825
Fund Balances							
Restricted:							
Capital Projects	-	-	-	86,603	118,715	93,080	298,398
Committed:							
Captial projects	-	174,075	$ -	$ -	$ -	$ -	174,075
Total Fund Balances	-	174,075	$ -	$ 86,603	$ 118,715	$ 93,080	472,473
Total Liabilities, Deferred Inflow of Resources and Fund Balances	$ -	$ 178,600	$ -	$ 86,803	$ 118,815	$ 93,080	$ 477,298

City of Blackshear, Georgia
All Nonmajor Capital Project Funds
Combing Schedule of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2020

	Capital Project Funds						
	Multiple Purpose Building	Captial Improvements Fund	2008 SPLOST	2020 SPLOST	Transporation SPLOST	Police Fines & Forfeitures	Total Nonmajor Capital Project Funds
Revenues							
Intergovernmental	$ -	$ 122,297	$ -	$ 86,790	$ 64,168	$ -	$ 273,255
Fines and Forfeitures	-	-	-	-	-	33,395	33,395
Other revenue	-	3,367	-	-	-	-	3,367
Interest	-	215	-	-	71	554	840
Total Revenues	-	125,879	-	86,790	64,239	33,949	310,857
Expenditures							
Current:							
Administritive	-	-	-	187	-	-	187
Public Works	3,992	-	-	-	-	-	3,992
Public Safety	-	-	-	-	-	109,046	109,046
Culture & Recreation	-	-	-	-	-	-	-
Capital Outlay:							
General Government	-	-	-	-	-	-	-
Public Safety	-	13,753	-	-	-	-	13,753
Public Works	-	241,970	49,428	-	-	-	291,398
Parks and Recreation	-	7,538	-	-	-	-	7,538
Debt Service							
Principal	-	164,885	-	-	-	-	164,885
Interest	-	15,543	-	-	-	-	15,543
Total Expenditures	3,992	443,689	49,428	187	-	109,046	606,342

City of Blackshear, Georgia
All Nonmajor Capital Project Funds
Combing Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2020

	Capital Project Funds						
	Multiple Purpose Building	Captial Improvements Fund	2008 SPLOST	2020 SPLOST	Transporation SPLOST	Police Fines & Forfeitures	Total Nonmajor Capital Project Funds
Excess (Deficiency) of Revenues over (under) Expenditu	(3,992)	(317,810)	(49,428)	86,603	64,239	(75,097)	(295,485)
Other Financial Resources (Uses)							
Proceeds from Capital Lease	-	-	-	-	-	-	-
Transfer In	-	212,747	-	-	-	-	212,747
Transfers (Out)	-	-	-	-	-	-	-
Total Other Financial Resources (Uses)	-	212,747	-	-	-	-	212,747
Excess Revenues Over (under) Expenditures and Other Financial Sources (uses)	(3,992)	(105,063)	(49,428)	86,603	64,239	(75,097)	(82,738)
Net Changes in Fund Balances	(3,992)	(105,063)	(49,428)	86,603	64,239	(75,097)	(82,738)
Fund Balances Beginning	3,992	279,138	49,428	-	54,476	168,177	555,211
Fund Balances Ending	$ -	$ 174,075	$ -	$ 86,603	$ 118,715	$ 93,080	$ 472,473

City of Blackshear, Georgia
Multiple Purpose Building
Balance Sheet
June 30, 2020

Assets:		
Cash	$	-
Total Assets	$	-
Liabilities And Fund Balance		
Liabilities:		
Accounts Payable	$	-
Total Liabilities		-
Fund Balances		
Committed:		
Capital Projects		-
Total Fund Balances		-
Total Liabilities and Fund Balances	$	-

City of Blackshear, Georgia
Multiple Purpose Building
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
Revenues:				
Other revenue	$ -	$ -	$ -	$ -
	-	-	-	-
Total Revenues	-	-	-	-
Expenditures:				
Current:				
Public Works	3,992	3,992	3,992	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	3,992	3,992	3,992	-
Excess (deficiency) of Revenues over Expenditures	(3,992)	(3,992)	(3,992)	-
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Total Other Financial Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(3,992)	(3,992)	(3,992)	-
Fund Balance Beginning	3,992	3,992	3,992	-
Fund Balance Ending	$ -	$ -	$ -	$ -

City of Blackshear, Georgia
Capital Improvements Fund
Balance Sheet
June 30, 2020

Assets:		
Cash	$	171,800
Due from other funds		6,800
Total Assets	$	178,600
Liabilities And Fund Balance		
Liabilities:		
Accounts Payable	$	4,525
Total Liabilities		4,525
Fund Balances		
Committed:		
Capital Projects		174,075
Total Fund Balances		174,075
Total Liabilities and Fund Balances	$	178,600

City of Blackshear, Georgia
Capital Improvements Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
Revenues:				
Intergovernmental	$ 60,000	$ 60,000	$ 122,297	$ 62,297
Other revenue	9,000	9,000	3,367	(5,633)
Interest	100	100	215	115
Total Revenues	69,100	69,100	125,879	56,779
Expenditures:				
Current:				
Public Works	-	-	-	-
Capital Outlay:				
General Government	-	-	-	-
Public Safety	121,500	121,500	13,753	107,747
Public Works	9,000	9,000	241,970	(232,970)
Parks and recreation			7,538	
Debt Service:				
Principal	42,131	42,131	164,885	(122,754)
Interest	7,713	7,713	15,543	(7,830)
Total Expenditures	180,344	180,344	443,689	(255,807)
Excess (deficiency) of Revenues over Expenditures	(111,244)	(111,244)	(317,810)	(199,028)
Other Financing Sources (Uses)				
Capital Lease Proceeds	-	-	-	-
Transfers In	150,057	150,057	212,747	62,690
Transfers (Out)	(38,813)	(38,813)	-	(38,813)
Total Other Financial Sources (Uses)	111,244	111,244	212,747	23,877
Net Change in Fund Balance	-	-	(105,063)	(175,151)
Fund Balance Beginning	284,686	284,686	279,138	5,548
Fund Balance Ending	$ 284,686	$ 284,686	$ 174,075	$ (110,611)

City of Blackshear, Georgia
2008 SPLOST
Balance Sheet
June 30, 2020

Assets:		
Cash	$	-
Intergovernmental		-
Total Assets	$	-
Liabilities, Deferred Inflows of Resources And Fund Balance		
Liabilities:		
Accounts Payable	$	-
Total Liabilities		-
Deferred Inflows of Resources		-
Total Liabilities and Deferred Inflows of Resources		-
Fund Balances		
Restricted:		
Capital Project		-
Total Fund Balances		-
Total Liabilities, Deferred Inflow of Resources and Fund Balances	$	-

City of Blackshear, Georgia
2008 SPLOST
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
Revenues:				
Intergovernmental	$ -	$ -	$ -	$ -
Other revenue	-	-	-	-
Interest	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES:				
Current:				
Administration	-	-	-	-
Public Works	-	-	-	-
Capital Outlay:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	49,428	49,428	49,428	-
Utilities	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	49,428	49,428	49,428	-
Excess (deficiency) of Revenues over Expenditures	(49,428)	(49,428)	(49,428)	-
Other Financing Sources (Uses)				
Inception of lease			-	-
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Total Other Financial Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(49,428)	(49,428)	(49,428)	-
Fund Balance Beginning	49,428	49,428	49,428	-
Fund Balance Ending	$ -	$ -	$ -	$ -

City of Blackshear, Georgia
2020 SPLOST
Balance Sheet
June 30, 2020

Assets:		
Cash	$	40,820
Intergovernmental		45,983
Total Assets	$	86,803
Liabilities, Deferred Inflows of Resources And Fund Balance		
Liabilities:		
Accounts Payable	$	-
Due to other funds		200
Total Liabilities		200
Deferred Inflows of Resources		-
Total Liabilities and Deferred Inflows of Resources		200
Fund Balances		
Restricted:		
Capital Project		86,603
Total Fund Balances		86,603
Total Liabilities, Deferred Inflow of Resources and Fund Balances	$	86,803

City of Blackshear, Georgia
2020 SPLOST
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
Revenues:				
Intergovernmental	$ 80,000	$ 80,000	$ 86,790	$ 6,790
Other revenue	-	-	-	-
Interest	-	-	-	-
Total Revenues	80,000	80,000	86,790	6,790
EXPENDITURES:				
Current:				
Administration	200	200	187	13
Public Works	-	-	-	-
Capital Outlay:				
General Government	-	-	-	-
Public Safety	79,800	79,800	-	79,800
Public Works	-	-	-	-
Utilities	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	80,000	80,000	187	79,800
Excess (deficiency) of Revenues over Expenditures	-	-	86,603	86,590
Other Financing Sources (Uses)				
Inception of lease			-	-
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Total Other Financial Sources (Uses)	-	-	-	-
Net Change in Fund Balance	-	-	86,603	86,590
Fund Balance Beginning	-	-	-	-
Fund Balance Ending	$ -	$ -	$ 86,603	$ 86,603

City of Blackshear, Georgia
Transportation SPLOST
Balance Sheet
June 30, 2020

Assets:		
Cash	$	112,694
Intergovernmental		6,121
Total Assets	$	118,815
Liabilities, Deferred Inflows of Resources And Fund Balance		
Liabilities:		
Due to other funds	$	100
Total Liabilities		100
Deferred Inflows of Resources		-
Total Liabilities and Deferred Inflows of Resources		100
Fund Balances		
Restricted:		
Capital Project		118,715
Total Fund Balances		118,715
Total Liabilities, Deferred Inflow of Resources and Fund Balances	$	118,815

City of Blackshear, Georgia
Transportation SPLOST
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
Revenues:				
Intergovernmental	$ 60,000	$ 60,000	$ 64,168	$ 4,168
Other revenue	-	-	-	-
Interest	-	-	71	71
Total Revenues	60,000	60,000	64,239	4,239
EXPENDITURES:				
Current:				
Administration	-	-	-	-
Public Works	-	-	-	-
Capital Outlay:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	-	-
Excess (deficiency) of Revenues over Expenditures	60,000	60,000	64,239	4,239
Other Financing Sources (Uses)				
Inception of lease			-	-
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Total Other Financial Sources (Uses)	-	-	-	-
Net Change in Fund Balance	60,000	60,000	64,239	4,239
Fund Balance Beginning	54,476	54,476	54,476	-
Fund Balance Ending	$ 114,476	$ 114,476	$ 118,715	$ 4,239

City of Blackshear, Georgia
Police Fines and Forfeitures
Balance Sheet
June 30, 2020

Assets:		
Cash	$	93,080
Intergovernmental		-
Total Assets	$	93,080
Liabilities, Deferred Inflows of Resources And Fund Balance		
Liabilities:		
Due to other funds	$	-
Total Liabilities		-
Deferred Inflows of Resources		-
Total Liabilities and Deferred Inflows of Resources		-
Fund Balances		
Restricted:		
Capital Project		93,080
Total Fund Balances		93,080
Total Liabilities, Deferred Inflow of Resources and Fund Balances	$	93,080

City of Blackshear, Georgia
Police Fines and Forfeitures
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
Revenues:				
Intergovernmental	$ -	$ -	$ -	$ -
Fines and forfeitures	115,000	115,000	33,395	(81,605)
Other revenue	-	-	-	-
Interest	650	650	554	(96)
Total Revenues	115,650	115,650	33,949	(81,701)
EXPENDITURES:				
Current:				
Administration	-	-	-	-
Public Works	-	-	-	-
Public Safety	115,650	115,650	109,046	6,604
Capital Outlay:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	115,650	115,650	109,046	6,604
Excess (deficiency) of Revenues over Expenditures	-	-	(75,097)	(75,097)
Other Financing Sources (Uses)				
Inception of lease			-	-
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Total Other Financial Sources (Uses)	-	-	-	-
Net Change in Fund Balance	-	-	(75,097)	(75,097)
Fund Balance Beginning	168,177	168,177	168,177	-
Fund Balance Ending	$ 168,177	$ 168,177	$ 93,080	$ (75,097)

NON-MAJOR PROPRIETARY FUND

The Non-Major Proprietary Fund is used to account for the income and expenses' from the business type activities of the fund.

The City's Non-Major Proprietary Fund is as follows:

Revolving Loan Fund

City of Blackshear, Georgia
Statement of Net Position
Non- Major Proprietary Fund
June 30, 2020

	Revolving Loan
Assets and Deferred Outflows of Resources	
Resources	
Current assets:	
Cash	$ 28,907
Receivables, net	-
Due from other governments	-
Due from other funds	-
Prepaid	-
Total Current Assets	28,907
Noncurrent assets:	
Restricted cash	-
Notes Receivable	66,102
Total Noncurrent Assets	66,102
Deferred Outflows of Resources	-
Total Assets and Deferred Outflows of Resources	$ 95,009
Liabilities and Deferred Inflows of Resources and Net Position:	
Current liabilities:	
Accounts payable and accrued expenses	$ -
Accrued interest bonds and notes	-
Due to other funds	-
Bonds, notes, and loans payable	-
Total Current Liabilities	-
Total Liabilities	-
Deferred Inflows of Resources	-
Total Liabilities and Deferred Inflows of Resources	-
Net Position	
Net Investment in capital assets	-
Restricted for loans	95,009
Unrestricted	-
Total Net Position	95,009
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 95,009

City of Blackshear, Georgia
Statement of Revenues, Expenses, and Changes in Net Position
Non- Major Proprietary Fund
For The Year Ended June 30, 2020

	Revolving Loan
OPERATING REVENUES	
Charges for services	$ -
Other service charges	-
Interest on Loans	835
TOTAL OPERATING REVENUES	835
OPERATING EXPENSES	
Personnel services	-
Contracted services	-
Repairs and maintenance	-
Other supplies and expense	-
Depreciation	-
TOTAL OPERATING EXPENSES	-
OPERATING INCOME (LOSS)	835
NONOPERATING INCOME (EXPENSES)	
Intergovernmental	-
Interest revenue	15
Interest expense	-
TOTAL NONOPERATING INCOME (EXPENSES)	15
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	850
CAPITAL CONTRIBUTIONS AND TRANSFERS	
Capital Contributions: Utilities	-
Transfers In	-
Transfers Out	-
NET CAPITAL CONTRIBUTIONS AND TRANSFERS	-
CHANGE IN NET POSITION	850
TOTAL NET POSITION BEGINNING	94,159
TOTAL NET POSITION ENDING	$ 95,009

City of Blackshear, Georgia
Statement of Cash Flows
Non-Major Proprietary Fund
For The Year Ended June 30, 2020

	Revolving Loan
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 835
Payments to suppliers	-
Payments to employees	-
Other receipts (payments)	-
Net cash provided by operating activities	835
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Intergovernmental Grant	-
Funds returned to DCA	-
Loans receivable	18,422
Transfers In (Out)	-
Net cash (used) by Noncapital Financing Activities	18,422
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from capital debt	-
Proceeds from sale of equipment	-
Acquisition and Construstion of Capital Assets	-
Principal paid on Revenue bonds & equipment debt	-
Interest paid on Revenue bonds & equipment debt	-
Other receipts (payments)	-
Net cash (used) by capital and related financing activities	-
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest	-
Net cash provided by investing activities	15
Net (decrease) in cash and cash equivalents	15
	19,272
BALANCES BEGINNING OF THE YEAR	9,635
BALANCES END OF THE YEAR	$ 28,907
Displayed As:	
Cash	$ 28,907
Restricted cash	-
CASH BALANCE END OF YEAR	$ 28,907

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

City of Blackshear, Georgia
Statement of Cash Flows
Non-Major Proprietary Fund
For The Year Ended June 30, 2020

	Revolving Loan
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED BY OPERATING ACTIVITIES	
Operating income (loss)	$ 835
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	-
Change in assets and liabilities:	
Receivables	-
Due from other funds	-
Due from other Governments	-
Prepaid	-
Deferred Outflows of Resources	-
Accounts and other payables	-
Due to Other Funds	-
Defered Inflows of Resources	-
Accrued expenses	-
Net Pension Liability	-
Deposits	-
Net cash provided by operating activities	$ 835

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

MAJOR CAPITAL PROJECTS FUNDS

The Capital Project Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary of trust funds.

The City's Major Capital Project Funds are as follows:

2014 SPLOST Fund

CDBG 19pX113-2-6050

City of Blackshear, Georgia
Budgetary Comparison Schedule--Capital Projects
2014 SPLOST Fund
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	$ 525,500	$ 525,500	$ 510,443	$ (15,057)
Interest	2,000	2,000	1,661	(339)
TOTAL REVENUES	527,500	527,500	512,104	(15,396)
EXPENDITURES:				
Current:				
Administration	-	-	-	-
Capital Outlay:				
Administration	175,000	175,000	169,893	5,107
Public Safety	130,000	130,000	123,775	6,225
Public Works	495,500	495,500	470,710	24,790
Parks & Recreation	10,000	10,000	7,302	2,698
Utilities	95,500	95,500	90,634	4,866
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	906,000	906,000	862,314	43,686
Excess of Revenues over (under) Expenditures	(378,500)	(378,500)	(350,210)	28,290
OTHER FINANCING SOURCES (Uses)				
Transfers In	-	-	-	-
Transfer Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	$ (378,500)	$ (378,500)	(350,210)	$ 28,290
FUND BALANCE BEGINNING			1,554,890	
FUND BALANCE ENDING			$ 1,204,680	

City of Blackshear, Georgia
Budgetary Comparison Schedule--Capital Projects
CDBG 19-P-X-113-2-6050
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	$ 750,000	$ 750,000	$ -	$ (750,000)
TOTAL REVENUES	750,000	750,000	-	(750,000)
EXPENDITURES:				
Current:				
Administration	45,000	45,000	-	45,000
Capital Outlay:				
Engineering	69,360	69,360	-	69,360
Utilities	635,640	635,640	-	635,640
TOTAL EXPENDITURES	750,000	750,000	-	750,000
Excess of Revenues over (under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (Uses)				
Transfers In	-	-	-	-
Transfer Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	$ -	$ -	-	$ -
FUND BALANCE BEGINNING			-	
FUND BALANCE ENDING			$ -	

Water and Sewer Fund

A Proprietary Fund

Statementof Revenues, Expenses, and Changes in Net Position

Budget to Actual

City of Blackshear, Georgia
Water and Sewer Fund
Statement of Revenues, Expenses, and Changes in Net Position
Budget to Actual
For The Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES				
Charges for services	1,396,492	1,396,492	1,448,730	$ 52,238
Other charges for service	98,725	98,725	139,920	41,195
TOTAL OPERATING REVENUES	1,495,217	1,495,217	1,588,650	93,433
OPERATING EXPENSES				
Personnel services	392,584	392,584	376,014	16,570
Contracted services	245,253	245,253	238,446	6,807
Repairs and maintenance	15,183	15,183	14,797	386
Other supplies and expense	400,200	400,200	396,585	3,615
Depreciation	400,512	400,512	400,512	-
TOTAL OPERATING EXPENSES	1,453,732	1,453,732	1,426,354	27,378
OPERATING INCOME (LOSS)	41,485	41,485	162,297	120,812
NONOPERATING INCOME (EXPENSES)				
Interest revenue	35	35	860	825
Interest expense	(123,187)	(123,187)	(123,187)	-
TOTAL NONOPERATING INCOME (EXPENSES)	(123,152)	(123,152)	(122,327)	825
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(81,667)	(81,667)	39,969	121,636
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital Contribution: Utilities	-	-	90,634	90,634
Contingencies	91,371	91,371	-	91,371
Transfers In	-	-	-	-
Transfers Out	(9,704)	(9,704)	(9,704)	-
NET CAPITAL CONTRIBUTIONS AND TRANSFERS	81,667	81,667	80,930	182,005
CHANGE IN NET POSITION	-	-	120,899	303,641
TOTAL NET POSITION BEGINNING	6,913,418	6,913,418	6,913,418	-
TOTAL NET POSITION ENDING	$ 6,913,418	$ 6,913,418	$ 7,034,317	$ 303,641

STATE COMPLIANCE SECTION

SPECIAL REPORTS

The Special Report is applicable to the Special 1 Percent Sales and Use Tax required by the State of Georgia.

Earl A. Lawson, CPA
Certified Public Accountant

INDEPENDENT AUDITORS' REPORT ON SPECIAL 1 PERCENT SALES AND USE TAX

The City Council
Blackshear, Georgia

I have audited the accompanying Schedule of Special Purpose Local Option Sales Tax for the City of Blackshear, Georgia for the year ended June 30, 2020. This schedule is the responsibility of the City of Blackshear management. My responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax based on my audit.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the Schedule of Special Local Option Sales Tax is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Special Purpose Local Option Sales Tax. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Special Purpose Local Option Sales Tax. I believe that my audit provides a reasonable basis for my opinion.

The accompanying Schedule of Special Purpose Local Option Sales Tax was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121 pm the modified accrual basis of accounting used form the Special Purpose Local Option Sales Tax schedule as described in Note 1-D and is not intended to be a complete presentation of the City of Blackshear's revenues and expenditures.

In my opinion, the Schedule of Special Purpose Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated cost, and the current and prior year expenditures for each project in the City of Blackshear's resolution or ordinance calling for the tax for the year ended June 30, 2020, in conformity with accounting principles generally accepted in the United States of America.

Earl A. Lawson
Certified Public Accountant
Blackshear, Georgia 31516
January 29, 2021

1025 Elizabeth St
Blackshear, GA 31516
912-449-5485
earlcpa@bellsouth.net

City of Blackshear, Georgia
Schedule of Projects Constructed With Special Purpose Local Option Sales Tax Proceeds
For the Year Ended June 30, 2020

Project	Total Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
2008					
Water and Sewer Capital outlay projects	$ 800,000	$ 279,532	$ -	$ 279,532	34.94%
Road Maintenance	1,209,000	2,177,181	49,428	2,226,609	184.17%
Public Safety:					
Police	13,860	108,508	-	108,508	782.89%
Recreation/Historical/Curtural	880	22,387	-	22,387	2543.98%
TOTAL	$ 2,023,740	$ 2,587,608	$ 49,428	$ 2,637,036	

Note (1): Estimated percentage of completion is based on expenditures by the City to date in relation to total estimated expenditures, which have been provided by City management.

City of Blackshear, Georgia
Schedule of Projects Constructed With Special Purpose Local Option Sales Tax Proceeds
For the Year Ended June 30, 2020

Project	Total Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
2014					
Water and Sewer Infrastructure	$ 1,773,200	$ 685,002	$ 90,634	$ 775,636	43.74%
Public Safety (Enforcement and Fire)	220,000	91,879	123,775	215,654	98.02%
Road Maintenance	561,000	314,217	169,893	484,110	86.29%
Recreational (Historical/Curtural Facilities	138,600	434,393	7,302	441,695	318.68%
Downtown Development Facilities	24,200	-	-	-	0.00%
Road and Street Construction and Maintenance	495,000	10,693	470,710	481,403	97.25%
TOTAL	$ 3,212,000	$ 1,536,184	$ 862,314	$ 2,398,498	

Note (1): Estimated percentage of completion is based on expenditures by the City to date in relation to total estimated expenditures, which have been provided by City management.

City of Blackshear, Georgia
Schedule of Projects Constructed With Special Purpose Local Option Sales Tax Proceeds
For the Year Ended June 30, 2020

Project	Total Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
2020					
Road Maintenance and Construction	$ 889,200	$ -	$ -	$ -	0.00%
Water and Sewer Construction and Maintenance	1,991,808	-	-	-	0.00%
Public Safety	355,680				
Recreational-History-Downtown	320,112	-	187	187	0.06%
TOTAL	$ 3,556,800	$ -	$ 187	$ 187	

Note (1): Estimated percentage of completion is based on expenditures by the City to date in relation to total estimated expenditures, which have been provided by City management.

Earl A. Lawson, CPA
Certified Public Accountant

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

To The City Council
City of Blackshear, Georgia

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Blackshear, Georgia, as of and for the year ended June 30, 2020, and the related notes to the financial statements which collectively comprise the City of Blackshear's basic financial statements, and have issued my report thereon dated January 29, 2021.

Internal Control Over Financial Reporting

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

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

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

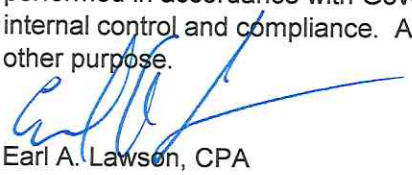
1025 Elizabeth St
Blackshear, GA 31516
912-449-5485
earlcpa@bellsouth.net

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Blackshear's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Earl A. Lawson, CPA
Blackshear, Georgia
February 15, 2021

City of Blackshear, Georgia
Community Development Block Grant Program
Project Cost Schedule
CDBG 19p-x-113-2-6050
For The Year Ended June 30, 2020

Program Activity	CDBG Activity Number	Latest Approved Budget	Accumulative CDBG Expenditures To Date	Accumulative Expenditures To Date (Other Funds)	Grand Total of Expenditures To Date	Questioned Costs (Explain in Remarks
				CDBG Budget		
Engineering	T-03J-02	$ 69,360	$ -	$ -	$ -	$ -
Sewer Improvements	P-03J-02	635,640	-	-	-	-
Administration	A-21A-00	45,000	-	-	-	-
Budget Total		750,000	-	-	-	-
Recipieent Match and Leverage:						
Engineering	T-03J-02	29,049	-	-	-	
Sewer Improvements	P-03J-02	242,075	-	90,484	90,484	-
Temporary Construction Essements		2,250				
Grant Related Advertising		171				
Donation of Services for Preparation of CDBG Application		5,000				
Donation of Services for Preparation of PER		8,500				
Video Sewer Lines		10,000				
Local Government Audit		1,000				
Total Recipient Match and Leverage		298,045	-	90,484	90,484	-
Total Grant Cost		$ 1,048,045	$ -	$ 90,484	$ 90,484	$ -

City of Blackshear, Georgia
Community Development Block Grant Funds
Georgia Department of Community Affairs
Grant 19p-x-113-2-6050
For the Year Ended June 30, 2020

				June 30 2020
Total Program Year Funds Allocated to Receipt	$ -	$	$	750,000
Less: Total Program Year Funds Drawn Down by Recipient	-			-
Funds Available for Drawn Down for Program Year	$ -	$ -	$ -	$ 750,000
Total Program Year Funds Available for Disposition	$ -	$ -	$ -	$ -
Total Program Year Funds Drawn Down by Recipient	-			-
Total Program Year Funds Available	-	-		-
Less: Funds Applied to Program Year Cost	-			-
Total Funds Applied	-	-	-	-
Total Program Funds Held by Recipient	$ -	$ -	$ -	$ -
Total Program Year Funds Available for Disposition	$ -	$ -	$ -	$ -