CITY OF CAMILLA, GEORGIA
Financial Statements and
Supplementary Information
For the Fiscal Year Ended September 30, 2020

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Financial Statements and Supplementary Information
For the Fiscal Year Ended September 30, 2020

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Financial Statements and Supplementary Information
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Independent Auditor's Report

To the City Council
City of Camilla, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Camilla, Georgia, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 City'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 City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fundand the aggregate remaining fund information of the City of Camilla, Georgia as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the Hotel/Motel tax fund and the Development Authority of the City of Camilla (a component unit) 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 on pages 3 through 16 and schedule of changes in net pension liability and related ratios, schedule of contributions, and schedule of funding progress information on pages 56 through 58 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our Audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Camilla, Georgia's basic financial statements. The schedule of projects financed with special purpose local option sales tax is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2021, on our consideration of the City of Camilla, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Camilla, Georgia's internal control over financial reporting and compliance.

Waters & Rackley

WATERS & RACKLEY CPAS LLC
Camilla, Georgia
June 30, 2021

City of Camilla
MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Camilla, it is our pleasure to present this narrative discussion and analysis of the City of Camilla's financial performance, providing an overview of the activities for the fiscal year ended September 30, 2020. This information is designed to be used in conjunction with the City's basic financial statements, and the accompanying notes to those financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The City of Camilla's assets totaled $82.9 million, of which $57.3 million are capital assets.
- The City of Camilla has total liabilities of $13.36 million, of which $10.1 million are long-term liabilities.
- The total net position for the City of Camilla exceeded its liabilities at September 30, 2020, by $70.3 million (reported as net position). Of this amount $13.4 million (reported as unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors. $49.0 million is invested in capital assets net of related debt.
- The total net position for the City's Governmental activities exceed its liabilities by $19.2 million of which $4.0 million is unrestricted and can be spent at the discretion of the City Council.
- The governmental activities revenues and transfers exceeded expenditures by $244 thousand resulting in an increase of net position from $19.0 million to $19.2 million.
- The City's business type activities revenues exceeded expenditures by $1.5 million dollars resulting in an increase in net position from $49.6 million to $51.1 million.
- The City's long-term debt decreased by $.99 million during the current fiscal year as a result of scheduled principal payments, prepayment of certain debt and the addition of new long-term debt in the water/sewer fund.

OVERVIEW of the FINANCIAL STATEMENTS

The City's annual financial report for the fiscal year ended September 30, 2020 is based upon the provisions of Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements and Management's Discussions & Analysis-for State and Local Governments issued June 1999. This standard includes Government-wide statements along with Fund based financial statements. The primary role of the Statement of Net Position and the Statement of Activities in the new government-wide financial statements is to demonstrate fiscal accountability. Operational accountability requires that a government demonstrate the extent to which it has met its operating objectives efficiently and effectively, using all resources available for that purpose, and whether it can continue to do so. Whereas, fiscal accountability requires that a government demonstrate compliance with public decisions concerning the raising and spending of public monies in the short term (usually one budgetary cycle or one year). Comparative information in the new reporting model is now available and is provided in the discussion and analysis.

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

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Government-wide Financial Statements (Reporting the City as a Whole)

The focus of the government-wide financial statements is on the overall financial position and activities of the City of Camilla and is designed to provide readers with a broad overview of the City's financial activities in a manner similar to a private business enterprise.

The City's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements include all assets and liabilities using the accrual basis of accounting used by most private-sector businesses. All of the current year's revenue and expenses are taken into account regardless of when cash is received or paid.

The purpose of the **Statement of Net Position** is to report all assets held and liabilities owed by the City. The City reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred. The difference between its total assets and total liabilities is net position. The net position is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indication of whether its financial position is improving or deteriorating. You would need to consider other nonfinancial factors, such as changes in the City's property tax base and the condition of the City's infrastructure, to assess the overall health of the City.

The **Statement of Activities** presents the revenue and expenses of the City. Under the accrual basis of accounting, revenues are recognized when earned and expenses when incurred in this statement. Thus revenues are reported even when they may not be collected until after the end of the accounting period and expenses are recorded even though they may not have been paid during the current period. The difference is described as change in net position. The focus of the Statement of Activities is on the net cost of various activities provided by the City and identifies the extent to which each function of the City draws from general revenues or is self-financing through fees, grants, or other sources.

In the Statement of Net Position and the Statement of Activities, the City is divided into three kinds of activities:

Governmental Activities – Most of the City's basic services are reported here, including police, fire, public works, community and economic development, planning and zoning, and general administration. Property taxes, sales tax, franchise fees, intergovernmental revenues, and fund transfers finance most of these activities.

Business – Type Activities – The City charges fees to customers to help it cover all or most of the costs of certain services it provides. The City's Water and Sewer, Gas, Electric, Cable, Solid Waste and Airport facilities are reported here.

Component Unit – The City includes the Development Authority of the City of Camilla, Georgia in its report. Although legally separate, the City is financially accountable for it.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The City of Camilla has presented its financial statements under the reporting model required by GASB Statement No. 34. This reporting model changes significantly both the recording and presentation of financial data. Government-wide information for fiscal years ending September 30, 2020, and September 30, 2019 are included in this report.

CITY OF CAMILLA
Net Position
September 30, 2020

	Governmental Activities	Business-Type Activities	Total
Current assets	$ 6,269,757	$ 11,830,632	$ 18,100,389
Non-current assets	362,412	7,165,203	7,527,615
Capital assets	14,082,504	43,190,129	57,272,633
Total Assets	20,714,673	62,185,964	82,900,637
Deferred outflows of resources	527,775	241,893	769,668
Total Assets and Deferred Outflows of Resources	21,242,448	62,427,857	83,670,305
Current liabilities	812,354	2,317,027	3,129,381
Non-current liabilities	1,140,305	8,978,444	10,118,749
Total liabilities	1,952,659	11,295,471	13,248,130
Deferred inflows of resources	93,914	20,490	114,404
Total Liabilities and Deferred Inflows of Resources	2,046,573	11,315,961	13,362,534
Net Investment in capital assets	14,082,504	34,957,972	49,040,476
Restricted for loan payments		572,937	572,937
Restricted for power generation		6,205,983	6,205,983
Restricted for repairs	81,480		81,480
Restricted for capital projects	991,755		991,755
Unrestricted	4,040,136	9,375,004	13,415,140
Total net position	$ 19,195,875	$ 51,111,896	$ 70,307,771

CITY OF CAMILLA
Net Position
September 30, 2019

	Governmental Activities	Business-Type Activities	Total
Current assets	$ 6,016,085	$ 11,906,279	$ 17,922,364
Non-current assets	380,158	7,126,521	7,506,679
Capital assets	13,908,175	43,718,447	57,626,622
Total assets	20,304,418	62,751,247	83,055,665
Deferred outflows of resources	167,257	65,676	232,933
Total Assets and Deferred Outflows of Resources	20,471,675	62,816,923	83,288,598
Current liabilities	648,020	3,537,157	4,185,177
Non-current liabilities	526,006	9,559,845	10,085,851
Total liabilities	1,174,026	13,097,002	14,271,028
Deferred inflows of resources	345,404	143,416	488,820
Total Liabilities and Deferred Inflows of Resources	1,519,430	13,240,418	14,759,848
Net Investment in capital assets	14,288,333	34,155,325	48,443,658
Restricted for loan payments		571,188	571,188
Restricted for power generation		6,147,702	6,147,702
Restricted for repairs	62,063		62,063
Restricted for Capital Projects	719,726		719,726
Unrestricted	3,882,123	8,702,290	12,584,413
Total net position	$ 18,952,245	$ 49,576,505	$ 68,528,750

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's combined net position exceed liabilities by $70,307,771 as of September 30, 2020 and by $68,528,750 as of September 30, 2019. Of these amounts, $19,195,875 and $18,952,245 came from governmental activities and $51,111,896 and $49,576,505 came from business-type activities as of September 30, 2020 and 2019, respectively.

The largest portion of the City's net position, $49,040,476 or 69.75% as of September 30, 2020 and $48,443,658 or 70.69%, as of September 30, 2019, reflects its investments in capital assets (land, building, machinery and equipment, infrastructure and construction in progress), less any related debt outstanding that was needed to construct or acquire the assets. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position totaled $7,852,155 or 11.17% as of September 30, 2020 and $7,500,679 or 10.95% as of September 30, 2019. These amounts represent resources that are designated for construction projects, repairs, loan payments and power generation.

The remaining balance of $13,415,140 or 19.08% as of September 30, 2020 and $12,584,413 or 18.36% as of September 30, 2019 represents unrestricted net position. This may be used to meet the City's obligations to citizens and creditors in accordance with the finance-related legal requirements.

At the end of fiscal year ended September 30, 2020, and September 30, 2019, the City reported positive balances in both categories of unrestricted net position; $4,040,136 and $3,882,123 for its governmental activities and $9,375,004 and $8,702,290 in its business-type activities for these years, respectively.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

The Fund Financial Statements provide detailed information about the most significant funds, not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities and objectives. The City of Camilla, like other state and local governments, uses fund accounting to track specific resources and expenditures, either for management purposes or because of legal mandates. The City's funds are divided into two categories, governmental and proprietary, and use different accounting approaches.

Governmental Funds – Most of the City's basic services are reported in governmental funds, and are used to account for essentially the same functions as governmental activities in the government wide financial statements. However, governmental fund financial statements focus on the short-term view of the City's general governmental operations and the basic services it provides. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements and because of the different accounting methods used to prepare them, there are often significant differences between the totals presented in these financial statements. It is useful to compare the information presented for government funds with similar information presented for governmental activities in the government-wide financial statements. By doing so readers may better understand the long-term impact of the government's near term financing decisions. An analysis of the balance sheet and the statement of revenues, expenditures and changes in fund balances reconciling the two statements is provided with each statement.

The City of Camilla has three major governmental funds, the General Fund, the Hotel/Motel Fund, the SPLOST Fund and a component unit the Development Authority.

The City of Camilla adopts an annual budget for its governmental funds. Budgetary comparison statements have been provided for these funds.

Proprietary Funds – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. The City maintains one type of proprietary fund, enterprise funds. These proprietary funds are prepared using the same accounting basis as the government-wide financial statements, the accrual method.

The City of Camilla's enterprise funds are the same as its business-type activities but provide more detail and additional information such as cash flows. The City of Camilla has the following enterprise funds: Water and Sewer Fund, Electric Fund, Gas Fund, Solid Waste Fund, Airport Fund, and Cable TV Fund.

STATEMENT OF ACTIVITIES

Governmental activities during the fiscal year ended September 30, 2020 increased the City of Camilla's net position by $243,630. Business-type activities during the same period increased net position by $1,535,391. Total increase from all activities in net position was $1,779,021.

The following Statement of Activities shows the revenues and expenses by activities for the City of Camilla as of September 30, 2020 and September 30, 2019. Total revenues and Transfers from governmental activities were $7,408,294 and $7,587,846 for September 30, 2020 and 2019, respectively while expenses totaled $7,164,664 and $7,243,208. Net transfers from business-type activities amounted to $3,573,249 or 48.23% for September 30, 2020 and $4,439,153 or 58.50% for September 30, 2019, of the total governmental activity funding. Property taxes of $1,366,511 or 18.45% for September 30, 2020 and $1,034,404 or 13.63% for September 30, 2019, was the next largest contributor to the funding. Business-type activities program revenue exceeded expenses by $5,108,640 and $4,439,227 for September 30, 2020 and 2019 respectively, before other revenues and transfers to support the governmental activities.

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CITY OF CAMILLA
Statements of Activities
For the year ended September 30, 2020

	Governmental Activities	Business-Type Activities	Total
Revenues:			
PROGRAM REVENUES			
Charges for services	$ 822,788	$ 26,655,301	$ 27,478,089
Operating grants & contributions	469,912	283,538	753,450
Capital grants & contributions	591,047	653,620	1,244,667
Total program revenue	1,883,747	27,592,459	29,476,206
GENERAL REVENUES			
Property taxes	1,366,511		1,366,511
Other taxes	548,238		548,238
Investment income(loss)	30,805	819,855	850,660
Gain (loss) on sale of assets	5,744	34,334	40,078
Total general revenues	1,951,298	854,189	2,805,487
TOTAL REVENUES	3,835,045	28,446,648	32,281,693
Expenses:			
GOVERNMENTAL ACTIVITIES			
General government	2,326,671		2,326,671
Public safety	2,741,145		2,741,145
Public works	1,601,927		1,601,927
Planning, zoning and housing	233,320		233,320
Economic development	250,603		250,603
Interest on long-term debt	10,998		10,998
Total governmental activities	7,164,664		7,164,664
BUSINESS-TYPE ACTIVITIES			
Water and sewer		2,679,415	2,679,415
Gas		7,228,692	7,228,692
Electric		12,071,193	12,071,193
CNS cable		102,390	102,390
Solid waste		749,779	749,779
Airport		506,539	506,539
Total business-type activities		23,338,008	23,338,008
Total Expenses	7,164,664	23,338,008	30,502,672
Change in net positons before transfers	(3,329,619)	5,108,640	1,779,021
Transfers	3,573,249	(3,573,249)	
Change in net position	243,630	1,535,391	1,779,021
Net position beginning of year	18,952,245	49,576,505	68,528,750
Net position end of year	$ 19,195,875	$ 51,111,896	$ 70,307,771

CITY OF CAMILLA
Statements of Activities
For the year ended September 30, 2019

	Governmental Activities	Business-Type Activities	Total
Revenues:			
PROGRAM REVENUES			
Charges for services	$ 899,345	$ 33,436,755	$ 34,336,100
Operating grants & contributions	49,104		49,104
Capital grants & contributions	597,137	63,677	660,814
Total program revenue	1,545,586	33,500,432	35,046,018
GENERAL REVENUES			
Property taxes	1,034,404		1,034,404
Other taxes	537,230		537,230
Investment income(loss)	26,698	883,756	910,454
Gain (loss) on sale of assets	4,775	24,310	29,085
Total general revenues	1,603,107	908,066	2,511,173
TOTAL REVENUES	3,148,693	34,408,498	37,557,191
Expenses:			
GOVERNMENTAL ACTIVITIES			
General government	2,192,354		2,192,354
Public safety	2,840,938		2,840,938
Public works	1,661,467		1,661,467
Planning, zoning and housing	217,779		217,779
Economic development	319,280		319,280
Interest on long-term debt	11,390		11,390
Total governmental activities	7,243,208		7,243,208
BUSINESS-TYPE ACTIVITIES			
Water and sewer		2,735,074	2,735,074
Gas		13,388,079	13,388,079
Electric		12,354,146	12,354,146
CNS cable		124,852	124,852
Solid waste		765,488	765,488
Airport		601,632	601,632
Total business-type activities		29,969,271	29,969,271
Total Expenses	7,243,208	29,969,271	37,212,479
Change in net positons before transfers	(4,094,515)	4,439,227	344,712
Transfers	4,439,153	(4,439,153)	
Change in net position	344,638	74	344,712
Net position beginning of year	18,607,607	49,576,431	68,184,038
Net position end of year	$ 18,952,245	$ 49,576,505	$ 68,528,750

Governmental Activities

Revenue from governmental activities totaled $7,408,294 for the year ending September 30, 2020 and $7,587,846 for the year ending September 30, 2019 with corresponding expenses for the same periods totaled $7,164,664 and $7,243,208. The following totals show the governmental revenue and expenses by source. Transfers from business-type activities funded the largest percentage of revenue, followed by property taxes and charges for services. General government, Public safety, and Public Works expenses accounted for 93.09% and 92.43% of the total expenses of the governmental activities, for the years ending September 30, 2020 and September 30, 2019.

Governmental Activities – Revenues by Source

	Sept. 30, 2020		Sept. 30, 2019	
	Amount	Percent	Amount	Percent
Charges for services	$ 822,788	11.11%	$ 899,345	11.85%
Operating grants & contributions	469,912	6.34%	49,104	0.65%
Capital grants & contributions	591,047	7.98%	597,137	7.87%
Property taxes	1,366,511	18.45%	1,034,404	13.63%
Other taxes	548,238	7.40%	537,230	7.08%
Investment income (loss)	30,805	0.41%	26,698	0.36%
Gain (loss) on sale of assets	5,744	8.00%	4,775	0.06%
Total	3,835,045	51.77%	3,148,693	41.50%
Transfers	3,573,249	48.23%	4,439,153	58.50%
	$ 7,408,294	100.00%	$ 7,587,846	100.00%

Governmental Activities – Expenses by Source

	Sept. 30, 2020		Sept. 30, 2019	
	Amount	Percent	Amount	Percent
General Government	$ 2,326,671	32.47%	2,192,354	30.27%
Public Safety	2,741,145	38.26%	2,840,938	39.22%
Public Works	1,601,927	22.36%	1,661,467	22.94%
Planning, zoning and housing	233,320	3.26%	217,779	3.01%
Economic development	250,603	3.50%	319,280	4.41%
Interest on long-term debt	10,998	0.15%	11,390	0.15%
	$ 7,164,664	100.00%	7,243,208	100.00%

Business – Type Activities

Revenues from business-type activities totaled $24,873,399 and expenses were $23,338,008 for the fiscal year ending September 30, 2020 while revenues were $29,969,345 and expenses were $29,969,271 for the fiscal year ending September 30, 2019. The following table shows the business – type activities revenue and expenses by source. The Electric Fund accounted for the largest amount of revenue, followed by the Gas Fund and the Water and Sewer Fund. These three funds accounted for 92.83% and 93.62% of total business – type revenues, for the fiscal years ending September 30, 2020 and September 30, 2019.

Expenses for the Electric Fund were the largest amount of the total expenses for the year, followed by the Gas Fund and the Water and Sewer Fund. These three funds accounted for 94.17% and 95.02% of the total expenses for business – type activities, for the fiscal years ending September 30, 2020 and September 30, 2019.

Business-type Activities – Revenue by Source

	Sept. 30, 2020		Sept. 30, 2019	
	Amount	Percent	Amount	Percent
Charges for Services:				
Water and sewer	$ 3,065,755	12.33%	$ 3,062,045	10.22%
Gas	8,216,135	33.03%	14,229,310	47.47%
Electric	14,231,328	57.22%	14,752,594	49.22%
CNS - cable	107,074	0.43%	237,205	0.79%
Solid waste	789,956	3.17%	791,749	2.66%
Airport	245,053	0.98%	363,852	1.20%
	26,655,301	107.16%	33,436,755	111.56%
Other Revenues:				
Water and sewer	369,299	1.48%	5,966	0.02%
Gas	3,640	0.01%	7,824	0.03%
Electric	425,470	1.71%	355,892	1.19%
Solid waste	32,000	0.13%	538,384	1.79%
CNS - cable	674,218	2.71%		0.00%
Airport	286,720	1.16%	63,677	0.22%
	1,791,347	7.20%	971,743	3.25%
Transfers In (Out)				
Water and sewer	41,432	0.16%	(218,253)	-0.73%
Gas	(995,754)	-4.00%	(1,615,789)	-5.39%
Electric	(2,266,812)	-9.11%	(2,518,842)	-8.40%
CNS - cable	(312,100)	-1.25%	(151,700)	-0.51%
Solid waste	(72,570)	-0.29%	(22,123)	-0.07%
Airport	32,555	0.13%	87,554	0.29%
	(3,573,249)	-14.37%	(4,439,153)	-14.81%
Total Revenues	$ 24,873,399	100.00%	$ 29,969,345	100.00%

Business-type Activities – Expenses by Source

	Sept. 30, 2020		Sept. 30, 2019	
	Amount	Percent	Amount	Percent
Water and sewer	$ 2,679,415	11.48%	$ 2,735,074	9.13%
Gas	7,228,692	30.97%	13,388,079	44.67%
Electric	12,071,193	51.72%	12,354,146	41.22%
CNS -cable	102,390	0.45%	124,852	0.42%
Solid waste	749,779	3.21%	765,488	2.55%
Airport	506,539	2.17%	601,632	2.01%
	$ 23,338,008	100.00%	$ 29,969,271	100.00%

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City of Camilla uses fund accounting to ensure compliance with management purposes or legal requirements.

General Fund: The General Fund is the chief operating fund of the City. At the end of the fiscal year September 30, 2020, the General Fund had a fund balance of $4,504,860, a decrease of $115,081 for the year. Transfers from the business-type activities of $3,605,804 absorbed shortages in budgeted revenues and reduction in budget expenditures to offset this decrease.

Actual revenues exceeded budgeted revenues by $521,498. Increases in the amount of intergovernmental revenues and miscellaneous revenues collected are the primary reason for this surplus.

Budgeted expenditures exceeded actual expenditures by $393,382. Capital assets not purchased or constructed allowed the City to keep budget expenditures down. No department had expenditures over budget.

The fund balance of the Development Authority increased by $77,686 during the year. The increase in fund balance was due to primarily to transfers from the General fund for the renovation of a building located at 86 Oakland Avenue. Budgeted revenues exceeded actual revenues by $3,683. Budgeted expenditures exceeded actual expenditures by $949, most of which was for debt service.

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Business-Type Activities:

The enterprise funds include the City's Water and Sewer Fund, Electric Fund, Gas Fund, Solid Waste Fund, Airport Fund, and Cable TV Fund.

The total net position of these funds are as follows:

	Balance Sept. 30, 2020	Balance Sept. 30, 2019	Change (Decrease)
Water & sewer	$ 21,380,990	$ 20,583,919	$ 797,071
Electric	21,937,413	21,618,620	318,793
Gas	5,063,167	5,067,838	(4,671)
Solid waste	6,080	6,473	(393)
Airport	4,269,613	4,211,824	57,789
Cable TV	(1,545,367)	(1,912,169)	366,802
	$ 51,111,896	$ 49,576,505	$ 1,535,391

The decreases in the gas and airport funds are a result of transfers and depreciation expense for the fiscal year ending September 30, 2020. The change in the Cable TV fund is primarily the result of income received from the city's investment in the South Georgia Governmental Services Authority.

Capital Assets:

The City of Camilla has invested $57,272,633 and $57,626,622 in capital assets (net of depreciation) as of September 30, 2020 and 2019, respectively. Capital assets include land, buildings, improvements, equipment and vehicles, infrastructure, facilities and construction in progress. Business-type activities account for 75.41% and 75.87% of this investment while 24.59% and 24.13% is related to governmental activities for these fiscal years.

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CITY OF CAMILLA
Capital Assets (Net of Depreciation)
As of September 30, 2020

Capital assets are summarized as follows:

	Governmental Activities	Business-Type Activities	Total
Land	$ 859,063	$ 1,366,673	$ 2,225,736
Buildings	7,974,545	2,322,975	10,297,520
Improvements	1,493,366	98,650	1,592,016
Equipment and vehicles	3,943,569	2,752,587	6,696,156
Infrastructure	15,678,777		15,678,777
Facilities		59,637,040	59,637,040
Construction in progress	77,725		77,725
	30,027,045	66,177,925	96,204,970
Accumulated depreciation	15,944,541	22,987,796	38,932,337
	$ 14,082,504	$ 43,190,129	$ 57,272,633

CITY OF CAMILLA
Capital Assets (Net of Depreciation)
As of September 30, 2019

Capital assets are summarized as follows:

	Governmental Activities	Business-Type Activities	Total
Land	$ 835,301	$ 1,366,673	$ 2,201,974
Buildings	7,974,545	2,322,975	10,297,520
Improvements	1,493,366	98,650	1,592,016
Equipment and vehicles	3,652,210	2,304,619	5,956,829
Infrastructure	14,442,123		14,442,123
Facilities		58,985,648	58,985,648
Construction in progress	738,181	54,221	792,402
	29,135,726	65,132,786	94,268,512
Accumulated depreciation	15,227,551	21,414,339	36,641,890
	$ 13,908,175	$ 43,718,447	$ 57,626,622

Additional information on the City of Camilla's capital assets can be found in Note 3 of this report.

Debt Administration

The City of Camilla's long-term debt consists of revenue bonds and notes payable.

As of September 30, 2020, the City had no long-term debt related to Governmental Activities and $8,232,157 of long-term debt related to business-type activities for a total of $8,232,157. Previous year's total was $9,563,122. This is a decrease of $1,330,965 due to the payment of debt principal during the year and the addition of $170,019 in new debt for the Water & Sewer Fund.

CITY OF CAMILLA
Long – Term Debt
As of September 30, 2020

	Governmental Activities	Business-Type Activities	Total
Leases	$	$	$
Notes payable		8,232,157	8,232,157
Bonds payable			
	$	$ 8,232,157	$ 8,232,157

CITY OF CAMILLA
Long – Term Debt
As of September 30, 2019

	Governmental Activities	Business-Type Activities	Total
Leases	$	$	$
Notes payable		9,563,122	9,563,122
Bonds payable			
	$	$ 9,563,122	$ 9,563,122

Additional information on the City's long-term debt can be found in Note 4 in this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Mayor and Council of the City of Camilla considered various factors when approving the City's fiscal year September 30, 2021 budget. Present economic conditions and the effect on its citizens resulted in choosing to stabilize transfers from business-type activities to governmental activities, rather than a small tax increase.

Factors considered during the preparation of the budget for fiscal year 2021 included the following:

1. Use of grants and SPLOST funds for various projects.
2. Review of health insurance coverage to stabilize costs to the City.
3. The volatility in fuel costs for operations.
4. Impact of the sale of the cable television system and telecommunication system on city operations.
5. Continued safety awareness and training to reduce insurance costs.
6. Minimal salary increases were implemented.
7. Capital expenditures were delayed.
8. User fees and utility rates were reviewed and adjusted as needed.
9. Evaluation of economic conditions on utility customers and lessors of property.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City of Camilla's finances and to demonstrate the City's accountability for the money it owes. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to the City of Camilla, Chief Financial Officer, P.O. Box 328, Camilla, Georgia 31730.

CITY OF CAMILLA, GEORGIA
Statement of Net Position
September 30, 2020

	Governmental Activities	Business - Type Activities	Total
ASSETS AND DEFERRED OUTFLOW OF RESOURCES			
Current Assets:			
Cash	$ 853,293	$ 2,450,386	$ 3,303,679
Investments:			
MEAG Municipal Competitive Trust - Flexible Operating Account		8,687,354	8,687,354
South Georgia Governmental Services Authority		1,197,819	1,197,819
Receivables (Net):			
Taxes	3,247		3,247
Accounts	17,723	2,384,385	2,402,108
Notes	17,747		17,747
Other governments	131,505		131,505
Other	13,368		13,368
Internal balances	2,918,393	(2,918,393)	
Inventories	522,525	29,081	551,606
Prepaid expenses	801,122		801,122
Restricted assets:			
Cash	990,834		990,834
Total Current Assets	6,269,757	11,830,632	18,100,389
Noncurrent Assets:			
Restricted assets:			
Cash		572,937	572,937
MEAG Municipal Competitive Trust - New Generation Account		6,205,983	6,205,983
Notes receivable	362,412		362,412
Prepaid electricity		386,283	386,283
Capital Assets:			
Nondepreciable	936,788	1,366,673	2,303,461
Depreciable (net)	13,145,716	41,823,456	54,969,172
Total Noncurrent Assets	14,444,916	50,355,332	64,800,248
Deferred outflow of resources	527,775	241,893	769,668
Total Assets and Deferred outflow of Resources	$ 21,242,448	$ 62,427,857	$ 83,670,305
LIABILITIES AND DEFERRED INFLOW OF RESOURCES			
Current Liabilities:			
Accounts payable	$ 400,399	$ 1,648,588	$ 2,048,987
Accrued payroll	46,643	9,745	56,388
Sales tax		46,000	46,000
Customer deposits	365,312	5,053	370,365
Notes and mortgages payable		607,641	607,641
Total Current Liabilities	812,354	2,317,027	3,129,381
Noncurrent Liabilities:			
Notes and mortgages payable		7,624,516	7,624,516
Customer deposits and debt reserve		855,578	855,578
Net pension liability	1,140,305	498,350	1,638,655
Total Noncurrent Liabilities	1,140,305	8,978,444	10,118,749
Deferred inflow of resources	93,914	20,490	114,404
Total Liabilities and Deferred Inflow of Resources	2,046,573	11,315,961	13,362,534
NET POSITION			
Net investment in capital assets	14,082,504	34,957,972	49,040,476
Restricted for loan payments		572,937	572,937
Restricted for power generation		6,205,983	6,205,983
Restricted for repairs	81,480		81,480
Restricted for capital projects	991,755		991,755
Unrestricted	4,040,136	9,375,004	13,415,140
Total Net Position	19,195,875	51,111,896	70,307,771
Total Liabilities and Net Position	$ 21,242,448	$ 62,427,857	$ 83,670,305

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

CITY OF CAMILLA, GEORGIA
STATEMENT OF ACTIVITIES
For the year ended September 30, 2020

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for services	Program Revenues: Operating grants and contributions	Program Revenues: Capital grants and contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental activities	Net (Expenses) Revenues and Changes in Net Position: Business-type activities	Net (Expenses) Revenues and Changes in Net Position: Total
Governmental activities:							
General government	$ 2,326,671	$ 354,926	$ 49,104	$	$ (1,922,641)	$	$ (1,922,641)
Public safety	2,741,145	209,892	262,367		(2,268,886)		(2,268,886)
Public works	1,601,927	196,154	158,441	591,047	(656,285)		(656,285)
Planning, zoning and housing	233,320	61,576			(171,744)		(171,744)
Economic development	250,603	240			(250,363)		(250,363)
Interest on long term debt	10,998				(10,998)		(10,998)
Total Governmental Activities	7,164,664	822,788	469,912	591,047	(5,280,917)		(5,280,917)
Business-type activities:							
Water and sewer	2,679,415	3,065,755		366,900		753,240	753,240
Gas	7,228,692	8,216,135				987,443	987,443
Electric	12,071,193	14,231,328	283,538			2,443,673	2,443,673
CNS cable	102,390	107,074				4,684	4,684
Solid waste	749,779	789,956				40,177	40,177
Airport	506,539	245,053		286,720		25,234	25,234
Total Business-Type Activities	23,338,008	26,655,301	283,538	653,620		4,254,451	4,254,451
Total Government	$ 30,502,672	$ 27,478,089	$ 753,450	$ 1,244,667			
General Revenue:							
Property taxes					1,366,511		1,366,511
Other taxes					548,238		548,238
Investment income (loss)					30,805	819,855	850,660
Gain on sale of capital assets					5,744	34,334	40,078
Transfers					3,573,249	(3,573,249)	
Total General Revenue and Transfers					5,524,547	(2,719,060)	2,805,487
Change in net position					243,630	1,535,391	1,779,021
Net position beginning of year					18,952,245	49,576,505	68,528,750
Net position end of year					$ 19,195,875	$ 51,111,896	$ 70,307,771

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

CITY OF CAMILLA, GEORGIA
BALANCE SHEET
Governmental Funds
September 30, 2020

	General Fund	Capital Project Fund	Special Revenue Funds		Total Governmental Funds
		SPLOST	Hotel/Motel Tax	Development Authority	
ASSETS					
Cash	$ 832,233	$	$	$ 21,060	$ 853,293
Receivables (net):					
Taxes	3,247				3,247
Accounts	17,723				17,723
Other governments	49,104	82,401			131,505
Notes				380,159	380,159
Other	13,368				13,368
Advances to other funds	3,342,244				3,342,244
Inventories	13,650			508,875	522,525
Prepaid expenses	801,122				801,122
Restricted assets:					
Cash	81,480	909,354			990,834
Total Assets	$ 5,154,171	$ 991,755	$	$ 910,094	$ 7,056,020
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 237,356	$ 163,043	$	$	$ 400,399
Accrued payroll	46,643				46,643
Advances from other funds				423,851	423,851
Customer deposits	365,312				365,312
	649,311	163,043		423,851	1,236,205
Fund Balances:					
Nonspendable	3,733,165			889,034	4,622,199
Restricted	81,480	828,712			910,192
Committed	602,508				602,508
Assigned	668,713				668,713
Unassigned	(581,006)			(402,791)	(983,797)
	4,504,860	828,712		486,243	5,819,815
Total Liabilities and Fund Balances	$ 5,154,171	$ 991,755	$	$ 910,094	$ 7,056,020

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

CITY OF CAMILLA, GEORGIA
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
September 30, 2020

Total fund balance – governmental funds		$ 5,819,815
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental Capital Assets	$ 30,027,045	
Less accumulated depreciation	15,944,541	14,082,504
Long term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Net pension liability		(1,140,305)
Deferred outflow and inflow of resources to pensions are applicable to future periods and, therefore, are not reported in the fund financial statement.		
Deferred outflows	527,775	
Deferred inflows	(93,914)	433,861
Net position of governmental activities		$ 19,195,875

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

CITY OF CAMILLA, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2020

	General Fund	Capital Project Fund	Special Revenue Funds		Total Governmental Funds
		SPLOST	Hotel/Motel Tax	Development Authority	
Revenues:					
Property taxes	$ 1,366,511	$	$	$	$ 1,366,511
Other taxes	525,292		22,946		548,238
Licenses and permits	228,237				228,237
Charges for services	230,290				230,290
Fines and forfeitures	207,392				207,392
Interest income	13,466	7,600		9,739	30,805
Intergovernmental	551,485	509,474			1,060,959
Building & land rental	120,317			1,950	122,267
Miscellaneous revenues	29,608			4,994	34,602
Total Revenues	3,272,598	517,074	22,946	16,683	3,829,301
Expenditures:					
Current:					
General Government	2,093,099	76,630		553	2,170,282
Public Safety	2,722,425	77,015			2,799,440
Public Works	1,628,811	254,443			1,883,254
Planning, zoning and housing	222,126				222,126
Economic development	227,657		22,946		250,603
Debt service:					
Interest				10,998	10,998
Total Expenditures	6,894,118	408,088	22,946	11,551	7,336,703
Excess (deficiency) of revenues over expenditures	(3,621,520)	108,986		5,132	(3,507,402)
Other financing sources (uses):					
Sale of capital assets	5,744				5,744
Transfers in	3,605,804			72,554	3,678,358
Transfers out	(105,109)				(105,109)
Total other financing sources (uses)	3,506,439			72,554	3,578,993
Net change in fund balances	(115,081)	108,986		77,686	71,591
Fund balances beginning of year	4,619,941	719,726		408,557	5,748,224
Fund balances end of year	$ 4,504,860	$ 828,712	$	$ 486,243	$ 5,819,815

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

CITY OF CAMILLA, GEORGIA
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
For the year ended September 30, 2020

Net changes in fund balances – governmental funds		$ 71,591
Amounts reported for governmental activities on the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is expensed over their estimated useful lives as depreciation.		
Capital outlays	$ 962,041	
Depreciation expense	(787,712)	174,329
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Pension expenses		(2,290)
Change in net position of governmental activities		$ 243,630

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

CITY OF CAMILLA, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
For the year ended September 30, 2020

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with final budget over (under)
Revenues:				
Property taxes	$ 1,035,700	$ 1,155,700	$ 1,366,511	$ 210,811
Other taxes	524,700	524,700	525,292	592
Licenses and permits	241,800	241,800	228,237	(13,563)
Charges for services	268,000	268,000	230,290	(37,710)
Fines and forfeitures	161,000	161,000	207,392	46,392
Interest income	14,800	14,800	13,466	(1,334)
Intergovernmental	207,000	207,000	551,485	344,485
Rental	144,400	144,400	120,317	(24,083)
Miscellaneous revenues	33,700	33,700	29,608	(4,092)
Total Revenues	2,631,100	2,751,100	3,272,598	521,498
Expenditures:				
Current:				
General government	2,033,700	2,153,700	2,093,099	(60,601)
Public safety	2,752,800	2,752,800	2,722,425	(30,375)
Public works	1,871,600	1,871,600	1,628,811	(242,789)
Planning, zoning and housing	243,600	243,600	222,126	(21,474)
Economic development	265,800	265,800	227,657	(38,143)
Total Expenditures	7,167,500	7,287,500	6,894,118	(393,382)
Excess (deficiency) of revenues over expenditures	(4,536,400)	(4,536,400)	(3,621,520)	914,880
Other financing sources (uses):				
Sale of capital assets	10,000	10,000	5,744	(4,256)
Transfers in	4,535,400	4,535,400	3,605,804	(929,596)
Transfers out	(84,000)	(84,000)	(105,109)	(21,109)
Use of reserve funds	75,000	75,000		(75,000)
	4,536,400	4,536,400	3,506,439	(1,029,961)
Net change in fund balance			(115,081)	$ (115,081)
Fund balance beginning of year	4,619,941	4,619,941	4,619,941	
Fund balance end of year	$ 4,619,941	$ 4,619,941	$ 4,504,860	

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

CITY OF CAMILLA, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Hotel/Motel Tax Fund
for the year ended September 30, 2020

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with final budget over (under)
Revenues:				
Hotel/Motel tax	$ 30,000	$ 30,000	$ 22,946	$ (7,054)
Expenditures:				
Economic development	30,000	30,000	22,946	(7,054)
Excess (deficiency) of revenues over expenditures				
Net change in fund balance				
Fund balance beginning of year				
Fund balance end of year	$	$	$	$

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

CITY OF CAMILLA, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Development Authority of the City of Camilla (Component Unit)
For the year ended September 30, 2020

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with final budget over (under)
Revenues:				
Rent	$ 2,000	$ 2,000	$ 1,950	$ (50)
Interest income	11,000	11,000	9,739	(1,261)
Other			4,994	4,994
Total Revenues	13,000	13,000	16,683	3,683
Expenditures:				
General government	1,000	1,000	553	(447)
Debt Service:				
Interest	11,500	11,500	10,998	(502)
Total Expenditures	12,500	12,500	11,551	(949)
Excess (deficiency) of revenues over expenditures	500	500	5,132	4,632
Other financing sources (uses):				
Transfers in			72,554	72,554
Net change in fund balance	500	500	77,686	$ 77,186
Fund Balance beginning of year	408,557	408,557	408,557	
Fund Balance end of year	$ 409,057	$ 409,057	$ 486,243	

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

CITY OF CAMILLA, GEORGIA
Statement of Net Position
Proprietary Funds
September 30, 2020

	Business - Type Activities - Enterprise Funds						
	Water and Sewer	Gas	Electric	CNS Cable	Solid Waste	Airport	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Current Assets:							
Cash	$ 581,385	$ 956,388	$ 912,613	$	$	$	$ 2,450,386
Investments							
MEAG Municipal Competitive Trust - Flexible Operating Acct			8,687,354				8,687,354
South Georgia Governmental Services Authority				1,197,819			1,197,819
Receivables (Net):							
Accounts	221,775	375,291	1,336,782	369,943	75,249	5,345	2,384,385
Inventories						29,081	29,081
Total Current Assets	803,160	1,331,679	10,936,749	1,567,762	75,249	34,426	14,749,025
Noncurrent Assets:							
Restricted Assets							
Cash	572,937						572,937
MEAG Municipal Competitive Trust - New Generation Account			6,205,983				6,205,983
Prepayments and Deferred Charges:							
Prepaid Electricity			386,283				386,283
Capital Assets:							
Land	1,225,703	40,479	14,640	15,000		70,851	1,366,673
Improvements		19,000	79,650				98,650
Buildings	866,248	42,918	466,789	133,372		813,648	2,322,975
Equipment and vehicles	964,929	365,402	1,129,163	11,155	170,806	111,132	2,752,587
Facilities	42,418,892	5,579,873	6,066,698	30,655		5,540,922	59,637,040
Accumulated depreciation	(16,221,467)	(2,024,207)	(2,245,108)	(50,956)	(170,806)	(2,275,252)	(22,987,796)
Net Capital Assets	29,254,305	4,023,465	5,511,832	139,226		4,261,301	43,190,129
Deferred outflow of resources	84,589	36,401	87,623		14,486	18,794	241,893
Total Assets and Deferred Outflows of Resources	$ 30,714,991	$ 5,391,545	$ 23,128,470	$ 1,706,988	$ 89,735	$ 4,314,521	$ 65,346,250
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES							
Current Liabilities:							
Accounts payable	$ 66,902	$ 238,167	$ 960,286	$ 326,762	$ 51,560	$ 4,911	$ 1,648,588
Accrued payroll	3,249	1,624	4,331			541	9,745
Sales tax		3,896	39,916	2,147		41	46,000
Customer deposits				5,053			5,053
State revolving loans	607,641						607,641
Total Current Liabilities	677,792	243,687	1,004,533	333,962	51,560	5,493	2,317,027
Noncurrent liabilities:							
Advances from other funds				2,918,393			2,918,393
State revolving loans	7,624,516						7,624,516
Customer deposit and debt reserve	855,578						855,578
Net pension liability	171,472	80,581	176,721		31,001	38,575	498,350
Total Noncurrent Liabilities	8,651,566	80,581	176,721	2,918,393	31,001	38,575	11,896,837
Deferred inflows of resources	4,643	4,110	9,803		1,094	840	20,490
Total Liabilities and Deferred Inflows of Resources	9,334,001	328,378	1,191,057	3,252,355	83,655	44,908	14,234,354
NET POSITION							
Net Investment in capital assets	21,022,148	4,023,465	5,511,832	139,226		4,261,301	34,957,972
Restricted for loan payments	572,937						572,937
Restricted for power generation			6,205,983				6,205,983
Unrestricted	(214,095)	1,039,702	10,219,598	(1,684,593)	6,080	8,312	9,375,004
Total Net Position	21,380,990	5,063,167	21,937,413	(1,545,367)	6,080	4,269,613	51,111,896
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 30,714,991	$ 5,391,545	$ 23,128,470	$ 1,706,988	$ 89,735	$ 4,314,521	$ 65,346,250

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

CITY OF CAMILLA, GEORGIA
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the year ended September 30, 2020

	Business - Type Activities - Enterprise Funds						
	Water & Sewer	Gas	Electric	CNS Cable	Solid Waste	Airport	Total
Operating Revenues:							
Charges for services	$ 1,946,896	$ 8,201,526	$ 13,736,067	$ 98,074	$ 781,610	$ 215,210	$ 24,979,383
Sewer surcharges	339,986						339,986
Availability charges	747,413						747,413
MEAG discretionary income			359,297				359,297
Rental	11,826		60,836	9,000		29,843	111,505
Miscellaneous	19,634	14,609	75,128		8,346		117,717
Total Operating Revenue	3,065,755	8,216,135	14,231,328	107,074	789,956	245,053	26,655,301
Operating Expenses:							
Personnel services	490,564	250,461	647,978		104,500	123,734	1,617,237
Contractual services	346,694	24,544	22,860	5,742	3,388	43,573	446,801
Cost of sales and services		6,725,901	10,827,533	30,450	584,844	118,564	18,287,292
Repairs	375,440	45,317	72,216	1,088	40,968	12,683	547,712
Material and supplies	124,247	24,824	86,417	2,255		9,505	247,248
Rental	35,855	8,283	3,415			10,200	57,753
Warehouse expense			50,668				50,668
Bad debts	27,221	7,777	55,441	56,411	10,059		156,909
Depreciation	1,096,337	117,427	283,932	6,444		169,906	1,674,046
Other	23,974	24,158	20,733		6,020	18,374	93,259
Total Operating Expenses	2,520,332	7,228,692	12,071,193	102,390	749,779	506,539	23,178,925
Operating Income (loss)	545,423	987,443	2,160,135	4,684	40,177	(261,486)	3,476,376
Nonoperating revenues (expenses):							
Investment income (Loss)	2,399	3,640	139,598	674,218			819,855
Interest expense	(159,083)						(159,083)
Gain on Sale of Capital Assets			2,334		32,000		34,334
Total nonoperating revenue (expenses)	(156,684)	3,640	141,932	674,218	32,000		695,106
Income (loss) before grants, contributions, and transfers	388,739	991,083	2,302,067	678,902	72,177	(261,486)	4,171,482
Capital grants and contributions	366,900		283,538			286,720	937,158
Transfers out		(995,754)	(2,266,812)	(312,100)	(72,570)		(3,647,236)
Transfers in	41,432					32,555	73,987
Change in net position	797,071	(4,671)	318,793	366,802	(393)	57,789	1,535,391
Net position beginning of year(restated)	20,583,919	5,067,838	21,618,620	(1,912,169)	6,473	4,211,824	49,576,505
Net position end of year	$ 21,380,990	$ 5,063,167	$ 21,937,413	$ (1,545,367)	$ 6,080	$ 4,269,613	$ 51,111,896

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

CITY OF CAMILLA, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the year ended September 30, 2020

	Business - Type Activities - Enterprise Funds						
	Water & Sewer	Gas	Electric	CNS Cable	Solid Waste	Airport	Total
Cash flows from operating activities:							
Receipts from customers	$ 3,041,091	$ 8,792,366	$ 14,279,624	$ 119,359	$ 780,772	$ 251,518	$ 27,264,730
Payments to suppliers	(938,983)	(7,517,331)	(11,231,327)	(130,793)	(643,591)	(200,205)	(20,662,230)
Payments to employees	(488,802)	(249,806)	(645,897)		(104,957)	(123,749)	(1,613,211)
Other operating receipts	19,634	14,609	75,128		8,346		117,717
Net cash provided (used) by operating activities	1,632,940	1,039,838	2,477,528	(11,434)	40,570	(72,436)	5,107,006
Cash flows from noncapital financing activities:							
Transfers (to) from other funds	41,432	(995,754)	(2,266,812)	(312,100)	(72,570)	32,555	(3,573,249)
Advances (to) from other funds				(41,368)			(41,368)
Net cash provided (used) by noncapital financing activities	41,432	(995,754)	(2,266,812)	(353,468)	(72,570)	32,555	(3,614,617)
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	(730,263)	(34,981)	(102,990)	(30,655)		(246,839)	(1,145,728)
Principal paid on GEFA loans	(334,046)						(334,046)
Principal paid on State revolving loans	(1,166,938)						(1,166,938)
Proceeds from state revolving loan	170,019						170,019
Capital grants and contributions	366,900		283,538			286,720	937,158
Interest paid	(185,371)						(185,371)
Proceeds from sale of capital assets			2,334		32,000		34,334
Net cash provided (used) by capital and related financing activities	(1,879,699)	(34,981)	182,882	(30,655)	32,000	39,881	(1,690,572)
Cash flows from investing activities:							
Interest and investment receipts	2,399	3,640	139,598	390,405			536,042
Net cash provided (used) by investing activities	2,399	3,640	139,598	390,405			536,042
Net increase (decrease) in cash and cash equivalents	(202,928)	12,743	533,196	(5,152)			337,859
Cash and cash equivalents beginning of year	1,357,250	943,645	9,066,771	5,152			11,372,818
Cash and cash equivalents end of year	$ 1,154,322	$ 956,388	$ 9,599,967	$	$	$	$ 11,710,677

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

CITY OF CAMILLA, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the year ended September 30, 2020

	Business-Type Activities - Enterprise Funds						
	Water and Sewer	Gas	Electric	CNS Cable	Solid Waste	Airport	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	$ 545,423	$ 987,443	$ 2,160,135	$ 4,684	$ 40,177	$ (261,486)	$ 3,476,376
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation	1,096,337	117,427	283,932	6,444		169,906	1,674,046
(Increase) decrease in operating accounts receivable	(6,779)	590,840	123,424	12,285	(838)	6,465	725,397
(Increase) decrease in inventories						11,541	11,541
(Increase) decrease in prepaid electricity			21,348				21,348
(Increase) decrease in Restricted Investments			(58,281)				(58,281)
(Increase) decrease in deferred outflows	(63,184)	(24,030)	(65,014)		(10,118)	(13,871)	(176,217)
Increase (decrease) in operating accounts payable	(5,552)	(643,291)	(57,306)	(34,448)	1,688	1,411	(737,498)
Increase (decrease) in accrued expenses	1,361	503	1,667		(520)	(103)	2,908
Increase (decrease) in sales tax payable		(13,236)	2,195	(111)		(258)	(11,410)
Increase (decrease) in customer deposits	1,749			(288)			1,461
Increase (decrease) in net pension liability	107,661	40,945	110,780		17,239	23,636	300,261
Increase (decrease) in deferred inflows	(44,076)	(16,763)	(45,352)		(7,058)	(9,677)	(122,926)
Net cash provided (used) by operating activities	$ 1,632,940	$ 1,039,838	$ 2,477,528	$ (11,434)	$ 40,570	$ (72,436)	$ 5,107,006
Non-cash investing, capital and financing activities:							
Appreciation (depreciation) in investments included in income	$	$	$	$ 283,813	$	$	$ 283,813
	$	$	$	$ 283,813	$	$	$ 283,813

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

1. PRINCIPLES DETERMINING SCOPE OF REPORTING ENTITY

The City's financial statements include the accounts of all City operations as well as the accounts of its component unit. 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 debt of the organization. Component units also may include organizations that are fiscally dependent on the City in that the City approves the budget, levies their taxes or issues their debt.

Based on the aforementioned criteria, the operations and accounts of the Development Authority of the City of Camilla, Georgia are included as part of the City's reporting entity as a component unit. The financial statements of the Development Authority are maintained as a special revenue fund and are combined with those for the Governmental activities and are shown on pages 19 and 21 of this report in the Development Authority column. The Authority does not issue separate annual financial statements on its' operations. See note 16 for further discussion concerning the Development Authority of the City of Camilla, Georgia.

The following units are not component units of the City and their operations are not included in this report:

Mitchell County Library
Camilla Chamber of Commerce
Downtown Camilla Development Authority
Camilla Housing Authority

Transactions with these units, if any, are based on contractual agreements and have been budgeted as a part of the regular operations of the City.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Camilla, Georgia (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. With respect to proprietary activities, including component units, the City has adopted GASB Statement of Accounting Standards No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting.*

Financial Statement Presentation

The Governmental Accounting Standards Board (GASB) has issued Statement No. 34. This Statement establishes new financial reporting requirements for state and local governments throughout the United States. Its' implementation creates new information and restructures much of the information that governments have presented in the past. The GASB's intent is to make annual reports more comprehensive and easier to understand.

GASB 34 took effect for entities the size of the City of Camilla during the fiscal year ended September 30, 2003. One of the changes required by GASB 34 is the presentation of current and accumulated depreciation by activity including the recording and presentation of infrastructure assets. Another important change is the requirement to present original adopted budgets as well as the final amended budgets in the budgetary comparison statements.

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent on fees and charges for support.

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

Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The City has elected to have all funds, including its component unit, treated as major funds for this report.

Fund Financial Types

The accounts of City of Camilla, Georgia are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. In this report the various funds are grouped into the following fund types:

Governmental Fund Types

General Fund – to account for the general operations of the City, including all financial transactions not required to be accounted for in another fund.

Special Revenue Funds – to account for grant receipts and other receipts where the funds are required by law or contract to be segregated or where expenditures are restricted. For 2020, the Development Authority of the City of Camilla, Georgia, a component unit, and the Hotel/Motel Tax Fund are the City's only Special Revenue Funds. The Authority owns the City's industrial park and generates revenue by selling this property to new or growing businesses. The Hotel/Motel tax fund collects a tax from local motels at 5% of customer rate. Both funds use their resources for economic development and tourism.

Capital Projects Fund – The SPLOST Fund showing the City's receipts and expenditures of special local option sales tax amounts is reported as a Capital Projects Fund as required by the Georgia uniform chart of accounts.

Proprietary Fund Types (Business Type – Activities)

Enterprise Funds – to account for activities that are financed and operated in a manner similar to private business enterprises – where the intent is that the costs of providing services on a continuing basis be recovered through user charges. The City's Enterprise Funds are as follows:

Water and Sewer System – Provides residential and commercial water and sewer service
Gas System – Provides residential and commercial natural gas service
Electric System – Provides residential and commercial electricity service
CNS Cable System – Provides billing and support services for SGGSA. See Note 18
Solid Waste – Provides residential and commercial garbage service
Airport – Provides airport services to both private and business aircraft

Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the flow of economic resources measurement focus and the accrual basis of accounting. The flow of economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized at the time the liability is incurred.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for recognition of all other Governmental fund revenues. Expenditures are recorded when the related fund liability is incurred.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for services, interest income and intergovernmental revenues. All other governmental fund revenues are recognized when received.

Budget

The budget of City of Camilla, Georgia is prepared in accordance with Section 4.2 of the City Charter and is based on prior year actual amounts and anticipated changes. The City Manager is directed to execute the budget as funds become available, with non budgeted items in excess of $10,000 requiring approval of the City Council. The budget is adopted on the basis of generally accepted accounting principles (except that depreciation is not budgeted) and includes anticipated revenues and expenditures for all Governmental and Proprietary Funds and a capital expenditure budget for all funds and departments. The City's policy for the legal level of budgetary control is at the individual department level for each fund.

The budget process used to establish the budgetary data reflected in the financial statements is as follows:

- During the early fall of each year, all department heads submit anticipated revenue and expense figures to the City Manager. The City Manager and Finance Director use this information to formulate a tentative budget.
- Public hearings are held to obtain citizen's input.
- During the last City Council meeting in September, the budget for the next fiscal year is approved.
- Budget amendments are approved by the City Council during the year, as necessary.

The Development Authority of City of Camilla, Georgia, a component unit, adopts an annual budget each year based on anticipated receipts and disbursements, primarily loan activity. Other activity the Authority may have cannot be anticipated and is generally handled through budget amendments. The budget for the next year is adopted by the Authority's Board of Directors at the last meeting of each year.

Bank Deposits and Investments

The City Council has selected three depositories and has given the City Manager the responsibility of investing idle funds. The City Manager has the authority to choose the types of deposits and investments made. The City's practice is to limit deposits and investments to insured and/or collateralized bank accounts including checking, money market, savings, and certificates of deposit. Investments, other than deposit accounts, are approved individually by the City Council.

The Federal Deposit Insurance Corporation provides protection of City and Authority cash and investments as well as qualified pledged securities by the institutions holding the assets.

State statutes authorize the City and the Authority to invest in obligations of the State of Georgia or other states; obligations issued by the U. S. Government; obligations fully insured or guaranteed by the U. S. Government or by a government agency of the United States; obligations of any corporation of the U. S. Government; prime bankers acceptances; the local government investment pool established by Georgia law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia; and additionally, certificates of deposits, NOW accounts and money market accounts of banks which have deposits insured by the Federal Deposit Insurance Corporation; provided, however, that a portion of such investment shall be secured by direct obligations of the State of Georgia or the United States which are of a par value equal to 110 percent of funds on deposit at the institution.

All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

Encumbrances

The City does not use the encumbrance system of accounting.

Inventory

Expendable supplies are recorded as expenditures at the time items are purchased. Inventoried items, consisting of fuel and repair parts, are stated at lower of cost or market on a first-in first-out basis.

Land and buildings held for resale to new industry by the Development Authority of the City of Camilla, Georgia, a component unit, are reported as inventory.

Prepaid Expenses

Prepaid expenses for governmental funds consist of required sales tax deposits held by the State of Georgia and prepayments into the City's group medical self insurance plan in excess of claims.. These costs are recognized when the related expenses becomes due and payable.

Prepaid expenses for proprietary funds consists of electricity cost purchased from The City of Lafayette, Georgia under a contract through 2037 and prepaid electricity cost paid to the Municipal Electric Authority of Georgia to be used for bonded debt payments. These costs are recognized each year under the straight line method over the life of the respective contracts.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. All infrastructure owned by the City has been capitalized. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Assets capitalized, not including infrastructure assets, have an original cost of $5,000 or more and over three years of useful life. Infrastructure assets capitalization is decided on an individual project basis, but generally all projects with cost of $25,000 or more are capitalized. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives, based on the City's asset history, are as follows:

Buildings	20-50 years
Infrastructure	40 years
Machinery and equipment	5 -10 years
Improvements	20 years
Vehicles	3 -10 years
Facilities	20-50 years

Interest cost incurred on the construction of capital assets by Proprietary funds is capitalized as part of the cost of the related projects. Capitalized interest is computed as the total interest cost, both paid and accrued, from the date of the initial borrowings to the date the project is virtually complete and available for use. There was no Capitalized interest for the year ended September 30, 2020.

Cash and Cash Equivalents

For purposes of the statement of cash flows for proprietary funds the City considers all deposits in banks, certificates of deposit and savings accounts, including restricted cash, as cash and cash equivalents. See Note 8 for a detail of restricted cash. In addition, funds held in the City's MEAG Municipal Competition Trust-Flexible Operating Account are available to the City at any time and are thus considered cash equivalents. Generally, all cash and investments with maturity dates of three months or less and all that are available upon demand without penalty are considered to be cash and cash equivalents.

Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

The City allocates to the proprietary funds an indirect cost percentage of information technology services and salaries and wages and related costs of personnel who perform administrative services for those funds but are paid through the General Fund along with other indirect costs deemed necessary for their operations. During the year ended September 30, 2020, transfers to the general fund for administrative services were as follows:

Water & Sewer	$ 200,000
Gas	300,000
Electric	525,000
CNS Cable	312,100
Solid Waste	30,000
Total	$ 1,367,100

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 classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

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

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

- 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 or motion. The 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 nor committed. Through resolution or motion, the City Council has authorized the City's Finance Director or City Manager 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. Negative unassigned fund balances may be reported in all funds.

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

- Committed
- Assigned
- Unassigned

See Note 22 for details of the City's amounts in each classification.

Net Position

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

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

Deferred Outflows / Inflows of Resources

The City implemented GASB Statements No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and No. 65, Items Previously Reported as Assets and Liabilities, as of October 1, 2012. These new standards establish accounting and financial reporting for deferred outflows / inflows of resources and the concept of net position as the residual of all other elements presented in a statement of financial position.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City reports deferred outflows of resources related to its deferred benefit pension plan.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows of resources related to its deferred benefit pension plan. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Risk Management

The City of Camilla is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City joined the Georgia Interlocal Risk Management Agency on January 31, 1988. This membership allows the City to share liability, crime, motor vehicle and property damage risks.

Coverages are as follows:

COVERAGE DESCRIPTION – PROPERTY:	
Buildings and Contents (Blanket)	$47,359,378
Mobile Equipment	914,960
Automobile Physical Damage per application on file with GIRMA	

COVERAGE DESCRIPTION – CASUALTY:	
Comprehensive General Liability and Law Enforcement Liability	$ 1,000,000
Automobile Liability	$ 1,000,000
Errors and Omissions (Public Officials) Liabilities	$ 1,000,000
Employee Benefit Liability	$ 1,000,000
Aggregate Limit	$ 5,000,000

COVERAGE DESCRIPTION – CRIME:	
Blanket Bond – employees required to be bonded as required by State Law or Local Ordinance	
Blanket Bond – all other employees	$ 500,000
Depositors Forgery	$ 500,000
Money and Securities	$ 500,000
Computer Crimes	$ 500,000

COVERAGE EXCEPTIONS:

COVERAGES SUBJECT TO A RETROACTIVE DATE:
Coverages shown as Coverage Exceptions only are subject to a retroactive date of February 1, 1988.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. The Georgia Interlocal Risk Management Agency (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 governments. 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 of Camilla retains the first $5,000 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 the deductible.

The basis for estimating the liabilities for unpaid claims is "IBNR" established by an actuary.

During the years ended September 30, 2018, 2019 and 2020, the City paid claims each year (up to the deductible) totaling, $3,200, $23,691 and $2,920 respectively. Claims paid by the City for 2019 were significantly larger due to damage to City property by Hurricane Michael. The City is not aware of any claims, which the City is liable for up to the deductible which were outstanding and unpaid at September 30, 2020. No provisions have been made in the financial statements for the year ended September 30, 2020 for any estimate of potential unpaid claims.

The City's responsibilities to the above risk pool 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 GIRMA and its agents reasonable access to all facilities of the City 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 made 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 adjusters, Service Company, and any agent, employee, officer or independent contractor of GIRMA relating to the purposes of GIRMA.
- To follow all loss reduction and prevention procedures established by GIRMA.
- To furnish to GIRMA such budget, operating and underwriting information as may be requested.
- 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 or injuries to persons or 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 has elected to manage its risk for worker's compensation through the purchase of commercial insurance.

Group Medical Benefits

The City is self-insured for group medical benefits up to $50,000 annually per participant. The self insurance program is administered by a third party Insurance Service Company. Insurance and administrative costs are allocated to the general fund and the various proprietary funds based on cost per employee developed by the Insurance Service Company. The City pays set premiums into a separate bank account and the administrator uses the account to pay claims as they are submitted. At 09/30/20 the bank account balance was $777,504 more than all claims incurred by employees through that date including all claims paid through January 2021. This amount was allocated to the general fund and the various proprietary funds as a reduction in insurance cost and is shown as prepaid insurance on the General Fund's books.

3. CAPITAL ASSETS:

A summary of changes in Capital Assets is as follows:

	Balance Sept. 30, 2019	Increase	Decrease	Balance Sept. 30, 2020
Governmental activities:				
Nondepreciable assets:				
Land	$ 835,301	$ 23,762		$ 859,063
Construction in progress	738,181	76,975	737,431	77,725
	1,573,482	100,737	737,431	936,788
Depreciable assets:				
Buildings	7,974,545			7,974,545
Improvements	1,493,366			1,493,366
Equipment and vehicles	3,652,210	362,081	70,722	3,943,569
Infrastructure	14,442,123	1,236,654		15,678,777
	27,562,244	1,598,735	70,722	29,090,257
Less accumulated depreciation:				
Buildings	3,931,862	201,807		4,133,669
Improvements	1,428,294	41,224		1,469,518
Equipment and vehicles	2,472,335	265,405	70,722	2,667,018
Infrastructure	7,395,060	279,276		7,674,336
	15,227,551	787,712	70,722	15,944,541
Governmental activities capital assets (net)	$ 13,908,175	$ 911,760	$ 737,431	$ 14,082,504

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	Balance Sept. 30, 2019	Increase	Decrease	Balance Sept. 30, 2020
Business-type activities:				
Nondepreciable assets:				
Land	$ 1,366,673			$ 1,366,673
Construction in progress	54,221		54,221	
	1,420,894		54,221	1,366,673
Depreciable assets:				
Buildings	2,322,975			2,322,975
Improvements	98,650			98,650
Equipment and vehicles	2,304,619	548,557	100,589	2,752,587
Facilities	58,985,648	651,392		59,637,040
	63,711,892	1,199,949	100,589	64,811,252
Less accumulated depreciation:				
Buildings	1,001,588	59,123		1,060,711
Improvements	98,650			98,650
Equipment and vehicles	1,578,133	156,546	100,589	1,634,090
Facilities	18,735,968	1,458,377		20,194,345
	21,414,339	1,674,046	100,589	22,987,796
Business-type activities capital assets (net)	$ 43,718,447	$ (474,097)	$ 54,221	$ 43,190,129

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	$ 202,955
Public safety	196,820
Public works (including infrastructure)	376,812
Planning, zoning and housing	11,125
	$ 787,712
Business-type activities:	
Water and sewer	$ 1,096,337
Gas	117,427
Electric	283,932
CNS cable	6,444
Solid Waste	
Airport	169,906
	$ 1,674,046

4. DEBT AND DEBT SERVICE

The reporting entity's debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

GOVERNMENTAL ACTIVITIES

As of September 30, 2020, the governmental activities had no long-term debt other than net pension liability as explained in Note 7.

BUSINESS-TYPE ACTIVITIES

Water and Sewer System Notes Payable

The City Water and Sewer System is liable for loans from the Georgia Environmental Facilities Authority (GEFA) and the Georgia State Revolving Loan Fund (SRF). These loans were used to modernize the City's Water and Sewer System and to construct and expand water and wastewater facilities to service new industry. The industry has agreed to amortize the portion of the loan used to construct its facilities through the payment of water and sewer user fees. Details of the loans are as follows:

GEFA – The GEFA loan dated October 8, 1999, for $1,306,191 bearing interest at 4.43% is payable in eighty quarterly installments of $28,002 starting December 1, 2004. During 2020 the City Council voted to liquidate this note payable using available funds.

GEFA – The GEFA loan dated May 26, 1999, for $1,380,485 bearing interest at 4.24% is payable in eighty quarterly installments of $25,681 starting July 1, 2001. During 2020 the City Council voted to liquidate this note payable using available funds.

SRF – The SRF loan dated June 9, 1999, for $4,666,549 bearing interest at 3% is payable in seventy-eight quarterly installments of $80,435 starting August 1, 2001. During 2020 the City Council voted to liquidate this note payable using available funds.

SRF – The SRF loan dated May 22, 2003, for $1,410,307 bearing interest at 3% is payable in eighty quarterly installments of $24,188 starting April 1, 2006.

SRF – The SRL loan dated February 22, 2010 for $8,433,561 bearing interest at 3% is payable in 240 monthly payments of $46,772 starting June 1, 2012.

SRF - The SRF Loan dated March 12, 2012 for $1,445,900 bearing interest at 2.54% is payable in 240 monthly installments of $7,690 starting July 2014.

SRF - The SRF Loan dated September 18, 2017 for $1,528,751 bearing interest at .89% was a construction loan until April 30, 2020. In April $366,900 of the loan was forgiven as stated in the loan contract. The remaining balance of $1,161,185 was converted to a permanent loan bearing interest at .89% payable in 240 monthly installments of $5,286 starting January 2021.

Due to Covid-19 GEFA and SRF suspended all payments from July 2020 through December 2020.

The following is a summary of loan activity for the year ended September 30, 2020:

	Balance Sept. 30 2019	Additions	Conversion or Payments	Balance Sept. 30 2020	Amount due in one year
GEFA (10/8/99)	$ 161,686	$	$ 161,686	$	$
GEFA (5/26/99)	172,360		172,360		
Total GEFA Permanent loan	$ 334,046	$	$ 334,046	$	$
SRF (6/9/99)	$ 393,281	$	$ 393,281		$
SRF (5/22/03)	509,069		61,568	447,501	84,899
SRF (2/22/10)	5,833,747		292,756	5,540,991	403,522
SRF (3/12/12)	1,134,247		48,008	1,086,239	65,865
SRF (9/18/17)		1,528,751	371,325	1,157,426	53,355
Total SRF Permanent loans	7,870,344	1,528,751	1,166,938	8,232,157	607,641
SRF (9/18/17) Construction	1,358,732	170,019	1,528,751		
	$ 9,229,076	$ 1,698,770	$ 2,695,689	$ 8,232,157	$ 607,641

Remaining maturities for the GEFA and SRF loans are as follows:

	SRF Principal	Interest	Total
Year ending Sept. 30,			
2021	$ 607,641	$ 154,571	$ 762,212
2022	624,635	189,101	813,736
2023	642,141	171,595	813,736
2024	660,148	153,588	813,736
2025	675,187	135,005	810,192
2026-2030	3,167,975	416,957	3,584,932
2031-2035	1,543,867	55,465	1,599,332
2036-2038	310,563	7,057	317,620
	$ 8,232,157	$ 1,283,339	$ 9,515,496

5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

During the course of normal operations, numerous transactions take place between funds such as expenditures or transfers of resources to provide services, service debt or construct assets. These interfund transactions are not eliminated on fund financial statements. However, these interfund balances are eliminated on the government wide statement of net position. All interfund balances are expected to be repaid within one year except the amounts owed by CNS Cable System to the General Fund. Balances in the various interfund accounts at September 30, 2020 were as follows:

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	CNS Cable System	$ 2,918,393	Operating & Construction Resources
General Fund	Development Authority	423,851	Mortgage Liquidation & Building Renovation

Interfund transfers for the year ended September 30, 2020 were as follows:

	Transfer To			
Transfer From	Water & Sewer	General Fund	Airport	Development Authority
Gas	$	$ 995,754	$	$
Electric		2,266,812		
CNS Cable		312,100		
Solid Waste		72,570		
General Fund	41,432		32,555	72,554
	$ 41,432	$ 3,647,236	$ 32,555	$ 72,554

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6. EMPLOYEE VACATION AND SICK LEAVE BENEFITS

During the year ended September 30, 2018 the city council voted to discontinue the policy of allowing employees to accumulate vacation leave benefits. All vacation leave benefits earned were paid to employees on July 13, 2020. Under the new policy, benefits will only be paid when vacations are taken and the amount payable at September 30, 2020 cannot be reasonably estimated.

Accumulated sick leave benefits are not recorded. These benefits are paid only upon employee illnesses and the amount payable at September 30, 2020 cannot be reasonably estimated.

7. PENSION PLANS

Defined Benefit Plan

Plan Description

The City's defined benefit pension plan, City of Camilla Retirement Plan (CRP), provides retirement and death benefits to plan members and beneficiaries for employees that have been employed full time for one year. Members may retire on reaching the age of 60 or 65, depending on their classification. Early retirement is possible on reaching age 55, depending on their classification. Benefits are calculated at 1.00% to 1.75% of the average monthly earnings for the period of the five highest years prior to retirement. Employees are fully vested after 5 years of service. CRP is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public employee retirement system administered by the Georgia Municipal Association (GMA). GMEBS acts as a common investment and administrative agent for participating cities in Georgia. The Georgia Constitution enables the governing authority of the City, the City Council, to establish, and amend from time-to-time, the contribution rates for the City and its plan participants. The Plan issues a stand-alone report. This report may be obtained from: Georgia Municipal Association, 201 Pryor Street, SW, Atlanta, Georgia 30303.

The GMA, in its role as Plan Sponsor, has the sole authority to amend the provisions of the GMEBS Plan. The City has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan.

Participant counts as of January 1, 2020. (the most recent actuarial valuation date) and covered compensation (based on covered earnings for the preceding year) are shown below:

Retirees, beneficiaries and disables receiving benefits	71
Terminated plan participants entitled to but not yet receiving benefits	44
Active employees participating in the Plan	87
Total number of Plan participants	202

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Contributions

The City's employee's participation is noncontributory. The City is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). Policy set by the City for contributing the annual pension expense exceeds the minimum requirements. Employer contribution rates are determined on an annual basis by the actuary and shall be effective on the October 1 following notice of a change in the rate.

The annual minimum contribution is the sum of 1) the normal cost (including administrative expenses), 2) the closed level dollar amortization of the unfunded actuarial accrued liability over a period that ranges from 10 to 30 years based on the funding policy adopted by the GMEBS Board of Trustees, and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The total recommended contribution as a percentage of the expected covered payroll is 9.20% for September 30, 2020. Total contributions paid into the plan by the City were $213,902 for the year ended September 30, 2020.

Net Pension Liability

The City's net pension liability was measured as of January 1, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The total pension liability in the January 1, 2020 valuation was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates were based on the PRI-2012 Combined Mortality Table for Males and Females set forward two years for males and set forward one year for females.

The actuarial assumptions used in the 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting and 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 for each major asset class 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%
Domestic fixed income	20%	1.96%
Real estate	10%	4.76%
Global fixed income	5%	3.06%
Cash	0%	0%
TOTAL	100%	

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

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

Change in the Net Pension Liability

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2018 *	$ 7,876,693	$ 7,152,598	$ 724,095
Changes for the year:			
Service cost	120,572		120,572
Interest	581,127		581,127
Differences between expected and actual experience	550,474		550,474
Contributions - employer		270,304	(270,304)
Net investment income		206,960	(206,960)
Benefit payments, including refunds of employee contributions	(497,800)	(497,800)	
Administrative expense		(20,650)	20,650
Other	119,001		119,001
Net changes	873,374	(41,186)	914,560
Balances at September 30, 2019**	$ 8,750,067	$ 7,111,412	$ 1,638,655

*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 September 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 September 30, 2020.

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

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	$ 2,656,445	$ 1,638,655	$ 778,916

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

For the year ended September 30, 2020, the City recognized pension expense of $213,902, At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 412,857	$ (65,510)
Changes of assumptions	113,461	
Net difference between projected and actual earnings on pension plan investments		(48,894)
City contributions subsequent to the measurement date	243,350	
Total	$ 769,668	$ (114,404)

City contributions subsequent to the measurement date of $243,350 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year September 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30,	
2021	$ 65,796
2022	83,008
2023	199,074
2024	64,036

Defined Contribution Plan

Plan Description

The City also has a 401(a) defined contribution plan administered by the Georgia Municipal Association. The Plan is available to all employees of the City who work at least 30 hours per week after 90 days of service. Contributions to the Plan are matched 100% by the City up to 9% of gross payroll for type A employees (city manager) and 1% of gross payroll for type B employees (all others). Contributions to the Plan for the year ended September 30, 2020 totaled $87,074 for City employees and $19,776 for the City's match. Vesting is immediate for type A employees and 100% after five years of service for all others.

The Plan, named the Georgia Municipal Association 401(a) Deferred Contribution Plan was approved by the City Council by resolution on May 14, 2012. Amendments to the Plan can be made only with City Council approval.

8. RESTRICTED ASSETS

Restricted assets at September 30, 2020, consist of cash and investments held in various accounts for specific purposes as follows:

	Restriction	Current	Long Term	Total
Governmental-type activities				
Reserve fund	Repairs	$ 81,480	$	$ 81,480
SPLOST Fund	Capital Projects	909,354		909,354
		$ 990,834	$	$ 990,834
Business-Type Activities:				
Electric System:				
MEAG Municipal Competitive Trust	Power Generation	$	$ 6,205,983	$ 6,205,983
Water & Sewer System:				
Reserve fund	GEFA/SRF loan		572,937	572,937
Total Business-Type Activities		$	$6,778,920	$ 6,778,920

It is the City's policy to generally, apply restricted resources first to expenses for which both restricted and unrestricted assets are available.

9. PROPERTY TAX CALENDAR

The City levies property taxes in the fall of each year based on the assessed value of property on the previous January 1. Due date for these taxes is December 20th and the lien date is the following March 20th. The levy date for 2019 taxes was October 2nd and the millage rate was 7.245. Taxes are collected throughout the year. Receivables are recorded when levied. Proper allowances are made for estimated uncollectable and delinquent accounts.

10. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosure of certain information concerning individual funds including:

1) Segment information for certain individual enterprise funds. All Enterprise Funds are major funds so no segment disclosure is required.

2) Summary disclosures of debt service requirements of maturity for all types of outstanding debt. This requirement is met by Note 4.

3) Summary disclosures of changes in Capital Assets by major asset class. This requirement is met by Note 3.

4) Summary disclosure of Long-Term Debt. This requirement is met by Note 4.

5) Excess of revenues and expenditures or expenses over budgeted amounts in individual funds is as follows:

General Fund Revenues	$ 511,498
CNS Expenses	56,995

6) Deficit net position or fund balance: CNS Cable System $1,545.367. It is anticipated that joint venture distributions in future years will eliminate the deficit. See note 21 for further discussion.

7) Individual fund inter-fund receivable and payable balances at September 30, 2020. This requirement is met by Note 5.

11. CONTINGENT LIABILITIES

The City is party to various legal proceedings which normally occur in governmental operations. In the opinion of the administration, the outcomes of these legal proceedings will not have a material adverse effect on the accompanying financial statements and accordingly, no provision for loss has been recorded and no further disclosure is required.

12. CREDIT RISKS

Deposits and Investments

Deposits – at September 30, 2020, the City and its component unit had $2,625 in cash funds on hand and bank deposits as follows:

Carrying value	$ 4,864,825
Bank balances	$ 4,953,052

Of the bank balances, $750,000 was covered by Federal Deposit Insurance. The remainder was covered by pledged collateral of at least 110% of deposit amounts, as required by the Official Code of Georgia annotated. In that the pledged collateral is held by the bank's agent in the City's name, these deposits constitute a category 2 credit risk under the Government Accounting Standards Board Statement No. 3.

Investments

Electric System – The investments in the electric system at September 30, 2020 include the following:

Current:	
MEAG Municipal Competition Trust - Flexible Operating Account	$ 8,687,354
Noncurrent:	
MEAG Municipal Competition Trust - New Generation Trust Account	6,205,983
	$ 14,893,337

See Note 20 for further discussion of these investments.

CNS Cable System – The investment in the CNS Cable System consists of the joint venture investment in South Georgia Governmental Service Authority of $1,197,819.

See Note 18 for further discussion of this investment.

13. COMMITMENTS AND CONTINGENCIES

Grant Audits

The City receives Federal and State Grants and loans for specific purposes that are subject to review and audit by Federal and State Agencies. Such audits could result in a request for reimbursement for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of City management, such disallowance, if any, will not be significant.

14. ECONOMIC DEPENDENCY

The City is currently liable for $5,540,991 in long-term debt, the proceeds of which were used to construct gas, water, and sewer facilities to service local industry. This industry, Equity Group Georgia Division, LLC, has agreed to amortize these debts for the City through the payment of monthly facility charges. The City would have difficulty amortizing these debts in the absence of this arrangement with this industry.

15. HOTEL/MOTEL TAX

The City collected $22,946 in Hotel/Motel tax during the year ended September 30, 2020. This tax was paid by the City to the Camilla Chamber of Commerce and used to pay tourism operating expenses by the Chamber.

16. COMPONENT UNIT

The Development Authority of the City of Camilla, Georgia, a component unit, was formed by the City to promote economic development and to purchase and hold land and buildings to be sold to new or relocating industry. The Authority is operated as a special revenue fund and its balance sheet and operating statement are shown on the governmental fund balance sheet and statement of revenues, expenditures and changes in fund balances on pages 19 and 21, in the Development Authority column.

17. MORTGAGE RECEIVABLE

During 2013 The Development Authority of the City of Camilla, Georgia, a component unit, entered into a sales agreement with the Southwest Georgia Regional Commission (SGRC) for the sale of a historic building owned by the Authority. The SGRC will use the building for offices. Sales price for the building was $435,000 and was financed by the City under a mortgage with interest payable at 2.5% and monthly payments of $2,100. During the 2017 year the City advanced additional funds used for building improvements. Resulting in a new mortgage combined with the old mortgage totaling $446,877 with interest at 2.5% and monthly payments of $2,254 beginning 10/01/17.

Mortgage activity for the year was as follows:

	Balance September 30, 2019	Additions	Payments	Balance September 30, 2020
Mortgage Receivable	$ 397,468	$	$ 17,309	$ 380,159

Future payments under the mortgage agreement are as follows:

	Principal	Interest	Total
Year ending September 30,			
2021	$ 17,747	$ 9,302	$ 27,049
2022	18,196	8,853	27,049
2023	18,656	8,393	27,049
2024	19,128	7,921	27,049
2025	19,612	7,437	27,049
2026-2030	105,754	29,490	135,244
2031-2035	119,819	15,425	135,244
2036-2038	61,247	1,868	63,115
Total	$ 380,159	$ 88,689	$ 468,848

18. JOINT VENTURES

Southwest Georgia Regional Commission

Under Georgia law, the City, in conjunction with other cities and counties in the Southwest Georgia area, is a member of the Southwest Georgia Regional Commission (SGRC) and is required to pay annual dues thereto. During its year ended September 30, 2020, the City paid $5,436 in such dues. Membership in an SGRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the SGRC in Georgia. The SGRC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an SGRC. Separate financial statements may be obtained from Southwest Georgia Regional Commission, 181 East Broad Street, Camilla, GA 31730.

South Georgia Governmental Services Authority

The City of Camilla, along with three other cities in the Southwest Georgia area (Thomasville, Moultrie & Cairo) formed the South Georgia Governmental Services Authority (SGGSA). The authority was created by the South Georgia Governmental Services Act (Georgia, House Bill 879) on March 1, 2001. The Authority was created to provide governmental, proprietary, and administrative services to member cities and to provide the joint delivery of services and benefits to the citizens of Georgia.

The intent of the Authority is to provide facilities for political subdivisions and governmental bodies on a regional basis to achieve economies of scale, the sharing of assets, and the development of expertise in providing more efficient and economical delivery of such services. No dues were paid to SGGSA during the year ended September 30, 2020. The City is carrying its contribution to this venture as an investment in the CNS Cable System accounts. A separate audited financial statement of SGGSA was prepared as of December 31, 2019, and the City's investment in this joint venture is carried on the equity basis at $1,197,819 based on this audit.

On May 1, 2017, the City completed the sale of all capital assets related to the broadband cable television and internet services related to CNS to SGGSA. Pursuant to the sale agreement, the City's obligations related to the SGGSA's Series 2004 bonds were terminated. After the sale the City continued to bill and collect cable, internet, telephone and Telecom for SGGSA and remit collections monthly. In that the City no longer has any involvement other than billing, the city council voted in 2017 to merge the CNS Cable and Telecom funds. This was done effective October 1, 2017.

Two members on the SGGSA Board of Directors represent each member city. Separate financial statements for the Authority can be obtained from Southwest Georgia Governmental Services Authority, P. O. Box 1675, Thomasville, GA 31799.

19. RELATED ORGANIZATIONS

Camilla Housing Authority

The Camilla Housing Authority is considered a related organization to the City of Camilla. The City appoints members to the Authority Board but does not have the ability to impose its will or create a financial benefit or burden for the Authority. The Authority provides low income housing for individuals in the City of Camilla and certain surrounding cities. The City received no payment in lieu of taxes from the Authority during 2020. The amount due is currently under negotiation.

Downtown Camilla Development Authority

The Downtown Camilla Development Authority is considered a related organization to the City of Camilla. The Authority bills and collects its own property tax to pay its operating expenses. The Authority's board consists of the Mayor of Camilla, one member appointed by the County Commission and seven members elected by property owners within the prescribed area. The City does not have the ability to impose its will or create any financial benefit or burden for the Authority. The Authority promotes the economic development and well being of property and businesses in the downtown Camilla area.

20. BULK POWER CONTRACT

In 1976, the City along with 45 other cities and one county, all political subdivisions of the State of Georgia, entered into a Power Sales Contract with the Municipal Electric Authority of Georgia, a public corporation and instrumentality of the State of Georgia. Under the terms of the agreement, MEAG agrees to provide, and the cities are obligated to purchase, all of their bulk power supply requirements for a period not to exceed 50 years. In 2004, the cities unanimously voted to extend the contract with MEAG an additional 50 years. The cities have agreed to purchase all their future power and energy requirements in excess of that received by the cities through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by MEAG. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each city has guaranteed a portion of the unpaid debt based on their individual entitlement shares of the output and services of generating units acquired or constructed by MEAG. In addition in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations.

At September 30, 2020 the outstanding debt of MEAG was approximately $7.3 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately $142.8 million at September 30, 2020.

In 1999, the City approved a resolution adopting the provisions of the Municipal Competitive Trust (the "Trust"), which was created by MEAG for the mutual benefit of MEAG and its wholesale customers which have elected to become beneficiaries. The Trust was established to provide MEAG and the trust's beneficiaries a means to mitigate the expected differential between market rates for power and the costs of power generated by MEAG facilities, after deregulation of the electric industry.

The Trust created four funds in which the City participates. The following is a brief description of each fund:

Flexible Operating Trust Account – This account is available to the City for withdrawal without restriction. This account has a balance of $8,687,354 at September 30, 2020 and is included as a current investment in the Electric fund.

New Generation Trust Account – This account is available to the City for certain restricted purposes including funding future generation projects created by MEAG or for the purchase of additional power sales contracts. This account has a balance of $6,205,983 at September 30, 2020 and is included as a non-current restricted investment in the Electric fund.

Credit Support Operating Account and Reserve Funded Debt Account – These accounts are restricted to loan or offset to billings from MEAG for power usage and are not currently available to the City. These accounts are not recorded as assets by the Electric fund. The balances in these accounts at September 30, 2020 were as follows:

Credit Support Operating Account	$	0
Reserve Funded Debt Account		0

MEAG Power and therefore the City of Camilla, Georgia to the extent of its portion of the Trust Account, is exposed to credit and market risk relating to its investments. Credit risk arises when an entity is unable to recover its investments either by an inability to withdraw the funds through nonperformance of a counterparty or an inability to recover collateral. Market risk could affect the investments adversely when either the value of items purchased or the value of underlying collateral declines. As of September 30, 2020, MEAG Power and the City of Camilla, Georgia were not exposed to any known economic losses due to these risks, nor were these investments rated.

21. FUND BALANCE DEFICITS

The CNS Cable System fund had a deficit net position balance of $1,545,367 at September 30, 2020 due primarily to start up costs and expenses exceeding revenue for this new and growing cable TV utility. As explained in Note 18 the City sold the cable TV business to South Georgia Governmental Service Authority (SSGSA). It is anticipated that distributions from this joint venture will eliminate the deficit over time.

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22. GOVERNMENTAL FUND BALANCE

At September 30, 2020 the City of Camilla classified its governmental fund type's fund balances under GASB Statement 54 as follows:

Nonspendable:		
Not in spendable form (inventories)	$	522,525
Not in spendable form(long-term notes receivable)		380,159
Not in spendable form(prepaid expenses)		801,122
Required to be maintained intact		2,918,393
		4,622,199
Restricted:		
Building repair reserve		81,480
SPLOST funds		828,712
		910,192
Committed - Stormwater funds		602,508
Assigned:		
Economic Development Funds		668,713
Unassigned		(983,797)
Total Fund Balances	$	5,819,815

23. INTEREST COST

Interest cost for the year ended September 30, 2020 was as follows:

Governmental activities:		
Development Authority (component unit)	$	10,998
Business type activities:		
Water & Sewer	$	159,083

24. SUBSEQUENT EVENTS

The City has various construction projects that are scheduled to be completed in 2021 or 2022. The projects include the following:

Project	Estimated Cost	Financing
Splash Park Recreation Facility	$ 1,000,000	SPLOST Receipts
Sewer & Sidewalk Improvements	850,000	CDBG Grant
Water Treatment Plant and Lift Station Upgrade	1,900,000	GEFA/SRF Loan
Replace & Repair 2 Wells and Water Main	1,400,000	GEFA/SRF Loan

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CITY OF CAMILLA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE NET PENSION LIABILITY - CITY OF CAMILLA RETIREMENT PLAN
For the Year Ended September 30, 2020

For the Year Ended September 30,	2015	2016	2017	2018	2019	2020
Total pension liability	$ 6,395,559	$ 6,921,244	$ 7,263,084	$ 7,676,584	$ 7,876,693	$ 8,750,067
Fiduciary net position	5,451,861	5,468,813	5,909,730	6,670,284	7,152,598	7,111,412
Net pension liability	$ 943,698	$ 1,452,431	$ 1,353,354	$ 1,006,300	$ 724,095	$ 1,638,655
Covered-employee payroll	$ 2,754,497	$ 2,923,336	$ 3,080,834	$ 3,180,582	$ 3,007,057	$ 3,466,864
Net pension liability as a percentage of its covered-employee payroll	34.26%	49.68%	43.93%	31.64%	24.08%	47.27%
Plan fiduciary net position as a percentage of the total pension liability	85.24%	79.01%	81.37%	86.89%	90.81%	81.27%

NOTE: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

CITY OF CAMILLA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - CITY OF CAMILLA RETIREMENT PLAN
For the Year Ended September 30, 2020

	Fiscal Year End					
	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	*	$ 250,084	$ 242,636	$ 229,089	$ 207,959	$ 260,702
Contributions in relation to actuarially determined contribution	*	270,304	222,416 **	246,419 **	191,704 **	281,663 **
Contribution deficiency (excess)	*	20,220	20,220	(17,330)	16,255	(21,391)
Covered-employee payroll	*	3,007,057 ***	3,180,582 ***	3,080,834 ***	2,923,336 ***	2,754,497 ***
Contributions as a percentage of covered-employee payroll	*	8.99%	6.99%	8.00%	6.56%	10.23%

* 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 the dollar amount or the percentage of employee-covered payroll of the actuarially determined contributions.

*** Covered payroll is based on data collected as of September 30th of the previous year.

CITY OF CAMILLA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-
CITY OF CAMILLA RETIREMENT PLAN
For the Fiscal Year Ended September 30, 2020

Method and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution rates in the schedule of contributions are calculated as of January 1, 2020. The following actuarial methods and assumptions were used to determine the contractually required contributions for the year ended 2020 reported in that schedule:

Valuation Date	January 1, 2020
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed Level Dollar for remaining unfunded liability
Remaining Amortization period	14 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 that the market value at end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Investment rate of return	7.375%
Salary Increases	2.25% plus service based merit increases
Cost of Living Adjustments	0%

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Member of the American Institute of Certified Public Accountants.

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

To the City Council
City of Camilla, Georgia

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

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the city'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose

WATERS & RACKLEY CPAS LLC
Camilla, Georgia
June 30, 2021

CITY OF CAMILLA, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended September 30, 2020

A. Summary of Audit Results

1. The Independent auditor's report expresses an unmodified opinion on the financial statements of the City of Camilla, Georgia.

2. No reportable conditions relating to the audit of the financial statements were reported in the Independent Auditors 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.*

3. No instances of noncompliance material to the financial statements of the City of Camilla, Georgia were disclosed during this audit.

4. No reportable conditions were reported in the Independent Auditors Report on Compliance for Each Major Program and Internal Control Over Compliance Required by The Uniformed Guidance.

5. The Independent auditor's report on compliance for the major federal award program for the City of Camilla, Georgia, expresses an unmodified opinion.

6. There were no audit findings and no instances of non-compliance that were required to be reported in accordance with 2CFR Section 200516(a).

7. There was not an audit of major federal award programs for the year ended September 30, 2020 as the total amount expended was less than $750,000.

8. The threshold for distinguishing Types A and B programs was $750,000.

9. City of Camilla, Georgia was not determined to be a low-risk auditee.

B. Findings – Financial Statements Audit

No matters were reportable.

C. Findings and Questioned Costs – Major Federal Award Program Audit

No matters were reportable.

CITY OF CAMILLA, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH
SPECIAL SALES TAX PROCEEDS
For the year ended September 30, 2020

PROJECT	ORIGINAL ESTIMATED COST	EXPENDITURES PRIOR YEARS	EXPENDITURES CURRENT YEAR	TOTAL	ESTIMATED % OF COMPLETION
2018 Tax:					
Purchase Police Cars & Equipment	$ 480,000	$ 70,875	$ 77,015	$ 147,890	31%
Purchase Fire Vehicles & Equipment	200,000	29,206		29,206	15%
Public Works Vehicles & Equipment	300,000		163,043	163,043	54%
Recreation Complex Construction	1,000,000		76,630	76,630	8%
General Roads, Streets & Bridges	1,226,692		91,400	91,400	7%
	$ 3,206,692	$ 100,081	$ 408,088	$ 508,169	

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