CITY OF OFFERMAN, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021

Earl A. Lawson
Certified Public Accountant
Blackshear, Georgia

CITY OF OFFERMAN, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021

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For the Fiscal Year Ended June 30, 2021

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Introductory Section

CITY OFFICIALS

MAYOR
Brenda Denison

MAYOR PROTEM
Thomas H. Colley, Sr.

COUNCIL
Wade Gill
Vanessa Cason
Candice Thorne
Fleming Milledge
Thomas H. Colley, Sr.
Annette Thorne

CITY CLERK
Janet Daniels

FiIRE CHIEF
Matt Barber

CITY ATTORNEY
Dan Bennett

FINANCIAL SECTION

Independent Auditor's Report

City of Offerman
6613 Carter Drive
P.O. Drawer 160
Oferman, Georgia 31556
Phone# 912-647-1944
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offerman@accessatc.net

INDEPENDENT AUDITOR'S REPORT

To the City Council
Offerman, Georgia

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund and the aggregare remaining fund information, of the City of Offerman, Georgia, as of and for the year ended June 30, 2021, and the related notes which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the agregate remaining fund information of the City of Offerman, Georgia, as of June 30, 2021, and the respective changes in the financial position 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, and budgetary comparison information on pages 12-19 and 51-54 be presented to supplement the financial statements. Such information, although not a part of the basis financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Offerman, Georgia's basic financial statements. The budgetary comparison schedule on page 56-57 is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison schedule and the individual fund financial statement is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements, themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion the budgetary comparison schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated July 20, 2021 on my consideration of the City of Offerman Georgia's internal controls over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of my testing, of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Offerman's internal control over financial reporting.

Earl A. Lawson
Certified Public Accountant
Blackshear, Georgia
July 20, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

City of Offerman, Georgia
Management's Discussion and Analysis
For the Year Ended June 30, 2021

Our discussion and analysis of the City of Offerman's financial performance provides an overview of the City's financial activities for the year ended June 30, 2021. Please read it in conjunction with the City's financial statements, which begins on page 21.

FINANCIAL HIGHLIGHTS

The assets of the City of Offerman exceeded its liabilities at June 30, 2021 by $2,031,648 Of this amount unrestricted net position of $528,314 may be used to meet the government's ongoing obligations to citizens and creditors.

The total net position increased by $130,850

As of the close of the current year, the City of Offerman governmental funds reported combined ending fund balances of $831,264 a increase of $160,075 in comparison with the prior year. Of this amount $355,380 is unassigned and available for spending.

At the end of the current year, unassigned fund balance for the general fund was $355,380 or 295.08% of the total general fund expenditures.

During the year ended June 30, 2021, the City invested $13,850 in resurfacing and drainage of roads within the City.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on page 21-22 provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements on page 23 & 25-26. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about the activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

Our analysis of the City as a whole begins on page 21. One of the most important questions asked about the City's finances is , "Is the City as whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting* , which are similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net position* and changes in them. You can think of the City's net position--the difference between assets and liabilities--as one way to measure the City's *financial health, or of financial position.* Over time, increases or decreases in the City's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition to the *City's roads, to assess the overall health* of the City.

In the Statement of Net Position and the Statement of Activities the governmental activities are presented.

> Governmental activities--Most of the City's basic services are reported here, including the fire, public works, and general administration. Franchise fees, Sales Taxes and state and federal grants finance most of these activities.

Reporting the City's Most Significant Funds

Fund Financial Statements

Our analysis of the City's major funds begins on page 23. The fund financial statement begins on age 23 and provides detailed information about the most significant funds--not the City as a whole. Some funds are required to be establishes by State law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

Governmental funds--Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrua*l accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statements of Activities) and governmental *funds* in a reconciliation at the bottom of the fund financial statements.

THE CITY AS A WHOLE

The City's combined net position was $2,031648 at June 30, 2021 and $1,900,798 at June 30, 2020 for an increase of $130,850 during the year.

Table 1

	Governmental Activities		Business-type Activities		Total Primary Government	
	June 30,		June 30,		June 30,	
	2021	2020	2021	2020	2021	2020
Current & other assets	$ 1,593,496	$ 1,432,218	$ -	$ -	$ 1,593,496	$ 1,432,218
Capital assets	1,188,154	1,218,884	-	-	1,188,154	1,218,884
Total assets	2,781,650	2,651,102	-	-	2,781,650	2,651,102
Long-term debt outstanding	-	-	-	-	-	-
Other liabilities	2	304			2	304
Total liabilities	2	304	-	-	2	304
Deferred Inflows:						
Deferred Grant Inflows	750,000	750,000	-	-	750,000	750,000
Total Liabilities and Deferred Inflows	750,002	750,304	-	-	750,002	750,304
Net position:						
Investment in capital assets	1,188,154	1,218,884	-	-	1,188,154	1,218,884
Restricted	315,180	260,095	-	-	315,180	260,095
Unrestricted (deficit)	528,314	421,819	-	-	528,314	421,819
Total net position	$ 2,031,648	$ 1,900,798	$ -	$ -	$ 2,031,648	$ 1,900,798

The City did a drainage, resurfacing project at a cost of $$406,459, paid out of the 2008 SPLOST, 2014 SPLOST and Georgia LMIG Funds. The City incurred no debt in paying for this project.

Net position of the City's governmental activities increased by $130,850
Unrestricted Net position--the part of net position that can be used to finance day-to day operations without constraints established by debt covenants, enabling legislation, or other legal requirement--changed from a $421,819 at June 30, 2020, to $528,314 at June 30, 2021

Governmental Activities

Revenues for the City's governmental activities increased by $64,605 while total expenses increased $30,855. The increase in revenues and the increase in expenses 2021 over 2020 was caused by the City had additional depreciation expense in 2021 as a result of the capital project during the year ended June 30, 2020. The Mayor, Council, and Accounting Staff monitored the revenues and expenses very closely.

The City has an increase in net position for 2021 of $130,850

The increase in net position was the result of management responsibility in administering the Cities activities for the year.

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

	Governmental Activities June 30,		Business-type Activities June 30,		Total Primary Government June 30,	
Revenues:	2021	2020	2021	2020	2021	2020
Program Revenues						
Charges for services	$ 38,124	$ 38,532	$ -	$ -	$ 38,124	$ 38,532
Operating Grants and contributio	23,086	-	-	-	23,086	-
Capital Grants and contributions	115,698	89,323	-	-	115,698	89,323
General Revenues						
Sales taxes	71,251	52,233	-	-	71,251	52,233
Other taxes	45,997	50,490	-	-	45,997	50,490
Grants and entitlements	-	-	-	-	-	-
Interest	1,710	683	-	-	1,710	683
Total Revenues	295,866	231,261	-	-	295,866	231,261
Expenses						
General government	61,479	58,184	-	-	61,479	58,184
Public safety	11,087	10,927	-	-	11,087	10,927
Public works	87,487	57,885	-	-	87,487	57,885
Culture and recreation	4,963	7,165	-	-	4,963	7,165
Interest	-	-	-	-	-	-
Total expense	165,016	134,161	-	-	165,016	134,161
Excess (deficiency) before transfers and contributions	130,850	97,100	-	-	130,850	97,100
Capital contributions	-	-			-	-
Transfers	-	-			-	-
Increase (decrease) in net position	$ 130,850	$ 97,100	$ -	$ -	$ 130,850	$ 97,100

The cost of all governmental activities this year was $6,306 compared to $5,702 last year.

THE CITY'S FUNDS

As the City completed the year, its governmental funds as presented in the balance sheet on page 23 reported a combined fund balance of $831,264, which is a increase form last year's total of $671,189.

General Fund Budgetary Highlights

The City Council did not amend the budget during the year ended June 30, 2021.

The City had a variance of $30,323 in the revenue. The budget had total revenue of $166,000 The actual revenue was $196,323. The budget was has a positive variance of 15.44%.

The City had a variance of $19,814 in expenditures. The budget had total expenditures of $140,250. The actual expenditures were $120,436

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2021 the City had $1,188,154 invested in a broad range of capital assets, including equipment, buildings, and roads. (See Table 4 below). This amount represents a net decrease (including additions and deductions) of $30,730 over last year. The decrease was caused by the the City having more depreciation recorded than it had in additions to the capital assets. The City completed a major road project in 2020 so an entire year of depreciation was recorded in 2021.

Table 4
Capital Assets at Year-end
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Primary Government	
	June 30,		June 30,		June 30,	
	2021	2020	2021	2020	2021	2020
Land	$ 12,500	$ 12,500	$ -	$ -	$ 12,500	$ 12,500
Construction in Progress	-	-	-	-	-	-
Building and Improvements	170,591	177,547	-	-	170,591	177,547
Equipment	36,398	37,422	-	-	36,398	37,422
Vehicles	-	910	-	-	-	910
Infrastructure	968,665	990,505	-	-	968,665	990,505
Paving			-	-	-	-
Totals	$ 1,188,154	$ 1,218,884	$ -	$ -	$ 1,188,154	$ 1,218,884

There were $13,860 additions to the capital assets during the year ended June 30, 2021. The decrease in the capital assets was due to the depreciation of $44,580 having a net effect on the decrease in capital asssets for an decrease of $30,730 ($13,850 - $44,580) for the year ended June 30, 2021.

For more information on the changes in capital assets, see Note 6 on page 45.

Debt

At year-end, the City had $0.00 in capital lease outstanding verse $0.00 last year. as shown in Table 5.

Table 5
Outstanding Debt at Year-end

	Governmental Activities		Business-type Activities		Primary Government	
	June 30,		June 30,		June 30,	
	2021	2020	2021	2020	2021	2020
Leases	$ -	$ -	$ -	$ -	$ -	$ -
Note payable	-	-	-	-	-	-
Totals	$ -	$ -	$ -	$ -	$ -	$ -

The City issued $0.00 in new debt during the year ended June 30, 2021. The City does not plan to issue any new debt during the year ended June 30, 2022.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's elected and appointed officials considered many factors when setting the year June 30, 2022 budget sales taxes and fees that will be charged. One of those factors is the economy. The council also considered the expected increase in the cost of goods and services during the year ended June 30, 2022.

These indicators were taken into account when adopting the General Fund budget is expected to increase modestly by the close of the year ended June 30, 2022. More importantly, however, this will have been accomplished without selling capital assets or incurring long-term debt.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

Basic Financial Statements

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

City of Offerman, Georgia
Statement of Net Position
June 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	$ 805,956	$ -	$ 805,956
Receivables (net)	-	-	-
Intergovernmental	787,540	-	787,540
Prepaid	-	-	-
Inventories	-	-	-
Capital assets:			
Land	12,500	-	12,500
Other capital assets, net of depreciation	1,175,654	-	1,175,654
Total capital assets	1,188,154	-	1,188,154
Total assets	2,781,650	-	2,781,650
LIABILITIES			
Accounts payable and accrued expenses	2	-	2
Deposits	-	-	-
Long-term liabilities (Note 2):			
Due within one year	-	-	-
Due in more than one year	-	-	-
Total liabilities	2	-	2
Deferred Inflows:			
Deferred Grant Inflows	750,000	-	750,000
Total Liabilities and Deferred Inflows	750,002	-	750,002
NET POSITION			
Investment in capital assets	1,188,154	-	1,188,154
Restricted for:			
Capital projects	315,180	-	315,180
Debt service	-	-	-
Community development projects	-	-	-
Other purposes	-	-	-
Unrestricted (deficit)	528,314	-	528,314
Total net position	$ 2,031,648	$ -	$ 2,031,648

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

City of Offerman, Georgia
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Expense	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total
PRIMARY GOVERNMENT:							
Government activities:							
General government	$ 61,479	$ 38,124	$ -	$ 182	$ (23,173)	$ -	$ (23,173)
Public safety	11,087	-	23,086		11,999	-	11,999
Public works	87,487	-	-	76,391	(11,096)	-	(11,096)
Community development	-	-	-		-	-	-
Culture and recreation	4,963	-	-	39,125	34,162	-	34,162
Total governmental activities	165,016	38,124	23,086	115,698	11,892	-	11,892
Business-type activities:							
	-	-	-	-	-	-	-
Total business-type activities	-	-	-	-	-	-	-
Total primary government	$ 165,016	38,124	23,086	115,698	11,892	-	11,892
General revenues:							
Taxes:							
TAVT Tax					4,078	-	4,078
Sales Taxes					71,251	-	71,251
Franchise taxes					41,919	-	41,919
Other Tax					-	-	-
Unrestricted Investment earnings					1,710	-	1,710
Transfers					-	-	-
Total general revenues					118,958	-	118,958
Change in net position					130,850	-	130,850
Net position---beginning					1,900,798	-	1,900,798
Net position---ending					$ 2,031,648	$ -	$ 2,031,648

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

City of Offerman, Georgia
Balance Sheet
Governmental Funds
June 30, 2021

	General	Capital Project: 2014 SPLOST	Capital Project: 2020 SPLOST	Capital Project: CDBG 19q-x-113-2 6104	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 511,026	$ 157,380	$ 67,631	$ 250	$ 69,669	$ 805,956
Receivables, net	-	-	-	-	-	-
Due form other funds	350	-	-	-	-	350
Intergovernmental	17,040	-	15,500	750,000	5,000	787,540
Prepaids	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Total assets	$ 528,416	$ 157,380	$ 83,131	$ 750,250	$ 74,669	$ 1,593,846
Liabilities and Deferred Inflows of Resources						
Liabilities:						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -
Accrued payroll deductions	2	-	-	-	-	2
Due to other funds	-	-	-	250	100	350
Payable to other governments	-	-	-	-	-	-
Total liabilities	2	-	-	250	100	352
Deferred Inflows of Resources	5,080	-	5,500	750,000	1,650	762,230
Total Liabilities and Deferred Inflows of Resources	5,082	-	5,500	750,250	1,750	762,582
Fund balances:						
Nonspendable:						
Inventories	-	-	-	-	-	-
Prepaids	-	-	-	-	-	-
Restricted for:						
Capital Projects	52,798	157,380	77,631	-	72,919	360,728
Assigned:						
General Government Expenditures	115,156	-	-	-	-	115,156
Unassigned:						
General fund	355,380	-	-	-	-	355,380
Total fund balances	523,334	157,380	77,631	-	72,919	831,264
Total liabilities, Deferred Inflows of Resources and Fund Balance	$ 528,416	$ 157,380	$ 83,131	$ 750,250	$ 74,669	$ 1,593,846

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

City of Offerman, Georgia
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities
For the Year Ended June 30, 2021

TOTAL GOVERNMENTAL FUND BALANCES		$ 831,264
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
Cost	1,750,963	
Less accumulated depreciation	(562,809)	1,188,154
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Transporation SPLOST	1,650	
Sales Taxes	5,500	
SPLOST	5,080	12,230
Liabilities, including notes and capital leases are not due and payable in the current period and therefore are not reported in the funds:		
Capital leases	-	-
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 2,031,648

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

City of Offerman, Georgia
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For The Year Ended June 30, 2021

		Capital Project				
	General	2014 SPLOST	2020 SPLOST	CDBG 19q-x-113-2 6104	Other Governmental Funds	Total Governmental Funds
REVENUES:						
Taxes	$ 117,008	$ -	$ -	$ -	$ -	$ 117,008
Fees and fines	-	-	-	-	-	-
Licenses and permits	38,124	-	-	-	-	38,124
Charges for services	-	-	-	-	-	-
Intergovernmental	39,481	-	77,597	-	20,189	137,267
Rents	-	-	-	-	-	-
Interest earnings	1,710	159	34	-	59	1,962
Other	-	-	-	-	-	-
Total revenues	196,323	159	77,631	-	20,248	294,361
EXPENDITURES:						
Current:						
General government	56,759	-	-	-	-	56,759
Public safety	8,212	-	-	-	-	8,212
Public works	50,502	-	-	-	-	50,502
Culture and recreation	4,963	-	-	-	-	4,963
Community development	-	-	-	-	-	-
Capital Outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	13,850	-	-	-	13,850
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-
Total expenditures	120,436	13,850	-	-	-	134,286
Excess (deficiency) of revenues over expenditures	75,887	(13,691)	77,631	-	20,248	160,075

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

City of Offerman, Georgia
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For The Year Ended June 30, 2021

	General	Capital Project 2014 SPLOST	Capital Project 2008 SPLOST	Capital Project CDBG 19q-x-113-2 6104	Other Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)						
Capital lease proceeds	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-	-
Net change in fund balance	75,887	(13,691)	77,631	-	20,248	160,075
Fund balances-beginning	447,447	171,071	-	-	52,671	671,189
Fund balances-ending	$ 523,334	$ 157,380	$ 77,631	$ -	$ 72,919	$ 831,264

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

City of Offerman, Georgia
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2021

NET CHANGES IN FUND BALANCES TOTAL GOVERNMENTAL FUNDS		$ 160,075
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		
Capital outlay	13,850	
Depreciation expense	(44,580)	(30,730)
In the statement of activities, only the gain on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the assets sold:		
Cost of Assets Disposed of	-	
Accumulated Depreciation	-	
Net Book Value of Assets Disposed of		-
Revenues not in the statement of activities that are in the revenues of the governmental funds.		
Transporation SPLOST	150	
Sales Taxes	240	
SPLOST	1,115	1,505
Issuance of long term debt provides current financial resources to governmental funds while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. The issuance of long term debt increases long term liabilities and the repayment of long term debt reduces long term liabilities in the statement of net position.		
Issuance of capital lease	-	
Repayment of long term debt	-	-
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 130,850

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

NOTES TO THE FINANCIAL STATEMENTS

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

Note 1 - Summary of Significant Accounting Policies

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

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

1-A. Reporting Entity

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

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

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

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

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

1-B. Basis of Presentation

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

General Fund - The general fund accounts for all financial resources except those required to be accounted for in other funds. The general fund's fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Georgia.

Capital Project Fund - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary and trust funds.

2020 Special Local Option Sales Tax (SPLOST) to account for the funds of the sales tax in accordance with the resolution.

2014 Special Local Option Sales Tax (SPLOST) to account for the funds of the sales tax in accordance with the resolution.

CDBG 19q-x-113-2-6104 to account for the funds and expenditures of the Community Development Block Grant..

1-C. Measurement Focus

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

1-D. Basis of Accounting

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue. Sales taxes receivable not collected within 60 days of year-end have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as deferred revenue.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Liabilities and Fund Equity

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

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

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

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

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

1-E-2. Consumable Inventories

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

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

1-E-3 Prepaid Items:

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure in the year in which the services are consumed. At the fund reporting level, an equal amount of fund balance is recorded as Nonspendable as this amount is not available for general appropriation.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E 4 Receivables:

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

1-E 5 Interfund Balances:

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business type activities columns of the government-wide statement of net position, except for any residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-6. Capital Assets

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-6. Capital Assets (Continued)

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

Pursuant to GASB Statement34, the City is a phase 3 government and therefore, the asset category of infrastructure has been recorded since the implementation of *GASB Statement 34*. Historically infrastructure has not been reflected nor a measure of its consumption charged. Infrastructure assets include roads, bridges, underground pipe (other than related utilities), traffic signals, etc. GASB Statement 34 requires the reporting and depreciation of new infrastructure expenditures effective with the beginning of the implementation year.

1-E-7. Compensated Absences

The City has no program for compensated absences. Therefore, no liability has been recorded.

1-E 8. Accrued Liabilities and Long-term Obligations

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

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

1-E 9. Fund Equity

The City implemented GASB Statement No. 54, Fund Balance *Reporting and Governmental Fund Type Definitions*. This standard changed the overall definitions and classifications of governmental fund balances.

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."

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E 9. Fund Equity (Continued)

Governmental Fund Balances

Generally, governmental fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those resources 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 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. Only the City Council 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, the City Council has authorized the Mayor to assign fund balances.

Unassigned--Fund balances are reported as unassigned 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E 9. Fund Equity (Continued)

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

Committed
Assigned
Unassigned

Net Position

As noted previously, equity for government-wide and proprietary fund financial statements is classified as net position, and displayed in three components:

Invested in Capital Assets--consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position--Consists of net position with constraints placed on the use either by (a) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation. Net position are reported as restricted using the sale definition as used for restricted fund balance as described in the section above.

Unrestricted net position--All other net position that do not meet the definition of "restricted" of "invested in capital assets."

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

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

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

Expenditures/expenses:

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

1-E-11. Contributions of Capital

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

1-E-12. Interfund Activity

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

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

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

1-E-13. Estimates

The preparation of the Financial Statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes.

Note 2 - Stewardship, Compliance and Accountability

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

The governmental funds budgets are adopted on a basis consistent with GAAP.

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

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

1. Prior to May 1, the Mayor and City Clerk prepare a proposed budget for the fiscal year commencing July 1.
2. The Mayor submit the proposed budget to the City Council.
3. Public hearings are held to obtain taxpayer's comments.
4. The budget is legally enacted through the passage of a resolution.
5. All revisions to the budget must be submitted to the City Council for approval.
6. Budgetary appropriations lapse at the end of the fiscal year.

The City adopts annual budgets for the following:

Governmental Funds:

1. General Fund
2. Capital Projects Funds:
   2008 SPLOST Fund
   2014 SPLOST Fund
   2020 SPLOST Fund
   Transporation SPLOST Fund
   CDBG 19q-x-113-2-6104

Encumbrances - The City does not use encumbrance accounting; under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation.
The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level with the following provisions:

The City Council may transfer funds from one object or purpose to another within the same department.
The City Council may amend the budget by motion during the fiscal year.

Formal budgetary integration is not employed as a management control device during the year for all budgeted funds.

Note 2 - Stewardship, Compliance and Accountability (Continued)

3. Excess of Expenditures Over Appropriations

No funds reported expenditures/expenses over appropriations:

Fund	Appropriation	Expenditures	Appropriation
			-

3.A Deferred Inflows of Resources:

In addition to liabilities, the Balance Sheet of Governmental Funds reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources* represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports two of these items .

Governmental Funds:

The General fund reports $5,080 as a deferred inflow of resources for the Local Option Sales Tax.
The 2020 SPLOST fund reports $5,500 as a deferred inflow of resources for the Special Local Option Sales Tax.
The Transporation SPLOST fund reports $1,650 as a deferred inflow of resources for the Transporation SPLOST.
The CDBG 19q-x-113-2-6104 reports $750,000 as a deferred inflow of resources.

The Governmental Wide Statement of Net Position reported the following as Deferred Inflows of Resources.

Grant Inflows	$750,000

This amount will be recognized as an inflow of resources in the period that the amount become available.

4. Cash and Investments

Deposits: Custodial Credit Risk for deposits is the risk that, in the event of bank failure, a government's deposits may not be returned to it. At June 30, 2021 all of the City's deposits were covered by federal depository insurance or collateralized through the Georgia Public Funds Pledging Pool, a multiple financial institution collateral pool administered by the Georgia Bankers Association for the State of Georgia.
Georgia law governs collateral requirements and forms of collateral under O.C.G.A. Section 45-8-12 which is incorporated by reference within the City's Investment Policy. The City has no custodial credit risk policies requiring additional collateral. In summary, Georgia law states:

> All deposits shall be collateralized within 10 days of deposit by a surety bond, a guarantee of insurance, or collateral.

4. Cash and Investments (continued)

The face value of any surety bond, guarantee of insurance or collateral shall be at least 110% of the daily balance.
If a depository elects the pooled method (O.C.G.A. Section 45-8-13-11), the aggregate market value of pledged securities may not be less than 110% of the daily pool balance.

Authorized security for deposits enumerated under law includes surety bonds, FDIC insurance, obligations of the United States of the State of Georgia, obligations of Georgia counties or municipalities, bonds of any Georgia public authority, industrial revenue bonds of any Georgia development authority, and obligations of any subsidiary corporation of the Untied States government full guaranteed by the united States (such as Federal Home Loan Bank, Federal National Mortgage Association, etc.)

Under state law, investments of the City's public funds may be placed in obligations of (or obligations guaranteed by) the U.S. government, obligations of agencies of corporations in the U.S. Government, obligations of any state or any political subdivision of any state, certificates of deposit or time deposits of financial institutions with deposits insured by FDIC, prime bankers acceptances, repurchase agreements, and the Georgia Fund 1. During the year the City invested public funds in certificates of deposits and time deposits of local banks.

Deposit and investment transactions are subject to a variety of risks. The City's adopted investment policies seek to promote the safety of principal, provide adequate liquidity for operational needs, earn market rates of return on investments consistent with liquefy needs and investment quality, and conform with legal requirements.

5. Receivables

Receivables at June 30, 2021, consisted of sales taxes, accounts (billings for user charges), and intergovernmental receivables arising from grants.

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

NOTE 5. RECEIVABLES AND PAYABLES (Continued)

Receivables

Receivables at June 30, 2021 were as follows:

Governmental activities:	Accounts	Taxes	Due from Other Gov't	Other	Notes	Total
General	$ -	$	$ 17,040	$ -	$ -	$ 17,040
Capital Project	-	-	770,500	-	-	770,500
Total governmental activities	$ -	$ -	$ 787,540	$ -	$ -	$ 787,540

Payables at June 30, 2021 were as follows:

Governmental activities:	Vendors	Salaries/ Benefits	Accrued Interest	Other	Total Payables
General	$ -	$ 2	$ -	$ -	$ 2
Special revenue	-	-	-	-	-
Total governmental activities	$ -	$ 2	$ -	$ -	$ 2

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

Governmental activities--Net Investment in Capital Assets:

	Beginning Balance	Increase	Decrease	Ending Balance
Not being depreciated:				
Land	$ 12,500	$ -	$ -	$ 12,500
Construction in progress	-	-	-	-
Total not being depreciated	12,500	-	-	12,500
Being depreciated:				
Buildings	316,822	-	-	316,822
Equipment	86,981	-	-	86,981
Vehicles	62,300	-	-	62,300
Infrastructure	1,267,910	13,850	-	1,281,760
Totals being depreciated	1,734,013	13,850	-	1,747,863
Total capital assets	1,746,513	13,850	-	1,760,363
Less accumulated depreciation for:				
Buildings	139,275	6,956	-	146,231
Equipment	49,559	1,934	-	51,493
Vehicles	61,390	-	-	61,390
Infrastructure	277,405	35,690	-	313,095
Total accumulated depreciation	527,629	44,580	-	572,209
Depreciable-net	1,206,384	(30,730)	-	1,175,654
Capital Assets-Net	1,218,884	(30,730)	-	1,188,154
Leases Payable	-	-	-	-
Note Payable	-	-	-	-
Totals	-	-	-	-
Net Investment in Capital Assets	$ 1,218,884		$	1,188,154

NOTE 6. CAPITAL ASSETS (CONT'D)

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

General government	$	4,720
Public Safety		2,875
Public Works		36,985
Total	$	44,580

NOTE 7. INTERFUND BALANCES AND ACTIVITY

Interfund Balances:

Interfund balances at June 3, 2021, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted form the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between fuds are made.

The City expects to repay all interfund balances within one year.

Payable To:	Payable From			
	General Fund	2014 SPLOST	CDBG 19q-x 113-2-6104	Transporation SPLOST
General Fund	$ -	$ -	$ 250	$ 100
2014 SPLOST				
2008 SPLOST				
Transporation SPLOST				
Totals	$ -	$ -	$ 250	$ 100

Fund Transferred To:	Fund Transferred From:	Amount	Purpose

There was no Transfers during the year ended June 30, 2021.

NOTE 8. COMMITMENTS AND CONTINGENCIES

Contingent Liabilities

The City participates in of federal and state assisted grant programs. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. The amount, if any, of disallowed expenditures discovered in future audits is expected to be immaterial.

Litigation

Based on the advice of the City attorney, there were no material claims outstanding against the City at June 30, 2021.

NOTE 9. RISK MANAGEMENT

The City's risk management is associated with the following risks employee life, health, property, and liability, worker's compensation, unemployment, and disability.

Significant losses are covered by commercial insurance for all major programs except unemployment which is covered by the City's participation in the States Unemployment insurance program. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

The City of Offerman 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 has obtained commercial insurance coverage for the these risks.

The City does not have workers compensation coverage, however they have not experienced any claims within the past two years.

NOTE 10. SUBSEQUENT EVENTS:

The City's management is not aware of any subsequent events that will have a material effect on the financial statements taken as a whole.

NOTE 10. JOINT VENTURES

Southern Regional Commission (SRC):

Under Georgia Law, the City, in conjunction with other municipalities and counties in South Georgia are members of the Southern Georgia Regional Commission (RC). The RC is comprised of 18 counties in the Southern Georgia area. Membership in the RC is required by the Official Code of Georgia Annoted (OCGA) Section 50-8-34, which provides for the organization structure of the RC in Georgia. The RC Board membership includes representation from each county and municipality of the area, as well as representatives from the private sector and other governmental entities. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. During its year ended June 30, 2021, the City paid $560 in RC Dues. Separate financial statements for the RC are available from:

Southern Georgia Regional Commission
3395 Harris Road
Waycross, Georgia 31503

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

City of Offerman, Georgia
Budgetary Comparison Schedule--General Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	$ 110,500	$ 110,500	$ 117,008	$ 6,508
Licenses and permits	35,500	35,500	38,124	2,624
Charges for services	2,000	2,000	-	(2,000)
Intergovernmental	17,500	17,500	39,481	21,981
Interest	500	500	1,710	1,210
Total revenues	166,000	166,000	196,323	30,323
Expenditures:				
Current:				
General government:				
Administration	60,500	60,500	56,759	3,741
Public safety:				
Fire department	8,750	8,750	8,212	538
Public works:				
Street	60,500	60,500	50,502	9,998
Culture and Recreation:				
Recreation	10,500	10,500	4,963	5,537
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	140,250	140,250	120,436	19,814
Excess of revenues over (under) expenditures before other financing sources (uses)	25,750	25,750	75,887	50,137

City of Offerman, Georgia
Budgetary Comparison Schedule--General Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Other Financing Sources (Uses)				
Contingencies	(25,750)	(25,750)	-	25,750
Capital Lease Proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total other financing Sources (Uses)	(25,750)	(25,750)	-	25,750
Net change in fund balance	$ -	$ -	75,887	$ 75,887
Fund balance beginning			447,447	
Fund balance ending			$ 523,334	

City of Offerman, Georgia
Notes to Required Supplementary Information
For the Year Ended June 30, 2021

The City Charter established the year as the twelve-month period beginning July 1. The Mayor and City Clerk prepare a budget of estimated expenditures for the ensuing fiscal year after which the Mayor subsequently submits a budget of estimated expenditures and revenues to the city Council by May 31.

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

1. Prior to May 1, the Mayor and the Council prepare a proposed budget for the year commencing July 1.

2. The Mayor submits the proposed budget to the City Council at a public hearing.

3. Public hearings are held to obtain taxpayer's comments.

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

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

6. Budgetary appropriations lapse at the end of the year.

7. The budget is prepared and adopted on a basis consistent with generally accepted accounting principles. An annual budget is adopted for the General fund, Special Revenue funds. A project length budget is adopted for all Capital Projects Funds. Budgetary amounts are not formally integrated into the general ledgers.

MAJOR CAPITAL PROJECT FUND

City of Offerman, Georgia
Budgetary Comparison Schedule--Capital Project Fund
2020 Special Local Option Sales Tax
For The Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	$ 75,000	$ 75,000	$ 77,597	$ 2,597
Interest	25	25	34	9
Total Revenues	75,025	75,025	77,631	2,606
Expenditures:				
Current				
Public works:				
Roads, Bridges and Streets	-	-	-	-
Culture and recreation		-	-	-
Capital Outlay:				
Public works:				
Roads, Bridges and Streets	75,025	75,025	-	75,025
Total Expenditures	75,025	75,025	-	75,025
Excess of revenues Over (Under) Expenditures	-	-	77,631	77,631
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	$ -	$ -	77,631	$ 77,631
Fund balance - beginning			-	
Fund balance - ending			$ 77,631	

City of Offerman, Georgia
Budgetary Comparison Schedule--Capital Project Fund
2014 Special Local Option Sales Tax
For The Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	$ -	$ -	$ -	$ -
Interest	150	150	159	9
Total Revenues	150	150	159	9
Expenditures:				
Current				
Public works:				
Roads, Bridges and Streets	-	-	-	-
Culture and recreation	-	-	-	-
Capital Outlay:				
Public works:				
Roads, Bridges and Streets	15,500	15,500	13,850	1,650
Total Expenditures	15,500	15,500	13,850	1,650
Excess of revenues Over (Under) Expenditures	(15,350)	(15,350)	(13,691)	1,659
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	$ (15,350)	$ (15,350)	(13,691)	$ 1,659
Fund balance beginning			171,071	
Fund balance ending			$ 157,380	

City of Offerman, Georgia
Budgetary Comparison Schedule--Capital Project Fund
CDBG 19q-x-113-2-6104
For The Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	$ 750,000	$ 750,000	$ -	$ (750,000)
Interest	-	-	-	-
Total Revenues	750,000	750,000	-	(750,000)
Expenditures:				
Current				
Public works:				
Administration	45,000	45,000	-	45,000
Commuity Development	705,000	705,000	-	705,000
Total Expenditures	750,000	750,000	-	750,000
Excess of revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources (Uses)				
Contingency	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	$ -	$ -	-	$ -
Fund balance beginning			-	
Fund balance ending			$ -	

NON-MAJOR CAPITAL PROJECTS FUND

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

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

Transportation SPLOST

2008 SPLOST

NON-MAJOR CAPITAL PROJECTS FUNDS

Transportation SPLOST	To account for funds provided by the Transportation SPLOST, to be used as provided by the Transportation SPLOST documents.
2008 SPLOST	To account for funds provided by the 2008 SPLOST, to be used as provided by the voters in the SPLOST documents.

City of Offerman, Georgia
Combining Balance Sheet
Nonmajor Capital Project Funds
June 30, 2021

	Transporation SPLOST	2008 SPLOST	Total Nonmajor Capital Project Funds
Assets:			
Cash	$ 49,622	$ 20,047	$ 69,669
Receivable, net	-	-	-
Intergovernmental	5,000	-	5,000
Total Assets	$ 54,622	$ 20,047	$ 74,669
Liabilities, Deferred Inflows of Resouces and Fund Balance:			
Liabilities:			
Accounts payable and accruals	$ -	$ -	$ -
Due to other governments	-	-	-
Due to other funds	100	-	100
Deferred revenue	-	-	-
Total Liabilities	100	-	100
Deferred Inflows of Resources	1,650	-	1,650
Total Liabilities and Deferred Inflows of Resources	1,750	-	1,750
Fund Balance			
Restricted			
Capital Projects	52,872	20,047	72,919
Total Fund Balance	52,872	20,047	72,919
Total Liabilities, Deferred Inflow of Resources and Fund Balance	$ 54,622	20,047	74,669

City of Offerman, Georgia
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Year Ended June 30, 2021

	Transporation SPLOST	2008 SPLOST	Total Nonmajor Capital Project Funds
Revenues:			
Taxes	$ -	$ -	$ -
Intergovernmental	20,189	-	20,189
Interest	39	20	59
Recreation	-	-	-
Other	-	-	-
Total Revenues	20,228	20	20,248
Expenditures:			
Current:			
Public Safety	-	-	-
Public Works	-	-	-
Culture and Recreation	-	-	-
Capital Outlay:			
Public Safety	-	-	-
Public Works	-	-	-
Culture and Recreation	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	20,228	20	20,248
Other Financing Sources			
Sale of capital assets	-	-	-
Transfers In	-	-	-
Transfers (Out)	-	-	-
Proceeds from Note	-	-	-
Total Other Funancing Sources	-	-	-
Net Change in Fund Balance	20,228	20	20,248
Fund Balance Beginning	32,644	20,027	52,671
Fund Balance Ending	$ 52,872	$ 20,047	$ 72,919

City of Blackshear, Georgia
Transporation SPLOST
Balance Sheet
June 30, 2021

Assets:		
Cash	$	49,622
Intergovernmental		5,000
Total Assets	$	54,622
Liabilities, Deferred Inflows of Resources And Fund Balance		
Liabilities:		
Accounts Payable	$	-
Due to other funds		100
Total Liabilities		100
Deferred Inflows of Resources		1,650
Total Liabilities and Deferred Inflows of Resources		1,750
Fund Balances		
Restricted:		
Capital Project		52,872
Total Fund Balances		52,872
Total Liabilities, Deferred Inflow of Resources and Fund Balances	$	54,622

City of Blackshear, Georgia
Transporation SPLOST
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
Revenues:				
Intergovernmental	$ 19,000	$ 19,000	$ 20,189	$ 1,189
Interest	50	50	39	(11)
Total Revenues	19,050	19,050	20,228	1,178
Expenditures:				
Current:				
Public Works	19,050	19,050	-	19,050
Total Expenditures	19,050	19,050	-	19,050
Excess (deficiency) of Revenues over Expenditures	-	-	20,228	(17,872)
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Total Other Financial Sources (Uses)	-	-	-	-
Net Change in Fund Balance	-	-	20,228	(17,872)
Fund Balance Beginning	32,644	32,644	32,644	-
Fund Balance Ending	$ 32,644	$ 32,644	$ 52,872	$ (20,228)

City of Blackshear, Georgia
2008 SPLOST
Balance Sheet
June 30, 2021

Assets:		
Cash	$	20,047
Intergovernmental		-
Total Assets	$	20,047
Liabilities, Deferred Inflows of Resources And Fund Balance		
Liabilities:		
Accounts Payable	$	-
Due to other funds		-
Total Liabilities		-
Deferred Inflows of Resources		-
Total Liabilities and Deferred Inflows of Resources		-
Fund Balances		
Restricted:		
Capital Project		20,047
Total Fund Balances		20,047
Total Liabilities, Deferred Inflow of Resources and Fund Balances	$	20,047

City of Blackshear, Georgia
2008 SPLOST
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
Revenues:				
Intergovernmental	$ -	$ -	$ -	$ -
Interest	15	15	20	5
Total Revenues	15	15	20	5
Expenditures:				
Current:				
Public Works	-	-	-	-
Total Expenditures	-	-	-	-
Excess (deficiency) of Revenues over Expenditures	15	15	20	5
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Total Other Financial Sources (Uses)	-	-	-	-
Net Change in Fund Balance	15	15	20	5
Fund Balance Beginning	20,047	20,047	20,027	20
Fund Balance Ending	$ 20,062	$ 20,062	$ 20,047	$ 15

State Compliance Section

Special Reports

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

City of Offerman
6613 Carter Drive
P.O. Drawer 160
Oferman, Georgia 31556
Phone# 912-647-1944
Fax# 912-647-1945
offermanfd@aol.com

Independent Auditors' Report on Special one Percent Sales and Use Tax

The City Council
Offerman, Georgia

I have audited the accompanying Schedule of Special Purpose Local Option Sales Tax for the City of Offerman, Georgia for the year ended June 30, 2021. This schedule is the responsibility of the City of Offerman, Georgia management. My responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the Schedule of Special Local Option Sales Tax is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Special Purpose Local Option Sales Tax. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Special Purpose Local Option Sales Tax. I believe that my audit provides a reasonable basis for my opinion.

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

In my opinion, the Schedule of Special Purpose Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated cost, and the current and prior year expenditures of each project in the City of Offermans' resolution or ordinance calling for the tax for the year ended June 30, 2021, in conformity with accounting principles generally accepted in the United States of America.

Earl A. Lawson
Certified Public Accountant
Blackshear, Georgia
July 20, 2021

City of Offerman, Georgia
Schedule of Projects Constructed with
2008 Special Purpose Local Option Sales Tax Proceeds
For the Year Ended June 30, 2021

Project	Total Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Building and maintaining roads, bridges and streets	$ 350,000	$ 248,169	$ -	$ 248,169	0.00%
Capital outlan for curtural, recreational or historical facilities	75,600	-	-	-	0.00%
Totals	$ 425,600	$ 248,169	$ -	$ 248,169	

City of Offerman, Georgia
Schedule of Projects Constructed with
2014 Special Purpose Local Option Sales Tax Proceeds
For the Year Ended June 30, 2021

Project	Total Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Road & Street Construction & Maintenance	$ 275,000	$ 156,077	$ 13,850	$ 169,927	5.04%
Capital outlay for cultural and recreational facilities (Community Center)-	59,400	-	-	-	0.00%
Totals	$ 334,400	$ 156,077	$ 13,850	$ 169,927	

City of Offerman, Georgia
Schedule of Projects Constructed with
2020 Special Purpose Local Option Sales Tax Proceeds
For the Year Ended June 30, 2021

Project	Total Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Road & Street Construction & Maintenance	$ 325,000	$ -	$ -	$ -	0.00%
Capital outlay for cultural and recreational facilities (Community Center)-	75,500	-	-	-	0.00%
Totals	$ 400,500	$ -	$ -	$ -	

City of Offerman, Georgia
Schedule of Projects Constructed with
Transportation Special Purpose Local Option Sales Tax Proceeds
For the Year Ended June 30, 2021

Project	Total Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Road & Street Construction & Maintenance to inclued Administration and Engineering	$ 150,000	$ 28	$ -	$ 28	0.00%
Totals	$ 150,000	$ 28	$ -	$ 28	

City of Offerman
6613 Carter Drive
P.O. Drawer 160
Oferman, Georgia 31556
Phone# 912-647-1944
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offerman@accessatc.net

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 Offerman, Georgia

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Offerman, Georgia, as of and for the year ended June 30, 2021, and the related notes to the financial statements which collectively comprise the City of Offerman's basic financial statements and have issued my report thereon dated July 20, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Earl A. Lawson, CPA
Blackshear, Georgia
July 20, 2021

City of Offerman, Georgia
Community Development Block Grant Program
Project Cost Schedule
CDBG 19q-x-113-2-6104
For The Year Ended June 30, 2021

Program Activity	CDBG Activity Number	Latest Approved Budget	Accumulative CDBG Expenditures To Date	Accumulative Expenditures To Date (Other Funds)	Grand Total of Expenditures To Date	Questioned Costs (Explain in Remarks
			CDBG Budget			
Public Facilities and Improvements	E-17B-00	$ 648,030	$ -	$ -	$ -	$ -
Engineering-Commerical/Industrial Infrastructure	T-17B-00	56,970	-	-	-	-
Administration	A-21A-00	45,000	-	-	-	-
Budget Total		750,000	-	-	-	-
Recipient Cash Match:		-	-	-	-	
Recipient Leverage:		-	-	-	-	-
Total Recipient Cash / Leverage		-	-	-	-	-
Totals		$ 750,000	$ -	$ -	$ -	$ -

City of Offerman, Georgia
Community Development Block Grant Funds
Georgia Department of Community Affairs
Grant 19q-x-113-2-6104
For the Year Ended June 30, 2021

			2021	2020
Total Program Year Funds Allocated to Receipt	$ -	$ -	$ 750,000	$ 750,000
Less: Total Program Year Funds Drawn Down by Recipient	-	-	-	-
Funds Available for Drawn Down for Program Year	$ -	$ -	$ 750,000	$ 750,000
Total Program Year Funds Available for Disposition	$ -	$ -	$ -	$ -
Total Program Year Funds Drawn Down by Recipient	-	-	-	-
Total Program Year Funds Available	-	-	-	-
Less: Funds Applied to Program Year Cost	-	-	-	-
Total Funds Applied	-	-	-	-
Total Program Funds Held by Recipient	$ -	$ -	$ -	$ -
Total Program Year Funds Available for Disposition	$ -	$ -	$ -	$ -