CITY OF SANDERSVILLE, GEORGIA

ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2020

City of Sandersville, Georgia
Annual Financial Report
For The Year Ended December 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council
City of Sandersville, Georgia

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sandersville, Georgia (the "City"), as of and for the year ended December 31, 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 from material misstatement.

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

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

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sandersville, Georgia, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity 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 3-12) and budgetary comparison for the General Fund, the Schedule of Changes in the City's Net Pension Liability and Related Ratios, and the Schedule of Employer Contributions (on pages _____) 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 Sandersville, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements, the schedule of projects constructed with special sales tax proceeds and the other schedules included in other supplementary information as described in the accompanying table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements.

The schedule of projects constructed with special sales tax proceeds, the schedule of expenditures of federal awards, and the other schedules included in other supplementary information as described in the accompanying table of contents are the responsibility of management and were derived from and relate 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 information 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 issued our report dated September 30, 2021 on our consideration of the City of Sandersville, 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 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 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 Sandersville, Georgia's internal control over financial reporting and compliance.

Wright & Wright, P.C.

Sandersville, Georgia
September 30, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City of Sandersville, Georgia (the City) annual financial report, the City's management is pleased to provide this narrative discussion and analysis of the financial activities of the City for the fiscal year ended December 31, 2020. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures that follow this section.

Financial Highlights

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- The City's assets exceeded its liabilities by $40,582,323 (net position) for the fiscal year reported.

- Total net position is comprised of the following:

  (1) Net investment in capital assets, of $18,485,216 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  (2) Net position of $1,332,553 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
  (3) Unrestricted net position of $20,764,554 represents the portion available to maintain the City's continuing obligations to citizens and creditors.

- The City's governmental funds reported total ending fund balance of $2,801,120 this year. This compares to the prior year ending fund balance of $1,886,607 showing an increase of $914,513 during the current year. Unassigned fund balance of $1,408,677 at December 31, 2020 shows a $580,819 increase from the prior year of $827,858.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $1,408,893 or 25.6% of total General Fund expenditures, as compared to17.6% at December 31, 2019.

- Overall, the City continues to maintain a strong financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

Both government-wide financial statements distinguish governmental activities of the City that are principally supported by sales taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, judicial, public safety, public works, health and welfare, culture and recreation and housing and development. Business-type activities include the water and sewer systems, electrical system, sanitation and telecom.

The government-wide financial statements are presented on pages 13 & 14 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The City has two kinds of funds:

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

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

The basic governmental fund financial statements are presented on pages 15 - 18 of this report.

Individual fund information for nonmajor governmental funds is found in a later section of this report.

The *Proprietary funds* are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City's proprietary funds are classified as enterprise funds. These enterprise funds essentially encompasses the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the City organization for these funds. The basic enterprise fund financial statements are presented on pages 19 – 22 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 23 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI) concerning the City's budget presentations. Budgetary comparison statements are included as "required supplementary information" for the general fund. Also included are notes to the RSI.

Supplementary Information

Combining statements for nonmajor governmental funds and budgetary comparison schedules for the nonmajor special revenue and debt service funds can be found in the supplementary information.

Note that because of some reclassifications in this fiscal year from last fiscal year, it is difficult to explain some comparisons.

Financial Analysis of the City as a Whole

The City's net position at fiscal year-end is $40,582,323 as compared to $37,443,634 at December 31, 2019. The following table provides a summary of the City's net position:

Summary of Net Position

	Governmental Activities		Business-type Activities		Total		Percentage
	2020	2019	2020	2019	2020	2019	of Total
Assets:							
Current assets	$ 2,888,479	$ 1,984,055	$ 21,603,081	$ 19,100,992	$ 24,491,560	$ 21,085,047	43%
Capital assets	10,150,554	10,146,040	21,055,304	12,594,644	31,205,858	22,740,684	55%
Deferred outflows	1,110,812	348,406	-	-	1,110,812	348,406	2%
Total assets	14,149,845	12,478,501	42,658,385	31,695,636	56,808,230	44,174,137	98%
Liabilities:							
Current liabilities	116,232	94,926	928,381	732,894	1,044,613	827,820	6%
Long-term liabilities	2,914,021	1,712,650	12,188,757	4,088,817	15,102,778	5,801,467	93%
Deferred inflows	78,516	101,216	-	-	78,516	101,216	0%
Total liabilities	3,108,769	1,908,792	13,117,138	4,821,711	16,225,907	6,730,503	100%
Net position:							
Net investment in capital assets	10,150,554	10,146,040	8,522,104	8,173,259	18,672,658	18,319,299	46%
Restricted	1,332,553	1,001,077	-	-	1,332,553	1,001,077	3%
Unrestricted	(442,031)	(577,408)	21,019,143	18,700,666	20,577,112	18,123,258	51%
Total net position	$ 11,041,076	$ 10,569,709	$ 29,541,247	$ 26,873,925	$ 40,582,323	$ 37,443,634	100%

The City continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 24.9 to 1 as compared to 20.9 to 1 at December 31, 2019. The current ratio for business-type activities is 23.3 to 1 as compared to 26.1 to 1 at December 31, 2019.

The City reported positive balances in net position for both governmental and business-type activities. Net position increased $471,367 or 4.5% for governmental activities, and increased $2,667,322 or 9.9% for business-type activities. The City's overall financial position increased by $3,138,689 or 8.4% during fiscal year 2020.

Note that 91.9% of the governmental activities' net position is tied up in capital. The City uses these capital assets to provide services to its citizens. However, in business type activities, the City has spent 28.8% of its net position on capital. Capital assets in the business-type activities provide utility services, but they also generate revenues for this fund. 46.0% of the City's total net position is included in capital assets. The following is a summary of changes in net position:

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program:						
Charges for services & fines	$ 417,292	$ 419,135	$ 17,171,705	$ 17,074,317	17,588,997	17,493,452
Operating grants	1,137,603	735,371	-	-	1,137,603	735,371
Capital grants	486,450	954,920	-	-	486,450	954,920
General:						
Taxes	4,362,355	3,967,721	-	-	4,362,355	3,967,721
Other	48,907	43,293	47,598	188,302	96,505	231,595
Total revenues	6,452,607	6,120,440	17,219,303	17,262,619	23,671,910	23,383,059
Program Expenses:						
General government	1,114,909	960,533	-	-	1,114,909	960,533
Judicial	146,775	93,566	-	-	146,775	93,566
Public safety	2,901,063	2,661,141	-	-	2,901,063	2,661,141
Public works	1,567,824	1,420,013	-	-	1,567,824	1,420,013
Health and welfare	53,579	42,533	-	-	53,579	42,533
Culture and recreation	56,231	65,752	-	-	56,231	65,752
Housing and devel.	609,560	285,180	-	-	609,560	285,180
Interest	1,378	-	-	-	1,378	-
Water and sewer	-	-	2,729,349	2,134,996	2,729,349	2,134,996
Electrical	-	-	10,183,705	13,127,223	10,183,705	13,127,223
Telecommunications	-	-	199,426	125,182	199,426	125,182
Solid waste	-	-	969,422	996,835	969,422	996,835
Total expenses	6,451,319	5,528,718	14,081,902	16,384,236	20,533,221	21,912,954
Revenues over (under) expenses	1,288	591,722	3,137,401	878,383	3,138,689	1,470,105
Transfers in (out)	470,079	551,891	(470,079)	(551,891)	-	-
Net changes in net position	471,367	1,143,613	2,667,322	326,492	3,138,689	1,470,105
Beginning net position	10,569,709	9,426,096	26,873,925	26,547,433	37,443,634	35,973,529
Ending net position	$ 11,041,076	$ 10,569,709	$ 29,541,247	$ 26,873,925	$ 40,582,323	$ 37,443,634

GOVERNMENTAL REVENUES

The City is heavily reliant on property taxes and sales taxes to support governmental operations and capital. Property taxes provided 21.6% of the City's total governmental revenues as compared to 19.0% in fiscal year 2019. Sales taxes make up 15.4% of the City's total governmental revenues as compared to 13.9% in fiscal year 2019.

User charges and fines revenue source totaled $417,292 and operating grants totaled $1,137,603. Note that program revenues cover 31.6% of governmental operating expenses. If the capital grant revenue referenced above were excluded from program revenue, program revenue would only cover 24.1% of governmental operating expenses. This means that the government's taxpayers and the City's other general governmental revenues fund 68.4% of the governmental activities.

GOVERNMENTAL FUNCTIONAL EXPENSES

The public safety and the public works functions make up 69.3% of the total governmental activities expenses as compared to 73.8% in fiscal year 2019. General government totaled $1,114,909 and the housing and development costs were $609,560.

This table presents the cost of each of the City's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net cost illustrates the financial burden that was placed on the City's taxpayers by each of these functions.

Governmental Activities

	Total Cost of Services	%	Net Cost of Services	%
General government	$ 1,114,909	17.3%	$ (607,978)	13.8%
Judicial	146,775	2.3%	(146,775)	3.3%
Public safety	2,901,063	45.0%	(2,564,555)	58.2%
Public works	1,567,824	24.3%	(853,462)	19.4%
Health and welfare	53,579	0.8%	(53,579)	1.2%
Culture and recreation	56,231	0.9%	(43,331)	1.0%
Housing and development	609,560	9.4%	(138,916)	3.2%
Interest	1,378	0.0%	(1,378)	0.0%
Total	$ 6,451,319	100.0%	$ (4,409,974)	100.0%

Public safety totals 58.2% of the net cost of service while Public Works and General Government total 19.4% and 13.8%, respectively, of these costs.

BUSINESS-TYPE ACTIVITIES

Overall Analysis – For all enterprise funds, total operating revenues increased $97,388 or 0.6%. Operating expenses decreased $2,225,379 or 13.8%. In total, the operating income increased $2,322,767. The total increase in the operating income relates primarily to an increase in the electric fund of $2,659,742 as compared to 2019. The solid waste fund experienced an operating loss of $40,580 and the telecom fund experienced a loss of $89,804.

The operating income (loss) for each utility was as follows

	Amount
Electric	$3,047,558
Water and sewer	319,758
Telecom	(89,804)
Solid waste	(40,580)

The following includes an analysis of the fiscal year 2020 financial activities for each utility.

Electric Utility – Operating income of $3,047,558 in 2020 was $2,659,742 more than the 2019 operating income of $387,816. This increase is mainly due to a 30.0% decrease in the cost of electricity purchased in the amount of $3,410,272. Operating revenues in 2020 decreased $283,776 or 2.1% from 2019.

Water and Sewerage System Utility – The operating income of $319,758 in 2020 is a decrease of $249,544, or 43.8% from the operating income of $569,302 in fiscal year 2019. Fiscal year 2020 operating revenues increased $421,110 or 17.0% from fiscal year 2019. Operating expenses increased $670,654 or 35.1%. Purchased services increased $578,966 from the prior year or 119.4% while materials and supplies decreased $28,335 or 15.7%.

Telecom - The operating loss of ($89,804) in fiscal year 2020 decreased from the operating income of $27,989 in fiscal year 2019 by $117,793, or 420.9%. The fiscal year 2020 operating revenues decreased $43,549 or 28.4% from fiscal year 2019. Operating expenses increased $74,244 or 59.3%. Purchased services increased from $77,065 in fiscal year 2019 to $150,973 in fiscal year 2020 for an increase of 95.9%.

Solid Waste - The fiscal year 2020 operating loss of ($40,580) decreased by 42.8%, or $30,362 from fiscal year 2019. The fiscal year 2020 operating revenues increased $3,603 over fiscal year 2019. Operating expenses decreased $26,759 or 2.7% from fiscal year 2019. Purchased services decreased $33,729 or 4.0%.

Financial Analysis of the City's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of $2,801,120 as compared to the 2019 fiscal year amount of $1,886,607. Of this year-end total, $1,408,677 is unassigned indicating availability for continuing City service requirements. Fund balance includes $546,370 restricted for capital outlay, $434,169 restricted for transportation improvements as well as $342,230 restricted for hotel-motel tax purposes and $9,784 restricted for public safety. Fund balance includes assets not available for spending in the amount of $59,890, which is tied up in inventory. The total ending fund balances of governmental funds show an increase of $914,513, or 48.5% over the prior year.

Major Governmental Funds

General Fund - The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased $555,002, or 60.7% in fiscal year 2020. In fiscal year 2019, the fund balance increased $489,754, or 115.5%.

Total revenues increased $590,595 or 12.3% more than fiscal year 2019.

Local option sales taxes increased $141,132 or 16.6%. Motor vehicle property tax increased $6,337 or 12.1%; while motor vehicle title tax increased $20,196 or 13.2%. Fines decreased $33,745 or 32.0%.

Total expenditures increased $644,752 or 13.3% from fiscal year 2019.

The general government function increased $70,279 or 8.7% from fiscal year 2019.

The expenditures for most other functions were approximately equal to the fiscal year 2019 amount except for public safety which increased by $200,273, or 8.2% and public works which decreased by $252,963 or 21.7% resulting from a decrease in capital outlay for a streetscape project.

The general fund's ending unassigned fund balance of $1,408,677 represents an increase of $552,568 from the December 31, 2019 balance of $856,109. This balance represents the equivalent of 25.6% of annual expenditures, as compared to 17.6% last year.

2013 SPLOST Fund - This fund accounts for the cost of capital improvement projects in the City that are financed with the 2013 Special Purpose Local Option Sales Tax revenues including:

- The purchase of public safety (police and fire) vehicles and equipment
- Replacement of a vehicle in Community Development and in Public Works -Cemetery
- Replacement of equipment for Public Works Construction
- Repave City Hall Parking Lot
- Install LED signs on the Fall Line Freeway.

In fiscal year 2020, this fund reported $380,173 in revenues and $295,409 in expenditures leaving a fund balance of $386,789.

2019 SPLOST Fund - This fund accounts for the cost of capital improvement projects in the City that are financed with the 2019 Special Purpose Local Option Sales Tax revenues.

In fiscal year 2020, this fund reported $74,817 in revenues with no expenditures leaving a fund balance of $74,817.

The Proprietary Funds

The proprietary funds' statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Therefore, additional analysis is not necessary.

Budgetary Highlights

The General Fund – During fiscal year 2020, the City Council did amend the general fund budget. The revenue budget was amended upward by $292,325 to account for $282,625 in CARES Act funds received and for an additional $9,700 in private donations. The City recognized $221,501 more than anticipated in total revenues including collecting $23,807 more in motor vehicle title advalorem taxes, $9,589 in public utility taxes, $152,737 in sales tax, and $24,510 in insurance premium tax. Also, in fiscal year 2020, the City experienced a decrease in budgeted general property taxes in the amount of $33,297, in franchise tax of 47,052, and in fines and forfeitures revenues in the amount of $44,434. Most other general fund revenue sources came in at or just above budgeted amounts except for miscellaneous income which ended at $41,041 for an increase of $38,366 from the original budgeted amount of $2,675.

The general fund expenditure budget was amended upward by $220,668. General government was increased by $39,014 and the public safety final budget was increased by $72,710; however, the actual expenditures came in $150,617 less than the final budget of $2,807,395 with a decrease in expenditures in the police department of $108,116, in the fire department of $18,208, and in animal control of $24,293. The decrease in the police department resulted from a decrease in personal services of $71,000 where vacant positions were not filled in FY 2020. The public works actual expenditures were $177,060 more than the final budget resulting primarily from an increase in the street department's capital outlays of $247,739.

On the expenditure side, each city department made every effort to minimize spending. Only the street department, as a result of the $247,739 capital outlay, and economic development with $25,000 COVID assistance to Washington County Hospital, overspent their final amended 2020 budget. In total, the final budgeted amount was underspent by $64,849 primarily from public safety, which was underspent by $150,617 and general government by $67,895.

In total, the City expended 98.8 % of the final general fund budget.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2020, was $10,150,554 and $21,055,304 respectively. This was an increase in net investment in governmental activities of .04% and an increase of 67.2% for business-type activities. See Note 3-D for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

Capital Assets

	Governmental Activities		Business Activities		Total	
	2020	2019	2020	2019	2020	2019
Non-depreciable assets:						
Land	$ 960,416	$ 960,416	$ 222,257	$ 222,257	$ 1,182,673	$ 1,182,673
Construction in progress	412,597	196,625	7,700,817	2,029,947	8,113,414	2,226,572
Total non-depreciable assets:	1,373,013	1,157,041	7,923,074	2,252,204	9,296,087	3,409,245
Depreciable assets:						
Buildings	5,152,078	5,152,078	472,360	472,360	5,624,438	5,624,438
Equipment	5,530,764	5,225,447	5,768,129	5,372,457	11,298,893	10,597,904
Software	257,398	257,398	-	-	257,398	257,398
Infrastructure	4,938,449	4,938,449	28,413,350	25,212,822	33,351,799	30,151,271
Total depreciable and non-depreciable assets	15,878,689	15,573,372	34,653,839	31,057,639	50,532,528	46,631,011
Less accumulated depreciation	7,101,148	6,584,373	21,521,609	20,715,199	28,622,757	27,299,572
Book value - depreciable assets	8,777,541	8,988,999	13,132,230	10,342,440	21,909,771	19,331,439
Percentage depreciated	45%	42%	62%	67%	57%	59%
Book value - all assets	$ 10,150,554	$ 10,146,040	$ 21,055,304	$ 12,594,644	$ 31,205,858	$ 22,740,684

At December 31, 2020, the depreciable capital assets for governmental activities were 45% depreciated. This compares to 42% at the December 31, 2019. This comparison indicates that the City is replacing its assets at the same rate as they are depreciating which is a positive indicator.

In the City's business type activities, 62% of the asset values were depreciated at December 31, 2020, which almost equals the December 31, 2019 percentage of 67%.

Long-term Debt

At December 31, 2020, the City reported $12,533,200 of outstanding business-type activities long-term debt, all in GEFA loans. During the year, the City retired $332,610 or 7.5% of the January 1, 2020 outstanding business-type activities debt.

In September 2020, the City borrowed $194,950 for the purchase of a streetsweeper for the public works departments. Monthly payments of $2,965 are being paid by the General Fund.

Following are the changes in long-term debt during 2020.

	Outstanding 1/1/2020	Additions	Reductions	Outstanding 12/31/20	Amounts Due in One Year	Long-term Portion
Business-Type Activities:						
GEFA loan - DW00-023	$ 292,701	$ -	$ 43,237	$ 249,464	$ 44,510	$ 204,954
GEFA loan - 2002-L22WS	858,651	-	175,339	683,312	183,144	500,168
GEFA loan - 2010-L06WJ	813,092	-	55,452	757,640	57,602	700,038
GEFA loan - CW15003	1,100,156	-	58,584	1,041,572	59,187	982,385
GEFA Construction loans:						-
GEFA loan - DW2018010	14,090	2,791,642	-	2,805,732	-	2,805,732
GEFA loan - CW2018014	508,546	3,486,934	-	3,995,480	-	3,995,480
GEFA loan - GF2019007	834,151	2,165,849	-	3,000,000	-	3,000,000
	$ 4,421,387	$ 8,444,425	$ 332,612	$ 12,533,200	$ 344,443	$ 12,188,757
Governmental-Type Activities:						
GMA loan	$ -	$ 194,950	$ 7,511	$ 187,439	$ 30,285	$ 157,154
	$ -	$ 194,950	$ 7,511	$ 187,439	$ 30,285	$ 157,154

See Note 3-F for additional information about the City's long-term debt.

Economic Conditions Affecting the City

The July 2021 unemployment rate for Washington County was 3.9% compared to Georgia at 3.7% and the U.S. at 5.4%, all considerably lower than a year ago at 6.7%, 7.6% and 10.2% respectively, indicating a much improved economy from FY 2020. In FY 2020 the City of Sandersville has continued to experience marked improvements in the local economy with the return of new retail and the expansion of local industry. As a result, the financial condition of the Electric Fund and the Water/ Sewer Fund have continued to improve while the Solid Waste Fund, and Telecom Fund both ended FY 2020 with an operating loss of $40,580 and $89,804, respectively. The net position in the City's Electric Fund increased in FY 2020 by $2,795,407 compared to an increase in FY 2019 of $227,739. This fund had experienced significant operating income losses in recent years due to the increase in the cost to purchase power and the City's excess power capacity and contractual obligation to purchase 15MW of Project One Power Sales Contract including premium payments associated with this contract. The City has not had this contractual obligation since March, 2020 resulting in a decline in the cost of electricity purchased of $3,410,272 and a decline in operating expenses of $2,943,518 in FY 2020.

In FY 2020, General Fund revenues increased 12.3% from $4,789,737 in FY 2019 to $5,380,332. Local Option Sales Tax LOST) revenues increased 16.6% from $851,605 in 2019 to $992,737 in 2020 and Insurance Premium Tax increased $24,510 from FY 2019 to FY 2020, all indications of improved economic activity. The millage rate for property taxes levied in 2019 and collected in 2020 was increased from 5.635 to 6.635, increasing property tax revenue $218,109. Increased property values are another indicator of positive economic growth. The gross property tax digest for the City of Sandersville has increased the last four years from $223,676,339 to $229,269,506 in 2016 to $234,934,963 in 2017 and to $237,241,093 in 2018 to $239392,695 in 2019. Other revenues for the City include the franchise tax where the city received $1,102,962, a decrease of 3.3%, in FY 2020.

In November 2019, the voters of Washington County approved a referendum to continue the collection of the 1% sales tax, which provides the necessary revenue for capital projects, many of which could not be funded without these SPLOST funds. The 2019 SPLOST, along with the remaining proceeds of the 2013 SPLOST, will provide the City with an estimated $2.2 million in funding for these capital projects for FY 2021 - FY 2027. During this period, the City will continue to invest in infrastructure while funding a scheduled preventative maintenance program for vehicles, facilities and equipment. With the continued support of tax revenue for equipment and training our Police and Fire departments will maintain State Certification and $ a Class 3 ISO rating, both of which have reduced our risk and prepared us to better serve and protect the citizens of our City. In FY 2021, the 2013 Special Purpose Local Option Sales Tax (SPLOST) will fund the lease/purchase of 14 police

vehicles and conversions in the amount of $78,820, while $31,300 will fund capital equipment and make driveway improvements for the Fire Department. $65,305 in 2013 SPLOST funds will provide for the replacement of a Ford truck for Community development and replace a truck in the Public Works/ Cemetery department. $54,000 will fund the scheduled replacement of an International flatbed dump truck for the Public Works Street Construction Department while $14,500 will pay to repave the City Hall parking lot and $43,308 will be used to install LED promotional signs on the Fall Line Freeway. In addition to the Capital projects in the 2013 SPLOST, the 2019 SPLOST will fund upgrades to the City Hall drive-in window in the amount of $18,433, purchase a F-150 truck for Public Works Street Construction for $35,000 and purchase tasers for the Police Department for $14,400. $163,465 in 2019 SPLOST funds is allocated to the Fire Department for the purchase of equipment including $150,000 for a Brush Fire Truck.

Our City leadership has been proactive in financing major upgrades to infrastructure that provide quality water and sewer resources and improved transportation throughout the City. In May, 2019 the City Council awarded bids totaling $12,605,010 for USDA water and sewer infrastructure projects with an additional $1,913,054 to refinance current GEFA debt for a total USDA loan of $14,518,064. The debt will be repaid over 40 years at a fixed rate of 2.25%. These funds were used to upgrade the Wastewater Treatment Plant, rehab the South Water Treatment Plant and provide upgrades to the Davisboro Road lift station and lines that feed this station. The sewer system supporting West Church Street, W. Haynes Street and Cook Street was replaced and the City extended water and sewer services to unserved areas inside and adjacent to the City, creating new revenue sources. These projects will be closed out in October, 2021.

In March, 2020 the voters of Sandersville, Washington County along with voters in the Central Savannah Regional Area approved the extension of a regional 1% transportation SPLOST in which 75% of the funding will be used for a pre-determined list of priority projects in the region while the remaining 25% will be provided to the local governments in the region as discretionary funds to be used on their individual transportation projects. The City established a Transportation Fund in the FY 2013 budget to account for the receipt and disbursement of these funds as well as LMIG (Local Maintenance and Improvement Grant) funds from the Georgia Department of Transportation. In FY 2020, LMIG and TSPLOST funds in the amount of $107,691 funded paving improvements to five City streets including Medical Arts Drive, North Avenue, West McCarty Street, Meadow Drive, and Evelyn Street, all of which will improve access and the quality of life for our citizens.

Contacting the City's Management

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City's Administrator at 141 West Hayes Street, Sandersville, Georgia, 31082 or call 478-552-2525.

City of Sandersville, Georgia
Statement of Net Position
December 31, 2020

	Primary Government			Downtown Development Authority Component Unit
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets				
Cash and cash equivalents (Note 3A)	$ 2,438,232	$ 10,695,661	$ 13,133,893	$ 24,951
Cash in Georgia Fund I	-	8,692,646	8,692,646	-
Investments	-	6,188	6,188	-
Receivables:				
Accounts	179,593	1,662,663	1,842,256	2,060
Taxes	6,464	-	6,464	-
Intergovernmental	190,260	-	190,260	-
Internal balances	14,040	797	14,837	-
Inventories	59,890	545,126	605,016	-
Prepaid expenses	-	-	-	-
Total Current Assets	2,888,479	21,603,081	24,491,560	27,011
Noncurrent Assets				
Capital assets (Note 3D)				
Nondepreciable	960,416	222,257	1,182,673	-
Construction in progress	412,597	7,700,817	8,113,414	-
Depreciable, net	8,777,541	13,132,230	21,909,771	-
Total Noncurrent Assets	10,150,554	21,055,304	31,205,858	-
Deferred outflows of resources				
Deferred outflows related to pensions	1,110,812	-	1,110,812	-
Total Assets	14,149,845	42,658,385	56,808,230	27,011
Liabilities				
Current Liabilities				
Accounts payable	8,675	64,890	73,565	-
Sales taxes payable	62,435	32,172	94,607	-
Customer deposits	-	486,873	486,873	-
Interfund payable	14,837	-	14,837	-
Unearned revenue	-	-	-	-
Notes payable, current portion	30,285	344,443	374,728	-
Total Current Liabilities	116,232	928,378	1,044,610	-
Long-term Liabilities: (net of current portion) (Note 3F)				
Notes payable	157,154	12,188,760	12,345,914	-
Net pension liability	2,756,867	-	2,756,867	-
Total Liabilities	3,030,253	13,117,138	16,147,391	-
Deferred inflows of resources:				
Deferred inflows related to pensions	78,516	-	78,516	-
Total Liabilities and deferred inflows of resources	3,108,769	13,117,138	16,225,907	-
Net Position				
Net investment in capital assets (Note 3H)	9,963,115	8,522,101	18,485,216	-
Restricted for housing and development	342,230	-	342,230	-
Restricted for capital outlay	546,370	-	546,370	-
Restricted for public safety	9,784	-	9,784	-
Restricted for transportation	434,169	-	434,169	-
Unrestricted	(254,592)	21,019,146	20,764,554	27,011
Total Position	$ 11,041,076	$ 29,541,247	$ 40,582,323	$ 27,011

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Statement of Activities
For the Year Ended December 31, 2020

Function/Program	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants	Program Revenues: Capital Grants	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit
Primary Government								
Governmental Activities								
General government	$ 1,114,909	$ 174,784	$ 300,687	$ 31,460	$ (607,978)	$ -	$ (607,978)	$ -
Judicial	146,775	-	-	-	(146,775)	-	(146,775)	-
Public safety	2,901,063	83,448	253,060	-	(2,564,555)	-	(2,564,555)	-
Public works	1,567,824	-	259,372	454,990	(853,462)	-	(853,462)	-
Health and welfare	53,579	-	-	-	(53,579)	-	(53,579)	-
Culture and recreation	56,231	12,900	-	-	(43,331)	-	(43,331)	-
Housing and development	609,560	146,160	324,484	-	(138,916)	-	(138,916)	-
Interest	1,378	-	-	-	(1,378)	-	(1,378)	-
Total Governmental Activities	6,451,319	417,292	1,137,603	486,450	(4,409,974)	-	(4,409,974)	-
Business-type Activities:								
Water and sewerage	2,729,349	2,901,978	-	-	-	172,629	172,629	-
Electrical	10,183,705	13,231,263	-	-	-	3,047,558	3,047,558	-
Telecom	199,426	109,622	-	-	-	(89,804)	(89,804)	-
Solid waste	969,422	928,842	-	-	-	(40,580)	(40,580)	-
Total Business-type Activities:	14,081,902	17,171,705	-	-	-	3,089,803	3,089,803	-
Total - Primary Government	$ 20,533,221	$ 17,588,997	$ 1,137,603	$ 486,450	$ (4,409,974)	3,089,803	(1,320,171)	-
Component Unit								
Downtown Development Authority	$ 12,588	$ -	$ 13,751	$ -	$ -	-	-	1,163
		General Revenues						
		Property taxes levied for general government purposes			1,390,711	-	1,390,711	-
		Sales tax			992,737	-	992,737	-
		Insurance premium tax			475,685	-	475,685	-
		Franchise tax			1,102,962	-	1,102,962	-
		Alcohol tax			141,130	-	141,130	-
		Other taxes			259,130		259,130	-
		Gain on disposition of capital assets			-	-	-	-
		Investment earnings (loss)			-	47,562	47,562	27
		Miscellaneous			48,907	36	48,943	-
		Total General Revenues			4,411,262	47,598	4,458,860	27
		Transfers			470,079	(470,079)	-	-
		Total General Revenues and Transfers			4,881,341	(422,481)	4,458,860	27
		Change in Net Position			471,367	2,667,322	3,138,689	1,190
		Net Position Beginning of Year			10,569,709	26,873,925	37,443,634	25,821
		Net Position End of Year			$ 11,041,076	$ 29,541,247	$ 40,582,323	$ 27,011

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Balance Sheet
Governmental Funds
December 31, 2020

	General	TSPLOST Fund	2013 SPLOST	2019 SPLOST	CDBG 2017	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 1,193,100	$ 417,820	$ 471,553	$ -	$ 318	$ 355,441	$ 2,438,232
Receivables:							
Accounts	179,593	-	-	-	-	-	179,593
Taxes	1,412	-	-	-	-	5,052	6,464
Intergovernmental	85,392	16,349	-	74,817	13,438	264	190,260
Interfund	14,040	-	-	-	-	-	14,040
Inventories	59,890	-	-	-	-	-	59,890
Prepaid expenses	-	-	-	-	-	-	-
Total Assets	$ 1,533,427	$ 434,169	$ 471,553	$ 74,817	$ 13,756	$ 360,757	$ 2,888,479
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 8,675	$ 8,675
Accrued expenditures	62,435	-	-	-	-	-	62,435
Interfund payable	797	-	-	-	13,972	68	14,837
Unearned revenue	-	-	-	-	-	-	-
Total Liabilities	63,232	-	-	-	13,972	8,743	85,947
Deferred Inflows of Resources							
- Property Taxes	1,412	-	-	-	-	-	1,412
Total Liabilities and Deferred Inflows of Resources	64,644	-	-	-	13,972	8,743	87,359
Fund Balances							
Nonspendable							
Inventory	59,890	-	-	-	-	-	59,890
Prepaid expenses	-	-	-	-	-	-	-
Restricted	-	434,169	471,553	74,817	-	352,014	1,332,553
Unassigned	1,408,893	-	-	-	(216)	-	1,408,677
Total Fund Balances	1,468,783	434,169	471,553	74,817	(216)	352,014	2,801,120
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 1,533,427	$ 434,169	$ 471,553	$ 74,817	$ 13,756	$ 360,757	$ 2,888,479

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2020

Total Governmental Fund Balances		$ 2,801,120
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		
Cost of capital assets	$ 17,251,702	
Less accumulated depreciation	(7,101,148)	10,150,554
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Accounts receivable, net of allowance for doubtful accounts of $0		1,412
Net pension liability		(2,756,867)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore are not reported in the funds		1,032,296
Long-term notes payable are not due and payable in the current period and therefore are not reported in the funds:		
Capital lease		(187,439)
Net Position of Governmental Activities		$ 11,041,076

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020

	General	TSPLOST Fund	2013 SPLOST	2019 SPLOST	CDBG 2017	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	$ 4,363,465	$ 167,663	$ -	$ -	$ -	$ 66,084	$ 4,597,212
Licenses and permits	174,784	-	-	-	-	-	174,784
Intergovernmental	696,587	79,246	380,173	74,817	31,460	258,400	1,520,683
Charges for services	20,592	-	-	-	-	7,937	28,529
Fines and forfeitures	71,566	-	-	-	-	-	71,566
Investment earnings	-	-	-	-	-	-	-
Miscellaneous	53,338	-	-	-	-	319	53,657
Total Revenues	5,380,332	246,909	380,173	74,817	31,460	332,740	6,446,431
Expenditures							
Current:							
General government	880,195	-	-	-	-	-	880,195
Judicial	146,775	-	-	-	-	-	146,775
Public safety	2,656,778	-	-	-	-	772	2,657,550
Public works	1,419,431	107,691	-	-	-	-	1,527,122
Health and welfare	35,150	-	-	-	17,458	-	52,608
Culture and recreation	53,007	-	-	-	-	-	53,007
Housing and development	310,269	-	-	-	-	299,291	609,560
Capital Outlay	-	-	295,409	-	-	-	295,409
Debt Service:							
Principal	7,511	-	-	-	-	-	7,511
Interest	1,378	-	-	-	-	-	1,378
Total Expenditures	5,510,494	107,691	295,409	-	17,458	300,063	6,231,115
Excess (Deficiency) of Revenues Over (Under) Expenditures	(130,162)	139,218	84,764	74,817	14,002	32,677	215,316
Other Financing Sources (Uses)							
Proceeds from the disposition of capital assets	7,286	-	-	-	-	-	7,286
Proceeds from capital lease	194,950	-	-	-	-	-	194,950
Transfers in	496,961	-	-	-	-	14,033	510,994
Transfers (out)	(14,033)	-	-	-	-	-	(14,033)
Total Other Financing Sources (Uses)	685,164	-	-	-	-	14,033	699,197
Net Change in Fund Balances	555,002	139,218	84,764	74,817	14,002	46,710	914,513
Fund Balances Beginning of Year	913,781	294,951	386,789	-	(14,218)	305,304	1,886,607
Fund Balances End of Year	$ 1,468,783	$ 434,169	$ 471,553	$ 74,817	$ (216)	$ 352,014	$ 2,801,120

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
For the Year Ended December 31, 2020

Net Changes In Fund Balances - Total Governmental Funds		$ 914,513
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded the capitalized capital outlay in the current period.		
Depreciation expense	$ (541,377)	
Capital outlay	545,891	4,514
The book value of capital assets sold are reported on the government-wide statement of activities but not reported in the governmental fund's operating statement less book value of traded-in asset capitalized.		-
Capital assets received as contributions on the government-wide statement of activities but not reported on the governmental fund type operating statement.		-
Cost of benefits earned net of employee contribution		(259,111)
Property tax revenues in the government-wide statement of activities do not provide current financial resources are not reported as revenues in the governmental fund operating statement.		
Liability @ 12/31/19	$ (2,522)	
Liability @ 12/31/20	1,412	(1,110)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position:		
Issuance of long-term debt	(194,950)	
Repayment of long-term debt	7,511	(187,439)
Change In Net Position of Governmental Activities		$ 471,367

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Statement of Net Position
Proprietary Funds
December 31, 2020

	Business-type Activities - Enterprise Funds				
	Water & Sewerage System	Electrical	Telecom	Solid Waste	Total
Assets					
Current Assets					
Cash and cash equivalents	$ 2,363,359	$ 7,659,997	$ 583,557	$ 88,748	$ 10,695,661
Cash in Georgia Fund I	725,634	7,967,012	-	-	8,692,646
Investments	-	6,188	-	-	6,188
Receivables					
Accounts	279,808	1,288,021	11,803	83,031	1,662,663
Interfund	119,977	154,422	797	-	275,196
Prepaid expenses	-	-	-	-	-
Inventory	66,041	469,264	9,821	-	545,126
Total Current Assets	3,554,819	17,544,904	605,978	171,779	21,877,480
Noncurrent Assets					
Capital assets					
Nondepreciable	168,636	53,621	-	-	222,257
Depreciable, net	11,293,823	1,597,829	154,901	85,677	13,132,230
Construction in progress	7,385,657	299,827	15,333	-	7,700,817
Total Noncurrent Assets	18,848,116	1,951,277	170,234	85,677	21,055,304
Total Assets	22,402,935	19,496,181	776,212	257,456	42,932,784
Liabilities					
Current Liabilities					
Accounts payable	9,328	53,678	-	1,884	64,890
Accrued expenses payable	-	-	-	-	-
Current portion of notes payable	344,443	-	-	-	344,443
Sales tax payable	-	32,172	-	-	32,172
Customer deposits	8,346	478,477	50	-	486,873
Interfund payable	-	119,977	-	5,549	125,526
Total Current Liabilities	362,117	684,304	50	7,433	1,053,904
Long-Term Liabilities (net of current portion)					
Due to electrical fund	-	-	148,873	-	148,873
Notes payable	12,188,760	-	-	-	12,188,760
Total Liabilities	12,550,877	684,304	148,923	7,433	13,391,537
Net Position					
Net investment in capital assets	6,314,913	1,951,277	170,234	85,677	8,522,101
Restricted	-	-	-	-	-
Unrestricted	3,537,145	16,860,600	457,055	164,346	21,019,146
Total Net Position	$ 9,852,058	$ 18,811,877	$ 627,289	$ 250,023	$ 29,541,247

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2020

	Business-type Activities - Enterprise Funds				
	Water & Sewerage System	Electrical	Telecom	Solid Waste	Total
Operating Revenues					
Charges for services	$ 2,862,048	$ 13,213,168	$ 109,622	$ 928,842	$ 17,113,680
Miscellaneous	39,930	18,095	-	-	58,025
Total Operating Revenues	2,901,978	13,231,263	109,622	928,842	17,171,705
Operating Expenses					
Personal services - salaries	516,317	470,764	-	85,233	1,072,314
Personal services - benefits	201,280	148,683	-	34,852	384,815
Electricity purchased	-	7,975,573	-	-	7,975,573
Franchise fees	-	519,775	6,144	-	525,919
Purchased services	1,063,713	718,693	150,973	812,012	2,745,391
Materials and supplies	152,508	170,270	5,203	11,757	339,738
Miscellaneous	35,239	36,111	4,666	8,597	84,613
Depreciation	613,163	143,836	32,440	16,971	806,410
Total Operating Expenses	2,582,220	10,183,705	199,426	969,422	13,934,773
Operating Income (Loss)	319,758	3,047,558	(89,804)	(40,580)	3,236,932
Non-Operating Revenues (Expenses)					
Interest expense	(129,499)	-	-	-	(129,499)
Change in fair market value of investments	-	36	-	-	36
GEFA loan fees	(17,630)	-	-	-	(17,630)
Intergovernmental grants	-	-	-	-	-
Interest and dividend income	3,970	43,592	-	-	47,562
Total Non-Operating Revenues (Expenses)	(143,159)	43,628	-	-	(99,531)
Income (Loss) Before Contributions and Transfers In (Out)	176,599	3,091,186	(89,804)	(40,580)	3,137,401
Contributions	-	-	26,882	-	26,882
Transfers In	-	-	-	-	-
Transfers Out	(156,320)	(295,779)	(3,372)	(41,490)	(496,961)
Change in Net Position	20,279	2,795,407	(66,294)	(82,070)	2,667,322
Net Position Beginning of Year	9,831,779	16,016,470	693,583	332,093	26,873,925
Net Position End of Year	$ 9,852,058	$ 18,811,877	$ 627,289	$ 250,023	$ 29,541,247

See accompanying notes to the basic financial statements

City of Sandersville, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

	Business-type Activities - Enterprise Funds				
	Water & Sewerage System	Electrical	Telecom	Solid Waste	Total
Cash Flows from Operating Activities					
Cash received from customers	$ 2,879,038	$ 13,059,284	$ 123,980	$ 934,643	$ 16,996,945
Cash payments for personal services	(717,597)	(619,447)	-	(120,084)	(1,457,128)
Cash payments for goods and services	(1,242,138)	(9,247,961)	(166,985)	(830,539)	(11,487,623)
Other cash receipts (payments)	-	-	-	-	-
Net Cash Provided by (Used in) Operating Activities	919,303	3,191,876	(43,005)	(15,980)	4,052,194
Cash Flows from Noncapital Financing Activities					
Operating grants received	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(156,320)	(295,779)	(3,372)	(41,490)	(496,961)
Net Cash Provided by (Used in) Noncapital Financing Activities	(156,320)	(295,779)	(3,372)	(41,490)	(496,961)
Cash Flows from Capital and Related Financing Activities					
Capital grants	-	-	-	-	-
Principal paid on notes and leases	(332,611)	-	-	-	(332,611)
Interest paid on notes and leases	(129,499)	-	-	-	(129,499)
GEFA loan fees paid	(17,630)	-	-	-	(17,630)
Proceeds from notes payable	8,444,426	-	-	-	8,444,426
Payments for capital acquisitions	(8,734,488)	(505,700)	-	-	(9,240,188)
Net Cash (Used in) Capital and Related Financing Activities	(769,802)	(505,700)	-	-	(1,275,502)
Cash Flows from Investing Activities					
Net purchase of investments	-	-	-	-	-
Interest and dividend income	3,970	43,592			47,562
Investment earnings	-	-	-	-	-
Net Cash Provided by (Used in) Investing Activities	3,970	43,592	-	-	47,562
Net Increase (Decrease) in Cash and Cash Equivalents	(2,849)	2,433,989	(46,377)	(57,470)	2,327,293
Cash and Cash Equivalents Beginning of Year	3,091,842	13,193,020	629,934	146,218	17,061,014
Cash and Cash Equivalents End of Year	$ 3,088,993	$ 15,627,009	$ 583,557	$ 88,748	$ 19,388,307
Cash and Cash Equivalents	$ 2,363,359	$ 7,659,997	$ 583,557	$ 88,748	$ 10,695,661
Cash in Georgia Fund I	725,634	7,967,012	-	-	8,692,646
Total	$ 3,088,993	$ 15,627,009	$ 583,557	$ 88,748	$ 19,388,307

City of Sandersville, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

	Business-type Activities - Enterprise Funds				
	Water & Sewerage System	Electrical	Telecom	Solid Waste	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating Income (Loss)	$ 319,758	$ 3,047,558	$ (89,804)	$ (40,580)	$ 3,236,932
Adjustments					
Depreciation	613,163	143,836	32,440	16,971	806,410
Loss on sale of capital assets	-	-	-	-	-
(Increase) Decrease in Assets					
Accounts receivable	(22,940)	(171,979)	14,359	5,801	(174,759)
Inventory	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
Interfund receivable	-	-	-	-	-
Increase (Decrease) in Liabilities					
Accounts payable	9,328	468	-	1,828	11,624
Accrued expenses	-	-	-	-	-
Sales tax payable	-	5,494	-	-	5,494
Interfund payable	-	-	-	-	-
Customer deposits payable	(9)	166,499	-	-	166,490
Net Cash Provided by (Used in) Operating Activities	$ 919,300	$ 3,191,876	$ (43,005)	$ (15,980)	$ 4,052,191

See accompanying notes to the basic financial statements

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The City of Sandersville, Georgia (the "City") was incorporated in 1890. The City operates under a council-mayor form of government and provides the following services: public safety, highways and streets, culture and recreation, public improvements, sanitation, and general and administrative services. In addition, the City operates a public utility (water and wastewater, electric, solid waste and telecom).

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.

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, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City.

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. 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.

The following separate entity is the discretely presented component unit of the City.

The City of Sandersville Downtown Development Authority (Development Authority) – The Development Authority is a public body, corporate and politic, and was created upon the adoption and approval of the Development Authorities Law of the State of Georgia. More specifically, the Development Authority was created by a resolution of the City Council of Sandersville on April 12, 2001, to promote the development of the downtown area of the City. The Mayor and City Council appoint all members of the Development Authority and one member of the City Council also serves as a member. A separately issued financial report is available for the Development Authority and is available at 141 West Haynes Street, Sandersville, Georgia, 31082.

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.

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and the City's general revenues, from business-type activities, generally financed in whole or in part with charges to external customers.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 connected with 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 finance 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.*

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 and proprietary funds.

The nine major individual funds, the general fund, the 2013 SPLOST fund, the 2019 SPLOST fund, the 2017 CDBG fund, the TSPLOST fund, the water and sewer system fund, the electric fund, the telecom fund and the solid waste fund are reported in separate columns.

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

> ***Governmental Funds*** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they 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:
>
> > ***The General Fund*** – The general fund should be used to account for and report all financial resources not accounted for and reported in another fund. 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 State of Georgia.
> >
> > ***2013 SPLOST Fund*** - This fund accounts for the cost of certain capital improvement projects in the City that are financed with the 2013 Special Purpose Local Option Sales Tax (SPLOST) revenues (i.e., the City's share) including the purchase of public safety vehicles and equipment, improvements to the fire station, tools and equipment for public works, reflective signage in the street department and funding the downtown master plan.
> >
> > ***2019 SPLOST Fund*** - This fund accounts for the cost of certain capital improvement projects in the City that are financed with the 2019 Special Purpose Local Option Sales Tax (SPLOST) revenues (i.e., the City's share) including the purchase of public safety vehicles and equipment, improvements to the fire station, tools and equipment for public works, reflective signage in the street department and funding the downtown master plan.

Note 1 - Summary of Significant Accounting Policies (Continued)

2017 CDBG Fund - This fund accounts for the receipt of a $750,000 Community Development Bloc Grant used to renovate the Boys and Girls Club of Washington County facilities. All grant funds were expended as of December 31, 2020.

TSPLOST Fund - This fund accounts for the receipt and disbursement of Transportation Investment Act funds generated from a regional 1% sales tax to fund transportation on projects by priority and for the receipt and disbursement of LMIG, Local Maintenance and Improvement Grant, funds from the Georgia Department of Transportation.

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

The Water and Sewerage System Fund –This fund is used for the operation of the City's water and sewerage system which renders services to the residents and businesses located within the City.

The Electrical Fund –This fund is used for the operation of the City's electrical system which renders services to the residents and businesses located within the City.

The Telecom Fund –This fund is used for the operation of the City's non-voice telecommunications including internet access for the residents and businesses located within the City.

The Solid Waste Fund –This fund is used for the operation of the City's solid waste collection and disposal services for the residents and businesses located within the City.

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.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. 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 a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, the proprietary fund type is 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 assets. 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, the governmental funds use the modified accrual basis of accounting. The 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

Note 1 - Summary of Significant Accounting Policies (Continued)

recognition of revenue, the recording of deferred inflows of resources, 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 sixty days of year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the City receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 3C) Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within sixty days) before it can be recognized.

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

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.

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.

Investments are stated at fair value based on quoted market prices.

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 United States Government or Government agency
- Obligations of any corporation of the United States 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

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectible, where applicable. Unbilled utility charges are accrued as receivables and revenue at December 31, 2020.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-3 Interfund Balances

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

1-E-4. Consumable Inventories

On the government-wide financial statements and in the enterprise fund financial, 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 while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed.

1-E-5 Prepaid Items

For prepaid expenditures in the government-wide and fund financial statements, the County reports the expenditures during the benefiting period.

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 of net position but does not report these assets in the government fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activities column of the government-wide statement of net position and in the enterprise fund's 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 fifteen hundred dollars within an estimated life of two years or more. The City began capitalizing its infrastructure in December 2002. The City capitalizes our infrastructure retroactively to 1980. Improvements 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 an asset's life are expensed. Interest incurred during the construction of capital assets utilized by enterprise funds is capitalized. The total interest expense incurred by the City during the current fiscal year was $130,877. Of this amount, none was included as part of the cost of capital assets under construction in connection with public building construction projects.

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.

Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Estimated Lives
Buildings and improvements	30-40 Years
Infrastructure	40-50 Years
Land improvements	8-20 Years
Machinery and equipment	5-25 Years

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the these funds Capital leases are recognized as a liability in the governmental fund financial statements when due.

1-E-8 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 approval of a motion. Only, the City 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. By motion, the City Council has authorized the City Administrator 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. Currently, the City only reports unassigned fund balance.

Net Position Flow Assumptions – In order to report net position as a restricted – net position and an unrestricted – net position in the government-wide and proprietary fund financial statements, the City has established a flow assumption policy. It is the City's policy to use restricted – net position first before using unrestricted – net position.

Fund Balance Flow Assumptions – It is the City's policy to consider restricted fund balance to have been used before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, it is the City's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net position - Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net asset amount also is adjusted by

Note 1 - Summary of Significant Accounting Policies (Continued)

any bond issuance deferral amounts. Net position is reported as restricted when there are limitations imposed on the 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. All other net position is reported as unrestricted.

1-E-9 Bond Premiums, Discounts, Issuance Costs and Bond Refunding Gains and Losses

On the government-wide statement of net position and the proprietary fund type statement of net position, debt premiums and discounts are netted against the debt payable. On the government-wide and proprietary fund type statement of activities, debt premiums and discounts, are deferred and amortized over the life of the using the effective interest method.

Debt refunding gains and losses are reported as deferred inflows or outflows of resources on the statements of net position. These gains and losses are deferred and amortized over the shorter of the life of the refunding debt (new debt) and the refunded debt (the old debt).

1-E-10 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services. Operating expenses are necessary costs incurred to provide the water and sewerage services. All other revenues and expenses are classified as non-operating and include interest expense, operating grants, gains and the losses on the disposition of capital assets and earnings or losses on investments.

1-E-11 Contributions of Capital

Contributions of capital reported in proprietary fund financial statements and the government-wide financial statements arise from outside contributions of capital assets (e.g. developers), and 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 for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and the after non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

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

1-E-13 Estimates

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

1-E-14 Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

Note 2 – Stewardship, Compliance, and Accountability

2-A Budgetary Information – The City adopts an annual operating budget for the general fund, each special revenue and all enterprise funds. The City also adopts a project length budget for all capital projects funds.

All budgets are adopted on a basis consistent with GAAP, except the SPLOST capital projects fund, which is adopted on a project length basis, rather than an annual basis.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. The City Administrator may transfer appropriations between line items within a department. Any change in total to a fund or departmental appropriation within a fund requires approval of the Mayor and City Council, as a budget amendment. During 2019 the City's budget was amended twice.

All unexpended annual appropriations lapse at year-end.

2-B Excess of Expenditures over Appropriations

No City department had expenditures in excess of departmental appropriations in FY 2020 except the Public Works Street Department where the total budget was overspent by $192,698 resulting from the $247,739 purchase of streetsweeper financed through the Georgia Municipal Association lease pool.

These overexpenditures were funded by greater than anticipated revenues and by available fund balance. The Mayor and Council plan in the future to more closely monitor expenditures to determine if budget amendments need to be made or if cost cutting measures need to be formulated.

Note 3 - Detailed Notes on All Funds

3-A Deposits

Custodial Credit Risk – Deposits – The custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits may not be recovered.

The City's bank balances of deposits as of December 31, 2020, are entirely insured or collateralized with securities held by the City's agent in the City's name.

State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

Investments – The fair value of investments of the City is as follows at December 31, 2020:

Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAAm rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on a $1.00 per share value. The fair value of the City's position in the pool is the same as the value of pool shares ($1 per share value). The regulatory oversight agency for Georgia Fund 1 is the Georgia Office of the State Treasurer.

Note 3 - Detailed Notes on All Funds (Continued)

Funds included in this Pool are not required to be collateralized.

The fair value of the City's position in the pool approximates the value of the City's pool shares. Credit risk, value, and interest risk at December 31, 2020 are as follows:

Credit Risk	Value	Interest Risk
AAAf rated	$ 8,692,646	43 day WAM

The City classifies its investments in Georgia Fund I as cash and cash equivalents.

3-B Receivables

Receivables at December 31, 2020, consisted of taxes, fines, 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. At December 31, 2020, allowances for uncollectables were reported as follows:

General fund (fines)	$341,426
Water and sewerage fund (charges for services)	102,601
Electrical fund (charges for services)	653,808
Solid Waste (charges for services)	47,447
Telecom (charges for services)	261,406

3-C. Property Taxes

The City Council levied property taxes on December 21, 2020. Property taxes attach as an enforceable lien on property as of May 21, 2021. Property taxes were billed on January 6, 2021 and were payable on March 31, 2021.

The City is subject to tax abatements granted by the Development Authority of Washington County for the purpose of economic development and revitalization of employment in the area,

For the year ended December 31, 2020, the City had the following property tax abatement:

Trojan Battery has a 100% property tax abatement on the first $10,000,000 of personal property. The abatement began in 2013 and expires in 2020. The total property tax reduction for the City of Sandersville totaled $26,808 for FY 2020.

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets

Capital asset activity for governmental activities for the year ended December 31, 2020, was as follows:

	Beginning Balance 1/1/2020	Additions	Deductions	Ending Balance 12/31/2020
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 960,416	$ -	$ -	$ 960,416
Construction in progress	196,625	215,972	-	412,597
Total capital assets not being depreciated	1,157,041	215,972	-	1,373,013
Other capital assets:				
Buildings	5,152,078	-	-	5,152,078
Equipment	5,225,447	356,801	(51,484)	5,530,764
Software	257,398	-	-	257,398
Infrastructure	4,938,449	-	-	4,938,449
Total other capital assets	15,573,372	356,801	(51,484)	15,878,689
Total capital assets	16,730,413	572,773	(51,484)	17,251,702
Accumulated depreciation:				
Buildings	1,921,987	149,612	-	2,071,599
Equipment	3,651,343	225,706	(24,602)	3,852,447
Software	200,596	16,409	-	217,005
Infrastructure	810,447	149,650	-	960,097
Total accumulated depreciation	6,584,373	541,377	(24,602)	7,101,148
Governmental activities capital assets, net	$ 10,146,040	$ 31,396	$ (26,882)	$ 10,150,554

Governmental activities depreciation expense:

General government	$ 148,344
Public safety	180,317
Public works	202,071
Culture and recreation	10,645
Housing and development	-
Total governmental activities depreciation expense	$ 541,377

Note 3 - Detailed Notes on All Funds (Continued)

Capital asset activity for business-type activities for the year ended December 31, 2020, was as follows:

	Beginning Balance 1/1/2020	Additions	Deductions	Ending Balance 12/31/2020
Business type acrtivities:				
Nondepreciable capital assets				
Land	$ 222,257	$ -	$ -	$ 222,257
Construction in progress	2,029,947	8,775,322	(3,104,452)	7,700,817
Total nondepreciable capital assets	2,252,204	8,775,322	(3,104,452)	7,923,074
Other capital assets:				
Buildings	472,360	-	-	472,360
Machinery and equipment	5,372,457	395,672	-	5,768,129
Infrastructure	25,212,822	3,200,528	-	28,413,350
Total other capital assets	31,057,639	3,596,200	-	34,653,839
Total capital assets	33,309,843	12,371,522	(3,104,452)	42,576,913
Accumulated depreciation:				
Buildings	345,687	6,078	-	351,765
Machinery and equipment	2,802,558	243,709	-	3,046,267
Infrastructure	17,566,954	556,623	-	18,123,577
Total accumulated depreciation	20,715,199	806,410	-	21,521,609
Business-type activities capital assets, net	$ 12,594,644	$ 11,565,112	$ (3,104,452)	$ 21,055,304

3-E Interfund Balances

Interfund Receivables/Payables – The following are interfund balances between funds:

	Payable from:							
Receivable to:	General	TSPLOST Fund	CDBG 2017	Telecom	Electrical	Solid Waste	Other Governmental	Total
General	$ -	$ -	$ 13,972	$ -	$ -	$ -	$ 68	$ 14,040
2013 SPLOST	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	119,977	-	-	119,977
Electrical	-	-	-	148,873	-	5,549		154,422
Telcommunications	797	-	-	-	-	-	-	797
Total	$ 797	$ -	$ 13,972	$ 148,873	$ 119,977	$ 5,549	$ 68	$ 289,236

Interfund balances at December 31, 2020, consisted of interfund loans between funds for cash flow purposes and for other budgeted purposes.

Note 3 - Detailed Notes on All Funds (Continued)

Interfund Transfers – Interfund transfers for the year ended December 31, 2020, consisted of the following::

	Transfers from:						
Transfers to:	General	Nonmajor Governmental	Water & Sewer	Electrical	Telecom	Solid Waste	Total
General	$ -	$ -	$ 156,320	$ 295,779	$ 3,372	$ 41,490	$ 496,961
Nonmajor Governmental	14,033	-	-	-	-	-	14,033
Total	$ 14,033	$ -	$ 156,320	$ 295,779	$ 3,372	$ 41,490	$ 510,994

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations and to return money to the fund from which it was originally provided once a project is completed.

All City transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

3-F Long-term Debt

At December 31, 2020, the City has four loans outstanding with the Georgia Environmental Finance Authority (GEFA).

GEFA Loan — DW00023 – In October 2006, the City borrowed $758,724 at an interest rate of 3% for water distribution system upgrades. Quarterly principal and interest payments are $12,884 with a final maturity date of January 1, 2026.

Annual debt service requirements to amortize this loan as of December 31, 2020 follow:

Year	Principal	Interest	Total
2021	$ 44,510	$ 7,025	$ 51,535
2022	45,864	5,671	51,535
2023	47,259	4,276	51,535
2024	48,696	2,839	51,535
2025	50,177	1,358	51,535
2025 - 2026	12,958	103	13,061
	$ 249,464	$ 21,272	$ 270,736

GEFA Loan — 2002-L22WS - In February 2006, the City borrowed $2,650,913 at an interest rate of 4.35% for water distribution system upgrades. Monthly principal and interest payments are $17,436 with a final maturity date of July 1, 2024.

Annual debt service requirements to amortize this loan as of December 31, 2020 follow:

Note 3 - Detailed Notes on All Funds (Continued)

Year	Principal	Interest	Total
2021	$ 183,144	$ 26,089	$ 209,233
2022	191,264	17,969	209,233
2023	199,752	9,481	209,233
2024	109,152	1,467	110,619
	$ 683,312	$ 55,006	$ 738,318

GEFA Loan — 2010L06WJ – In November 2011, the City borrowed $1,195,000 at an interest rate of 3.81% for water distribution system upgrades. Monthly principal and interest payments are $7,122 with a final maturity date of November 1, 2031.

Annual debt service requirements to amortize this loan as of December 31, 2020 follow:

Year	Principal	Interest	Total
2021	$ 57,602	$ 27,867	$ 85,469
2022	59,835	25,634	85,469
2023	62,155	23,314	85,469
2024	64,565	20,904	85,469
2025	67,068	18,401	85,469
2026 - 2030	376,422	50,921	427,343
2031	69,993	1,230	71,223
	$ 757,640	$ 168,271	$ 925,911

GEFA Loan — CW15003 – In April 2017, the City borrowed $1,258,180 at an interest rate of 1.03% for sewer upgrades. Monthly principal and interest payments are $5,803 with a final maturity date of March 1, 2037.

Annual debt service requirements to amortize this loan as of December 31, 2020 follow:

Year	Principal	Interest	Total
2021	$ 59,187	$ 10,449	$ 69,636
2022	59,800	9,837	69,637
2023	60,419	9,218	69,637
2024	61,044	8,593	69,637
2025	61,676	7,961	69,637
2026 - 2030	318,086	30,098	348,184
2031 - 2035	334,890	13,295	348,185
2036 - 2037	86,470	595	87,065
	$ 1,041,572	$ 90,046	$ 1,131,618

Note 3 - Detailed Notes on All Funds (Continued)

Georgia Municipal Association – In October 2014, the City borrowed $117,650 at an interest rate of 3.40% for the lease purchase of a 2014 Brush Hawg G-2224C Grapple Loader for the Solid Waste Fund. Payments were made in the amount of $6,422 with the final payment made October 13, 2020.

In September 2020, the City borrowed $194,950 at an interest rate of 3.05% for the lease purchase of a 2020 Freightliner Tymco 600 Streetsweeper for the Public Works Street Department. Payments were made in the amount of $2,965 monthly with a final maturity date of August 26, 2026.

Annual debt service requirements to amortize this loan as of December 31, 2020 follow:

Year	Principal	Interest	Total
2021	$ 30,285	$ 5,297	$ 35,582
2022	31,220	4,362	35,582
2023	32,185	3,397	35,582
2024	33,181	2,401	35,582
2025	34,207	1,375	35,582
2026	26,361	338	26,699
	$ 187,439	$ 17,170	$ 204,609

GEFA Construction Loans – During 2019 the City secured $1,872,000 of construction financing with GEFA through three loans to upgrade the City's water and sewer system. The notes bear interest at rates between 0.62% and 1.41%. Interest is due monthly, and the entire principal balance will be paid by a USDA note at the completion of construction which is estimated to be in 2022. The balance due on these notes at December 31, 2020 was $9,801,213.

Changes in Long-term Debt - Changes in the City's long-term obligations consisted of the following for the year ended December 31, 2020:

	Outstanding 1/1/2020	Additions	Reductions	Outstanding 12/31/2020	Amounts Due in One Year	Long-term Portion
Business-Type Activities						
GEFA loan - DW00-023	$ 292,701	$ -	$ 43,237	$ 249,464	$ 44,510	$ 204,954
GEFA loan - 2002-L22WS	858,651	-	175,339	683,312	183,144	500,168
GEFA loan - 2010-L06WJ	813,092	-	55,452	757,640	57,602	700,038
GEFA loan - CW15003	1,100,156	-	58,582	1,041,574	58,187	983,387
GEFA Construction Loans						
GEFA loan - 9910003183	14,090	2,791,643	-	2,805,733	-	2,805,733
GEFA loan - 9910003183	508,546	3,486,934	-	3,995,480	-	3,995,480
GEFA loan - 9910003183	834,151	2,165,849	-	3,000,000	-	3,000,000
Total Business-Type Activities	$ 4,421,387	$8,444,426	$ 332,610	$ 12,533,203	$ 343,443	$ 12,189,760
Governmental-Type Activities						
GMA loan -	$ -	$ 194,950	$ 7,511	$ 187,439	$ 30,285	$ 157,154
Total Governmental-Type Activities	$ -	$ 194,950	$ 7,511	$ 187,439	$ 30,285	$ 157,154

The City's GEFA loans payable are being repaid from the City's Water and Sewer fund. The City's Georgia Municipal Association loan is being repaid in the City's general fund.

Note 3 - Detailed Notes on All Funds (Continued)

3-G Pension

Plan Description - The City contributes to the Georgia Municipal Employees Benefit System (GMEBS), a defined benefit plan, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for cities in the State of Georgia. GMEBS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The plan, adopted by a City Council Ordinance, established the benefit provisions and has the authority to amend these provisions through City ordinance. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information for the City. That report may be obtained by writing to:

Georgia Municipal Employees Benefit System
201 Pryor Street SW
Atlanta, Georgia 30303-3606
404/688-0472

All full-time City employees (i.e., 30 hours per week) with one year of service are eligible to participate in the plan with benefits vesting after 5 years of service. The plans provide either:

- Normal retirement benefit, whereas the employee retires at age 65 with five years of service
- Early retirement benefit, whereas the employee may retire at age 55 or older with ten years of service

Employees who retire at or after age sixty-five with five years of credited service or after age fifty-five with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 to 1.75 percent of their average monthly earnings as defined in the plan for each year of credit service. The system also provides death and disability benefits.

At July 1, 2020, the date of the most recent actuarial valuation, there were 191 participants consisting of the following:

Retired participants and beneficiaries	71
Vested former participants	32
Active employees	84
Active elected officials	4
Total membership	**191**

Funding Policy – The obligations to contribute for both the City and its employees are established by the City council through ordinance. The City is required to contribute 100% of the amounts necessary to fund the System using the actuarial basis specified by statute. The current contribution rate is 10.33% of annual covered payroll. City employees hired prior to March 1, 2017 are not required to contribute to GMEBS, however; employees hired or rehired after this date are required to contribute 2% of their earnings.

Contributions – The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standard law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets State minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan is to contribute an amount equal to or greater than the recommended contribution described below. For fiscal year 2020, the actuarially determined contribution rate was $10.33% of covered payroll.

For the year ended December 31, 2020, the City's recommended and actual contribution was $377,442 which was actuarially determined and is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The amount of employer contributions recognized in the actuarial report dated July 1, 2020 and included in the government-wide statement of activities amounted to $344,033.

Note 3 - Detailed Notes on All Funds (Continued)

Changes in the Net Pension Liability

	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (a) - (b)
Balances at March 31, 2019	$ 8,507,490	$ 6,794,840	$ 1,712,650
Changes for the year:			
Service Cost	128,692	-	128,692
Interest	630,779	-	630,779
Differences between expected and actual experience	251,511	-	251,511
Contributions - employer	-	344,033	(344,033)
Contributions - employee	-	13,302	(13,302)
Net investment income	-	(467,650)	467,650
Benefit payments, including refunds of employee contributions	(451,586)	(451,586)	-
Administrative expense	-	(27,607)	27,607
Other	(104,687)	-	(104,687)
Net changes	454,709	(589,508)	1,044,217
Balances at March 31, 2020	$ 8,962,199	$ 6,205,332	$ 2,756,867

Pension Expense for the Year Ended December 31, 2020

Service cost	$ 128,692
Interest on TPL	630,779
Employee contribution	(13,302)
Administrative expenses	27,607
Expected return on assets	(505,043)
Expensed portion of current year period differences between expected and actual experience in TPL	62,877
Expensed portion of current year period assumption changes	(26,171)
Current year plan changes	-
Expensed portion of current year period differences between projected and actual investments earnings	194,537
Current year recognition of deferred inflows and outflows established in prior years	103,168
Total expense	$ 603,144

Note 3 - Detailed Notes on All Funds (Continued)

Deferred Outflows/Inflows of Resources related to Pensions

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 299,100	$ -
Changes of assumptions	46,950	(78,516)
Net difference between projected and actual earnings on pension plan investments	764,762	-
	-	-
Total	$ 1,110,812	$ (78,516)

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

Year Ending December 31, 2020	
2021	$225,465
2022	329,318
2023	282,974
2024	194,539
	$1,032,296

Discount Rate

The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at the actuarially determined contribution 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 active and inactive employees. 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.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

1% Decrease 6.375	Discount Rate 7.375	1% Increase 8.375
$ 3,882,835	$ 2,756,867	$ 1,817,342

Note 3 - Detailed Notes on All Funds (Continued)

Actuarial Assumptions

Current Valuation Date	July 1, 2020
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percentage of Pay (Closed)
Remaining Amortization Period	Varies for the Bases with a Net Effect Amortization Period of Ten Years
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value
Actuarial Assumptions:	
Investment Rate of Return	7.375%
Projected Salary Increases	2.25%, plus age and service based merit increases
Cost of Living Adjustments	3.00%
Mortality Rates-	
Healthy	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward 2 years for males and 1 year for females
Disabled	RP-2000 Disabled Retiree Mortality Table - unisex rates
Plan Termination Bases	1994 Group Annuity Reserving Unisex Table

The long-term rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2020 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%	
Total	100%	

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Fund Equity

- ***Nonspendable*** – The following fund balances are nonspendable because they are not in spendable form:

General Fund:	
Inventories	$ 59,890

- ***Restricted*** – The following fund balances are legally restricted to specified purposes:

Hotel - Motel Tax	$ 342,230
Confiscated Assets	9,784
Total	$ 352,014
Major Capital Projects Funds:	
TSPLOST	$ 434,169
Capital Projects - 2013 SPLOST	$ 471,553
Capital Projects - 2019 SPLOST	74,817
Total	$ 980,539

- ***Unassigned*** – The following fund balances include the General Fund unassigned amount of $1,408,893 and the CDBG unassigned amount of ($216):

Governmental Funds:	
Unassigned	$ 1,408,677

Net Investment in Capital Assets

Net investment in capital assets on the government-wide statement of net position as of December 31, 2020 are as follows:

Net investment in capital assets:	Governmental Activities	Business Type Activities
Cost of capital assets	$ 17,251,702	$ 42,576,913
Less accumulated depreciation	7,101,148	21,521,609
Book value	10,150,554	21,055,304
Less capital related debt	187,439	12,533,203
Net investment in capital assets	$ 9,963,115	$ 8,522,101

Note 4 - Other Notes

4-A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency (GIRMA) for its property and liability insurance. The City manages its risk of potential loss from injuries to employees by participating in the Workers' Compensation Self-Insurance Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The Georgia Municipal Association (GMA) administers both risk pools. There have been no significant reductions in insurance coverage during the current year.

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

The funds are to defend and protect the members of the funds against any liability or loss as prescribed in the member governments' contracts and in accordance with the workers' compensation laws of Georgia. The Funds are to pay all costs assessed to its members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

Settled claims in the last three years have not exceeded coverage. The City also provides health insurance coverage for its employees through the Georgia Municipal Employees Benefit System (GMEBS).

4-B. Contingent Liabilities

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

The City was a defendant in several lawsuits at December 31, 2020. In the opinion of City management, the outcome of these contingencies will not have a material effect on the financial position of the City.

4-C. Joint Ventures

Under Georgia law, the City, in conjunction with other municipalities and counties in the middle Georgia area, is a member of the Central Savannah River Area Regional Development Center (RDC). Membership in the RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes representation from each county and municipality of the area, as well as representatives from the private sector and other governmental entities. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RDC. Separate financial statements for the RDC are available from:

Central Savannah River Area Regional Development Center
3626 Walton Way Extension # 3000
P.O. Box 2800
Augusta, GA 30914-2800

Note 4 - Other Notes (Continued)

4-D. Hotel/Motel Taxes

The City levies a 5% lodging tax. A summary of the transactions in the hotel/motel tax fund for the year ended December 31, 2020 follows:

Fund balance, December 31, 2019	$ 316,718
Add:	
Hotel/motel taxes and misc.	66,403
Less:	
Expenditures	40,891
Transfers to general fund	-
Fund balance, December 31, 2020	$ 342,230

Expenditures of $40,891 (61.6% of current year's receipts) were for promotion of tourism as required by OCGA 48-13-51. This complies with the expenditure requirements of OCGA 48-13-51.

4-E. Contract Commitment

The City has commitments for contracts with the following organization.

Municipal Electric Authority of Georgia – The City has contracted for a period not to exceed 50 years, to purchase all of its electric power from the Municipal Electric Authority of Georgia (MEAG). MEAG agrees to provide the generating capacity necessary for reliable and economical power for the City's needs.

MEAG has issued bonds for the purpose of building generation, transmission, and telecommunications facilities. Each participant, such as the City, is contingently liable for their pro rata share of the bonds as a power purchase cost until they are retired. The City's contingent contractual obligation varies by individual MEAG project and totals $36,402,819 at December 31, 2020. The contingent obligations are general obligations of the City to which the City's full faith, credit and taxing powers are pledged.

In 2007 the City purchased additional interest in MEAG's power sales contract from the City of College Park. Through an Inter-participant contract, in addition to premium payments to College Park in the amount of $41.7 million, the City purchased 15 MW of College Park's Project One Power Sales Contract. In fiscal year 2017, the City elected to discontinue paying the premium payments due in the amount of $1,025,583 for FY 2017, $1,027,291 for FY 2018, $439,381 for FY 2019 and $1,402,528 for FY 2020, leaving a remaining balance due of $40,347,676.

On April 12, 1999 the City adopted the provisions of a Municipal Competitive Trust agreement with MEAG. Under the agreement, MEAG established the Trust for the mutual benefit of MEAG and its wholesale customers (the participating Cities). The Trust was created to provide a means of accumulating funds to mitigate the expected differential between market rates for power and the associated costs of generating that power after the anticipated deregulation of the electric industry. The Trust provides for three types of accounts that are held by the trustee in the name of the City.

The flexible operating trust account includes funds that are available for withdrawal at the discretion of the City. This amount is included in investments and had a zero balance December 31, 2020. The two additional accounts created were the credit support operating trust account and the reserve funded debt trust account. The funds in the credit support operating trust account can only be used to offset rate increases exceeding certain criteria and for loans for capital improvements that will reduce future operating costs. There was a zero balance in this account as of December 31, 2020.

The funds in the reserve funded debt trust account can only be used for charges related to MEAG's bond obligations. There was a zero balance in this account at December 31, 2020. Due to the restrictions on the use of these two accounts, they are not presented on the comparative statement of net position.

Note 4 - Other Notes (Continued)

In accordance with the First Amendment of the Municipal Competitive Trust, MEAG Power withdrew funds from the credit support operation account and the reserve funded debt account on behalf of the Participants for the purpose of lowering the annual generation charges for the period of January 1, 2009 through December 31, 2020. The annual amount for the City for 2020 was zero.

In accordance with the Second Amendment of the Municipal Competitive Trust, effective August 10, 2009, MEAG Power amended the restrictions and broadened the circumstances under which a Participant may withdraw funds from the New Generation Trust, which was established earlier in 2009 to provide for the future funding of the construction of new power generation facilities, including, but not limited to the Plant Vogtle expansion project. The voluntary funding of the New Generation Trust by Participants will improve the overall credit rating of MEAG Power in the municipal bond market, both now and in the future. The Generation Trust Account balance at December 31, 20120 was $6,188.

Note 5 – Subsequent Events

The City performed an evaluation of subsequent events through September 30, 2021, the date upon which the City's financial statements were available for issue. The City has not evaluated subsequent events after this date. No substantial events were identified that would have required a change to the financial statements or note disclosures in the notes to the financial statements.

City of Sandersville, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	$ 4,221,459	$ 4,221,459	$ 4,363,465	$ 142,006
Licenses and permits	153,277	153,277	174,784	21,507
Intergovernmental	357,015	639,640	696,587	56,947
Charges for services	15,080	15,080	20,592	5,512
Fines and forfeitures	116,000	116,000	71,566	(44,434)
Miscellaneous	3,675	13,375	53,338	39,963
Total Revenues	4,866,506	5,158,831	5,380,332	221,501
Expenditures				
Current:				
General government	909,076	948,090	880,195	67,895
Municipal Court	114,174	159,174	146,775	12,399
Public safety	2,734,685	2,807,395	2,656,778	150,617
Public works	1,180,160	1,242,371	1,419,431	(177,060)
Health and welfare	35,150	35,150	35,150	-
Culture and recreation	69,897	69,897	53,007	16,890
Housing and development	311,533	313,266	310,269	2,997
Debt Service:				
Principal			7,511	(7,511)
Interest and fiscal charges	-	-	1,378	(1,378)
Total Expenditures	5,354,675	5,575,343	5,510,494	64,849
Excess (Deficiency) of Revenues Over (Under) Expenditures	(488,169)	(416,512)	(130,162)	286,350
Other Financing Sources (Uses)				
Proceeds from the disposition of capital assets	1,000	1,000	7,286	6,286
Proceeds from capital lease	-	-	194,950	194,950
Transfers in	496,961	496,961	496,961	-
Transfers out	-	-	(14,033)	(14,033)
Total Other Financing Sources (Uses)	497,961	497,961	685,164	187,203
Net Change in Fund Balances	$ 9,792	$ 81,449	555,002	$ 473,553
Fund Balances Beginning of Year			913,781	
Fund Balances End of Year			$ 1,468,783	

City of Sandersville, Georgia
Required Supplementary Information
Georgia Municipal Employees Benefit System
Schedule of Changes in the Net Pension Liability and Related Ratios
For the Years Ended December 31,

	2020	2019	2018	2017	2016	2015
Total Pension Liability:						
Service cost	$ 128,571	$ 128,571	$ 144,127	$ 136,371	$ 127,807	$ 119,816
Interest	630,779	602,417	562,396	561,884	532,346	496,859
Difference between expected and actual experience	251,511	92,968	286,477	(253,042)	128,906	218,391
Changes of assumptions	-	-	117,377	-	-	(15,167)
Changes of benefit terms	(104,687)	21,242	-	-	-	-
Benefit payments, including refunds of employee contributions	(451,586)	(482,737)	(444,154)	(433,043)	(382,805)	(341,205)
Net change in total pension liability	454,588	362,461	666,223	12,170	406,254	478,694
Total pension liability, beginning	8,507,490	8,145,029	7,478,806	7,466,636	7,060,382	6,581,688
Total pension liability, ending (a)	8,962,078	8,507,490	8,145,029	7,478,806	7,466,636	7,060,382
Plan Fiduciary Net Position:						
Contributions - employer	344,033	331,563	296,590	319,700	306,982	334,711
Contributions - employee	13,302	7,636	2,861	-	-	-
Net investment income	(467,650)	239,144	756,662	692,234	17,302	500,215
Benefit payments	(451,586)	(482,737)	(444,154)	(433,043)	(382,805)	(341,205)
Administrative expense	(27,607)	(19,456)	(16,967)	(17,456)	(11,934)	(10,926)
Other	-	-	-	-	-	-
Net change in fiduciary net position	(589,508)	76,150	594,992	561,435	(70,455)	482,795
Plan fiduciary net position, beginning	6,794,840	6,718,690	6,123,698	5,562,263	5,632,718	5,149,923
Plan fiduciary net position, ending (b)	6,205,332	6,794,840	6,718,690	6,123,698	5,562,263	5,632,718
Net pension liability, ending (a) - (b)	$ 2,756,746	$ 1,712,650	$ 1,426,339	$ 1,355,108	$ 1,904,373	$ 1,427,664
Plan's fiduciary net position as a % of the total pension liability	69.24%	79.87%	82.49%	81.88%	74.49%	79.78%
Covered-employee payroll	$ 3,612,695	$ 3,288,568	$ 3,268,860	$ 3,333,519	$ 3,396,739	$ 3,239,785
Net pension liability as a % of covered-employee payroll	76.31%	52.08%	43.63%	40.65%	56.06%	44.07%

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

City of Sandersville, Georgia
Required Supplementary Information
Georgia Municipal Employees Benefit System
Schedule of Contributions
For the Years Ended December 31,

	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 377,442	$ 342,577	$ 295,112	$ 330,361	$ 316,146	$ 303,927
Contributions in relation to the actuarially determined contribution	344,033	342,314	294,969	330,198	341,473	278,600
Contribution deficiency (excess)	$ 33,409	$ 263	$ 143	$ 163	$ (25,327)	$ 25,327
City's covered payroll	$ 3,612,695	$ 3,288,568	$ 3,268,860	$3,333,519	$ 3,396,739	$ 3,239,785
Contributions as a percentage of covered payroll	9.52%	10.41%	9.02%	9.91%	10.05%	8.60%

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

City of Sandersville, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
December 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	$ 355,373	$ 68	$ 355,441
Receivables:			
Sales taxes	-	-	-
Hotel/motel taxes	5,052	-	5,052
Intergovernmental	264	-	264
Total Assets	$ 360,689	$ 68	$ 360,757
Liabilities and Fund Balances			
Liabilities			
Accounts payable	$ 8,675	$ -	$ 8,675
Interfund payable	-	68	68
Unearned revenue	-	-	-
Total Liabilities	8,675	68	8,743
Fund Balances			
Restricted	352,014	-	352,014
Unassigned (deficit)	-	-	-
Total Fund Balances	352,014	-	352,014
Total Liabilities and Fund Balances	$ 360,689	$ 68	$ 360,757

City of Sandersville, Georgia

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds - By Fund Type

For the Year Ended December 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:			
Hotel/motel taxes	$ 66,084	$ -	$ 66,084
Sales taxes	-	-	-
Intergovernmental	-	258,400	258,400
Fines and forfeitures	7,937	-	7,937
Investment earnings	-	-	-
Miscellaneous	319	-	319
Total Revenues	74,340	258,400	332,740
Expenditures			
Current:			
Public safety	772	-	772
Public works	-	-	-
Health and welfare	-	-	-
Housing and development	40,891	258,400	299,291
Capital Outlay	-	-	-
Total Expenditures	41,663	258,400	300,063
Excess of Revenues Over Expenditures	32,677	-	32,677
Other Financing Sources (Uses)			
Transfers in	-	14,033	14,033
Transfers (out)	-	-	-
Total Other Financing Sources (Uses)	-	14,033	14,033
Net Change in Fund Balances	32,677	14,033	46,710
Fund Balances (Deficits) Beginning of Year	319,337	(14,033)	305,304
Fund Balances End of Year	$ 352,014	$ -	$ 352,014

City of Sandersville, Georgia
General Fund
Comparative Balance Sheet
December 31, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	$ 1,193,100	$ 550,057
Receivables (net, where applicable):		
Property taxes	1,412	2,522
Accounts	179,593	156,041
Interfund	14,040	80,046
Intergovernmental	85,392	76,885
Inventories	59,890	57,672
Prepaid expenses	-	-
Total Assets	$ 1,533,427	$ 923,223
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Accrued expenditures	62,435	6,123
Unearned revenue	-	-
Interfund payable	797	797
Total Liabilities	63,232	6,920
Deferred Inflows of Resources		
- Property Taxes	1,412	2,522
Total Liabilities and Deferred Inflows of Resources	64,644	9,442
Fund Balances		
Restricted	-	-
Nonspendable	59,890	57,672
Unassigned	1,408,893	856,109
Total Fund Balances	1,468,783	913,781
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,533,427	$ 923,223

City of Sandersville, Georgia
General Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2020 and 2019

	2020	2019
Revenues		
Taxes	$ 4,363,465	$ 3,966,304
Licenses and permits	174,784	159,544
Intergovernmental	696,587	517,168
Charges for services	20,592	16,598
Fines and forfeitures	71,566	105,311
Miscellaneous	53,338	24,812
Total Revenues	5,380,332	4,789,737
Expenditures		
Current:		
General government	880,195	809,916
Municipal Court	146,775	93,566
Public safety	2,656,778	2,456,505
Public works	1,419,431	1,166,468
Health and welfare	35,150	35,150
Culture and recreation	53,007	62,607
Housing and development	310,269	241,530
Debt Service:		
Principal payments	7,511	-
Interest and fiscal charges	1,378	-
Total Expenditures	5,510,494	4,865,742
Deficiency of Revenues (Under) Expenditures	(130,162)	(76,005)
Other Financing Sources (Uses)		
Proceeds from the disposition of capital assets	7,286	13,868
Proceeds from capital lease	194,950	-
Transfers in	496,961	551,891
Transfers out	(14,033)	-
Total Other Financing Sources (Uses)	685,164	565,759
Net Change in Fund Balances	555,002	489,754
Fund Balances Beginning of Year	913,781	424,027
Fund Balances End of Year	$ 1,468,783	$ 913,781

City of Sandersville, Georgia
Schedule of Revenues - Budget and Actual - General Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Real and personal property taxes				
General property tax - current	$ 1,365,574	$ 1,365,574	$ 1,332,277	$ (33,297)
General property tax - delinquent	-	-	-	-
Motor vehicle property tax - current	64,365	64,365	58,554	(5,811)
Motor vehicle title adv tax	149,795	149,795	173,602	23,807
Mobile home - personal property	6,443	6,443	5,270	(1,173)
Public utility taxes	49,955	49,955	59,544	9,589
Real estate transfer taxes	1,103	1,103	2,943	1,840
Intangible taxes	4,295	4,295	10,620	6,325
Other	114	114	-	(114)
Penalties and interest on taxes	4,669	4,669	8,141	3,472
Total real and personal property taxes	1,646,313	1,646,313	1,650,951	4,638
Selective taxes:				
Sales tax	840,000	840,000	992,737	152,737
Franchise tax	1,150,014	1,150,014	1,102,962	(47,052)
Alcoholic beverage tax	133,957	133,957	141,130	7,173
Insurance premium tax	451,175	451,175	475,685	24,510
Total selective taxes	2,575,146	2,575,146	2,712,514	137,368
Licenses and permits:				
Alcoholic beverages	23,325	23,325	23,325	-
General business license	31,337	31,337	30,752	(585)
General business license - insurance	14,550	14,550	14,000	(550)
Financial institutions	49,132	49,132	51,636	2,504
Building structure and equipment permit	16,000	16,000	32,744	16,744
Permits	6,200	6,200	11,495	5,295
Other	12,433	12,433	10,641	(1,792)
Business license penalties	300	300	191	(109)
Total licenses and permits:	153,277	153,277	174,784	21,507
Intergovernmental				
Police grants	-	-	-	-
FEMA/GEMA emergency grant funds	-	-	10,893	10,893
CARES Act funds	-	282,625	282,625	-
Forest land protection grant	1,800	1,800	1,570	(230)
GMA health grant	8,000	8,000	8,000	-
GMA safety liability grant	8,000	8,000	6,100	(1,900)
County reimbursement - public safety	150,273	150,273	142,019	(8,254)
County reimbursement - animal control	110,097	110,097	93,455	(16,642)
County development authority	73,080	73,080	146,160	73,080
Housing authority - payments in lieu of taxes	5,765	5,765	5,765	-
Total intergovernmental	357,015	639,640	696,587	56,947
Fines and forfeitures:				
Court fines	116,000	116,000	71,566	(44,434)
Charges for services:				
General government	4,215	4,215	261	(3,954)
Animal control	4,500	4,500	3,486	(1,014)
Public safety	2,350	2,350	3,945	1,595
Sale of cemetery lots	4,015	4,015	12,900	8,885
Total charges for services	15,080	15,080	20,592	5,512
Miscellaneous:				
Private donations	1,000	10,700	12,297	1,597
Miscellaneous	2,675	2,675	41,041	38,366
Total miscellaneous	3,675	13,375	53,338	39,963
Total revenues	4,866,506	5,158,831	5,380,332	221,501
Other financing sources:				
Transfers in	496,961	496,961	496,961	-
Proceeds from capital lease	-	-	194,950	194,950
Proceeds from the disposition of capital assets	1,000	1,000	7,286	6,286
Total revenues and other financing sources	$ 5,364,467	$ 5,656,792	$ 6,079,529	$ 422,737

City of Sandersville, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
General government				
Governing body:				
Personal services	$ 90,609	$ 90,609	$ 114,114	$ (23,505)
Purchased services	55,345	55,345	8,873	46,472
Supplies	800	800	426	374
Miscellaneous	500	500	642	(142)
Total governing body	147,254	147,254	124,055	23,199
General administration				
Personal services	615,053	615,053	594,766	20,287
Purchased services	122,633	136,633	124,353	12,280
Supplies	10,100	35,100	24,153	10,947
Miscellaneous	1,500	1,500	3,589	(2,089)
Capital Outlays	3,270	3,270	-	3,270
Total general administration	752,556	791,556	746,861	44,695
General administration fees:				
Miscellaneous	9,266	9,280	9,279	1
Total general government	909,076	948,090	880,195	67,895
Municipal court				
Personal services	76,073	76,073	74,639	1,434
Purchased services	13,067	13,067	8,954	4,113
Supplies	531	531	1,915	(1,384)
Miscellaneous	24,503	69,503	61,267	8,236
Total municipal court	114,174	159,174	146,775	12,399
Public safety:				
Police:				
Personal services	1,416,453	1,416,453	1,345,453	71,000
Purchased services	217,573	217,573	185,199	32,374
Supplies	70,100	76,138	76,294	(156)
Miscellaneous	1,000	1,000	1,102	(102)
Capital outlay	5,000	19,345	14,345	5,000
Total police	1,710,126	1,730,509	1,622,393	108,116
Total carried forward	2,733,376	2,837,773	2,649,363	188,410

City of Sandersville, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Total carried forward	$ 2,733,376	$ 2,837,773	$ 2,649,363	$ 188,410
Fire:				
Personal services	647,761	688,261	670,450	17,811
Purchased services	47,325	47,325	48,588	(1,263)
Supplies	20,650	21,650	19,670	1,980
Miscellaneous	500	500	820	(320)
Capital outlay	-	8,830	8,830	-
Total fire	716,236	766,566	748,358	18,208
Animal control:				
Personal services	145,423	145,423	125,544	19,879
Purchased services	11,400	11,400	10,422	978
Supplies	5,700	7,697	5,842	1,855
Miscellaneous	500	500	219	281
Capital outlay	1,300	1,300	-	1,300
Total animal control	164,323	166,320	142,027	24,293
EMA/E-911 Fee	144,000	144,000	144,000	-
Total public safety	2,734,685	2,807,395	2,656,778	150,617
Public works:				
Public works - operations:				
Personal services	173,607	173,607	163,396	10,211
Purchased services	19,300	19,300	24,359	(5,059)
Supplies	3,550	5,153	5,989	(836)
Miscellaneous	1,000	1,000	759	241
Total - public works - operations	197,457	199,060	194,503	4,557
Street department				
Personal services	533,567	533,567	525,667	7,900
Purchased services	70,950	70,950	31,449	39,501
Supplies	77,100	77,100	71,712	5,388
Miscellaneous	1,000	1,000	1,350	(350)
Street repairs	-	17,789	15,187	2,602
Capital outlays	-	-	247,739	(247,739)
Total street department	682,617	700,406	893,104	(192,698)
Total carried forward	4,638,009	4,814,125	4,771,355	42,770

City of Sandersville, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Total brought forward	$ 4,638,009	$ 4,814,125	$ 4,771,355	$ 42,770
Fleet maintenance				
Personal services	60,215	60,215	59,791	424
Purchased services	6,425	8,997	8,099	898
Supplies	7,150	7,831	7,741	90
Miscellaneous	500	500	145	355
Capital Outlays	-	-	-	-
Total fleet maintenance	74,290	77,543	75,776	1,767
Parks and Cemetery				
Personal services	184,796	184,796	177,973	6,823
Purchased services	28,000	61,116	57,218	3,898
Supplies	12,500	12,500	14,157	(1,657)
Capital outlay	-	6,450	6,450	-
Miscellaneous	500	500	250	250
Total parks and cemetery	225,796	265,362	256,048	9,314
Total public works	1,180,160	1,242,371	1,419,431	(177,060)
Health and welfare				
Payments for senior center	35,150	35,150	35,150	-
Culture and recreation				
Disc Golf				
Personal services	-	-	-	-
Purchased services	6,600	6,600	5,650	950
Supplies	10,400	10,400	211	10,189
Capital outlay	-	-	-	-
Miscellaneous	6,000	6,000	250	5,750
Total disc golf	23,000	23,000	6,111	16,889
Parks:				
Payments to DAR	1,710	1,710	1,710	-
Forestry and nursery:				
Payments to Tree City	1,000	1,000	999	1
Total carried forward	4,998,955	5,217,890	5,147,149	70,741

City of Sandersville, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Total carried forward	4,998,955	5,217,890	5,147,149	70,741
Libraries:				
Payment to Rosa M. Tarbutton Library	44,187	44,187	44,187	-
Total culture and recreation	69,897	69,897	53,007	16,890
Housing and development:				
Planning and zoning				
Personal services	202,653	202,653	192,714	9,939
Purchased services	35,130	35,130	18,981	16,149
Supplies	3,250	3,250	3,449	(199)
Capital outlay	-	1,733	-	1,733
Miscellaneous	500	500	125	375
Total planning and zoning	241,533	243,266	215,269	27,997
Economic development and assistance				
UGA Archway	15,000	15,000	15,000	-
Historical society	-	-	-	-
Washington County Hospital	-	-	25,000	(25,000)
Downtown development authority	6,000	6,000	6,000	-
Downtown tourism	-	-	-	-
Public facilities authority	-	-	-	-
Payment to WACO airport	19,000	19,000	19,000	-
Payment to WACO chamber of commerce	30,000	30,000	30,000	-
Total economic development and assistance	70,000	70,000	95,000	(25,000)
Total housing and development	311,533	313,266	310,269	2,997
Debt Service:				
Principal	-	-	7,511	(7,511)
Interest and fiscal charges	-	-	1,378	(1,378)
Total Debt Service	-	-	8,889	(8,889)
Total Expenditures	5,354,675	5,575,343	5,510,494	64,849
Other financing Uses:				
Transfers out	-	-	-	-
Total Expenditures and Transfers	$ 5,354,675	$ 5,575,343	$ 5,510,494	$ 64,849

City of Sandersville, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

	Hotel-Motel Tax	Confiscated Assets	Total Nonmajor Special Revenue Funds
Assets			
Cash and cash equivalents	$ 337,178	$ 18,195	$ 355,373
Intergovernmental receivable	-	264	264
Taxes receivable	5,052	-	5,052
Total Assets	$ 342,230	$ 18,459	$ 360,689
Liabilities			
Account payables	-	8,675	8,675
Fund Balances			
Restricted	$ 342,230	$ 9,784	$ 352,014
Unassigned (deficit)	-	-	$ -
Total Liabilities and Fund Balances	$ 342,230	$ 18,459	$ 360,689

City of Sandersville, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020

	Hotel-Motel Tax	Confiscated Assets	Total Nonmajor Special Revenue Funds
Revenues			
Taxes	$ 66,084	$ -	$ 66,084
Fines and forfeitures	-	7,937	7,937
Intergovernmental	-	-	-
Miscellaneous	319	-	319
Total Revenues	66,403	7,937	74,340
Expenditures			
Current:			
Public safety	-	772	772
Housing and development	40,891	-	40,891
Capital Outlay	-	-	-
Total Expenditures	40,891	772	41,663
Excess of Revenues Over Expenditures	25,512	7,165	32,677
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers (out)	-	-	-
Net Change in Fund Balances	25,512	7,165	32,677
Fund Balances Beginning of Year	316,718	2,619	319,337
Fund Balances End of Year	$ 342,230	$ 9,784	$ 352,014

City of Sandersville, Georgia
Comparative Balance Sheet
Hotel/Motel Tax Fund
December 31, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	$ 337,178	$ 310,441
Hotel/motel taxes receivable	5,052	6,277
Total Assets	$ 342,230	$ 316,718
Fund Balances		
Restricted for housing and development	$ 342,230	$ 316,718

City of Sandersville, Georgia

Schedule of Revenues and Changes in Fund Balances - Budget and Actual

Hotel/Motel Tax Fund

For the Year Ended December 31, 2020

(With Comparative Actual Amounts for the Year Ended December 31, 2019)

	2020				2019
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues:					
Hotel/motel taxes	$ 60,798	$ 60,798	$ 66,084	$ 5,286	$ 62,243
Miscellaneous	75	75	319	244	318
Total Revenues	60,873	60,873	66,403	5,530	62,561
Expenditures					
Current:					
Housing and development	60,873	60,873	40,891	19,982	43,650
Excess of Revenues Over Expenditures	-	-	25,512	25,512	18,911
Other Financing (Uses)					
Transfers out	-	-	-	-	-
Net Change in Fund Balances	$ -	$ -	25,512	$ 25,512	18,911
Fund Balances Beginning of Year			316,718		297,807
Fund Balances End of Year			$ 342,230		$ 316,718

City of Sandersville, Georgia
Comparative Balance Sheet
Confiscated Assets Fund
December 31, 2020

	2020	2019
Assets		
Cash and cash equivalents	$ 18,195	$ 10,579
Intergovernmental receivable	264	-
Total Assets	$ 18,459	$ 10,579
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 8,675	$ 7,960
Fund Balances		
Restricted for public safety	9,784	2,619
Total Liabilities and Fund Balances	$ 18,459	$ 10,579

City of Sandersville, Georgia

Schedule of Revenues and Changes in Fund Balances - Budget and Actual

Confiscated Assets Fund

For the Year Ended December 31, 2020

(With Comparative Actual Amounts for the Year Ended December 31, 2019)

	2020				2019
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues:					
Fines and forfeitures	$ 1,500	$ 9,100	$ 7,937	$ (1,163)	$ 1,257
Miscellaneous	-	-	-	-	-
Total Revenues	1,500	9,100	7,937	(1,163)	1,257
Expenditures					
Current:					
Public Safety	1,500	9,100	772	8,328	2,074
Capital Outlay	-	-	-	-	-
Total Expenditures	1,500	9,100	772	8,328	2,074
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	7,165	7,165	(817)
Other Financing Uses					
Transfers Out	-	-	-	-	-
Net Change in Fund Balances	$ -	$ -	7,165	$ 7,165	(817)
Fund Balances Beginning of Year			2,619		3,436
Fund Balances End of Year			$ 9,784		$ 2,619

City of Sandersville, Georgia
Comparative Balance Sheet
T-SPLOST Fund
December 31, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	$ 417,820	$ 281,002
Intergovernmental receivable	16,349	13,949
Total Assets	$ 434,169	$ 294,951
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Unearned revenue	-	-
Total Liabilities	-	-
Fund Balances		
Restricted for transportation	434,169	294,951
Total Fund Balances	434,169	294,951
Total Liabilities and Fund Balances	$ 434,169	$ 294,951

City of Sandersville, Georgia
Comparitve Statement of Expenditures
and Changes in Fund Balance
T-SPLOST Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Revenues:		
Sales Tax	$ 167,663	$ 154,842
Intergovernmental revenue	79,246	141,838
Total Revenues	246,909	296,680
Expenditures		
Public works	107,691	160,899
Capital Outlays	-	62,559
Total Expenditures	107,691	223,458
Excess (Deficiency) of Revenues Over (Under) Expenditures	139,218	73,222
Other Financing Sources		
Transfers out	-	-
Fund Balances Beginning of Year	294,951	221,729
Fund Balances End of Year	$ 434,169	$ 294,951

City of Sandersville, Georgia
Comparative Balance Sheet
2013 SPLOST Fund
December 31, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	$ 471,553	$ 386,789
Receivables:		
Intergovernmental	-	-
Total Assets	$ 471,553	$ 386,789
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Interfund payable	-	-
Total Liabilities	-	-
Fund Balances		
Restricted for capital purchases	471,553	386,789
Liabilities and Fund Balances	$ 471,553	$ 386,789

City of Sandersville, Georgia
Comparative Statement of Expenditures
and Changes in Fund Balances
2013 SPLOST Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Revenues		
Intergovernmental	$ 380,173	$ 315,471
Expenditures		
Current:		
General government	$ -	$ -
Public works	-	6,764
Housing and economic development	-	-
Capital Outlay	295,409	204,207
Total Expenditures	295,409	210,971
Excess (Deficiency) of Revenues Over (Under) Expenditures	84,764	104,500
Other Financing Sources		
Transfers in	-	-
Net Change in Fund Balances	84,764	104,500
Fund Balances Beginning of Year	386,789	282,289
Fund Balances End of Year	$ 471,553	$ 386,789

City of Sandersville, Georgia
Comparative Balance Sheet
2019 SPLOST Fund
December 31, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	$ -	$ -
Receivables:		
Intergovernmental	74,817	-
Total Assets	$ 74,817	$ -
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Interfund payable	-	-
Total Liabilities	-	-
Fund Balances		
Restricted for capital purchases	74,817	-
Liabilities and Fund Balances	$ 74,817	$ -

City of Sandersville, Georgia
Comparative Statement of Expenditures
and Changes in Fund Balances
2019 SPLOST Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Revenues		
Intergovernmental	$ 74,817	$ -
Expenditures		
Current:		
General government	$ -	$ -
Public works	-	-
Housing and economic development	-	-
Capital Outlay	-	-
Total Expenditures	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	74,817	-
Other Financing Sources		
Transfers in	-	-
Net Change in Fund Balances	74,817	-
Fund Balances Beginning of Year	-	-
Fund Balances End of Year	$ 74,817	$ -

City of Sandersville, Georgia
Comparative Balance Sheet
CDBG 2017 Fund
December 31, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	$ 318	$ 355
Intergovernmental receivable	13,438	13,438
Total Assets	$ 13,756	$ 13,793
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Interfund payable	13,972	28,011
Total Liabilities	13,972	28,011
Fund Balances		
Restricted	-	-
Unassigned (deficit)	(216)	(14,218)
Total Fund Balances	(216)	(14,218)
Total Liabilities and Fund Balances	$ 13,756	$ 13,793

City of Sandersville, Georgia
Comparitive Statement of Revenues and Changes in Fund Balances
CDBG 2017 Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Revenues:		
Intergovernmental revenue	$ 31,460	$ 639,449
Expenditures		
Housing and development	17,458	-
Capital Outlays	-	653,667
Total Expenditures	17,458	653,667
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,002	(14,218)
Other Financing Sources		
Transfer in	-	-
Fund Balances Beginning of Year	(14,218)	-
Fund Balances End of Year	$ (216)	$ (14,218)

City of Sandersville, Georgia
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2020

	CHIP 2018	CHIP 2014	Total Nonmajor Capital Projects Funds
Assets			
Cash and cash equivalents	$ 68	$ -	$ 68
Receivables:			
Intergovernmental	-	-	-
Sales taxes	-	-	-
Total Assets	$ 68	$ -	$ 68
Liabilities			
Accounts payable	$ -	$ -	$ -
Interfund payable	68	-	68
Unearned revenue	-	-	-
Total Liabilities	68	-	68
Fund Balances			
Restricted for transportation	-	-	-
Unassigned (deficit)	-	-	-
Total Liabilities and Fund Balances	$ 68	$ -	$ 68

City of Sandersville, Georgia

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Projects Funds

For the Year Ended December 31, 2020

	CHIP 2018	CHIP 2014	Total Nonmajor Capital Projects Funds
Revenues:			
Sales taxes	$ -	$ -	$ -
Intergovernmental	258,400	-	258,400
Total Revenues	258,400	-	258,400
Expenditures			
Current:			
Public works	-	-	-
Housing and development	258,400	-	258,400
Capital Outlay	-	-	-
Total Expenditures	258,400	-	258,400
Excess of Revenues Over Expenditures	-	-	-
Other Financing Sources (Uses)			
Transfers in	-	14,033	14,033
Transfers out	-	-	-
Total Other Financing Sources (Uses)	-	14,033	14,033
Net Change in Fund Balances	-	14,033	14,033
Fund Balances Beginning of Year	-	(14,033)	(14,033)
Fund Balances End of Year	$ -	$ -	$ -

City of Sandersville, Georgia
Comparative Balance Sheet
CHIP 2018 Fund
December 31, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	$ 68	$ -
Intergovernmental receivable	-	38,002
Total Assets	$ 68	$ 38,002
Liabilities and Fund Balances		
Liabilities		
Interfund payable	$ 68	$ 38,002
Fund Balances		
Restricted	-	-
Unassigned (deficit)	-	-
Total Fund Balances	-	-
Total Liabilities and Fund Balances	$ 68	$ 38,002

City of Sandersville, Georgia
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
CHIP 2018 Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Revenues:		
Intergovernmental revenue	$ 258,400	$ -
Expenditures		
Housing and Development	258,400	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-
Other Financing Sources		
Transfer in	-	-
Net Change in Fund Balances	-	-
Fund Balances Beginning of Year	-	-
Fund Balances End of Year	$ -	$ -

City of Sandersville, Georgia
Comparative Balance Sheet
CHIP 2014 Fund
December 31, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	$ -	$ -
Liabilities and Fund Balances		
Liabilities		
Interfund payable	$ -	$ 14,033
Fund Balances		
Restricted	-	-
Unassigned (deficit)	-	(14,033)
Total Fund Balances	-	(14,033)
Total Liabilities and Fund Balances	-	$ -

City of Sandersville, Georgia
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
CHIP 2014 Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Revenues:		
Intergovernmental revenue	$ -	$ -
Expenditures		
Housing and development	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-
Other Financing Sources		
Transfer in	14,033	-
Net Change in Fund Balances	14,033	-
Fund Balances Beginning of Year	(14,033)	(14,033)
Fund Balances End of Year	$ -	$ (14,033)

City of Sandersville, Georgia
Comparative Statement of Net Position
Proprietary Fund - Water and Sewerage Fund
December 31, 2020 and 2019

	2020	2019
Assets		
Current Assets:		
Cash and cash equivalents	$ 2,363,359	$ 2,370,179
Investments	725,634	721,663
Receivable:		
Accounts (net)	279,808	256,868
Interfund	119,977	119,977
Due from FEMA	-	-
Prepaid expenses	-	-
Inventories	66,041	66,041
Total Current Assets	3,554,819	3,534,728
Noncurrent Assets:		
Capital assets:		
Nondepreciable	168,636	168,636
Depreciable, net	11,293,823	8,543,541
Construction in progress	7,385,657	2,014,614
Total Noncurrent Assets	18,848,116	10,726,791
Total Assets	22,402,935	14,261,519
Liabilities		
Current Liabilities:		
Accounts payable	9,328	-
Accrued expenses payable	-	-
GEFA loans payable	344,443	332,568
Customer deposits held	8,346	8,355
Total Current Liabilities	362,117	340,923
Long-term Liabilities (net of current portion):		
GEFA loans payable	12,188,760	4,088,817
Total Liabilities	12,550,877	4,429,740
Net Position		
Net investment in capital assets	6,314,913	6,305,406
Unrestricted	3,537,145	3,526,373
Total Net Position	$ 9,852,058	$ 9,831,779

City of Sandersville, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Water and Sewerage Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Operating Revenues		
Charges for services	$ 2,862,048	$ 2,452,243
Miscellaneous	39,930	28,625
Total Operating Revenues	2,901,978	2,480,868
Operating Expenses		
Personal services - salaries	516,317	415,232
Personal services - benefits	201,280	165,580
Purchased services	1,063,713	484,747
Materials and supplies	152,508	180,843
Miscellaneous	35,239	31,865
Depreciation	613,163	633,299
Total Operating Expenses	2,582,220	1,911,566
Operating Income	319,758	569,302
Non-Operating Revenues (Expenses)		
Interest and dividend income	3,970	15,705
Intergovernmental Grant	-	-
GEFA loan fees	(17,630)	(128,720)
Interest and fiscal charges	(129,499)	(94,710)
Total Non-Operating Revenues (Expenses)	(143,159)	(207,725)
Income Before Contributions and Transfers In (Out)	176,599	361,577
Contributions	-	-
Transfer In	-	-
Transfers Out	(156,320)	(171,857)
Change in Net Position	20,279	189,720
Net Position Beginning of Year	9,831,779	9,642,059
Net Position End of Year	$ 9,852,058	$ 9,831,779

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Water and Sewerage Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	$ 2,879,038	$ 2,669,813
Cash payments to employees for services	(717,597)	(580,812)
Cash payments for goods and services	(1,242,138)	(675,454)
Other cash receipts (payments)	-	-
Net Cash Provided by (Used in) Operating Activities	919,303	1,413,547
Cash Flows from Noncapital Financing Activities		
Operating grants received	-	-
Interfund receivable	-	-
Transfers in	-	-
Transfers out	(156,320)	(171,857)
Net Cash Provided by (Used in) Noncapital Financing Activities	(156,320)	(171,857)
Cash Flows from Capital and Related Financing Activities		
GEFA grant	-	-
Principal paid on GEFA notes	(332,611)	(321,234)
Interest paid on notes	(129,499)	(94,710)
GEFA loan fees	(17,630)	(128,720)
Proceeds from notes payable	8,444,426	1,356,787
Acquisition of capital assets	(8,734,488)	(1,753,531)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(769,802)	(941,408)
Cash Flows from Investing Activities		
Interest and dividend income	3,970	15,705
Investment earnings	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(2,849)	315,987
Cash and Cash Equivalents Beginning of Year	3,091,842	2,775,855
Cash and Cash Equivalents End of Year	$ 3,088,993	$ 3,091,842
Reconciliation to Statement of Net Position		
Cash and cash equivalents	$ 2,363,359	$ 2,370,179
Cash in Georgia Fund I	725,634	721,663
Total Cash and Cash Equivalents	$ 3,088,993	$ 3,091,842

(continued)

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Water and Sewerage Fund
For the Years Ended December 31, 2020 and 2019

(continued)

	2020	2019
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 319,758	$ 569,302
Adjustments:		
Depreciation and amortization	613,163	633,299
Loss on sale of capital assets	-	-
(Increase) Decrease in Assets:		
Accounts receivable	(22,940)	188,945
Inventories	-	21,127
Prepaid expenses	-	-
Interfund receivable	-	-
Increase (Decrease) in Liabilities:		
Accounts payable	9,328	-
Accrued expenses payable	-	-
Customer deposits payable	(9)	874
Net Cash Provided by (Used in) Operating Activities	$ 919,300	$ 1,413,547

City of Sandersville, Georgia
Comparative Statement of Net Position
Proprietary Fund - Electrical Fund
December 31, 2020 and 2019

	2020	2019
Assets		
Current Assets:		
Cash and cash equivalents	$ 7,659,997	$ 5,269,600
Cash in Georgia Fund I	7,967,012	7,923,420
Investments	6,188	6,152
Receivable:		
Accounts (net)	1,288,021	1,116,042
Interfund	154,422	154,422
Prepaid expenses	-	-
Inventories	469,264	469,264
Total Current Assets	17,544,904	14,938,900
Noncurrent Assets:		
Capital assets:		
Nondepreciable	53,621	53,621
Depreciable, net	1,597,829	1,535,792
Construction in progress	299,827	-
Total Noncurrent Assets	1,951,277	1,589,413
Total Assets	19,496,181	16,528,313
Liabilities		
Current Liabilities:		
Accounts payable	53,678	53,210
Accrued expenses payable	-	-
Sales tax payable	32,172	26,678
Interfund payable	119,977	119,977
Customer deposits payable	478,477	311,978
Total Current Liabilities	684,304	511,843
Net Position		
Investment in capital assets	1,951,277	1,589,413
Unrestricted	16,860,600	14,427,057
Total Net Position	$ 18,811,877	$ 16,016,470

City of Sandersville, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Electrical Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Operating Revenues		
Charges for services	$ 13,213,168	$ 13,508,279
Miscellaneous	18,095	6,760
Total Operating Revenues	13,231,263	13,515,039
Operating Expenses		
Personal services - salaries	470,764	449,742
Personal services - benefits	148,683	133,909
Electricity purchased	7,975,573	11,385,845
Purchased services	718,693	350,348
Franchise fee	519,775	532,491
Materials and supplies	170,270	113,675
Miscellaneous	36,111	21,304
Depreciation	143,836	139,909
Total Operating Expenses	10,183,705	13,127,223
Operating Income (Loss)	3,047,558	387,816
Non-Operating Revenues (Expenses)		
Interest and dividend income	43,592	172,579
Change in fair market value of investments	36	18
Interest and fiscal charges	-	-
Federal Grant	-	-
Total Non-Operating Revenues (Expenses)	43,628	172,597
Income (Loss) Before Contributions and Transfers In (Out)	3,091,186	560,413
Contributions	-	-
Transfers In (Out)	(295,779)	(332,674)
Change in Net Position	2,795,407	227,739
Net Position Beginning of Year	16,016,470	15,788,731
Net Position End of Year	$ 18,811,877	$ 16,016,470

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Electrical Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	$ 13,059,284	$ 13,551,031
Cash payments to employees for services	(619,447)	(583,651)
Cash payments for goods and services	(9,247,961)	(12,404,230)
Other cash receipts (payments)	-	-
Net Cash Provided by (Used in) Operating Activities	3,191,876	563,150
Cash Flows from Noncapital Financing Activities		
Operating grants received	-	-
Interfund receivable	-	-
Interfund payable	-	-
Transfers in (out)	(295,779)	(332,674)
Net Cash Provided by (Used in) Noncapital Financing Activities	(295,779)	(332,674)
Cash Flows from Capital and Related Financing Activities		
Capital grants	-	-
Interest paid	-	-
Acquisition of capital assets	(505,700)	(163,329)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(505,700)	(163,329)
Cash Flows from Investing Activities		
Investment earnings (loss)	-	18
Interest and dividend income	43,592	172,579
Net (purchase) sale of investments	-	(162)
Cash Flows from Investing Activities	43,592	172,435
Net Increase (Decrease) in Cash and Cash Equivalents	2,433,989	239,582
Cash and Cash Equivalents Beginning of Year	13,193,020	12,953,438
Cash and Cash Equivalents End of Year	$ 15,627,009	$ 13,193,020
Reconciliation to Statement of Net Position		
Cash and cash equivalents	$ 7,659,997	$ 5,269,600
Cash in Georgia Fund I	7,967,012	7,923,420
Total Cash and Cash Equivalents	$ 15,627,009	$ 13,193,020

(continued)

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Electrical Fund
For the Years Ended December 31, 2020 and 2019

(continued)

	2020	2019
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	$ 3,047,558	$ 387,816
Adjustments:		
Depreciation	143,836	139,909
Loss on sale of capital assets	-	-
(Increase) Decrease in Assets:		
Accounts receivable	(171,979)	35,992
Inventories	-	(7,823)
Prepaid expenses	-	-
Increase (Decrease) in Liabilities:		
Accounts payable	468	5,750
Accrued expenses payable	-	-
Sales tax payable	5,494	(4,089)
Interfund payable	-	-
Customer deposits	166,499	5,595
Net Cash Provided by (Used in) Operating Activities	$ 3,191,876	$ 563,150

City of Sandersville, Georgia
Comparative Statement of Net Position
Proprietary Fund - Telecom Fund
December 31, 2020 and 2019

	2020	2019
Assets		
Current Assets:		
Cash and cash equivalents	$ 583,557	$ 629,934
Receivable:		
Accounts (net)	11,803	26,161
Interfund	797	797
Prepaid expenses	-	-
Inventory	9,821	9,821
Total Current Assets	605,978	666,713
Noncurrent Assets:		
Capital assets:		
Depreciable, net	154,901	160,460
Construction in progress	15,333	15,333
Total Assets	776,212	842,506
Liabilities		
Current Liabilities:		
Accounts payable	-	-
Accrued expenses payable	-	-
Customer deposits payable	50	50
Interfund payable	-	-
Total Current Liabilities	50	50
Long-term Liabilities (net of current portion):		
Due to electrical fund	148,873	148,873
Total Liabilities	148,923	148,923
Net Position		
Net investment in capital assets	170,234	175,793
Unrestricted	457,055	517,790
Total Net Position	$ 627,289	$ 693,583

City of Sandersville, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Telecom Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Operating Revenues		
Charges for services	$ 109,622	$ 134,643
Miscellaneous	-	18,528
Total Operating Revenues	109,622	153,171
Operating Expenses		
Personal services - salaries	-	-
Personal services - benefits	-	-
Franchise fee	6,144	6,709
Purchased services	150,973	77,065
Materials and supplies	5,203	5,375
Depreciation	32,440	31,710
Miscellaneous	4,666	4,323
Total Operating Expenses	199,426	125,182
Income (Loss) Before Contributions and Transfers In (Out)	(89,804)	27,989
Capital Contributions	26,882	-
Transfers In (Out)	(3,372)	(5,024)
Change in Net Position	(66,294)	22,965
Net Position Beginning of Year	693,583	670,618
Net Position End of Year	$ 627,289	$ 693,583

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Telecom Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	$ 123,980	$ 150,889
Cash payments to employees for services	-	-
Cash payments for goods and services	(166,985)	(90,965)
Net Cash Provided by (Used in) Operating Activities	(43,005)	59,924
Cash Flows from Noncapital Financing Activities		
Interfund receivable	-	-
Interfund payable	-	-
Transfers in (out)	(3,372)	(5,024)
Net Cash Provided by (Used in) Noncapital Financing Activities	(3,372)	(5,024)
Cash Flows from Capital and Related Financing Activities		
Acquisition of capital assets	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(46,377)	54,900
Cash and Cash Equivalents Beginning of Year	629,934	575,034
Cash and Cash Equivalents End of Year	$ 583,557	$ 629,934
Reconciliation to Statement of Net Position		
Cash and cash equivalents	$ 583,557	$ 629,934

(continued)

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Telecom Fund
For the Years Ended December 31, 2020 and 2019

(continued)

	2020	2019
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ (89,804)	$ 27,989
Adjustments:		
Depreciation	32,440	31,710
(Increase) Decrease in Assets:		
Accounts receivable	14,359	(2,282)
Inventories	-	2,507
Prepaid expenses	-	-
Increase (Decrease) in Liabilities:		
Accounts payable	-	-
Accrued expenses payable	-	-
Customer deposits	-	-
Net Cash Provided by (Used in) Operating Activities	$ (43,005)	$ 59,924

City of Sandersville, Georgia
Comparative Statement of Net Position
Proprietary Fund - Solid Waste Fund
December 31, 2020 and 2019

	2020	2019
Assets		
Current Assets:		
Cash and cash equivalents	$ 88,748	$ 146,218
Due from FEMA	-	-
Accounts receivable (net)	83,031	88,832
Prepaid expenses	-	-
Total Current Assets	171,779	235,050
Noncurrent Assets:		
Capital assets:		
Depreciable, net	85,677	102,647
Total Assets	257,456	337,697
Liabilities		
Current Liabilities:		
Accounts payable	1,884	55
Current portion of notes payable	-	-
Interfund payable	5,549	5,549
Total Current Liabilities	7,433	5,604
Noncurrent Liabilities		
Notes Payable, net of current portion	-	-
Total Liabilities	7,433	5,604
Net Position		
Net investment in capital assets	85,677	102,647
Unrestricted	164,346	229,446
Total Net Position	$ 250,023	$ 332,093

City of Sandersville, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Solid Waste Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Operating Revenues		
Charges for services	$ 928,842	$ 925,239
Miscellaneous	-	-
Total Operating Revenues	928,842	925,239
Operating Expenses		
Personal services - salaries	85,233	77,863
Personal services - benefits	34,852	31,734
Purchased services	812,012	845,741
Materials and supplies	11,757	13,920
Depreciation	16,971	19,273
Miscellaneous	8,597	7,650
Total Operating Expenses	969,422	996,181
Operating Income	(40,580)	(70,942)
Non-Operating Revenues (Expenses)		
Interest Expense	-	(654)
Federal Grant	-	-
Total Non-Operating Revenues	-	(654)
Income (Loss) Before Contributions and Transfers In (Out)	(40,580)	(71,596)
Transfers In (Out)	(41,490)	(42,336)
Capital Contributions	-	-
Change in Net Position	(82,070)	(113,932)
Net Position Beginning of Year	332,093	446,025
Net Position End of Year	$ 250,023	$ 332,093

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Solid Waste Fund
For the Years Ended December 31, 2020 and 2019

	2020	2019
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	$ 934,643	$ 922,240
Cash payments to employees for services	(120,084)	(109,596)
Cash payments for goods and services	(830,539)	(867,256)
Net Cash Provided by (Used in) Operating Activities	(15,980)	(54,612)
Cash Flows from Noncapital Financing Activities		
Operating grants received	-	-
Interfund payable	-	-
Transfers out	(41,490)	(42,336)
Net Cash Provided by (Used in) Noncapital Financing Activities	(41,490)	(42,336)
Cash Flows from Capital and Related Financing Activities		
Principal paid on notes	-	(25,194)
Interest paid on notes	-	(654)
Payments for capital acquisitions	-	-
Net Cash (Used in) Capital and Related Financing Activities	-	(25,848)
Net Increase (Decrease) in Cash and Cash Equivalents	(57,470)	(122,796)
Cash and Cash Equivalents Beginning of Year	146,218	269,014
Cash and Cash Equivalents End of Year	$ 88,748	$ 146,218
Reconciliation to Statement of Net Position		
Cash and cash equivalents	$ 88,748	$ 146,218

(continued)

City of Sandersville, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Solid Waste Fund
For the Years Ended December 31, 2020 and 2019

(continued)

	2020	2019
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ (40,580)	$ (70,942)
Adjustments:		
Depreciation	16,971	19,273
(Increase) Decrease in Assets:		
Accounts receivable	5,801	(2,999)
Prepaid expenses	-	-
Increase (Decrease) in Liabilities:		
Accounts payable	1,828	56
Accrued expenses payable	-	-
Net Cash Provided by (Used in) Operating Activities	$ (15,980)	$ (54,612)

City of Sandersville, Georgia
Schedule of Projects Constructed with Special Sales Tax Proceeds
For the Year Ended December 31, 2020

Project	Original Estimated Cost	Revised Estimated Cost	Prior Year	Current Year	Total	Estimated Percentage of Completion
2013 Tax:						
Fire protection	$ 100,000	$ 100,000	$ 146,105	$ 8,721	$ 154,826	154.8%
Transportation improvements	500,000	500,000	414,554	-	414,554	82.9%
Economic development	400,000	400,000	12,527	-	12,527	3.1%
Capital outlays:						
Street department equipment	300,000	300,000	129,744	9,398	139,142	46.4%
Water & sewer system equipment & upgrades	500,000	500,000	-	-	-	0.0%
General & admin equipment	100,000	100,000	279,030	238,713	517,743	517.7%
Police department vehicles & equipment	200,000	200,000	195,732	38,577	234,309	117.2%
Electrical fund equipment	200,000	200,000	41,610	-	41,610	20.8%
2019 Tax:						
Fire protection	$ 100,000	$ 100,000	$ -	$ -	$ -	0.0%
Transportation improvements	500,000	500,000	-	-	-	0.0%
Economic development	400,000	400,000	-	-	-	0.0%
Capital outlays:						
Street department equipment	300,000	300,000	-	-	-	0.0%
Water & sewer system equipment & upgrades	500,000	500,000	-	-	-	0.0%
General & admin equipment	300,000	300,000	-	-	-	0.0%
Police department vehicles & equipment	200,000	200,000	-	-	-	0.0%
Electrical fund equipment	200,000	200,000	-	-	-	0.0%

SINGLE AUDIT SECTION

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

To the Mayor and Council
City of Sandersville, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Sandersville, Georgia as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City of Sandersville's basic financial statements and have issued our report thereon dated September 30, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Sandersville, 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 Sandersville, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Sandersville's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that were considered 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 Sandersville 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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* as described in the accompanying schedule of findings and questioned costs as item 20-1.

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 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.

Wright & Wright, P.C.

Sandersville, Georgia
September 30, 2021

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Mayor and Council
City of Sandersville, Georgia

Report on Compliance for Each Major Federal Program

We have audited the City of Sandersville, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Sandersville, Georgia's major federal programs for the year ended December 31, 2020. City of Sandersville, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the City of Sandersville, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of the City of Sandersville, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above.

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

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

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

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

Wright & Wright, P.C.

Sandersville, Georgia
September 30, 2021

City of Sandersville, Georgia
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2020

Federal Grantor/ Pass-Through Program Title	Federal CFDA Number	Agency or Pass-through Grantor's Number	Federal Expenditures
U.S. Environmental Protection Agency			
Passed-Through Georgia Environmental Finance Authority			
Capitalization Grant for Clean Water State Revolving Fund	66.458	CW2018014	$ 3,170,228
Capitalization Grant for Drinking Water State Revolving Fund	66.468	DW2018010	2,435,314
			5,605,542
U.S. Department of the Treasury			
Direct Awards			
Coronavirus Relief Fund	66.818	ATLBF EPA	282,625
U.S. Department of Housing and Urban Development			
Direct Awards			
Community Development Block Grant	14.218	17P-X-150-2-5957	17,459
Community Home Improvement Program	14.228	2018-112	258,400
			275,859
U.S. Department of Homeland Security			
Direct Awards			
Federal Emergency Management Agency	97.036	BF-00D59417-0	10,893
Total Expenditures of Federal Awards			$ 6,174,919

City of Sandersville, Georgia
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2020

Note 1 – Basis of Presentation

The Schedule of expenditures of expenditures of federal awards includes the federal grant activity of the City of Sandersville, Georgia (the "City") and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of 2 CFR Part 200, OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from the amounts presented in, or used in the preparation of the financial statements.

Note 2 – Measurement Focus

The determination of when an award is expended is based on when the activity related to the award occurred.

Note 3 – De Minimis Indirect Cost Rate

The City chose not to use the 10% de minimis cost rate for the year ended December 31, 2020.

Note 4 – Payments to Subrecipients

For the current year, the City did not pass federal funds through to subrecipients.

City of Sandersville, Georgia
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2020

1. ***Summary of Auditor's Results***

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP	Unmodified	
Internal control over financial reporting:		
Material Weakness Identified?	X Yes	___ No
Signficant deficiencies identified	___ Yes	X None Reported
Noncompliance material to financial statements noted?	___ Yes	X No

Federal Awards

Internal controls over major programs:		
Material weaknesses identified?	___ Yes	X No
Signficant deficiencies identified	___ Yes	X None Reported
Type of auditor's report issued on compliance for major federal programs	Unmodified	
Any audit findings disclosed that are to be reported in accordance with the 2 CFR 200.516(a)?	___ Yes	X No

Identification of major programs:

66.458 Capitalization Grant for Clean Water State Revolving Fund
66.468 Capitalization Grant for Drnking Water State Revolving Fund

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000	
Auditee qualified as low-risk auditee	X Yes	___ No

2. *Financial Statement Findings and Questioned Costs*

Current Year Audit Findings

20-1 Budgetary

Condition: In the City's General Fund, actual expenditures exceeded budget appropriations in one department. This is a violation of state law.

Effect: Fiscal control and accountability over departmental expenditures may be jeopardized.

Recommendations: The City should monitor the budget and amend it when appropriate.

Management Response: Our City Council will analyze budgetary financial data periodically and amend the budget when appropriate.

Prior Year Audit Findings Follow-Ups

None reported.

3. *Federal Award Findings and Questioned Costs*

The audit of our basic financial statements and schedule of expenditures of federal awards disclosed no audit findings or questioned costs which are required to be reported under Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.*