CITY OF SYLVESTER, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
June 30, 2019

Prepared by:
City of Sylvester Finance Department

CITY OF SYLVESTER, GEORGIA
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CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

INTRODUCTORY SECTION

City of Sylvester

101 North Main Street
P.O. Box 370
Sylvester, Georgia 31791
229-776-8505 t
229-776-8519 f
www.cityofsylvester.com

Georgia

December 30, 2019

To the Honorable Mayor, Members of the Governing Council and Citizens of the City of Sylvester, Georgia.

State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2019.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Hudson and NeSmith, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Sylvester's financial statements for the year ended June 30, 2019. The independent auditor's report is located at the front of the financial section of this report.

Management discussion and analysis (MD & A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD & A complements this letter of transmittal and should be read in conjunction with it.

Profile of Government

The City of Sylvester, Incorporated December 21, 1898, is located in the southern part of Georgia between Tifton and Albany. Sylvester is an agricultural community; however the city does have some industry and there is always an eye out to expand the community in that respect. The city occupies 5.8 square miles and serves a population of approximately 6,200 people. The City of Sylvester is

empowered to levy a property tax on real property located within its boundaries. It is also empowered by statute to extend its corporate limits by annexation, which it has done from time to time. The City of Sylvester also operates enterprise funds (Electric, Water and Sewer, Gas, Telecom, Sanitation and an Airport).

The City of Sylvester was organized under the strong mayor-council form of government; but switched to the City Manager type of government. Under the City Manager form of government; there is a City Manager appointed by the City Council. The City Manager is in charge of the management of the city; but He or she reports to the City Council. Council members serve four year terms with two up for election each two years. The City Manager appoints the Department heads.

The City of Sylvester provides a full range of services, including police and fire protection, refuse collection, building inspections, licenses and permits, the construction and maintenance of streets and sidewalks, Storm water, and other infrastructure, recreational and cultural activities, support of library service. The City of Sylvester also provides services for Electricity, Water and Sewer Service, Natural Gas Service, Telecom Services, Sanitation Services, and local airport service through separate enterprise funds.

The council is required to adopt an initial balanced budget for the fiscal year no later than July 1 of each year which is the beginning of the new fiscal year being July 1 thru June 30.This annual budget serves as the foundation for the City of Sylvester's planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may transfer resources within a department with the approval of the City Manager and Finance Department. Transfer between departments, however, needs special approval from the governing council.

Local economy

Major industries located within the government's boundaries or in close proximity include hospitals, manufacturers of agriculture products, retail stores, several financial institutions as well as several restaurants. The Worth County School District also has a significant economic presence, employing in total more than 463 teachers, professionals, and support staff.

Long-term financial planning and major initiatives

The city officials are forward thinking and is in the process of establishing a CIP (Capital Improvement Program) where projects will be listed in detail and the source of funds to be named. This is new and will alleviate the stress of where there is a source of funds for improvements. This project is in process.

The CIP program will eventually be used to replace vehicles and equipment on an annual basis.

Relevant Financial Policies

During the previous year, the City of Sylvester installed a complete accounting software package which has enhanced financial accounting for the General Fund, Special Revenue Funds and the Enterprise Funds. All accounting for all of the funds is being done through the software. The one area left is business licenses and this is now complete.

The City of Sylvester has established balances in order to insure that the City will be able operate without interruption of service to its citizens.

Awards and Acknowledgements

The City of Sylvester presented its budget this fiscal year end 6/30/2018, to the GFOA for the Distinguished Budget Presentation Award. The award was received. This was the first time the City of Sylvester had submitted its budget for the award. To qualify for the Distinguished Budget presentation award, the government's budget document had to be judged proficient as a policy document, a financial plan, and operations guide and communications device. Because of time constraints due to the weather and personnel issues, the budget was not submitted for the award for the year ending 6/30/2019.

The CAFR (Comprehensive Annual Financial Report) was prepared and submitted for the year ending 6/30/2017, and 6/30/2018, the award was received. This will be the third year that the City has applied for the award. Much work has gone into preparing this report and it is hoped that we can receive this award again. Timeliness is one of the requirements of getting the award which should be within six months of the close of the fiscal year. The severe weather this year and changes in personnel have made this a difficult year; however the City plans to submit.

The City of Sylvester has been designated as a Main Street City by the Georgia Main Street Program and the National Main Street Center. In order to be designated as a Main Street City certain standards and requirements have to be attained in 1) Training and Education, 2) Monthly Program Reporting and 3) Annual Assessment. The City of Sylvester was designated a Main Street City in 2014. This has to be done annually each year in order to keep the designation.

The preparation of this report would not have been possible without the skill, effort and dedication of the entire staff of the Finance and Administration Department. The detailed listing of comments by the GFOA have been reviewed and we hope that we have complied with the comments. We wish to thank the GFOA, government department heads and the entire staff for their assistance in providing the data necessary to prepare this report. Credit also is due to the mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Sylvester.

Respectfully Submitted,

John Hayes, City Manager

Cecil M. Rash

Cecil M Rash, CPA, Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Sylvester

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

CITY OF SYLVESTER, GEORGIA
Principal Officials
For the Year Ended June 30, 2019

Elected

Mayor
Bill J. Yearta

City Council
Melvin J. Powell, Ward 1
Randy Hill, Ward 2
Charles Jones, Ward 3
Larry Johnson, Ward 4

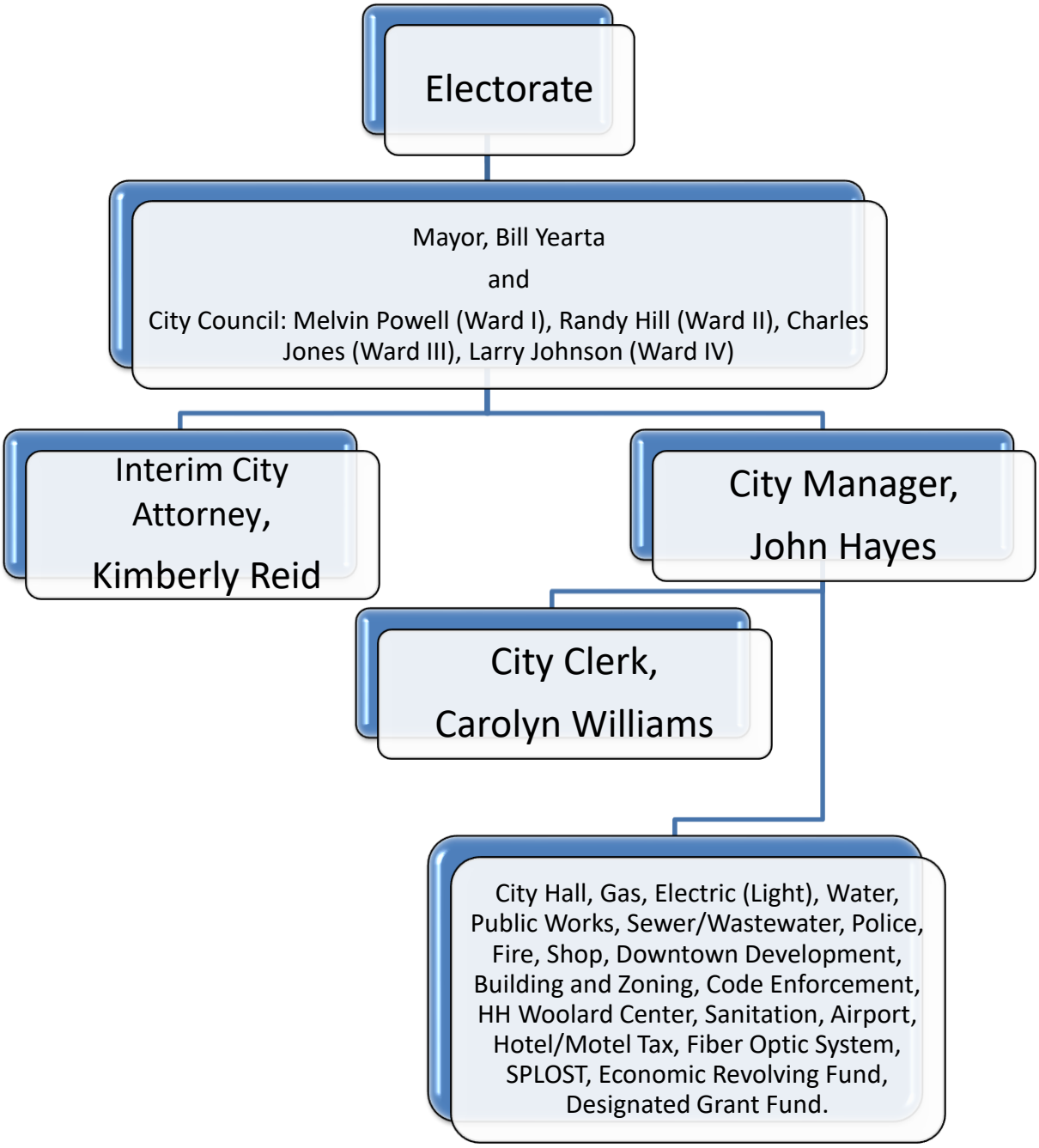
Staff

City Manager
John Hayes

City Clerk
Carolyn Williams

City Finance Director
Cecil M. Rash, CPA

CITY OF SYLVESTER, GEORGIA
Organizational Chart
For the Year Ended June 30, 2019



CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

FINANCIAL SECTION

Hudson & NeSmith, CPAs

Ronald D. Hudson, CPA, CFP®

John A. NeSmith, Jr., CPA

Member
American Institute of Certified Public Accountants
Georgia Society of Certified Public Accountants
Private Companies Practice Section

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Sylvester, 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 Sylvester, Georgia, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sylvester, Georgia, as of June 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management discussion and analysis, schedule of changes in net pension liability and related ratios on page 58, schedule of contributions on pages 59 through 61 and budgetary comparison schedule on pages 62 through 63 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 Sylvester, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of Special Purpose Local Option Sales Tax Proceeds is presented for purposes of additional analysis as required by Official Code of Georgia 48-8-121, and is not a required part of the financial statements. The accompanying Project Cost Schedules and Source and Application of Funds Schedules are also presented for additional analysis and are not a required part of the 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, schedule of expenditures of Special Purpose Local Option Sales Tax Proceeds, Project Cost Schedules and Source and Application of Funds Schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of Special Purpose Local Option Sales Tax Proceeds, Project Cost Schedules and Source and Application of Funds Schedules, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2019, on our consideration of the City of Sylvester, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Sylvester, Georgia's internal control over financial reporting and compliance.

Hudson & NeSmith, CPAs

Hudson & NeSmith, CPAs
Sylvester, Georgia
December 30, 2019

As management of the City of Sylvester, Georgia, we offer readers of our financial statements this narrative overview and analysis of the financial activities of the City for the year ended June 30, 2019. We encourage readers to read the information presented here in conjunction with the City's financial statements, which follow this narrative.

FINANCIAL HIGHLIGHTS

- The City has $40,156,863 in total assets of which $31,679,964 are capital assets.
- The City has $8,854,874 in total liabilities of which $6,269,707 are long-term.
- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by $31,129,416 (net position). Of this amount, $4,303,089 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors while $26,049,955 is the net investment in capital assets.
- The City's total net position increased by $ 55,004.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $2,201,919, a decrease of $160,678 in comparison with the prior year. This amount consists of $611,224 reserved for specific projects and public services and an unreserved balance of $1,486,795.
- At the end of the current fiscal year, unreserved fund balance for the general fund was $1,486,795, or 15% of total general fund expenditures.
- The City's long-term debt decreased by $ 460,574 during the current fiscal year as a result of decreased net pension liability.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management's discussion and analysis* (which serves as an introduction to the City's basic financial statements), the *basic financial statements*, and *supplementary information* that presents combining statements for nonmajor governmental funds and nonmajor enterprise funds as well as other selected information. The City's basic financial statements consist of three components: 1) Government-Wide financial statements, 2) Fund financial statements and 3) Notes to financial statements.

Government-Wide Financial Statements

The primary role of the Government-Wide financial statements is to demonstrate operational accountability. Operational accountability requires that a government demonstrate the extent to which it has met its operating objectives efficiently and effectively, using all resources available for that purpose, and whether it can continue to do so.

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Sylvester's finances, in a manner similar to a private-sector business. It provides both long-term and short-term information about the City's overall financial status. The *statement of net assets* and the *statement of activities* report information about the City as a whole and about its activities in a way that helps answer the question - is the City's financial health improving or deteriorating?

The *statement of net assets* presents information on all the City's assets and liabilities, with the difference between the two reported as net assets. The statement is a tool to measure the City's financial health or financial position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The reader would need to consider other non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure to assess the overall health of the City.

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities*). The governmental activities of the City include general government, public safety, public works, parks and recreation, community development, and interest on long-term debt. The business-type activities of the City include water and sewer electric (Light), gas, solid waste, airport operations, and telecommunications.

The government-wide financial statements include not only the City of Sylvester itself (known as the *primary government*), but also a legally

separate City of Sylvester Downtown Development Authority, for which the City has some degree of financial accountability. Financial information for the *component unit* is reported separately from the financial information presented for the primary government itself.

Fund Financial Statements

The primary role of the Fund financial statements is to demonstrate fiscal accountability. Fiscal accountability requires that a government demonstrate compliance with public decisions concerning the raising and spending of public monies in the short term (usually one budgetary cycle or one year).

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows* and *outflows* of spendable resources, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains five (5) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and for the SPLOST 2016 fund as they are considered to be major funds. Data from the other three (3) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds

The City maintains one type of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Water and Sewer Fund, Electric (Light) Revenue Fund, Sanitation Waste Fund, Airport Fund, Telecommunications Fund, and Gas Revenue Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund, Electric (Light) Revenue Fund, Airport Fund, Sanitation Waste Fund, Telecommunications Fund, and the Gas Revenue Fund, all of which are considered to be major funds of the City.

Notes to the Financial Statements

Notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements.

Table 1 below summarizes the major features of the basic financial statements.

Table 1
Major Features of the Basic Financial Statements

		Fund Financial Statements	
	Government-wide Statements	**Governmental Funds**	**Proprietary Funds**
Scope	Entire City government (except fiduciary funds) and the City's component units	Activities of the City that are not proprietary or fiduciary	Activities of the City that are operated similar to private business
Required financial statements	Statement of Net Assets Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Assets Statement of Revenues, Expenditures, and Changes in Net Assets Statement of Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Condensed Statement of Net Position

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by $31,129,416 at the close of the most recent fiscal year.

By far the largest portion of the City's net assets, $26,049,955, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services

to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 2 below presents the City's condensed statement of net assets as of June 30, 2019 and 2018.

Table 2
Condensed Statement of Net Position

	Government Activities		Business Type Activties		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current and other assets	$ 2,705,080	$ 2,749,815	$ 5,771,819	$ 7,728,345	$ 8,476,899	$ 10,478,160
Capital Assets	16,231,735	13,566,850	15,448,229	15,715,333	31,679,964	29,282,183
Total Assets	18,936,815	16,316,665	21,220,048	23,443,678	40,156,863	39,760,343
Deferred Inflow of Resources						
Pension Plan Activity	489,950	656,714	-	-	489,950	656,714
Total Deferred Outflows	489,950	656,714	-	-	489,950	656,714
Liabilities						
Other Other Liabilities	697,505	542,832	1,887,662	1,435,065	2,585,167	1,977,897
Long Term Liabilities	1,690,882	2,134,501	4,578,825	4,595,780	6,269,707	6,730,281
Total Liabilities	2,388,387	2,677,333	6,466,487	6,030,845	8,854,874	8,708,178
Deferred Inflow of Resources						
Pension Plan Activty	662,523	633,467	-	-	662,523	-
Unearned Revenue	-	-	-	800	-	800
Total Deferred Inflows	662,523	633,467	-	800	662,523	800
Net Position						
Net Investment in Capital Assets	15,434,579	12,573,014	10,615,376	10,813,405	26,049,955	23,386,419
Restricted	611,224	439,467	165,148	164,966	776,372	604,433
Unrestricted	330,052	650,098	3,973,037	6,433,462	4,303,089	7,083,560
Total Net Position	$ 16,375,855	$ 13,662,579	$ 14,753,561	$ 17,411,833	$ 31,129,416	$ 31,074,412

Net assets may serve over time as a useful indicator of a government's financial position. The City's combined net position exceeds liabilities by $31,129,416 for 2019 as compared to $31,074,412 for 2018 for an increase of 0.18%. Of this amount ($2,658,272) came from business-type activities and $2,713,276 came from governmental activities.

An additional portion of the City's net assets, 2.49%, represents resources that are subject to external restrictions on how they may be used. This is an increase of $171,939 or 28.45% from 2018.

For governmental activities, the City reported a balance of $330,052 in unrestricted net assets. This is a decrease of ($320,046) from 2018. The business-type activities unrestricted net assets were $3,973,037, a decrease of ($2,460,425) from 2018.

At the end of the current fiscal year, the City is able to report positive balances in the category of net assets, both for the City as a whole, as well as for its separate governmental and business-type activities.

Condensed Statement of Activities

Table 3 below presents the City's condensed statement of activities for the years ended June 30, 2019 and 2018. Over time, increases or decreases in net assets measure whether the City's financial position is improving or deteriorating.

Table 3
Condensed Statement of Activities

	Government Activities		Business Type Activties		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues						
Charges for services	$ 352,173	$ 419,789	$ 15,035,407	$ 13,863,929	$ 15,387,580	$ 14,283,718
Operating grants and contributions	1,400	123,345	-	-	1,400	123,345
Capital grants and contributions	754,121	675,397	59,071	393,591	813,192	1,068,988
General revenues						
Property Taxes	994,410	1,009,456	-	-	994,410	1,009,456
Local Option sales taxes	443,525	442,687	-	-	443,525	442,687
Other taxes	627,964	556,215	-	-	627,964	556,215
Investment income	9,172	9,613	5,320	7,590	14,492	17,203
Gain (loss) on investments	-	-	233,059	124,556	233,059	124,556
other revenues	15,935	306,319	-	-	15,935	306,319
Total Revenues	3,198,700	3,542,821	15,332,857	14,389,666	18,531,557	17,932,487
Expenses						
General Government	2,226,593	1,777,599			2,226,593	1,777,599
Public Safety	2,834,516	3,068,864			2,834,516	3,068,864
Public Works	1,439,370	1,524,891			1,439,370	1,524,891
Culture and Recreation	236,627	260,292			236,627	260,292
Community development	212,347	271,628			212,347	271,628
Interest - Long-term debt	35,971	44,398			35,971	44,398
Electric			8,171,784	7,922,990	8,171,784	7,922,990
Water and sewer			1,586,101	1,618,685	1,586,101	1,618,685
Gas			839,917	820,875	839,917	820,875
Solid Waste			554,952	521,080	554,952	521,080
Telecommunication			86,617	79,977	86,617	79,977
Airport			251,758	240,170	251,758	240,170
						-
Total Expenses	6,985,424	6,947,672	11,491,129	11,203,777	18,476,553	18,151,449
Increase (decrease) in net position before transfers	(3,786,724)	(3,404,851)	3,841,728	3,185,889	55,004	(218,962)
Transfers	6,500,000	5,713,500	(6,500,000)	(5,713,500)	-	-
Change in Net Position	$ 2,713,276	$ 2,308,649	$ (2,658,272)	$ (2,527,611)	$ 55,004	$ (218,962)

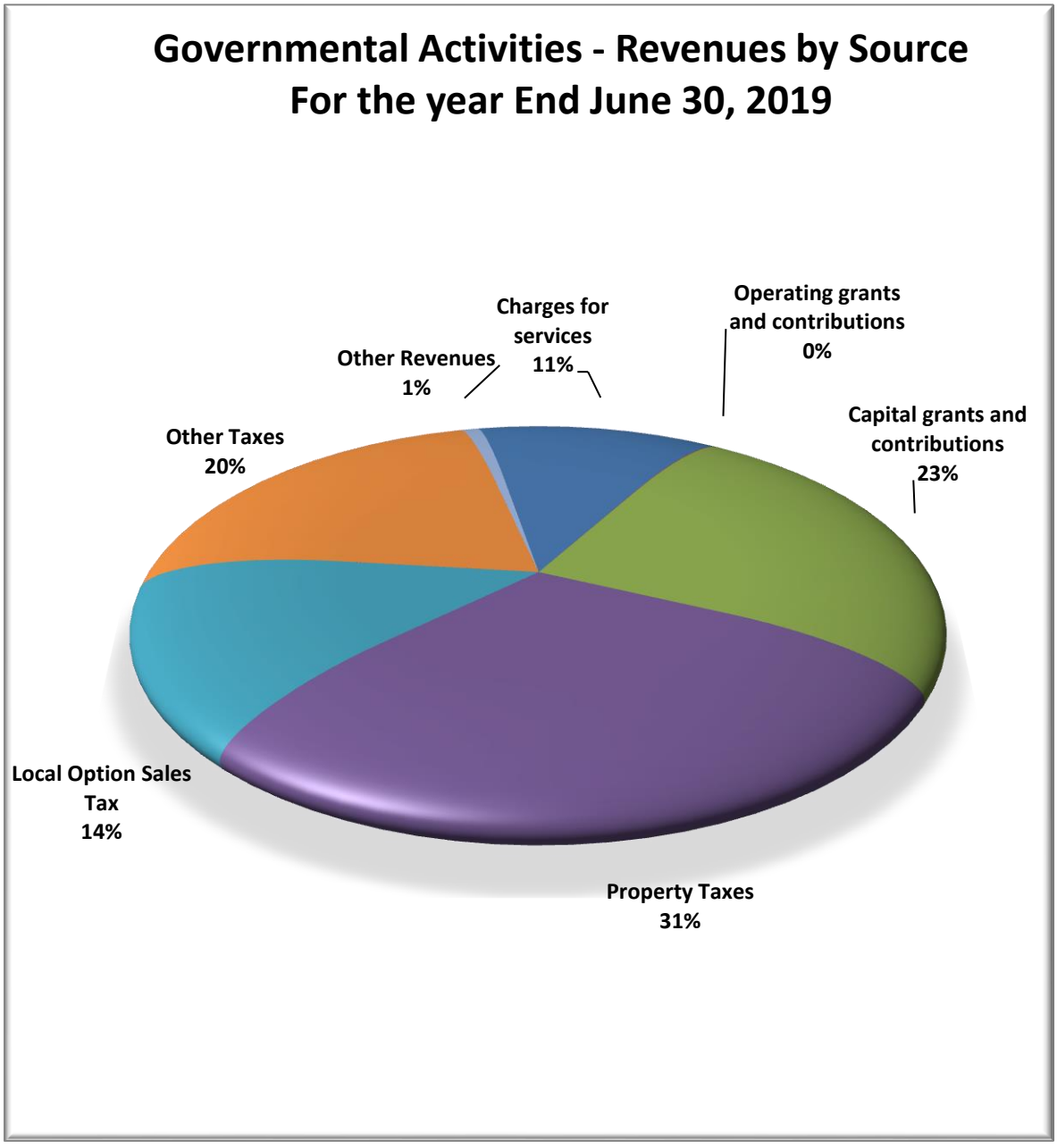
Governmental activities during the fiscal year ended June 30, 2019 increased the City's net position by $2,713,276. Business-type activities during the same period decreased net position by ($2,658,272). The net change in net assets was an increase of $55,004. The Table above shows the revenue and expenses by activity for the total primary government. This Table shows total 2019 revenues from governmental

activities at $3,198,700 while expenses were $6,985,424. Business-type activities total revenues for 2019 were $15,332,857 while expenses were $11,491,129. Transfers from business-type activities are the largest governmental activity revenue source at $6,500,000 or 67%. The next largest revenue source for governmental activities comes from property taxes of $994,410 which is 10.3% of the total governmental activity funding. Revenues from other taxes are the third largest governmental activity revenue source at $627,964 or 6.5%. Business-type activities program revenues exceeded expenses by $3,841,728 before internal transfers to support the governmental activities.

Program Revenues and Expenses for Governmental Activities

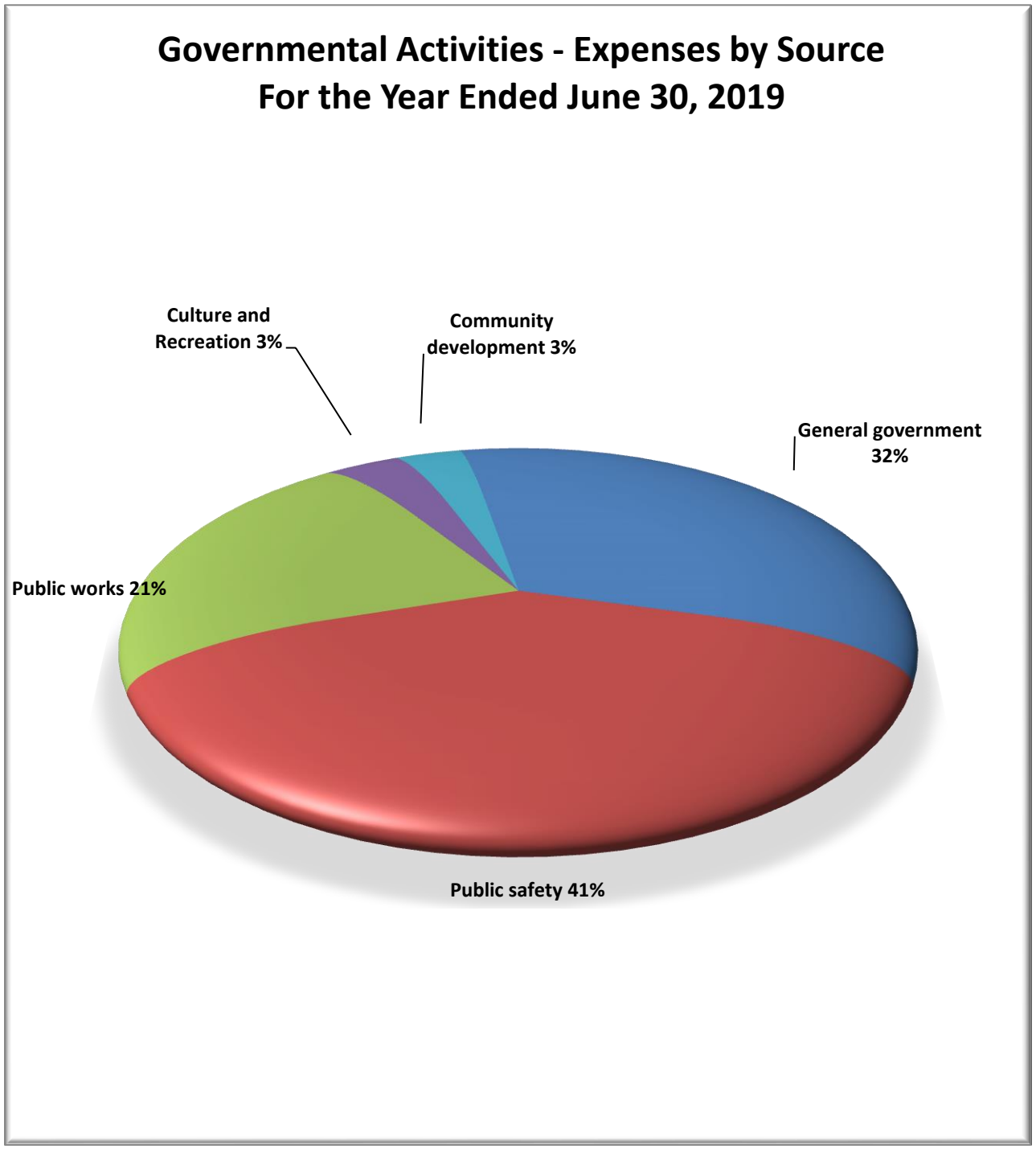
Governmental Activities - Revenues by Source

The following chart shows the governmental activities revenues by major source and includes revenues from transfers. It is easy to see from the chart that governmental activities are funded to a great degree through property taxes (31%) of the primary government. For the year ended June 30, 2019 these revenues were $994,410.



Governmental Activities – Expenses by Source

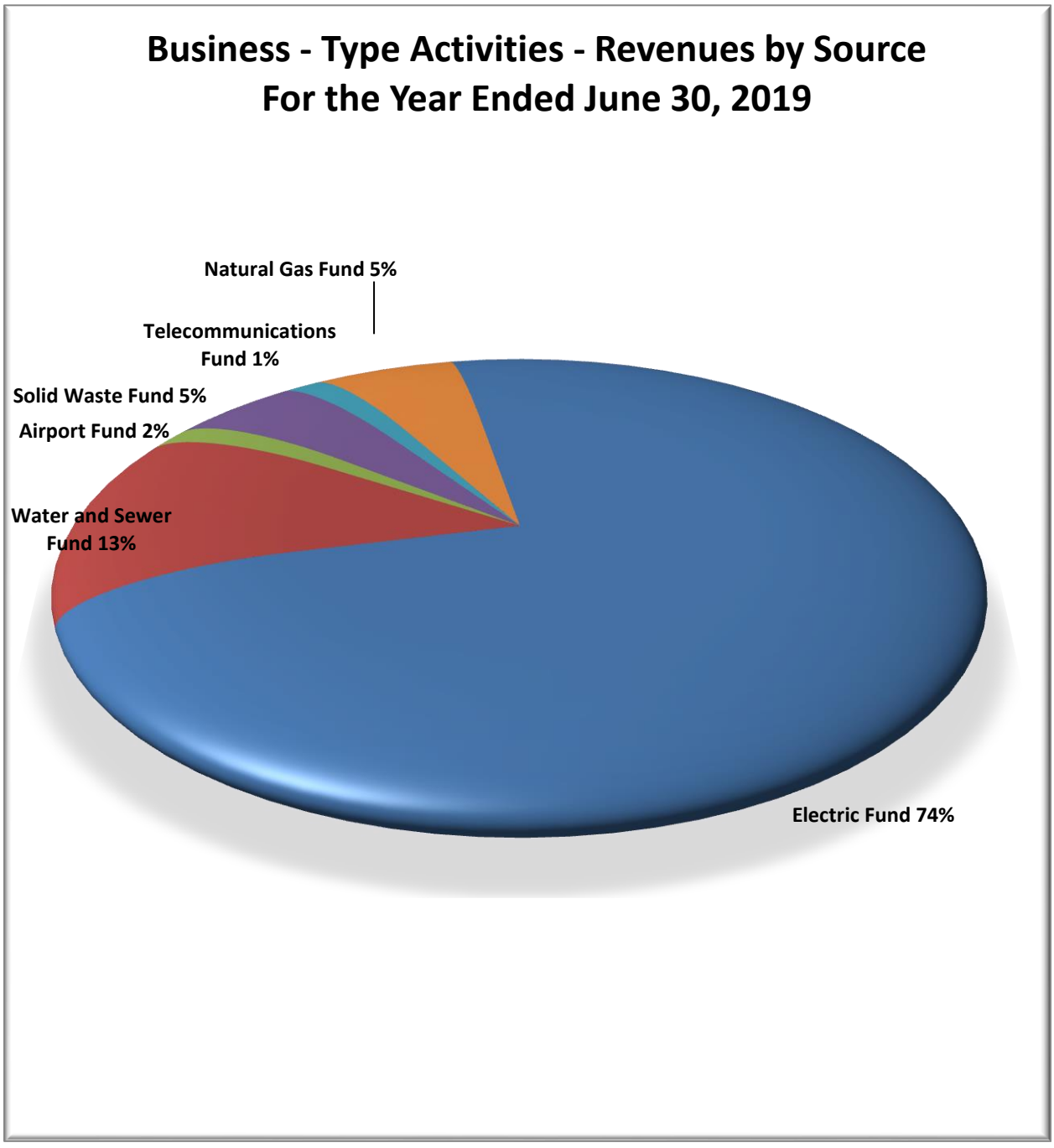
The following chart shows the governmental activities expenses by source. The City of Sylvester spent the greatest amount of its available funding on Public Safety, 41%. The next largest funding was required for General Government at 32%.



Program Revenues and Expenses for Business-Type Activities

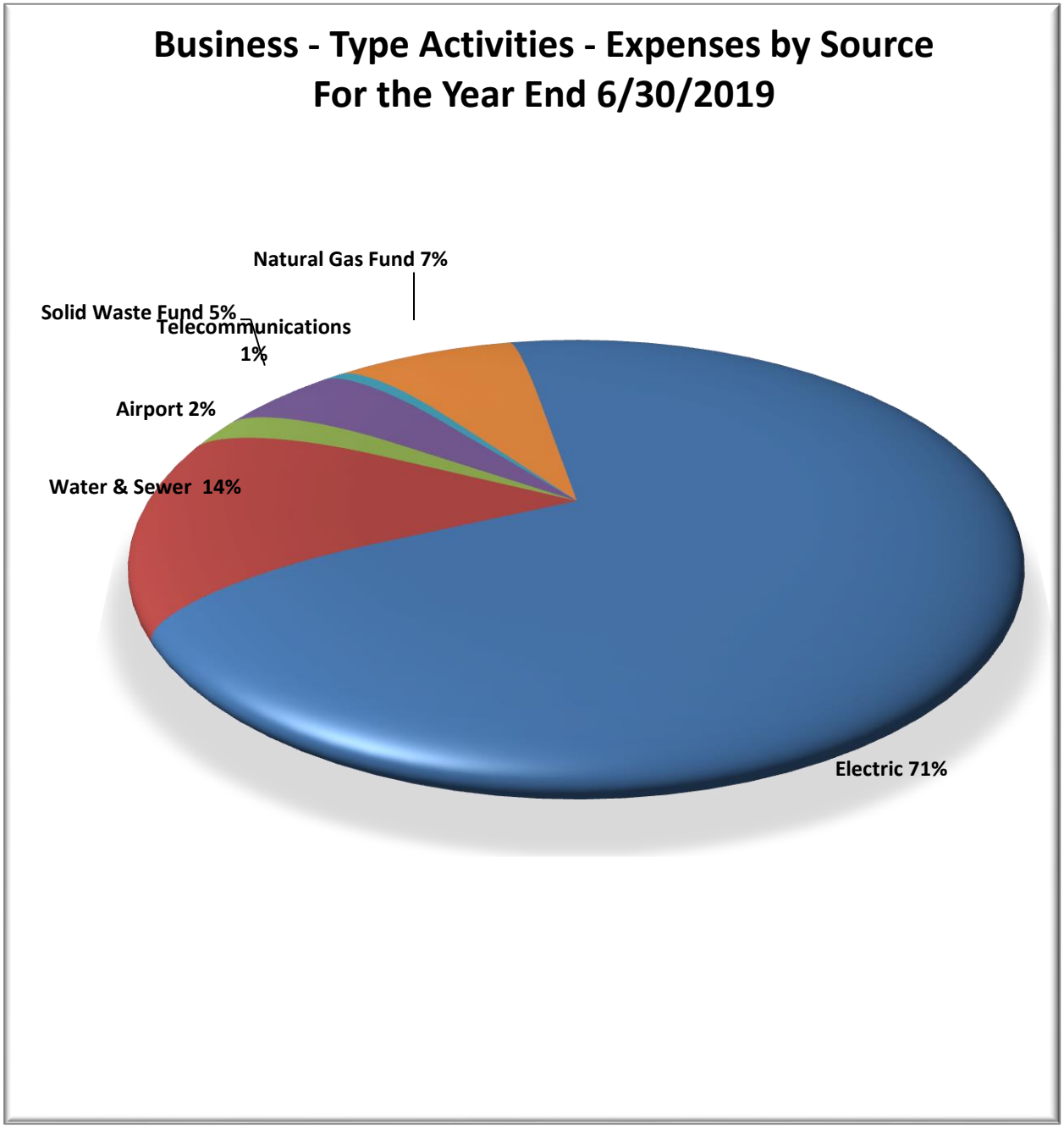
Business-Type Activities – Revenues by Source

The business-type activities largest revenue source is from the Electric Revenue Fund. More revenues, 74% or $11,470,430 are generated by the Electric Revenue Fund than all other business-type activities combined.



Business-Type Activities – Expenses by Source

The Electric Revenue fund has the largest amount of expenses as expected at 71% or $8,171,784 but generated profits of $3,535,817 before its transfers to governmental activities.



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

The City of Sylvester has two major governmental funds which are the General Fund and the SPLOST Fund. At June 30, 2019, the General Fund had a fund balance of $1,613,104 and the SPLOST Fund had a balance of $200,582. This is a decrease of $362,837 for the General Fund and an increase of $160,942 for the SPLOST Fund from the beginning fund balance.

The fund balances for the other governmental funds increased by $41,217. The final fund balance for these funds was $388,233 at the end of the year.

Enterprise Funds

The Enterprise Funds, which include the City's Electric (Light) Revenue Fund, Water and Sewer Fund, Solid Waste Fund, Gas Fund, Telecommunications Fund, and Airport, showed a combined cash and cash equivalents balance of $1,480,555 for the year ended June 30, 2019. This was a decrease of $207,813 from the previous year.

The Electric Fund had ending cash and cash equivalents balance of $548,528. This is a decrease of $246,001 from the previous year.

The Water and Sewer Fund had ending cash and cash equivalents balance of $678,144. This is a decrease of $61,432 from the previous year.

The Solid Waste Fund had ending cash and cash equivalents balance of $90,139. This is an increase of $73,360 from the previous year.

The Natural Gas Fund had ending cash and cash equivalents balance of $67,206. This is an increase of $18,614 from the previous year.

The Telecommunications Fund had ending cash and cash equivalents balance of $36,643. This is an increase of $10,311 from the previous year.

The Airport Fund had ending cash and cash equivalents balance of $59,895. This is a decrease of $2,665 from the previous year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Generally, budget amendments fall into one of the following categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Amendments to the original budget for 2019 related to the transfer of budgeted amounts between departments and additional appropriations were due to elimination of interfund payables.

The actual revenues of the General Fund were more than final budgeted amounts by $130,538 for the year ended June 30, 2019. The major factors contributing to this difference was a surplus in Taxes and Charges for Services and a deficit in Fines & Forfeitures.

The actual expenditures of the General Fund were more than final budgeted amounts by $86,386 for the year ended June 30, 2019. The difference was due to an increase in actual expenditures in several departments.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30 2019, governmental activities and business-type activities had capital assets of $26,015,030 (net of accumulated depreciation) invested in land, buildings, system improvements, machinery and equipment and recreation and park facilities.

The net capital assets from governmental activities increased $635,378 from the 2016 amount due to current year acquisitions net of depreciation costs. The net capital assets from business-type activities increased by $955,550 from the prior year due to current year acquisitions net of depreciation costs.

Additional information on the City's capital assets can be found in Note 6 of the Notes to Financial Statements.

Long-term Debt

The City's total long-term debt consists of capital leases, net pension liability, compensated absences and other long-term liabilities.

At June 30, 2019, the City had $2,463,755 of outstanding long-term liabilities related to governmental activities and $3,463,513 of long-term liabilities related to business-type activities for a total of $5,927,268 compared to the previous year's total of $5,986,218. This is a decrease of $58,950 as a result of scheduled principle payments and new acquisitions.

Additional information on the City's long-term debt can be found in Note 8 of the Notes to Financial Statements.

FACTORS AFFECTING THE 2019 BUDGET

The Mayor and Council of the City of Sylvester considered many factors when approving the City's 2019 budget and are very aware of present economic conditions and their effect on its citizens. The Mayor and Council chose to continue to use additional transfers from certain business-type activities to other business-type activities and to fund governmental activities and to use reserves and reductions in fund balances to fund operations and capital expenses in 2019 instead of increasing taxes or rates to provide the necessary funds required for the City's governmental and business-type activities.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions about this report or requests for additional information may be addressed to:

City Finance Department
City of Sylvester
101 N Main Street
Sylvester, Georgia 31791

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

BASIC FINANCIAL STATEMENTS

CITY OF SYLVESTER, GEORGIA
Statement of Net Position
June 30, 2019

	PRIMARY GOVERNMENT			COMPONENT UNIT
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
Assets				
Current Assets				
Cash	$ 714,299	$ 1,102,163	$ 1,816,462	$ 6,355
Investments	1,027,917	2,622,903	3,650,820	-
Receivables - Net	746,369	1,824,505	2,570,874	-
Interfund	76,017	(76,017)	-	-
Intergovernmental Receivable	36,578	-	36,578	-
Inventory	31,992	277,637	309,629	
Prepaid Items	71,908	20,628	92,536	-
Total Current Assets	2,705,080	5,771,819	8,476,899	6,355
Noncurrent Assets				
Capital Assets				
Nondepreciable	769,904	3,423,923	4,193,827	-
Depreciable-Net	15,461,831	12,024,306	27,486,137	-
Total Noncurrent Assets	16,231,735	15,448,229	31,679,964	-
Total Assets	18,936,815	21,220,048	40,156,863	6,355
Deferred Outflows of Resources				
Pension Plan Activity	489,950	-	489,950	-
Total Assets and Deferred Outflows	19,426,765	21,220,048	40,646,813	6,355
Liabilities				
Current Liabilities				
Accounts Payable	$ 413,038	$ 871,611	$ 1,284,649	$ -
Accrued Expenses	9,738	568,327	578,065	-
Deposits	30,693	170,580	201,273	-
Capital Leases Payable	244,036	-	244,036	-
Notes Payable	-	277,144	277,144	-
Total Current Liabilities	697,505	1,887,662	2,585,167	-
Long-Term Liabilities				
Capital Leases Payable, Less Current Portion	553,120	-	553,120	-
Notes Payable, Less Current Portion	-	4,555,709	4,555,709	-
Net Pension Liability	1,092,317	-	1,092,317	-
Compensated Absenses	45,445	23,116	68,561	-
Total Long-Term Liabilities	1,690,882	4,578,825	6,269,707	-
Total Liabilities	2,388,387	6,466,487	8,854,874	-
Deferred Inflows of Resources				
Pension Plan Activity	662,523	-	662,523	-
Deferred Revenues	-	-	-	-
Total Liabilities and Deferred Inflows	3,050,910	6,466,487	9,517,397	-
Net Position				
Net Investment in Capital Assets	15,434,579	10,615,376	26,049,955	-
Restricted for				
Capital Projects	402,590	-	402,590	-
Debt Service	-	165,148	165,148	-
Public Welfare	10,703	-	10,703	-
Economic Development	176,626	-	176,626	-
Public Safety	11,706	-	11,706	-
Other	9,599	-	9,599	-
Downtown Development	-	-	-	6,355
Unresticted	330,052	3,973,037	4,303,089	-
Total Net Position	$ 16,375,855	$ 14,753,561	$ 31,129,416	$ 6,355

See accompanying notes to the financial statements.

CITY OF SYLVESTER, GEORGIA
Statement of Activities
For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues: Fees, Fines and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental Activities				
General Government	$ 2,226,593	$ 132,104	$ -	$ -
Public Safety	2,834,516	173,518	1,400	-
Public Works	1,439,370	-	-	754,121
Culture and Recreation	236,627	46,551	-	-
Community & Economic Development	212,347	-	-	-
Interest on Long-Term Debt	35,971	-	-	-
Total Governmental Activities	6,985,424	352,173	1,400	754,121
Business-Type Activities				
Electric	8,171,784	11,470,430	-	-
Water and Sewer	1,586,101	1,871,085	-	59,071
Natural Gas	839,917	824,500	-	-
Solid Waste	554,952	728,716	-	-
Telecommunications	86,617	66,391	-	-
Airport	251,758	74,285	-	-
Total Business-Type Activities	$ 11,491,129	$ 15,035,407	$ -	$ 59,071
Total Primary Government	$ 18,476,553	$ 15,387,580	$ 1,400	$ 813,192
Component Unit				
Downtown Development Authority	$ 14,228	$ 6,425	$ -	$ -

General Revenues:

Property Taxes and Franchise Taxes
Intangible and Transfer Taxes
Insurance Premium Taxes
Sales Taxes
Alcoholic Beverage Tax
Business Taxes
Investment Earnings
Gain on Investments
Miscellaneous Revenue
Transfers - Internal Activities

Total General Revenues and Transfers

CHANGE IN NET POSITION

NET POSITION - JULY 1, 2018

NET POSITION - JUNE 30, 2019

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Statement of Activities (Continued)
For the Year Ended June 30, 2019

	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
	$ (2,094,489)	$ -	$ (2,094,489)	$ -
	(2,659,598)	-	(2,659,598)	-
	(685,249)	-	(685,249)	-
	(190,076)	-	(190,076)	-
	(212,347)		(212,347)	-
	(35,971)	-	(35,971)	-
	(5,877,730)	-	(5,877,730)	-
	-	3,298,646	3,298,646	-
	-	344,055	344,055	-
	-	(15,417)	(15,417)	-
	-	173,764	173,764	-
	-	(20,226)	(20,226)	-
	-	(177,473)	(177,473)	-
	-	3,603,349	3,603,349	-
	(5,877,730)	3,603,349	(2,274,381)	
	-	-	-	(7,803)
	994,410	-	994,410	-
	5,109	-	5,109	-
	443,525	-	443,525	-
	453,164	-	453,164	-
	106,943	-	106,943	-
	62,748	-	62,748	-
	9,172	5,320	14,492	11
	-	233,059	233,059	-
	15,935	-	15,935	-
	6,500,000	(6,500,000)	-	-
	8,591,006	(6,261,621)	2,329,385	11
	2,713,276	(2,658,272)	55,004	(7,792)
	13,662,579	17,411,833	31,074,412	14,147
	$ 16,375,855	$ 14,753,561	$ 31,129,416	$ 6,355

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Governmental Funds
Balance Sheet
June 30, 2019

	General Fund	SPLOST Capital Projects Fund	Other Non-Major Governmental Funds	Total
Assets				
Cash	$ 151,236	$ 200,582	$ 340,072	$ 691,890
Restricted Cash	22,409	-	-	22,409
Investments-Certificates of Deposit	1,027,917	-	-	1,027,917
Receivables-Net of Allowance for Uncollectible Accounts	697,811	-	48,558	746,369
Due from Other Funds	377,945	-	1,628	379,573
Due from Other Governments	36,578	-	-	36,578
Inventory	31,992	-	-	31,992
Prepaid Items	71,908	-	-	71,908
TOTAL ASSETS	$ 2,417,796	$ 200,582	$ 390,258	$ 3,008,636
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts Payable	$ 411,013	$ -	$ 2,025	$ 413,038
Accrued Liabilities	9,738	-	-	9,738
Due to Other Funds	303,556	-	-	303,556
Deposits	30,693	-	-	30,693
Total Liabilities	755,000	-	2,025	757,025
Deferred Inflows of Resources				
Deferred Revenue - Property Taxes	49,692	-	-	49,692
Deferred Revenue-Other	-	-	-	-
Total Deferred Inflows of Resources	49,692	-	-	49,692
Fund Balances				
Nonspendable	103,900	-	-	103,900
Restricted	22,409	200,582	388,233	611,224
Unassigned	1,486,795	-	-	1,486,795
Total Fund Balances	1,613,104	200,582	388,233	2,201,919
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 2,417,796	$ 200,582	$ 390,258	$ 3,008,636

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Governmental Funds
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2019

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS		$ 2,201,919
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 Governmental Funds Balance Sheet. Those assets consist of:		
Land, Building and Improvements	$ 10,596,020	
Machinery and Equipment	2,224,461	
Vehicles	2,373,464	
Infrastructure	7,906,396	
Accumulated Depreciation	(6,868,606)	
		16,231,735
Long-term liabilities are not due and payable in the current period and therefore are not reported in the Governmental Funds Balance Sheet.		
Capital Leases	(797,156)	
Compensated Absences	(45,445)	(842,601)
Certain revenues are not available to pay for current period expenditures and therefore are reported deferred inflows of resources in the governmental funds.		49,692
Deferred outflows of resources related to pension plan activity are not due and payable in the current period and therefore, are not reported in the governmental funds.		489,950
Deferred inflows of resources related to pension plan activity are not available to pay for current resources and therefore, are not reported in the governmental funds.		(662,523)
Net pension liability is not due and payable in the current period and therefore, is not reported in the governmental funds.		(1,092,317)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 16,375,855

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2019

	General Fund	SPLOST Capital Projects Fund	Other Non-Major Governmental Funds	Total
REVENUES				
Taxes-Net	$ 2,086,701	$ -	$ 23,351	$ 2,110,052
Charges for Services	70,279	-	-	70,279
Fines & Forfeitures	173,518	-	-	173,518
Licenses and Permits	61,825	-	-	61,825
Intergovernmental	300,000	354,605	99,010	753,615
Interest Income	3,760	506	5,412	9,678
Miscellaneous	62,486	-	1,400	63,886
Total Revenues	2,758,569	355,111	129,173	3,242,853
EXPENDITURES				
Current				
General Government	3,272,212	-	-	3,272,212
Public Safety	2,577,352	-	-	2,577,352
Public Works	3,374,329	-	-	3,374,329
Culture and Recreation	219,725	-	-	219,725
Community & Economic Development	136,755	-	75,281	212,036
Capital Outlay	-	10,175	5,051	15,226
Debt Service				
Principal	89,765	162,255	-	252,020
Interest	14,232	21,739	-	35,971
TOTAL EXPENDITURES	9,684,370	194,169	80,332	9,958,871
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,925,801)	160,942	48,841	(6,716,018)
OTHER FINANCING SOURCES (USES)				
Capital Lease Transaction	55,340	-	-	55,340
Transfers In	6,507,624	-	-	6,507,624
Transfers Out	-	-	(7,624)	(7,624)
TOTAL OTHER FINANCING SOURCES (USES)	6,562,964	-	(7,624)	6,555,340
NET CHANGE IN FUND BALANCES	(362,837)	160,942	41,217	(160,678)
FUND BALANCE - JULY 1, 2018	$ 1,975,941	$ 39,640	$ 347,016	$ 2,362,597
FUND BALANCE - JUNE 30, 2019	$ 1,613,104	$ 200,582	$ 388,233	$ 2,201,919

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Governmental Funds
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2019

NET CHANGE IN FUND BALANCES-TOTAL GOVERNMENTAL FUNDS			$ (160,678)
Amounts reported for governmental activites in the Statement of Activities are different because			
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets aquired in the current period.			3,180,677
Depreciation expense on capital assets is reported in the Statement of Activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.			(515,792)
Pension expenses reported in the Statement of Activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in governmental funds			4,514
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.			
Deferred at June 30, 2019	$	49,692	
Deferred at June 30, 2018		(93,846)	(44,154)
Long-term compensated absences are reported in the Statement of Activities but they do not require the use of current financial resources. Therefore, long-term compensated absences are not reported as expenditures in Governmental Funds.			
Compensated Absences			
Liability at June 30, 2019		(45,445)	
Liability at June 30, 2018		97,474	52,029
The issuance of long-term debt provides current financial resources to Governmental Funds, but increases liabilities in the Statement of Net Position. Repayment of debt is an expenditure in the Governmental Funds, but reduces long-term liabilities in the Statement of Net Position.			
Long-term debt proceeds		(55,340)	
Long-term debt payments		252,020	196,680
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES			$ 2,713,276

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Net Position
June 30, 2019

	Electric Fund	Water and Sewer Fund	Airport Fund	Solid Waste Fund	Telecommunications Fund	Natural Gas Fund	Total
ASSETS							
Current Assets							
Cash	$ 257,708	$ 222,640	$ 59,895	$ 90,139	$ 36,643	$ 39,834	$ 706,859
Investment - Certificate of Deposit	194,829	183,563	-	-	-	-	378,392
Investments	2,244,511	-	-	-	-	-	2,244,511
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	1,335,060	240,846	800	88,436	108,765	50,598	1,824,505
Restricted Cash	95,991	106,975	-	-	-	27,372	230,338
Restricted Certificate of Deposit	-	164,966	-	-	-	-	164,966
Due from Other Funds	359,722	129,830	-	15,198	368	-	505,118
Inventory	196,540	50,050	-	-	-	31,047	277,637
Prepaid Items	13,805	5,868	-	-	-	955	20,628
Total Current Assets	4,698,166	1,104,738	60,695	193,773	145,776	149,806	6,352,954
Noncurrent Assets							
Capital Assets							
Nondepreciable Capital Assets	-	2,965,162	382,791	19,780	53,690	2,500	3,423,923
Depreciable Capital Assets	4,789,660	15,971,537	4,650,810	139,855	331,231	1,196,692	27,079,785
Accumulated Depreciation	(3,125,088)	(9,671,704)	(908,343)	(18,647)	(306,996)	(1,024,701)	(15,055,479)
Total Noncurrent Assets	1,664,572	9,264,995	4,125,258	140,988	77,925	174,491	15,448,229
TOTAL ASSETS	6,362,738	10,369,733	4,185,953	334,761	223,701	324,297	21,801,183

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Net Position (Continued)
June 30, 2019

	Electric Fund	Water and Sewer Fund	Airport Fund	Solid Waste Fund	Telecommunications Fund	Natural Gas Fund	Total
LIABILITIES							
Current Liabilities							
Accounts Payable	$ 666,663	$ 102,635	$ 146	$ 34,670	$ 40,475	$ 27,022	$ 871,611
Notes Payable	5,022	235,795	-	25,214	-	11,113	277,144
Accrued Expenses	454,375	69,449	-	-	-	44,502	568,326
Due to Other Funds	114,794	192,802	32,526	9,594	76,026	155,394	581,136
Customer Deposits	67,334	81,092	-	-	-	22,154	170,580
Total Current Liabilities	1,308,188	681,773	32,672	69,478	116,501	260,185	2,468,797
Long-Term Liabilities							
Notes Payable	-	4,471,725	-	75,315	-	8,669	4,555,709
Accrued Vacation	19,272	3,844	-	-	-	-	23,116
Total Long-Term Liabilities	19,272	4,475,569	-	75,315	-	8,669	4,578,825
TOTAL LIABILITIES	1,327,460	5,157,342	32,672	144,793	116,501	268,854	7,047,622
DEFERRED INFLOWS OF RESOURCES							
Unearned Revenues	-	-	-	-	-	-	-
NET POSITION							
Net Investment in Capital Assets	1,659,550	4,557,475	4,125,258	40,459	77,925	154,709	10,615,376
Restricted for Debt Service	-	165,148	-	-	-	-	165,148
Unrestricted	3,375,728	489,768	28,023	149,509	29,275	(99,266)	3,973,037
TOTAL NET POSITION	$ 5,035,278	$ 5,212,391	$ 4,153,281	$ 189,968	$ 107,200	$ 55,443	$ 14,753,561

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2019

	Electric Fund	Water and Sewer Fund	Airport Fund	Solid Waste Fund	Telecommunications Fund	Natural Gas Fund	Total
OPERATING REVENUES							
Operations	$ 11,470,430	$ 1,871,085	$ 74,285	$ 728,716	$ 66,391	$ 824,500	$ 15,035,407
OPERATING EXPENSES							
Operating Expenses	8,088,983	1,117,393	21,293	541,094	65,335	836,017	10,670,115
Depreciation	81,307	360,356	230,465	9,323	21,282	2,861	705,594
TOTAL OPERATING EXPENSES	8,170,290	1,477,749	251,758	550,417	86,617	838,878	11,375,709
OPERATING INCOME	3,300,140	393,336	(177,473)	178,299	(20,226)	(14,378)	3,659,698
NON-OPERATING REVENUES (EXPENSES)							
Interest Income	4,112	1,151	-	-	-	57	5,320
Interest Expense	(1,494)	(108,352)	-	(4,535)	-	(1,039)	(115,420)
Principal Forgiveness on Long-Term Debt	-	59,071	-	-	-	-	59,071
Market Gain on Investments	233,059	-	-	-	-	-	233,059
TOTAL NON-OPERATING REVENUES (EXPENSES)	235,677	(48,130)	-	(4,535)	-	(982)	182,030
Income Before Transfers	3,535,817	345,206	(177,473)	173,764	(20,226)	(15,360)	3,841,728
Transfers In	-	-	79,000	-	-	-	79,000
Transfers Out	(5,769,000)	(600,000)	-	(110,000)	(20,000)	(80,000)	(6,579,000)
CHANGE IN NET POSITION	(2,233,183)	(254,794)	(98,473)	63,764	(40,226)	(95,360)	(2,658,272)
NET POSITION - JULY 1, 2018	7,268,461	5,467,185	4,251,754	126,204	147,426	150,803	17,411,833
NET POSITION - JUNE 30, 2019	$ 5,035,278	$ 5,212,391	$ 4,153,281	$ 189,968	$ 107,200	$ 55,443	$ 14,753,561

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2019

	Electric Fund	Water and Sewer Fund	Airport Fund	Solid Waste Fund	Telecommunications Fund	Natural Gas Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash Received from Customers	$ 11,306,819	$ 1,831,395	$ 72,685	$ 716,564	$ 91,227	$ 841,361	$ 14,860,051
Cash Payments to Suppliers	(7,072,463)	(582,058)	(24,025)	(592,912)	(24,870)	(570,604)	(8,866,932)
Cash Paid to Employees	(617,529)	(448,675)	-	-	-	(231,799)	(1,298,003)
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,616,827	800,662	48,660	123,652	66,357	38,958	4,695,116
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Payments from Other Funds	-	-	84,166	-	3,154	-	87,320
Payments to Other Funds	(5,725,193)	(571,981)	-	(23,595)	(20,000)	(9,606)	(6,350,375)
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	(5,725,193)	(571,981)	84,166	(23,595)	(16,846)	(9,606)	(6,263,055)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Purchase and Construction of Capital Assets	-	(264,003)	(135,491)	-	(39,200)	-	(438,694)
Capital Grants Received	-	-	-	-	-	-	-
Principal Paid on Capital Debt	(58,977)	(184,218)	-	(22,162)	-	(9,756)	(275,113)
Interest Paid on Capital Debt	(1,494)	(108,352)	-	(4,535)	-	(1,039)	(115,420)
Proceeds from Long Term Debt	-	265,309	-	-	-	-	265,309
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(60,471)	(291,264)	(135,491)	(26,697)	(39,200)	(10,795)	(563,918)
CASH FLOWS FROM INVESTING ACTIVITIES							
Sale of Investments	-	-	-	-	-	-	-
Proceeds from Sale of Investments	1,918,724	-	-	-	-	-	1,918,724
Interest Received	4,112	1,151	-	-	-	57	5,320
NET CASH PROVIDED BY INVESTING ACTIVITIES	1,922,836	1,151	-	-	-	57	1,924,044
Net Increase (Decrease) in Cash and Cash Equivalents	(246,001)	(61,432)	(2,665)	73,360	10,311	18,614	(207,813)
CASH AND CASH EQUIVALENTS - JULY 1, 2018	794,529	739,576	62,560	16,779	26,332	48,592	1,688,368
CASH AND CASH EQUIVALENTS - JUNE 30, 2019	$ 548,528	$ 678,144	$ 59,895	$ 90,139	$ 36,643	$ 67,206	$ 1,480,555
Displayed As:							
Investment-Certificate of Deposit	$ 194,829	$ 183,563	$ -	$ -	$ -	$ -	$ 378,392
Restricted Assets	$ 95,991	$ 271,941	$ -	$ -	$ -	$ 27,372	$ 395,304

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Cash Flows (Continued)
For the Year End June 30, 2019

	Electric Fund	Water and Sewer Fund	Airport Fund	Solid Waste Fund	Telecommunications Fund	Natural Gas Fund	Total
Reconciliation of Operating Income to Net Cash Provided by Operating Activities							
Operating Income (Loss)	$ 3,300,140	$ 393,336	$ (177,473)	$ 178,299	$ (20,226)	$ (14,378)	$ 3,659,698
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:							
Depreciation	81,307	360,356	230,465	9,323	21,282	2,861	705,594
(Increase) Decrease in Assets:							
Accounts Receivable	(168,051)	(39,402)	(800)	(12,152)	24,836	17,605	(177,964)
Inventory	1,984	-	-	-	-	-	1,984
Due from Other Funds	-	-	-	-	-	-	-
Prepaid Items	434	1,422	-	-	-	232	2,088
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:							
Accounts Payable	3,402	30,536	(2,732)	(51,818)	40,465	(2,620)	17,233
Accrued Expenses	400,251	57,443	-	-	-	37,924	495,618
Unearned Revenues	-	-	(800)	-	-	-	(800)
Customer Deposits	4,440	(288)	-	-	-	(976)	3,176
Accrued Vacation	(7,080)	(2,741)	-	-	-	(1,690)	(11,511)
NET CASH PROVIDED BY OPERATING ACTIVITES	$ 3,616,827	$ 800,662	$ 48,660	$ 123,652	$ 66,357	$ 38,958	$ 4,695,116
Noncash Investing, Capital and Financing Activities							
Principal Forgiveness on Capital Debt	$ -	$ 59,071	$ -	$ -	$ -	$ -	$ 59,071
Increase in Fair Value of Investments	$ 233,059	$ -	$ -	$ -	$ -	$ -	$ 233,059

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Agency Funds
Statement of Fiduciary Assets and Liabilities
June 30, 2019

ASSETS	
Cash	$ 3,543
TOTAL ASSETS	$ 3,543
LIABILITIES	
Due to Other Governments	$ 3,543
TOTAL LIABILITIES	$ 3,543

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Component Unit
Statement of Net Position
June 30, 2019

ASSETS	
Cash	$ 6,355
TOTAL ASSETS	$ 6,355
LIABILITIES	
Liabilities	$ -
NET POSITION	
Restricted:	
Downtown Development	$ 6,355
TOTAL NET POSITION	$ 6,355

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Component Unit
Statement of Activities
For the Year Ended June 30, 2019

EXPENSES	
Program Costs	$ 14,228
TOTAL EXPENSES	14,228
REVENUES	
Program Revenues	6,425
Net Program Revenue	(7,803)
GENERAL REVENUES	
Investment Earnings	11
CHANGE IN NET POSITION	(7,792)
NET POSITION-JULY 1, 2018	14,147
NET POSITION-JUNE 30, 2019	$ 6,355

See accompanying notes to financial statements.

The City of Sylvester, Georgia (the City) is a political subdivision of the State of Georgia. The City is a Council-Manager administered government, with an elected Mayor and four elected councilpersons. The City's major services include general government, public safety, public works, and culture and recreation.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government units. 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 and financial reporting. The City does not follow subsequent private-sector guidance for enterprise funds.

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

A. REPORTING ENTITY

The reporting entity is comprised of the primary government, a component unit 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 component unit columns included on the government-wide financial statements identifies the financial data of the City's discretely presented component unit. It is reported separately to emphasize that it is legally separate from the City.

Discretely Presented Component Unit:

Sylvester Downtown Development Authority (DDA) – Members of the governing board of the DDA are appointed by the City Council. Also, the DDA is fiscally dependent upon the City. Separate financial statements of the component unit may be obtained from:

Sylvester Downtown Development Authority
P.O. Box 370
Sylvester, GA 31791

Related Organizations:

The City of Sylvester And Worth County Recreation Authority (SWRA) – Members of the governing board of the SWRA are appointed jointly by the City Council and the Worth County governing body. It does not meet any other of the reporting entity criteria. The City provides funding of $100,000 per year to the organization.

The City of Sylvester, Georgia Housing Authority (the Authority) –The Authority was established under federal laws to carry on activities within the city of Sylvester. The City appoints board members at the recommendation of the existing board, but the City's accountability for the Authority does not extend beyond making the appointments. Separate audited financial statements of the Authority may be obtained from:

City of Sylvester Housing Authority
411 N. Jefferson Street
Sylvester, Georgia 31791

The City provides gasoline and security services to the Authority, which are billed to the Authority at an amount that approximates the City's cost of providing those items. This basis for billing has been used by the City consistently over the years to determine the amount of revenues and expenditures arising from quasi-external transactions.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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 on all non-fiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. It is the City's policy that interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The primary government and the component unit are presented separately within these financial statements.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

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

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Funds - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Those revenues susceptible to accrual are property taxes, sales taxes, licenses, interest revenue, and charges for services. All other revenue items are considered to be measurable and available only when cash is received. The City considers taxes as available in the period for which they were levied if they are collected within 60 days of the year end. A 90 day availability period is used for revenue recognition for all other governmental fund revenues.

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

Intergovernmental revenues are susceptible to accrual based on the compliance, legal, and contractual requirements of the individual programs. There are essentially two types of these revenues. For one type of revenue, monies must be expended for a specific purpose of project and revenues are recognized to the extent of such expenditures. Revenues of this type are deferred for monies received in advance of expenditures and accrued for expenditures in advance of monies received. For the other type of revenues, monies are virtually unrestricted as to the purpose of the expenditure. These resources are recognized as revenues when received, or earlier if susceptible to the accrual criteria.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

The City reports the following major governmental funds:

General Fund – The General Fund is the City's primary operating fund. It accounts for all the financial resources of the general government, except those required to be accounted for in another fund.

SPLOST Capital Project Fund – The Special Purpose Local Option Sales Tax Fund is used to account for projects supported by the special purpose local option sales tax including construction of roads, sidewalks, water and sewer system improvements, and construction of municipal buildings. This fund is a capital projects type fund.

Proprietary Funds – Proprietary funds are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as incurred. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for services. The Water and Sewer Fund and Natural Gas Fund also recognize as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for proprietary funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses, including capital grants, investments earnings, and interest expense.

The City reports the following major proprietary funds:
Electric Fund – This fund accounts for charges for electric use by City residents and expenses for the maintenance and upgrading of the electric system.

Water and Sewer Fund – This fund accounts for charges for water and sewer use by City residents and expenses for the maintenance and upgrading of the water and sewer system.

Airport Fund – This fund accounts for charges for airport use by private aircraft and expenses for the maintenance and upgrading of the City's municipal airport.

Solid Waste Fund – This fund accounts for charges for garbage and refuse disposal for City residents and expenses for contracting of disposal services.

Telecommunications Fund – This fund accounts for charges for telecommunications use by public and private entities and expenses for the maintenance and upgrading of the City's fiber optic telecommunications system.

Gas Fund – This fund accounts for charges for natural gas use by City residents and expenses for the maintenance and upgrading of the natural gas system.

Fiduciary Funds – The City's fiduciary funds are limited to agency funds which have no measurement focus, but use the accrual basis of accounting to recognize receivables and payables. Because, by definition, these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

The City reports the following fiduciary funds:
Utility Energy Crisis Fund – This agency fund accounts for the intergovernmental payments of utility bills for certain qualified customers.

Downtown Sylvester Farmer's Market – This agency fund accounts for the operations of the local farmer's market through collection of fees and payments of expenses.

D. BUDGETS AND BUDGETARY ACCOUNTING

As set forth in the City Charter, the City Council adopts an annual budget for the general fund, the special revenue funds, and the proprietary funds. The annual budget for the general fund, special revenue funds and for the proprietary funds is adopted under a basis consistent with GAAP. Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department which constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the City Council. Within these control levels, management may transfer appropriations without Council approval. The Council approved supplemental appropriations during the year. Project budgets are adopted for the Capital Project Fund.

E. ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not utilized in the Governmental funds.

F. CASH AND INVESTMENTS

Cash and cash equivalents, as reported in the statement of cash flows, includes amounts in demand deposit accounts, amounts with fiscal agents, and investments with an original maturity of three months or less.

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

- Obligations of the State of Georgia or of other states
- Obligations issued by the U.S. government
- Obligations fully insured or guaranteed by the U.S. government of a government agency
- Obligations of any corporation of the U.S. government
- Prime bankers' acceptances
- The State of Georgia local government investment pool
- Repurchase agreements
- Obligations of other political subdivisions of the State of Georgia

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

Investments are stated at fair value based on quoted market prices. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

Interest on investments is recorded as revenue in the year the interest is earned and is available to pay liabilities in the current period. All interest revenue related to investment activities is recorded in the respective fund holding the investment.

G. RECEIVABLES

All trade and property tax receivables are reported net of all allowance for uncollectible accounts, where applicable. Unbilled utility charges are accrued as receivables and revenue at June 30, 2019. The delinquent taxes receivable account represents the past seven years of uncollected tax levies.

H. INVENTORIES

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

On the fund financial statements, inventories of governmental funds are stated at cost 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 expenditure in the governmental fund types when purchased (i.e., the purchases method). For governmental funds, a corresponding amount of fund balance is designated as nonspendable for inventory. Inventories of the proprietary funds are expensed when consumed.

I. PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond June 30, 2019, are recorded as prepaid items at both reporting levels using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level for governmental funds a corresponding amount of fund balance is designated as nonspendable for prepaid items.

J. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided, services rendered, or loans. These receivables and payables are classified as internal balances.

K. CAPITAL ASSETS

General capital assets are those assets not specifically related to activities 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 governmental fund financial statements. Capital assets utilized by proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the proprietary funds' statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. The City's infrastructure consists of roads, curbs and gutters, sidewalks, bridges, drainage, traffic signals, water and sewer lines, natural gas lines, telecommunication lines and the electric distribution systems. 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 the proprietary funds is capitalized.

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

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:

	Estimated Useful Lives	Capitalization Threshold
Plant, Building, and Improvements	5 – 40 Years	$ 3,000
Machinery and Equipment	5 – 15 Years	$ 3,000
Furniture and Fixtures	5 – 20 Years	$ 3,000
Vehicles	3 – 10 Years	$ 3,000
Infrastructure	40 Years	$ 20,000

At the inception of capital leases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

L. DEFERRED INFLOWS OF RESOURCES

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

M. 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 these funds. However, compensated absences, claims and unfunded pension benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Bonds and capital leases are recognized as a liability in the governmental fund financial statements "when due."

N. COMPENSATED ABSENCES

It is the policy of the City to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service.

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

O. 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 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 through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- *Committed* – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the city council through the adoption of a resolution. The city council also may modify or rescind the commitment.
- *Assigned* – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The intent can be expressed by either the highest level of decision making, or by a body or an official to which the city council has delegated the authority. The city manager has authority to express assignments.
- *Unassigned* – Fund balances are reported as unassigned as the residual amounts which cannot be properly classified in one of the other four categories.

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

  - Committed
  - Assigned
  - Unassigned

Net Position – Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources on the government-wide financial statements. Net positions are classified in the following categories:

- *Net investment in capital assets* – consists of capital assets net accumulated depreciation, and reduced by outstanding debt that is attributed to the acquisition, construction or improvement of the assets.
- *Restricted net position* – This amount is restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws of regulations of other governments.
- *Unrestricted net position* – This amount is the net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

P. PROPERTY TAX REVENUES

Property taxes are levied on October 1 and are due on December 20. The City contracts with the Worth County tax office for the billing and collection of its property taxes. Collections of taxes are made throughout the year. Liens may attach to property for unpaid taxes after the due date of December 20.

Q. LEASE REVENUE

The Airport Fund leases its property to an operator under a lease agreement at $400 per month. This lease is classified as an operating lease.

R. PENSIONS

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension expense, information about the fiduciary net position of the Georgia Municipal Employees Benefit System (GMEBS) and additions to/deductions from GMEBS's fiduciary net position have been determined on the same basis as they are reported by GMEBS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported are fair value.

S. POST-EMPLOYMENT HEALTH CARE BENEFITS

Retiree Benefits:
The City provides post-retirement term life insurance to its employees who retire from the City. See Note 16 for additional details.

COBRA Benefits:
Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium plus a 2% administration fee is paid in full by the insured on or before the fifth (5^{th}) day of the month for the actual month covered. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the City under this program, and no participants were in the program as of June 30, 2019.

T. 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. Comparative total data for the prior year has not been presented in the accompanying financial statements.

NOTE 2 – LEGAL COMPLIANCE - BUDGETS

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

- On or before the last Monday in May of each year, all departments of the City submit requests for appropriation to the city manager so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

- Before June 15, the proposed budget is presented to the City's council for review. The City's council holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the city manager of the revenue estimates must be changed by an affirmative vote of majority of the City's council.

Results of operations are presented on the budgetary basis at the legal level of control in the Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual for the General Fund in order to provide a meaningful comparison of actual results with the budget.

NOTE 3 – DEPOSITS AND INVESTMENTS

Total cash and cash equivalents as of June 30, 2019 consisted of the following:

Primary Government Fund Reporting Level		Cash and Cash Equivalents
Governmental Funds - Balance Sheet	$	1,719,807
Governmental Funds - Balance Sheet - Restricted		22,409
Proprietary Fund Type Statement of Net Position		1,085,251
Proprietary Fund Type Statement of Net Position - Restricted		395,304
Statement of Fiduciary Assets and Liabilities		3,543
Total	$	3,226,314

Investments

For fiscal year 2019, the City invested in certificates of deposits and obligations of the U.S. Government or its agencies and instrumentalities. All investments in obligations of the U.S. Government are held in an internal investment pool – MEAG Flexible Operating Account.

As of June 30, 2019, the City had the following investments:

Type of Investment	Rating	Investment Maturities (in Years)				Total Fair Value
		Less than 1	1-5	6-10	More than 10	
Municipal Competitive Trust	Not Rated	$ 742,325	$ 603,314	$ 649,689	$ 249,183	$ 2,244,511
Bank Certificates of Deposit	Not Rated	1,571,275	-	-	-	1,571,275
Total Investments		$ 2,313,600	$ 603,314	$ 649,689	$ 249,183	$ 3,815,786

Credit Risk

The City limits its credit risk by investing the majority of its investments in U.S. government agencies which are rated AAA. The City does not have a formal policy addressing credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from fluctuating interest rates, the City's investment policy has been established to structure the investment portfolio so that securities mature to meet the City's cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to maturity as well as investing operating funds primarily in short-term securities, money market funds, certificates of deposit or similar investment pools.

Custodial Credit Risk

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.

As of June 30, 2019, all of the City's bank deposits were covered either by FDIC coverage or collateralized with securities held by the City's agent in the City's name. The City does not have a formal policy for custodial credit risk.

The City's U.S. government agency securities have varying maturities as listed above which range from July 3, 2019 through October 1, 2040. The weighted average maturity of the investments is less than 365 days.

Concentration of Credit Risk

The City's investments consisting of amounts 5% or greater of more than one issuer as of June 30, 2019:

Municipal Bonds	19.40%
Bank Certificates of Deposit	41.18%
Federal Home Loan Bank	37.78%

Given the restriction to the highest rating, the concentration is not considered to be an additional risk to the City.

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the exchange price that would be received for an asset (exit price) in the principal or most advantageous market for an asset in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

- Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets that the City has the ability to access.
- Level 2 inputs are inputs other than quoted prices in Level 1 that are observable for the asset in active markets, as well as inputs that are observable for the asset (other than quoted prices), such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals.
- Level 3 inputs are unobservable inputs for the asset which are typically based on the City's own assumptions, as there is little, if any, related market activity.

The City's recurring fair value measurements at June 30, 2019 are classified as follows:

		Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Municipal Competitive Trust	$ 2,244,511	$ -	$ 2,244,511	$ -
Bank Certificates of Deposit	1,571,275	1,571,275	-	-
Total Investments	$ 3,815,786	$ 1,571,275	$ 2,244,511	$ -

NOTE 4 – RECEIVABLES

Receivables at June 30, 2019, for the City's individual major funds and non-major funds in the aggregate, including the related allowance for uncollectible accounts, are as follows:

	General Fund	Non-Major Governmental Funds	Electric Fund	Water and Sewer Fund	Solid Waste Fund	Tele-Communications Fund	Airport Fund	Natural Gas Fund	Total
Receivables									
Taxes	$ 58,709	$ 1,660	$ -	$ -	$ -	$ -	$ -	$ -	$ 60,369
Accounts	639,102	-	1,532,050	274,943	99,611	108,765	800	60,978	2,716,249
Notes	-	46,898	-	-	-	-	-	-	46,898
Other Governments	36,578	-	-	-	-	-	-	-	36,578
Other	-	-	-	-	-	-	-	-	-
Gross Receivables	734,389	48,558	1,532,050	274,943	99,611	108,765	800	60,978	2,860,094
Less: Allowance for uncollectibles	-	-	(196,990)	(34,097)	(11,175)	-	-	(10,380)	(252,642)
Net Receivables	$ 734,389	$ 48,558	$ 1,335,060	$ 240,846	$ 88,436	$ 108,765	$ 800	$ 50,598	$ 2,607,452

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Estimated unbilled revenues from the proprietary funds are recognized at the end of each fiscal year on a pro rata basis. The estimated amount is based on billings during the month following the close of the fiscal year.

NOTE 5 – RESTRICTED ASSETS

Restricted assets represent resources segregated as required by grant agreements, lease agreements, and policies of the City.

Certain proprietary fund resources are restricted for service of long-term debt and customer deposits. Restricted net position includes the excess of assets over certain liabilities restricted for the debt service on capital assets.

NOTE 6 – CAPITAL ASSETS

The following is a summary of capital asset activity for the year ended June 30, 2019:

Governmental Activities	Balance 7/1/2018	Increases	Decreases	Balance 6/30/2019
Capital assets not being depreciated:				
Land	$ 769,904	$ -	$ -	$ 769,904
Construction in progress	842,090	1,107,956	(1,950,046)	-
Total capital assets not being depreciated	1,611,994	1,107,956	(1,950,046)	769,904
Capital assets being depreciated:				
Plant, buildings, improvements	8,204,377	1,621,739	-	9,826,116
Machinery and equipment	2,169,121	55,340	-	2,224,461
Vehicles	2,373,464	-	-	2,373,464
Infrastructure	5,560,707	2,345,689	-	7,906,396
Total capital assets being depreciated	18,307,669	4,022,768	-	22,330,437
Less accumulated depreciation:				
Plant, building, improvements	(2,650,192)	(257,121)	-	(2,907,313)
Machinery and equipment	(2,034,533)	(118,645)	-	(2,153,178)
Vehicles	(1,272,904)	(28,651)	-	(1,301,555)
Infrastructure	(395,184)	(111,376)	-	(506,560)
Total accumulated depreciation	(6,352,813)	(515,793)	-	(6,868,606)
Net capital assets being depreciated	11,954,856	3,506,975	-	15,461,831
Total Capital Assets, Net	$ 13,566,850	$ 4,614,931	$ (1,950,046)	$ 16,231,735

Depreciation expense of the General Fund was charged to governmental functions as follows:

General Government	$ 64,301
Public Safety	286,001
Public Works	148,277
Culture and Recreation	16,902
Community and Economic Development	312
Total	$ 515,793

Business-Type Activities	Balance 7/1/2018	Increases	Decreases	Balance 6/30/2019
Capital assets not being depreciated:				
Land	$ 291,380	$ -	$ -	$ 291,380
Construction in progress	3,219,309	303,203	(525,460)	2,997,052
Total capital assets not being depreciated	3,510,689	303,203	(525,460)	3,288,432
Capital assets being depreciated:				
Plant, buildings, improvements	24,061,941	135,491	525,460	24,722,892
Machinery and equipment	1,114,550	-	-	1,114,550
Vehicles	1,377,835	-	-	1,377,835
Total capital assets being depreciated	26,554,326	135,491	525,460	27,215,277
Less accumulated depreciation:				
Plant, buildings, improvements	(12,245,154)	(571,879)	-	(12,817,033)
Machinery and equipment	(945,263)	(102,647)	-	(1,047,910)
Vehicles	(1,159,465)	(31,072)	-	(1,190,537)
Total accumulated depreciation	(14,349,882)	(705,598)	-	(15,055,480)
Net capital assets being depreciated	12,204,444	(570,107)	525,460	12,159,797
Total Capital Assets, Net	$ 15,715,133	$ (266,904)	$ -	$ 15,448,229

NOTE 7 – LONG – TERM LIABILITIES

CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2019:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Capital leases	$ 993,836	$ 55,340	$ (252,020)	$ 797,156	$ 244,036
Compensated absences	97,474	9,748	(61,777)	45,445	4,545
Total Governmental Activities	1,091,310	65,088	(313,797)	842,601	248,581
Compensated absences are liquidated by the General Fund.					
Business-Type Activities					
Notes Payable	$ 4,901,728	$ 265,310	$ (334,183)	$ 4,832,855	$ 277,144
Compensated absences	34,627	33,773	(45,335)	23,065	2,998
Total Business-Type Activities	$ 4,936,355	$ 299,083	$ (379,518)	$ 4,855,920	$ 280,142

Compensated absences are liquidated by the Electric Fund, the Water and Sewer Fund, and the Natural Gas Fund.

NOTES PAYABLE

The City had the following notes payable as of June 30, 2019:

Business-Type Activities

Georgia Environmental Facilities Authority dated June 27, 2007 for $1,532,885 to be used for improvements to the Isabella water system. Loan is to be repaid in 240 monthly installments of $9,224 including interest at 3.92% beginning November 1, 2010. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $1,011,609

Georgia Environmental Facilities Authority dated June 27, 2007 for $570,139 to be used for the Isabella water system extension. Loan is to be repaid in 240 Monthly installments of $2,376 with no interest, beginning March 1, 2010. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $304,074

Georgia Environmental Facilities Authority dated October 6, 2011 for $549,000 to be used for water and sewer system improvements. Loan is to be repaid in 240 monthly installments of $3,272 including interest at 3.81%, beginning May 1, 2012. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $398,038

Georgia Environmental Facilities Authority originally dated January 15, 2013 and subsequently modified on June 28, 2017 for amounts up to $1,725,500 to be used for water and sewer system improvements. Loan is to be repaid in 239 monthly installments of $7,233 including interest at 1.82%, beginning July 1, 2017. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $1,299,916

Georgia Environmental Facilities Authority originally dated November 14, 2014 and subsequently modified on October 26, 2017 for amounts up to $2,245,667 to be used for water system improvements. Loan is to be repaid in 239 monthly installments of $8,133 including interest at 1.31%, beginning the earlier of October 1, 2018 or the project completion date. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $1,693,883

Branch Banking and Trust Governmental Finance dated July 27, 2017 for $116,322 to be used for an electric fund utility bucket truck. Loan is to be repaid in 24 monthly installments of $5,039 including interest at 4.02%, beginning August 27, 2017. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $5,022

Branch Banking and Trust Governmental Finance dated March 15, 2018 for $32,987 to be used for a gas fund service truck. Loan is to be repaid in 36 monthly installments of $981 including interest at 4.51%, beginning April 15, 2018. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $19,782

Branch Banking and Trust Governmental Finance dated March 5, 2018 for $130,532 to be used for a garbage fund grapple truck. Loan is to be repaid in 60 monthly installments of $2,427 including interest at 4.39%, beginning April 5, 2018. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $100,529

The following schedule represents the annual requirements to amortize all notes payable outstanding as of June 30, 2019.

Year Ending June 30	Principal	Interest	Total
2020	$ 277,144	$ 131,650	$ 408,794
2021	305,540	95,270	400,810
2022	304,217	87,761	391,978
2023	304,523	80,174	384,697
2024	289,638	73,216	362,854
2025-2029	1,554,515	259,754	1,814,269
2030-2034	1,105,618	90,896	1,196,514
2025-2039	683,533	21,422	704,955
2040-2044	8,127	8	8,135
Total	$ 4,832,855	$ 840,151	$ 5,664,871

NOTE 8 - CAPITAL LEASES

The City has entered into capital lease agreements as lessee for financing the acquisition of a police building, police equipment, street equipment, vehicles, and a fire truck. These leases qualify as capital leases for accounting purposes (i.e., title transfers at the end of the lease term) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of the inception of the lease. These capital leases are financed from General Fund resources. Amortization of assets recorded under capital leases is included with depreciation expense of the General Government, Public Safety, and Public Works functions of the City.

The net book value of assets acquired through capital leases is as follows:

Buildings	$	2,125,778
Equipment and Vehicles		1,807,759
	$	3,933,537
Less: Accumulated depreciation		(937,616)
Carrying Value	$	2,995,921

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 were as follows:

Year Ended June 30		Total
2020	$	265,814
2021		247,811
2022		94,483
2023		60,018
2024		48,620
2025-2029		141,809
Total minimum lease payments		858,555
Less amounts representing interest		(61,399)
Present value of minimum capital lease payments	$	797,156

NOTE 9 - INTERNAL BALANCES

Internal balances consist of transactions to alleviate cash deficits at year-end. The composition of internal balances as of June 30, 2019 is as follows:

Receivable Fund	Payable Fund	Amount	Due Within One Year
Designated Grant	General	$ 1,628	$ 1,628
Electric	General	301,920	301,920
Electric	Natural Gas	51,839	51,839
Electric	Airport	5,963	5,963
General	Water and Sewer	192,802	192,802
General	Natural Gas	73,877	73,877
General	Airport	26,564	26,564
General	Telecommunications	76,026	76,026
General	Solid Waste	8,668	8,668
Solid Waste	Electric	14,817	14,817
Solid Waste	Natural Gas	381	381
Telecommunications	Electric	368	368
Water and Sewer	Solid Waste	926	926
Water and Sewer	Natural Gas	29,296	29,296
Water and Sewer	Electric	99,608	99,608
Total		$ 884,683	$ 884,683

NOTE 10 - INTERNAL TRANSFERS

Individual fund transfers for operating purposes and capital projects for the current year were as follows:

Receivable Fund	Paying Fund	Amount
General	Natural Gas	$ 80,000
General	Electric	5,690,000
General	Water & Sewer	600,000
General	Solid Waste	110,000
General	Telecommunications	20,000
General	Hotel/Motel Tax	7,624
Airport	Electric	79,000
Total		$ 6,586,624

NOTE 11 - CONTINGENT LIABLILITES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

It is the opinion of the City's management that the legal actions in progress by or against the City at June 30, 2019 are at a stage in the proceedings in which an opinion as to the probable outcomes cannot be determined. The City is vigorously defending its positions.

MEAG – The City, together with 47 other cities and one county in the State, has entered into Power Sales Contracts dated March 1, 1976 with the Municipal Electric Authority of Georgia (MEAG) under which the City purchases certain power and energy for resale to its electric system customers. Under the contract entitlement, if the City were

unable to purchase budgeted power, MEAG would be obligated to make a good faith effort to sell the power elsewhere. If MEAG were unable to sell the power at a price above its cost, the difference would be an obligation of the City. The contracts are agreements to pay the cost of generating power budgeted for the City. The obligation to pay MEAG certain amounts, whether or not power and energy are received, is a general obligation of the City to which its full faith and credit are pledged. If payments under the Power Sales Contracts are not made from revenues of the electric distribution system, the City is required under the contracts to include in its general revenue or appropriation measures sums sufficient together with other available revenues to make such payments. During the fiscal year, the City purchased electric power under these contracts for a total cost of $6,987,795.

On February 22, 1999, the City approved a resolution adopting the provisions of a Municipal Competitive Trust agreement between the City and MEAG. MEAG established the Trust for the mutual benefit of MEAG and its wholesale customers (governments) who elect to become participants. The Trust was created to provide a means to mitigate the expected differential between "after deregulation" market rates for power and the associated costs of generating that power.

The Trust created three types of accounts that are held by MEAG in the name of the City. The flexible operating trust account includes funds that are available to the City for operating costs and rate stabilization. As of June 30, 2019, the balance in this account was $2,244,511. This amount is included in cash and investments in the Electric Fund.

The two additional accounts created were the credit support operating account and the reserve funded debt account. The funds in the credit support operating account are restricted for use to offset rate increases exceeding certain criteria and for loans for capital improvements that will reduce future operating costs. The funds in the reserve funded debt account can be only applied to charges related to MEAG's bond obligations. The balance of these accounts at June 30, 2019 was $1,938,448 and $0, respectively. Due to the restrictive nature of these funds, neither is shown in the cash balance for the electric fund.

NOTE 12 - RISK MANAGEMENT

The City is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Municipal Association Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

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

The fund is to defend and protect the members of the fund against liability or loss prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The fund is to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

The City purchases commercial insurance for all other risks of loss other than the workers compensation covered under the risk pool.

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

NOTE 13 - JOINT VENTURES

The City has the following joint ventures:

MEAG and MGAG – The City is a participant in the Municipal Electric Authority of Georgia (MEAG) and the Municipal Gas Authority of Georgia (MGAG). Under such arrangements, the City has a contractual obligation to purchase the majority of its electricity and natural gas from said entities. Because the City does not have any significant control over the budgeting, financing and election of officers and management of MEAG and MGAG, their results of operation and financial position have not been included in the City's financial statements.
Also, the City has not reflected participation under the equity method of accounting. Separate financial statements of each entity may be obtained from:

Municipal Electric Authority of Georgia
1470 Riveredge Parkway, NW
Atlanta, Georgia 30328

Municipal Gas Authority of Georgia
104 Town Park Drive
Kennesaw, Georgia 30144

During the fiscal year ended June 30, 2019, the City purchased $6,987,795 of its electricity from MEAG, with accounts payable of $588,487 to MEAG at June 30, 2019.

During the fiscal year ended June 30, 2019, the City purchased $534,815 of its gas from MGAG, with accounts payable of $31,033 to MGAG at June 30, 2019.

Southwest Georgia Regional Commission – Under Georgia law, the City, in conjunction with other cities and counties in the fourteen county Southwest Georgia area, is a member of the Southwest Georgia Regional Commission (the Commission). Membership in the Commission is required by the official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the Commission. The Commission board membership includes the chief elected official of each county and municipality of the area. The City is required to pay annual dues to the Commission and paid $6,466 in such dues during the year ended June 30, 2019.

OCGA 50-5-39.1 provides that member governments are liable for any debts or obligations of a Commission. The Commission revenues are sufficient to cover its operating costs and the City does not expect the entity to dissolve in the foreseeable future. The Commission is neither accumulating significant financial resources nor experiencing fiscal stress that may cause an additional financial benefit to or burden upon the City. Separate financial statements may be obtained from:

Southwest Georgia Regional Commission
30 West Broad Street
Camilla, GA 31730

NOTE 14 – PENSION PLAN

Plan Description
The City, as authorized by the City Council, has a defined benefit pension plan, which provides retirement, disability, and death benefits to plan members and beneficiaries. The City of Sylvester Retirement Plan (the Plan) is a participating member of the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for governments in the municipalities in Georgia. Regulations of the State of Georgia assign the authority to establish and amend the benefit provisions of the plans that participate in GMEBS to the respective employer entities; for the City of Sylvester Retirement Plan that authority rests with the City of Sylvester, Georgia. All full-time employees participate in the Plan upon employment and all elected officials who hold office on or after February 1, 2008 participate in the plan. Benefits vest after 10 years of credited service. City employees can retire at or after age 65 with five years of credited service or after age 50 with 30 years of credited service. There is no maximum employee

entry age. The benefit formula is 1.5% of final average earnings up to the amount of covered compensation, plus 2.25% of final average earnings in excess of said covered compensation, multiplied by years of total credited service as an eligible regular employee. Elected officials can retire at the earlier of age 65 or 50 with 30 years of service. The monthly normal retirement benefit for elected officials is $40 per month for each year of total credited service as an elected official.

As of June 30, 2019, employee membership data related to the pension plan was as follows:

Retirees and beneficiaries currently receiving benefits	53
Terminated plan members entitled to, but not yet receiving benefits	16
Active plan participants	89
Total	158

Funding Policy

The City's policy is to contribute the actuarially determined amount as recommended by GMEBS. The annual minimum contribution is the sum of 1) the normal cost (including administrative expenses), 2) the closed level dollar amortization of the unfunded actuarial accrued liability over a period that ranges from 10 to 30 years based on the funding policy adopted by the GMEBS Board of Trustees, and 3) the interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The City makes all contributions to the Plan. The City is required to contribute at an actuarially determined rate; the current rate is 10.00% of annual covered payroll. The contribution requirements of plan members and the City are established by and may be amended by the GMEBS Board of Trustees.

At June 30, 2019, the City reported a liability of $1,092,317 for its pension liability. The City's net pension liability was measured as of September 30, 2018 and was determined by an actuarial valuation as of January 1, 2019. The changes in the Net Pension Liability for the year ended September 30, 2018 (the measurement date) were as follows:

Changes in the Net Pension Liability

	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (NPL) (a) - (b)
Balance at June 30, 2018	$ 8,647,267	$ 7,354,616	$ 1,292,651
Changes for the year:			
Service cost	115,251	-	115,251
Interest	636,574	-	636,574
Differences between expected and actual experience	(166,943)	-	(166,943)
			-
Contributions - employer	-	261,626	(261,626)
Contributions - employee	-	-	-
Net investment income	-	717,935	(717,935)
Benefit payments, including refunds of employee contributions	(549,717)	(549,717)	-
			-
Administrative expense	-	(20,832)	20,832
Other	173,513	-	173,513
Net changes	208,678	409,012	(200,334)
Balances at June 30, 2019	$ 8,855,945	$ 7,763,628	$ 1,092,317

Pension Expense

Pension expense for the year ended June 30, 2019		
Service cost	$	115,251
Interest on TPL		636,574
Employee contributions		-
Administrative expense		20,832
Expected return on assets		(540,012)
Expensed portion of current year period differences between expected and actual experience on TPL		(41,735)
Expensed portion of current year period assumption changes		-
Current year plan changes		173,513
Expensed portion of current year period differences between projected and actual investment earnings		(35,583)
Current year recognition of deferred inflows and outflows established in prior years		(51,785)
Total expense	$	277,055

Deferred Outflows/Inflows of Resources Related to Pensions as of June 30, 2019

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to measurement date	$ 196,646	$ -
Demographic	127,708	(150,210)
Investment	80,110	(512,313)
Assumption change	85,486	-
Total	$ 489,950	$ (662,523)

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

Year ended June 30:	
2020	$ (52,840)
2021	(107,948)
2022	(172,846)
2023	(35,585)
2024	-

Discount Rate

The discount rate used to measure the collective total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and nonemployer contributions will be made at rates equal to the difference between actuarially determined contribution rates and member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

GMEBS issues a publicly available financial report that includes financial statements and required supplementary information for the City of Sylvester Retirement Plan. That report may be obtained by writing to:

Georgia Municipal Association
The Burgess Building
201 Pryor Street, SW
Atlanta, GA 30303-3606

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Employer's proportionate share of the net liability	$ 2,144,142	$ 1,092,317	$ 216,485

The long term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations as of March 31, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.40%
International equity	20%	7.40%
Real estate	10%	5.10%
Global fixed income	5%	3.03%
Domestic fixed income	20%	1.75%
Cash	0%	
	100%	

Actuarial Methods and Assumptions

Valuation Date	January 1, 2019
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	Remaining amortization period varies from the bases, with a net effective amortization period of 11 years.
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at the end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial Assumptions:	
Net Investment Rate of Return	7.50%
Projected Salary Increases	2.75% plus service based merit increases
Cost of Living Adjustments	0.00%
Inflation Rate	2.75%
Mortality Rates:	
Healthy	RP-2000 Combined Healthy Mortality Table with sex-district rates, set forward two years for males and one year for females.
Disabled	RP-2000 Disabled Retiree Mortality Table with sex-district rates
Plan termination basis (all lives):	1994 Group Annuity Reserving Unisex Table
Retirement Rates:	
Employees	Earlier of 65 with 5 years of service and 50 with 30 years of service.
Officials	Earlier of 65 and 50 with 30 years of service
Retirement age for inactive vested participants	65
Form of Payment	Life annuity
Administrative Expense	$6,500 plus $54 per active and terminated vested participant and $66 per retiree and beneficiary, plus 0.06% of the market value of assets.

Georgia Municipal Employees Benefit System

Summary of Plan Provisions for January 1, 2019 Valuation:

Employer	City of Sylvester
Social Security	Yes
Participant Contributions	Noncontributory
Original Effective date	Employees: 7-7-72 Officials: 6-1-79 (Officials who come into office after 2-1-88 are not eligible. Officials in office on 2-1-88 continue to receive credit for service until the end of their current term)
Master Plan/Adoption Agreement	9/1/2003
Eligibility Requirements	Employees: No waiting period; participation is mandatory on and after 9-1-03 Officials: those who hold office on or after 2-1-08. Elected officials were not eligible after 2-1-88 and before 2-1-08
Normal Retirement Age	Employees: 65+5 or 50+30 Officials: 65 or 50+30
Early Retirement	55+10
Date Indexed	9-1-80 [dynamic break point] (applies to all employees hired on or after 9-1-80 and to those employees hired before 9-1-80 if this break point and 1.5%-2.25% benefit formula would result in a higher benefit than the break point in table and 1.0-1.075% benefit formula) in a higher benefit than the break point in table and 1.0-1.75% benefit formula)
Benefit Formula	1.0%-1.75% with table (prior to 9-1-80) 1.5%-2.25% with dynamic index break point
Official's Benefits	$40
Vesting	10 years
Death Benefits	Actuarial Reserve No Death Benefit for Termed Vested
Disability Minimum	20%
Cost-of-Living	---
Other	In-service distribution effective 4-1-13 for elected officials who remain in service of a normal or alternative normal or retired Participants who return to service as an elected or appointed member of the Governing Authority after normal retirement. With respect for the in-service, the participant must be at least 62 years of age in order to begin drawing retirement benefits. Participants who terminate on or after 10-1-88 and designate their spouse as beneficiary under Plan B at retirement receive unreduced retirement benefits. Spouses' benefits may be reduced depending upon age difference.

NOTE 15 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

In addition to the retirement plan described in Note 15, the City provides post-retirement term life insurance to all retirees who retire after June 1, 1999. The benefit is provided in accordance with City of Sylvester ordinances. The post-employment benefit is not part of a qualified plan and accordingly, expenditures for term life insurance premiums are recognized as the premiums are paid. Currently fourteen retirees are eligible for this post-employment benefit. During the year, total expenditures of $4,872 were recognized for post-retirement term life insurance. The premiums are paid to GMEBS. Information pertaining to an actuarial valuation for this benefit is not provided by GMEBS. This post-retirement benefit is considered immaterial to the financial statements.

NOTE 16 - GRANTS FROM OTHER GOVENMENTS

Federal and state governmental units represent an important source of supplementary funding used to finance housing, employment, construction programs, and other activities beneficial to the community. This funding, primarily in the form of grants, is recorded in both Governmental and Proprietary funds. All grant proceeds in the Proprietary Funds are for the purpose of construction activities, or land or easement acquisitions. Accordingly, as per Governmental Accounting Standards Board, they are recorded as nonoperating revenues. For all funds, a grant receivable is recorded when the City has a right to receive the related grant proceeds.

NOTE 17 - HOTEL-MOTEL TAX

The City has levied a 5% Hotel-Motel tax in accordance with OCGA 48-13-51. The tax was effective October 1, 2000. A summary of the transactions for the year ending June 30, 2019 is as follows:

Hotel-Motel Tax Receipts		$ 23,351
Disbursements to Worth County- Sylvester Chamber of Commerce	59%	13,706
Balance Retained by City	41%	$ 9,645

The City has received a report from the Worth County-Sylvester Chamber of Commerce. Disbursements of the Hotel-Motel tax funds to the Worth County-Sylvester Chamber of Commerce were used for the promotion of tourism as required by the Official Code of Georgia Annotated (OCGA) 48-13-51.

NOTE 18 – E-911 SERVICES

The City entered into an agreement with Worth County, Georgia to contract with the County for the provision of E-911 Service to the City by the County in consideration of payment by the City to the County for the salaries of two dispatchers effective July 21, 2008. In exchange for the provision of the E-911 Service, the City shall pay to the County the annual salaries including benefits for two dispatchers; provided that such dispatchers shall at all times be employed by the County. Such annual salaries and benefits shall be in the amount of $35,248 per dispatcher for an annual total of $70,496 with the provision of an annual increase not to exceed the prevailing Consumer Price Index.

NOTE 19 – FUND BALANCE CLASSIFICATIONS

The fund balances presented in the aggregate in the Balance Sheet for Governmental Funds are allocated according to balance classification and fund as follows:

		Special Revenue Funds			
	General Fund	SPLOST Capital Projects Fund	CDBG Loan Fund	Designated Grant Fund	Hotel/ Motel Tax Fund
Fund Balances					
Nonspendable:					
Inventory	$ 31,992	$ -	$ -	$ -	$ -
Prepaid Items	71,908	-	-	-	-
Total Nonspendable	103,900	-	-	-	-
Restricted:					
Public Safety	11,706	-	-	-	-
Public Welfare	10,703	-	-	-	-
Capital Projects	-	200,582	-	202,008	-
Economic Development	-	-	176,626	-	-
Tourism	-	-	-	-	9,599
Total Restricted	22,409	200,582	176,626	202,008	9,599
Unassigned	1,486,795	-	-	-	-
Total Fund Balances	$ 1,613,104	$ 200,582	$ 176,626	$ 202,008	$ 9,599

NOTE 20 – SUBSEQUENT EVENTS

In preparing these financial statements, the City has evaluated events and transactions for potential recognition of disclosure through December 30, 2019, the date when the financial statements were available to be issued.

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Schedule of Changes in Net Pension Liability and Related Ratios
June 30, 2019

	Total Pension Liability				
Measurement Date	**Fiscal Year End June 30, 2019**	**Fiscal Year End June 30, 2018**	**Fiscal Year End June 30, 2017**	**Fiscal Year End June 30, 2016**	**Fiscal Year End June 30, 2015**
Total Pension Liability					
Service cost	$ 115,251	$ 121,554	$ 123,275	$ 127,640	$ 143,056
Interest	636,574	600,885	590,322	580,864	581,530
Differences between expected and actual experience	(166,943)	255,414	(100,006)	(140,677)	(245,155)
Changes of assumptions	-	170,973	-	-	(78,814)
Changes of benefit terms	173,513	-	-	-	-
Benefit payments, including refunds of employee contributions	(549,717)	(509,834)	(444,745)	(446,823)	(371,608)
Other	-	-			
Net change in total pension liability	208,678	638,992	168,846	121,004	29,009
Total pension liability - beginning	8,647,267	8,008,275	7,839,429	7,718,425	7,689,416
Total pension liability - ending (a)	$ 8,855,945	$ 8,647,267	$ 8,008,275	$ 7,839,429	$ 7,718,425
Plan Fiduciary Net Position					
Contributions - employer	$ 261,626	$ 265,873	$ 287,114	$ 326,057	$ 351,208
Contributions - employee	-	-	-	-	-
Net investment income	717,935	981,834	677,155	74,217	637,350
Benefit payments, including refunds of employee contributions	(549,717)	(509,834)	(444,745)	(446,823)	(371,608)
Administrative expenses	(20,832)	(22,341)	(12,988)	(14,676)	(11,697)
Other	-	-	-	-	-
Net change in fiduciary net position	409,012	715,532	506,536	(61,225)	605,253
Plan fiduciary net position - beginning	7,354,616	6,639,084	6,132,548	6,193,773	5,588,520
Plan fiduciary net position - ending (b)	$ 7,763,628	$ 7,354,616	$ 6,639,084	$ 6,132,548	$ 6,193,773
Net pension liability - ending (a) - (b)	$ 1,092,317	$ 1,292,651	$ 1,369,191	$ 1,706,881	$ 1,524,652
Plan's fiduciary net position as percentage of the total pension liability	87.67%	85.05%	82.90%	78.23%	80.25%
Covered payroll	$ 2,979,313	$ 2,656,091	$ 2,704,446	$ 2,777,874	$ 2,499,865
Net pension liability as a percentage of covered-employee payroll	36.66%	48.67%	50.63%	61.45%	60.99%

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Schedule of Contributions
June 30, 2019

	Fiscal Year End June 30, 2019		Fiscal Year End June 30, 2018	Fiscal Year End June 30, 2017	Fiscal Year End June 30, 2016	Fiscal Year End June 30, 2015
Actuarially determined contribution	$ -	*	$ 254,829	$ 269,554	$ 292,967	$ 337,087
Contributions in relation to the actuarially determined contribution	-	*	254,829	269,554	292,667	337,087
Contribution deficiency (excess)	-	*	-	-	-	-
Covered payroll	-	*	2,656,091	2,707,446	2,777,874	2,499,865
Contributions as a percentage of covered-employee payroll	-	*	9.59%	9.96%	10.54%	13.48%

* 2019 information will be determined after fiscal year end and will be included in the 2020 valuation report.

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

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Notes to Schedule of Contributions
June 30, 2019

NOTE 1

Significant methods and assumptions used in calculating the actuarially determined calculations are as follows:

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	Remaining amortization period varies for the bases, with a net effective amortization period of 11 years
Asset Valuation Method	Sum of actuarial value at beginning of year and 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 valued is adjusted, if necessary, to be within 20% of market value.
Actuarial Assumptions:	
Net Investment Rate of Return	7.50%
Projected Salary Increases	2.75% plus service based merit increases
Cost of Living Adjustments	0.00%
Mortality Rates –	
Healthy	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females
Disabled	RP-2000 Disabled Retiree Mortality Table with sex-distinct rates
Plan termination basis	1994 Group Annuity Reserving Unisex Table

The long term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations as of March 31, 2018 are summarized in the following table:

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Notes to Schedule of Contributions
June 30, 2019

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.40%
International equity	20%	7.40%
Real estate	10%	5.10%
Global fixed income	5%	3.03%
Domestic fixed income	20%	1.75%
Cash	0%	
	100%	

Changes of assumptions

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

The investment return assumption was decreased from 7.75% to 7.50%.
The inflation assumption was decreased from 3.25% to 2.75%.

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2019

	Budget			Variance
	Original	Final	Actual	with Budget
REVENUES				
Taxes - Net	$ 2,027,259	$ 2,027,259	$ 2,086,701	$ 59,442
Charges for Services	88,750	88,750	70,279	(18,471)
Fines & Forfeitures	264,624	264,624	173,518	(91,106)
Intergovernmental	-	300,000	300,000	-
Licenses and Permits	72,600	72,600	61,825	(10,775)
Interest Income	4,100	4,100	3,760	(340)
Miscellaneous	253,500	1,192,500	62,486	(1,130,014)
TOTAL REVENUES	2,710,833	3,949,833	2,758,569	(1,191,264)
EXPENDITURES				
Legislative	122,025	146,025	144,862	(1,163)
Judicial	210,947	170,947	155,129	(15,818)
Administrative	1,492,837	2,244,837	2,214,766	(30,071)
Police	1,739,931	1,739,931	1,707,700	(32,231)
City Manager	243,242	259,242	257,569	(1,673)
Financial Administration	224,898	194,898	176,537	(18,361)
Human Resources	141,903	136,903	130,448	(6,455)
Animal Control	36,640	36,640	36,640	-
Cemetery and Parks	236,810	230,810	219,725	(11,085)
Fire	911,722	801,722	750,461	(51,261)
Economic Development	88,800	3,800	-	(3,800)
Street	1,388,781	3,088,781	3,058,510	(30,271)
Storm Water	224,332	214,332	195,981	(18,351)
Shop	131,337	143,337	140,702	(2,635)
Code Enforcement	164,794	202,794	197,030	(5,764)
Building and Zoning	131,556	166,556	161,555	(5,001)
Downtown Development	92,694	140,694	136,755	(3,939)
TOTAL EXPENDITURES	7,583,249	9,922,249	9,684,370	(237,879)
Deficiency of Revenue Under Expenditures	(4,872,416)	(5,972,416)	(6,925,801)	(1,429,143)
OTHER FINANCING SOURCES				
Capital Lease Transaction	-	-	55,340	55,340
Transfers from Other Funds	4,872,416	5,972,416	6,507,624	535,208
NET CHANGE IN FUND BALANCE	-	-	(362,837)	(838,595)
FUND BALANCE - JULY 1, 2018			1,975,941	
FUND BALANCE - JUNE 30, 2019			$ 1,613,104	

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2019

BUDGETS AND BUDGETARY ACCOUNTING

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

- On or before the last Monday in May of each year, all departments of the City submit requests for appropriation to the city manager so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

- Before June 15, the proposed budget is presented to the City's council for review. The City's council holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the city manager of the revenue estimates must be changed by an affirmative vote of majority of the City's council.

Results of operations are presented on the budgetary basis at the legal level of control in the Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual for the General Fund in order to provide a meaningful comparison of actual results with the budget.

As set forth in the City Charter, the City Council adopts an annual budget for the general fund, the special revenue funds, and the proprietary funds. The annual budget for the general fund, special revenue funds and for the proprietary funds is adopted under a basis consistent with GAAP. Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department which constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the City Council. Within these control levels, management may transfer appropriations without Council approval. The Council approved supplemental appropriations during the year. Project budgets are adopted for the Capital Project Fund.

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

SUPPLEMENTARY INFORMATION

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF SYLVESTER, GEORGIA
General Fund
Balance Sheet
June 30, 2019

ASSETS

Assets		
Cash	$	151,236
Restricted Cash		22,409
Investment-Certificates of Deposit		1,027,917
Receivables		
Property Taxes		58,709
Due From Other Governments		36,578
Other		639,102
Due from Other Funds		377,945
Inventory, at Cost		31,992
Prepaid Items		71,908
TOTAL ASSETS	$	2,417,796

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES

Liabilities		
Accounts Payable	$	411,013
Accrued Expenses		-
Accrued Taxes and Withholdings		9,738
Due to Other Funds		303,556
Deposits		30,693
Total Liabilities		755,000
Deferred Inflows of Resources		
Deferred Revenue - property taxes		49,692
Fund Balance		
Nonspendable:		
Inventory		31,992
Prepaid Items		71,908
Restricted:		
Public Safety		11,706
Public Welfare		10,703
Unassigned		1,486,795
Total Fund Balance		1,613,104
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$	2,417,796

CITY OF SYLVESTER, GEORGIA
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2019

	Budget			Variance
	Original	Final	Actual	with Budget
REVENUES (Schedule 1)				
Taxes - Net	$ 2,027,259	$ 2,027,259	$ 2,086,701	$ 59,442
Charges for Services	88,750	88,750	70,279	(18,471)
Fines & Forfeitures	264,624	264,624	173,518	(91,106)
Intergovernmental	-	300,000	300,000	-
Licenses and Permits	72,600	72,600	61,825	(10,775)
Interest Income	4,100	4,100	3,760	(340)
Miscellaneous	253,500	1,192,500	62,486	(1,130,014)
TOTAL REVENUES	2,710,833	3,949,833	2,758,569	(1,191,264)
EXPENDITURES (Schedule 2)				
Legislative	122,025	146,025	144,862	(1,163)
Judicial	210,947	170,947	155,129	(15,818)
Administrative	1,492,837	2,244,837	2,214,766	(30,071)
Police	1,739,931	1,739,931	1,707,700	(32,231)
City Manager	243,242	259,242	257,569	(1,673)
Financial Administration	224,898	194,898	176,537	(18,361)
Human Resources	141,903	136,903	130,448	(6,455)
Animal Control	36,640	36,640	36,640	-
Cemetery and Parks	236,810	230,810	219,725	(11,085)
Fire	911,722	801,722	750,461	(51,261)
Economic Development	88,800	3,800	-	(3,800)
Street	1,388,781	3,088,781	3,058,510	(30,271)
Storm Water	224,332	214,332	195,981	(18,351)
Shop	131,337	143,337	140,702	(2,635)
Code Enforcement	164,794	202,794	197,030	(5,764)
Building and Zoning	131,556	166,556	161,555	(5,001)
Downtown Development	92,694	140,694	136,755	(3,939)
TOTAL EXPENDITURES	7,583,249	9,922,249	9,684,370	(237,879)
Deficiency of Revenue Under Expenditures	(4,872,416)	(5,972,416)	(6,925,801)	(1,429,143)
OTHER FINANCING SOURCES				
Capital Lease Transaction	-	-	55,340	55,340
Transfers from Other Funds	4,872,416	5,972,416	6,507,624	535,208
NET CHANGE IN FUND BALANCE	-	-	(362,837)	(838,595)
FUND BALANCE - JULY 1, 2018			1,975,941	
FUND BALANCE - JUNE 30, 2019			$ 1,613,104	

CITY OF SYLVESTER, GEORGIA
General Fund
Revenues-Budget and Actual
For the Year Ended June 30, 2019

SCHEDULE 1	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Ad Valorem Taxes	$ 917,232	$ 917,232	$ 961,672	$ 44,440
Alcoholic Beverage Tax	100,932	100,932	106,943	6,011
Business and Occupation Tax	32,000	32,000	39,397	7,397
Charges for Services	88,750	88,750	70,279	(18,471)
Fines and Forfeitures	264,624	264,624	173,518	(91,106)
Franchise Tax	91,319	91,319	76,891	(14,428)
Insurance Premium Tax	412,651	412,651	443,525	30,874
Intangible and Transfer Tax	10,785	10,785	5,109	(5,676)
Interest Income	4,100	4,100	3,760	(340)
Intergovernmental	-	300,000	300,000	-
Licenses and Permits	72,600	72,600	61,825	(10,775)
Miscellaneous	223,400	1,162,400	15,935	(1,146,465)
Miscellaneous - Cemetery Lot Sales	18,000	18,000	33,876	15,876
Miscellaneous - Rent	12,100	12,100	12,675	575
Sales Tax-Local Option	462,340	462,340	453,164	(9,176)
TOTAL REVENUES	$ 2,710,833	$ 3,949,833	$ 2,758,569	$ (1,191,264)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual
For the Year Ended June 30, 2019

SCHEDULE 2

EXPENDITURES	Budget Original	Budget Final	Actual	Variance with Budget
LEGISLATIVE				
Personnel Services	$ 32,995	$ 32,995	$ 75,542	$ 42,547
Employee Medical Insurance	20,385	20,385	11,531	(8,854)
Retirement Fund Contribution	14,245	14,245	14,245	-
Dues and Membership	2,000	2,000	54	(1,946)
Miscellaneous	1,000	1,000	-	(1,000)
Professional Services	300	300	78	(222)
Telephone and Utilities	8,100	8,100	7,106	(994)
Travel and Training	43,000	67,000	36,306	(30,694)
Total Legislative	122,025	146,025	144,862	(1,163)
JUDICIAL				
Personnel Services	175,547	135,547	127,493	(8,054)
Municipal Court Judge	14,400	14,400	16,961	2,561
Indigent Defence Attorney	6,000	6,000	-	(6,000)
City Solicitor	15,000	15,000	10,626	(4,374)
Dues and Membership	-	-	49	49
Total Judicial	210,947	170,947	155,129	(15,818)
ADMINISTRATIVE				
Personnel Services	97,908	97,908	88,649	(9,259)
Employee Medical Insurance	11,710	11,710	10,802	(908)
Retirement Fund Contribution	25,201	25,201	24,796	(405)
Advertising	7,500	7,500	5,607	(1,893)
Appropriations:				-
DeSoto Trail Regional Library	57,500	57,500	57,500	-
Recreation Program and Community	100,000	100,000	100,000	-
Chamber of Commerce	25,000	25,000	25,000	-
Other	53,000	413,000	377,949	(35,051)
Capital Outlay	700,000	1,100,000	1,099,156	(844)
Clerical and Administrative	20,150	20,150	19,367	(783)
Dues and Membership	10,600	10,600	16,589	5,989
Insurance	38,024	38,024	64,087	26,063
Miscellaneous	30,736	30,736	35,116	4,380
Motor Fuels	1,700	1,700	1,086	(614)
Professional Services	126,700	126,700	97,748	(28,952)
Repairs and Maintenance - Equipment	14,350	14,350	33,333	18,983
Supplies	8,450	8,450	27,501	19,051

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2019

	Budget			Variance with Budget
	Original	Final	Actual	
Administrative (continued)				
Telephone and Utilities	$ 27,990	$ 27,990	$ 23,624	$ (4,366)
Travel and Training	9,100	9,100	12,987	3,887
Housing Authority Gas	24,500	16,500	10,142	(6,358)
Uniforms	4,200	4,200	531	(3,669)
Worth County Family Connection	55,000	55,000	48,562	(6,438)
Daisy Gamble Learning Center	43,518	43,518	34,634	(8,884)
Total Administrative	1,492,837	2,244,837	2,214,766	(30,071)
POLICE				
Personnel Services	979,721	979,721	1,007,625	27,904
Employee Medical Insurance	226,232	226,232	181,211	(45,021)
Retirement Fund Contribution	72,543	72,543	67,015	(5,528)
Capital Outlay	-	-	-	-
Clerical and Administrative	3,650	3,650	2,555	(1,095)
Community Programs	4,100	4,100	2,719	(1,381)
Courtware Solutions	20,000	20,000	15,515	(4,485)
Dues and Membership	500	500	3,203	2,703
Inmate Medical and Board	20,300	20,300	14,050	(6,250)
Insurance	75,000	75,000	73,723	(1,277)
Miscellaneous	2,400	2,400	1,270	(1,130)
Motor Fuels	55,250	55,250	47,240	(8,010)
Professional Services	5,000	5,000	24,525	19,525
Repairs and Maintenance-Equipment	42,500	42,500	51,977	9,477
Supplies	15,600	15,600	12,417	(3,183)
Travel and Training	10,500	10,500	10,654	154
Telephone and Utilities	40,100	40,100	44,073	3,973
Trust Fund Contributions	47,600	47,600	29,206	(18,394)
Uniforms	10,000	10,000	7,912	(2,088)
Capital Lease-Principal	29,815	29,815	21,842	(7,973)
Capital Lease-Interest	2,293	2,293	848	(1,445)
911 Cost	76,827	76,827	88,120	11,293
Total Police	1,739,931	1,739,931	1,707,700	(32,231)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2019

	Budget			Variance with
	Original	Final	Actual	Budget
CITY MANAGER				
Personnel Services	$ 166,070	$ 175,570	$ 194,197	$ 18,627
Employee Medical Insurance	28,415	28,415	25,256	(3,159)
Retirement Fund Contribution	15,767	15,767	14,566	(1,201)
Advertising	2,400	2,400	91	(2,309)
Insurance	200	200	-	(200)
Clerical and Administrative	500	500	-	(500)
Dues and Membership	2,000	2,000	1,410	(590)
Miscellaneous	600	600	1,119	519
Motor Fuels	2,000	2,000	1,370	(630)
Professional Fees	1,000	1,000	636	(364)
Repairs and Maintenance-Equipment	5,400	5,400	526	(4,874)
Supplies	3,650	3,650	728	(2,922)
Telephone and Utilities	2,140	2,140	2,334	194
Travel and Training	13,000	19,500	15,195	(4,305)
Uniforms	100	100	141	41
Total City Manager	243,242	259,242	257,569	(1,673)
FINANCIAL ADMINISTRATION				
Personnel Services	155,535	125,535	122,780	(2,755)
Employee Medical Insurance	9,107	9,107	3,515	(5,592)
Retirement Fund Contribution	8,611	8,611	7,955	(656)
Clerical and Administration	1,350	1,350	22	(1,328)
Dues and Membership	200	200	380	180
Repairs and Maintenance	5,400	5,400	1,520	(3,880)
Professional Fees	34,080	34,080	34,221	141
Supplies	3,650	3,650	1,638	(2,012)
Telephone and Utilities	2,640	2,640	1,308	(1,332)
Travel and Training	1,500	1,500	2,315	815
Miscellaneous	225	225	-	(225)
Uniforms	-	-	39	39
Advertising	2,400	2,400	844	(1,556)
Insurance	200	200	-	(200)
Total Financial Administration	224,898	194,898	176,537	(18,361)
HUMAN RESOURCES				
Personnel Services	104,775	99,775	93,549	(6,226)
Employee Medical Insurance	18,215	18,215	17,233	(982)
Retirement Fund Contribution	7,998	7,998	7,389	(609)
Dues and Membership	-	-	136	136

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2019

	Budget			Variance with
	Orginal	Final	Actual	Budget
Human Resources (continued)				
Insurance	$ 200	$ 200	$ -	$ (200)
Miscellaneous	150	150	133	(17)
Professional Services	75	75	2,395	2,320
Repairs and Maintenance	2,000	2,000	1,065	(935)
Supplies	1,900	1,900	3,889	1,989
Telephone and Utilities	1,640	1,640	1,144	(496)
Travel and Training	3,500	3,500	3,195	(305)
Uniforms	100	100	-	(100)
Advertising	600	600	275	(325)
Clerical and Administrative	750	750	45	(705)
Total Human Resources	141,903	136,903	130,448	(6,455)
ANIMAL CONTROL				
Humane Society	36,540	36,540	36,540	-
Miscellaneous	100	100	100	-
Total Animal Control	36,640	36,640	36,640	-
CEMETERY AND PARKS				
Personnel Services	$ 34,000	$ 35,500	$ 36,926	$ 1,426
Capital Outlay	-	-	-	-
Clerical and Adminstrative	3,500	3,500	4,018	518
Insurance	6,000	6,000	6,361	361
Maintenance Contract	64,680	64,680	64,690	10
Miscellaneous	6,900	6,900	833	(6,067)
Motor Fuels	-	-	-	-
Repairs and Maintenance-Cemetery	1,000	1,000	-	(1,000)
Repairs and Maintenance-Equipment	64,350	54,350	38,607	(15,743)
Supplies	7,400	7,400	4,728	(2,672)
Telephone and Utilities	48,980	51,480	63,562	12,082
Total Cemetery and Parks	236,810	230,810	219,725	(11,085)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2019

	Budget			Variance with
	Original	Final	Actual	Budget
FIRE				
Personnel Services	$ 533,286	$ 423,286	$ 463,431	$ 40,145
Employee Medical Insurance	123,135	123,135	93,304	(29,831)
Retirement Fund Contribution	31,375	31,375	28,984	(2,391)
Capital Outlay	-	-	-	-
Clerical and Administrative	4,850	4,850	13,107	8,257
Dues and Membership	600	600	300	(300)
Insurance	37,500	37,500	26,808	(10,692)
Miscellaneous	500	500	259	(241)
Motor Fuels	10,000	10,000	6,199	(3,801)
Professional Fees	300	300	-	(300)
Repairs and Maintenance-Equipment	38,500	38,500	32,660	(5,840)
Supplies	17,500	17,500	3,112	(14,388)
Telephone and Utilities	19,800	19,800	16,866	(2,934)
Travel and Training	11,000	11,000	4,629	(6,371)
Uniforms	5,000	5,000	10,914	5,914
Capital Lease-Principal	63,373	63,373	37,627	(25,746)
Capital Lease-Interest	15,003	15,003	12,261	(2,742)
Total Fire	911,722	801,722	750,461	(51,261)
ECONOMIC DEVELOPMENT				
Personnel Services	64,925	-	-	-
Employee Medical Insurance	9,225	-	-	-
Clerical and Administrative	1,230	-	-	-
Community Relations	2,000	2,000	-	(2,000)
Dues and Membership	650	-	-	-
Advertising	1,000	-	-	-
Professional Fees	100	-	-	-
Rent	2,700	1,800	-	(1,800)
Repairs and Maintenance	900	-	-	-
Supplies	650	-	-	-
Telephone and Utilities	3,020	-	-	-
Travel and Training	2,400	-	-	-
Total Economic Development	88,800	3,800	-	(3,800)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2019

	Budget			Variance with
	Original	Final	Actual	Budget
STREET				
Personnel Services	$ 469,379	$ 469,379	$ 432,596	$ (36,783)
Employee Medical Insurance	71,038	71,038	105,509	34,471
Retirement Fund Contribution	17,814	17,814	16,457	(1,357)
Advertising	-	-	228	228
Capital Outlay	500,000	2,105,000	2,066,294	(38,706)
Clerical and Administrative	1,500	1,500	1,701	201
General Supplies	5,400	5,400	4,708	(692)
Grounds Maintenance Contract	145,000	145,000	147,012	2,012
Miscellaneous	-	-	775	775
Motor Fuels	18,500	18,500	39,680	21,180
Professional Fees	-	-	170	170
Repairs and Maintenance-Equipment	50,720	50,720	57,571	6,851
Repairs and Maintenance-System	73,500	168,500	140,048	(28,452)
System Supplies and Chemicals	23,030	23,030	11,468	(11,562)
Telephone and Utilities	7,300	7,300	12,046	4,746
Travel and Training	3,000	3,000	2,566	(434)
Uniforms	2,600	2,600	6,808	4,208
Capital Lease-Principal	-	-	12,428	12,428
Capital Lease-Interest	-	-	445	445
Total Street	1,388,781	3,088,781	3,058,510	(30,271)
STORM WATER				
Personnel Services	109,476	109,476	114,596	5,120
Employee Medical Insurance	37,887	27,887	18,136	(9,751)
Retirement Fund Contribution	9,682	9,682	8,944	(738)
Motor Fuels	7,200	7,200	10,022	2,822
Professional Fees	-	-	565	565
Repairs and Maintenance	38,425	38,425	32,332	(6,093)
Rent	6,300	6,300	276	(6,024)
Telephone and Utilities	400	400	788	388
Travel and Training	680	680	36	(644)
Miscellaneous	1,630	1,630	881	(749)
Uniforms	1,200	1,200	1,414	214
Capital Lease-Principal	10,847	10,847	7,837	(3,010)
Capital Lease-Interest	605	605	154	(451)
Total Storm Water	224,332	214,332	195,981	(18,351)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2019

	Budget			Variance with
	Original	Final	Actual	Budget
SHOP				
Personnel Services	$ 90,652	$ 90,652	$ 84,522	$ (6,130)
Employee Medical Insurance	18,944	18,944	20,486	1,542
Retirement Fund Contribution	5,691	5,691	5,257	(434)
Motor Fuels	2,200	14,200	20,393	6,193
Repairs and Maintenance	3,700	3,700	1,988	(1,712)
Supplies	3,800	3,800	1,607	(2,193)
Telephone and Utilities	4,600	4,600	5,524	924
Travel and Training	750	750	-	(750)
Uniforms	1,000	1,000	783	(217)
Professional Services	-	-	142	142
Total Shop	131,337	143,337	140,702	(2,635)
CODE ENFORCEMENT				
Personnel Services	77,777	77,777	81,599	3,822
Employee Medical Insurance	18,919	18,919	15,978	(2,941)
Retirement Fund Contribution	4,897	4,897	4,524	(373)
Clerical and Administrative	250	250	107	(143)
Advertising	500	500	47	(453)
Community Relations	500	500	-	(500)
Dues and Membership	275	275	-	(275)
Great Sylvester Cleanup	1,000	1,000	885	(115)
Miscellaneous	500	500	(3)	(503)
Motor Fuels	1,700	1,700	3,858	2,158
Professional Services	40,000	78,000	70,386	(7,614)
Rent	2,000	2,000	2,700	700
Repairs and Maintenance-Equipment	650	650	832	182
Supplies	800	800	177	(623)
Telephone and Utilities	2,200	2,200	2,946	746
Travel and Training	1,850	1,850	2,062	212
Uniforms	500	500	377	(123)
Capital Lease-Principal	9,653	9,653	10,031	378
Capital Lease-Interest	823	823	524	(299)
Total Code Enforcement	164,794	202,794	197,030	(5,764)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2019

	Budget			Variance with
	Original	Final	Actual	Budget
BUILDING AND ZONING				
Personnel Services	$ 95,213	$ 127,508	$ 119,656	$ (7,852)
Retirement Contributions	7,445	7,445	6,878	(567)
Employee Medical Insurance	18,948	18,948	16,633	(2,315)
Professional Services	1,200	3,905	8,414	4,509
Clerical and Administrative	2,300	2,300	2,418	118
Motor Fuels	700	700	910	210
Rent	-	-	-	-
Repairs and Maintenance	1,050	1,050	760	(290)
Telephone and Utilities	1,700	1,700	1,750	50
Travel and Training	3,000	3,000	4,136	1,136
Total Building and Zoning	131,556	166,556	161,555	(5,001)
DOWNTOWN DEVELOPMENT				
Personnel Services	50,621	52,121	47,797	(4,324)
Employee Medical Insurance	9,221	9,221	10,403	1,182
Retirement Fund Contribution	3,352	3,352	3,097	(255)
Advertising	2,800	4,800	4,631	(169)
Community Relations	5,750	37,250	37,641	391
Georgia Cities Week	2,500	11,500	11,167	(333)
Clerical and Administrative	1,330	1,330	2,258	928
Dues and Membership	650	650	737	87
Façade Program	6,000	6,000	6,171	171
Miscellaneous	-	-	147	147
Rent	2,700	2,700	2,700	-
Repairs and Maintenance	900	900	162	(738)
Supplies	1,450	1,450	382	(1,068)
Telephone and Utilities	3,020	3,020	3,382	362
Travel and Training	2,400	6,400	6,080	(320)
Total Downtown Development	92,694	140,694	136,755	(3,939)
TOTAL EXPENDITURES	$ 7,583,249	$ 9,922,249	$ 9,684,370	$ (237,879)

CITY OF SYLVESTER, GEORGIA
Non-major Governmental Funds
Combining Balance Sheet
June 30, 2019

	Special Revenue Funds			
	CDBG Loan Fund	Designated Grant Fund	Hotel/ Motel Tax Fund	Total
ASSETS				
Cash	$ 129,728	$ 200,380	$ 9,964	$ 340,072
Taxes Receivable	-	-	1,660	1,660
Loan Receivable	46,898	-	-	46,898
Due from Other Funds	-	1,628	-	1,628
TOTAL ASSETS	$ 176,626	$ 202,008	$ 11,624	$ 390,258
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts Payable	$ -	$ -	$ 2,025	$ 2,025
Due to Other Funds	-	-	-	-
Total Liabilities	-	-	2,025	2,025
Deferred Inflows of Resources				
None	-	-	-	-
Fund Balances				
Restricted:				
Economic Development	176,626	-	-	176,626
Tourism	-	-	9,599	9,599
Capital Projects	-	202,008	-	202,008
Total Fund Balances	176,626	202,008	9,599	388,233
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 176,626	$ 202,008	$ 11,624	$ 390,258

CITY OF SYLVESTER, GEORGIA
Non-major Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2019

	SPECIAL REVENUE FUNDS			
	CDBG Loan Fund	Designated Grant Fund	Hotel/ Motel Tax Fund	Total
REVENUES				
Grant Proceeds	$ -	$ 99,010	$ -	$ 99,010
Contributions	-	1,400	-	1,400
Investment Income	5,412	-	-	5,412
Hotel/Motel Taxes	-	-	23,351	23,351
TOTAL REVENUES	5,412	100,410	23,351	129,173
EXPENDITURES				
Culture and Recreation	-	-	-	-
Community and Economic Development	61,575	-	13,706	75,281
Capital Outlay	-	5,051	-	5,051
TOTAL EXPENDITURES	61,575	5,051	13,706	80,332
Excess (Deficiency) of Revenues Over (Under) Expenditures	(56,163)	95,359	9,645	48,841
OTHER FINANCING USES				
Transfer In (Out)	-	-	(7,624)	(7,624)
NET CHANGE IN FUND BALANCE	(56,163)	95,359	2,021	41,217
FUND BALANCE - JULY 1, 2018	232,789	106,649	7,578	347,016
FUND BALANCE - JUNE 30, 2019	$ 176,626	$ 202,008	$ 9,599	$ 388,233

CITY OF SYLVESTER, GEORGIA
CDBG Economic Development Revolving Loan Fund
Balance Sheet
June 30, 2019

ASSETS		
Cash	$	129,728
Loan Receivable		46,898
TOTAL ASSETS	$	176,626
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable		-
Fund Balance		
Restricted:		
Economic Development		176,626
TOTAL LIABILITIES AND FUND BALANCE	$	176,626

CITY OF SYLVESTER, GEORGIA
CDBG Economic Development Revolving Loan Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2019

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Interest on Loan Receivable	$ 4,672	$ 4,672	$ 5,378	$ 706
Interest-Bank	2,700	2,700	34	(2,666)
TOTAL REVENUES	7,372	7,372	5,412	(1,960)
EXPENDITURES				
Loan Servicing Fees	-	-	-	-
Contingency	7,372	62,372	61,575	(797)
TOTAL EXPENDITURES	7,372	62,372	61,575	(797)
Excess of Revenues Over Expenditures	-	(55,000)	(56,163)	(1,163)
NET CHANGE IN FUND BALANCE	-	(55,000)	(56,163)	(1,163)
FUND BALANCE - JULY 1, 2018			232,789	
FUND BALANCE - JUNE 30, 2019			$ 176,626	

CITY OF SYLVESTER, GEORGIA
Designated Grant Fund
Balance Sheet
June 30, 2019

ASSETS		
Cash	$	200,380
Due from Other Funds		1,628
TOTAL ASSETS	$	202,008
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	$	-
Due to Other Funds		-
TOTAL LIABILITIES		-
Fund Balance		
Restricted:		
Capital Projects		202,008
TOTAL LIABILITIES AND FUND BALANCE	$	202,008

CITY OF SYLVESTER, GEORGIA
Designated Grant Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2019

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Grant Proceeds	$ 300,000	$ 300,000	$ 99,010	$ (200,990)
Contributions	-	-	1,400	1,400
TOTAL REVENUES	300,000	300,000	100,410	(199,590)
EXPENDITURES				
Community and Economic Development	-	-	-	-
Capital Outlay	300,000	300,000	5,051	(294,949)
TOTAL EXPENDITURES	300,000	300,000	5,051	(294,949)
Excess of Revenues Over Expenditures	-	-	95,359	95,359
OTHER FINANCING USES				
Transfer In	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	95,359	95,359
FUND BALANCE - JULY 1, 2018			106,649	
FUND BALANCE - JUNE 30, 2019			$ 202,008	

CITY OF SYLVESTER, GEORGIA
Hotel/Motel Tax Fund
Balance Sheet
June 30, 2019

ASSETS		
Cash	$	9,964
Taxes Receivable		1,660
TOTAL ASSETS	$	11,624
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable		2,025
Fund Balance		
Restricted:		
Tourism		9,599
TOTAL LIABILITIES AND FUND BALANCE	$	11,624

CITY OF SYLVESTER, GEORGIA
Hotel/Motel Tax Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
For the Year Ended June 30, 2019

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Hotel/Motel Taxes	$ 19,060	$ 24,060	$ 23,351	$ (709)
TOTAL REVENUES	19,060	24,060	23,351	(709)
EXPENDITURES				
Chamber of Commerce Allocation	11,436	16,436	13,706	(2,730)
Bank Charges	-	-	-	-
TOTAL EXPENDITURES	11,436	16,436	13,706	(2,730)
Excess of Revenues Over Expenditures	7,624	7,624	9,645	2,021
OTHER FINANCING USES				
Transfer Out	(7,624)	(7,624)	(7,624)	-
NET CHANGE IN FUND BALANCE	-	-	2,021	2,021
FUND BALANCE - JULY 1, 2018			7,578	
FUND BALANCE - JUNE 30, 2019			$ 9,599	

CITY OF SYLVESTER, GEORGIA
SPLOST Capital Projects Fund
Balance Sheet
June 30, 2019

ASSETS		
Cash	$	200,582
Taxes Receivable		-
TOTAL ASSETS	$	200,582
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	$	-
Due to Other Funds		-
Fund Balance		
Restricted:		
Capital Projects		200,582
TOTAL LIABILITIES AND FUND BALANCE	$	200,582

CITY OF SYLVESTER, GEORGIA
SPLOST Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2019

	Budget			Variance With
	Original	Final	Actual	Budget
REVENUES				
Intergovernmental	$ 291,693	$ 291,693	$ 354,605	$ 62,912
Interest	2,000	2,000	506	(1,494)
Total Revenues	293,693	293,693	355,111	61,418
EXPENDITURES				
Capital Projects	109,699	109,699	10,175	(99,524)
Debt Service:				
Principal	148,848	148,848	162,255	13,407
Interest	35,146	35,146	21,739	(13,407)
TOTAL EXPENDITURES	293,693	293,693	194,169	(99,524)
Deficiency of Revenues Under Expenditures	-	-	160,942	160,942
NET CHANGE IN FUND BALANCE	$ -	$ -	160,942	$ 160,942
FUND BALANCE-JULY 1, 2018			39,640	
FUND BALANCE-JUNE 30, 2019			$ 200,582	

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Net Position
June 30, 2019

ASSETS		
Current Assets		
Cash	$	257,708
Investment-Certificate of Deposit		194,829
Investment		2,244,511
Restricted Assets		
Cash-Customer Deposits		95,991
Accounts Receivable (Net of Allowance for Uncollectible Accounts)		1,335,060
Inventory		196,540
Prepaid Items		13,805
Due from Other Funds		359,722
Total Current Assets		4,698,166
Noncurrent Assets		
Capital Assets		
Electric System		3,737,888
Machinery and Equipment		161,975
Vehicles		889,797
Construction in Progress		-
Accumulated Depreciation		(3,125,088)
Total Noncurrent Assets		1,664,572
TOTAL ASSETS		6,362,738
LIABILITIES		
Current Liabilities		
Accounts Payable		666,663
Notes Payable		5,022
Accrued Expenses		454,375
Liabilities Payable from Restricted Assets-Customer Deposits		67,334
Due to Other Funds		114,794
Total Current Liabilities		1,308,188
Long-Term Liabilities		
Accrued Vacation		19,272
Notes Payable		-
Total Long-Term Liabilities		19,272
TOTAL LIABILITIES		1,327,460
Net Investment in Capital Assets		1,659,550
Unrestricted		3,375,728
TOTAL NET POSITION	$	5,035,278

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2019

OPERATING REVENUES		
Electric Sales	$	11,047,461
Penalties		82,479
Service Fees		228,929
Miscellaneous		28,621
Pole Rental		82,940
TOTAL OPERATING REVENUES		11,470,430
OPERATING EXPENSES		
Personnel Services		479,653
Employee Medical Insurance		107,337
Retirement Fund Contribution		23,459
Purchases - Electricity		6,970,704
Clerical and Administrative		40,820
Insurance - General		20,442
Marketing		34,293
Miscellaneous		(729)
Motor Fuels		15,927
Professional Fees		15,468
Repairs and Maintenance-Equipment		20,942
Repairs and Maintenance-System		193,453
Supplies-General		9,061
Supplies-System		38,419
Technical Support		77,830
Telephone and Utilities		28,655
Travel and Training		7,900
Uniforms		5,349
Depreciation		81,307
TOTAL OPERATING EXPENSES		8,170,290
OPERATING INCOME		3,300,140

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position (Continued)
For the Year Ended June 30, 2019

NON-OPERATING REVENUES (EXPENSES)	
Interest Income	$ 4,112
Market Gain on Investments	233,059
Interest Expense	(1,494)
TOTAL NON-OPERATING REVENUES (EXPENSES)	235,677
Income Before Transfers	3,535,817
Transfers In	-
Transfers Out	(5,769,000)
CHANGE IN NET POSITION	(2,233,183)
NET POSITION - JULY 1, 2018	7,268,461
NET POSITION - JUNE 30, 2019	$ 5,035,278

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Cash Flows
For the Year Ended June 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	$	11,306,819
Cash Payments to Suppliers		(7,072,463)
Cash Payments to Employees		(617,529)
NET CASH PROVIDED BY OPERATING ACTIVITIES		3,616,827
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Payments to Other Funds		(5,725,193)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase and Construction of Capital Assets		-
Principal Paid on Capital Debt		(58,977)
Interest Paid on Capital Debt		(1,494)
Proceeds from Capital Debt		-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES		(60,471)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received		4,112
Proceeds from Sale of Investments		1,918,724
NET CASH USED BY INVESTING ACTIVITIES		1,922,836
Net Increase in Cash and Cash Equivalents		(246,001)
CASH AND CASH EQUIVALENTS-JULY 1, 2018		794,529
CASH AND CASH EQUIVALENTS-JUNE 30, 2019	$	548,528
Displayed As:		
Investment-Certificate of Deposit	$	194,829
Restricted Assets	$	95,991

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Cash Flows (Continued)
For the Year Ended June 30, 2019

Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	$ 3,300,140
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	81,307
(Increase) Decrease in Assets:	
Accounts Receivable	(168,051)
Prepaid Items	434
Inventory	1,984
Increase (Decrease) in Liabilities:	
Accounts Payable	3,402
Accrued Expenses	400,251
Accrued Vacation	(7,080)
Customer Deposits	4,440
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 3,616,827
Noncash Investing, Capital and Financing Activities	
Increase in Fair Value of Investments	$ 233,059

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Statement of Net Position
June 30, 2019

ASSETS		
Current Assets		
Cash	$	222,640
Investment-Certificate of Deposit		183,563
Restricted Assets		
Cash-Customer Deposits		106,793
Cash-GEFA		182
Investment-Certificate of Deposit-GEFA		164,966
Accounts Receivable (Net of Allowance for Uncollectible Accounts)		240,846
Inventory		50,050
Prepaid Items		5,868
Due from Other Funds		129,830
Total Current Assets		1,104,738
Noncurrent Assets		
Capital Assets		
Land		21,800
Buildings		365,283
Water and Sewer System		14,615,266
Machinery and Equipment		783,513
Vehicles		207,475
Construction in Progress		2,943,362
Accumulated Depreciation		(9,671,704)
Total Noncurrent Assets		9,264,995
TOTAL ASSETS		10,369,733
LIABILITIES		
Current Liabilities		
Accounts Payable		102,635
Notes Payable		235,795
Accrued Expenses		69,449
Liabilities Payable from Restricted Assets-Customer Deposits		81,092
Due to Other Funds		192,802
Total Current Liabilities		681,773
Long-Term Liabilities		
Accrued Vacation		3,844
Notes Payable		4,471,725
Total Long-Term Liabilities		4,475,569
TOTAL LIABILITIES		5,157,342
Net Investment in Capital Assets		4,557,475
Restricted for Debt Service		165,148
Unrestricted		489,768
TOTAL NET POSITION	$	5,212,391

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2019

OPERATING REVENUES	
Water Revenue	$ 1,031,273
Sewer Revenue	815,579
Penalties	24,233
Other	-
TOTAL OPERATING REVENUES	1,871,085
OPERATING EXPENSES	
Water (Schedule 1)	624,566
Sewer (Schedule 2)	492,827
Depreciation	360,356
TOTAL OPERATING EXPENSES	1,477,749
OPERATING INCOME	393,336
NON-OPERATING REVENUES (EXPENSES)	
Principal Forgiveness on Long-Term Debt	59,071
Interest Income	1,151
Interest Expense	(108,352)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(48,130)
Income Before Transfers	345,206
Transfers In	-
Transfers Out	(600,000)
CHANGE IN NET POSITION	(254,794)
NET POSITION-JULY 1, 2018	5,467,185
NET POSITION-JUNE 30, 2019	$ 5,212,391

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Statement of Cash Flows
For the Year Ended June 30, 2019

CASH FLOWS FROM INVESTING ACTIVITIES		
Cash Received from Customers	$	1,831,395
Cash Payments to Suppliers		(582,058)
Cash Payment to Employees		(448,675)
NET CASH PROVIDED BY OPERATING ACTIVITIES		800,662
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Payments to Other Funds		(571,981)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases and Construction of Capital Assets		(264,003)
Principal Paid on Capital Debt		(184,218)
Interest Paid on Capital Debt		(108,352)
Proceeds from Long Term Debt		265,309
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES		(291,264)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received		1,151
NET CASH PROVIDED BY OPERATING ACTIVITIES		1,151
Net Decrease in Cash and Cash Equivalents		(61,432)
CASH AND CASH EQUIVALENT-JULY 1, 2018		739,576
CASH AND CASH EQUIVALENT-JUNE 30, 2019	$	678,144
Displayed As:		
Investment-Certificate of Deposit	$	183,563
Restricted Assets	$	271,941
Non Cash Transactions:		
Principal Forgiveness on Capital Debt	$	59,071

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Statement of Cash Flows (Continued)
For the Year Ended June 30, 2019

Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Income	$	393,336
Adjustments to Reconcile Operating Income to Net Cash		
Provided by Operating Activities:		
Depreciation Expense		360,356
(Increase) Decrease in Assets:		
Accounts Receivable		(39,402)
Prepaid Items		1,422
Increase (Decrease) in Liabilities:		
Accounts Payable		30,536
Accrued Expenses		57,443
Accrued Vacation		(2,741)
Customer Deposits		(288)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$	800,662

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Water Operating Expenses – Schedule 1
For the Year Ended June 30, 2019

Water Operating Expenses

Personnel Services	$	226,506
Employee Medical Insurance		60,292
Retirement Fund Contribution		11,205
Advertising		1,904
Clerical and Administrative		1,922
Dues and Memberships		476
Insurance		16,626
Lab Fees		11,259
Motor fuels		8,754
Repairs and Maintenance-Equipment		4,516
Repairs and Maintenance-System		108,866
Supplies-General		17,701
Supplies- System		46,215
Telephone and Utilities		105,713
Travel and Training		569
Uniforms		2,042
Total Operating Expenses	$	624,566

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Sewer Operating Expenses – Schedule 2
For the Year Ended June 30, 2019

Sewer Operating Expenses

Personnel Services	$	106,913
Employee Medical Insurance		24,886
Retirement Fund Contribution		16,132
Advertising		-
Clerical and Administrative		1,229
Insurance		16,007
Lab Fees		46,644
Motor Fuels		6,576
Repairs and Maintenance - Equipment		16,327
Repairs and Maintenance - System		89,416
Supplies - General		4,542
Supplies - System		6,162
Telephone and Utilities		156,574
Travel and Training		-
Uniforms		1,419
Total Operating Expenses	$	492,827

CITY OF SYLVESTER, GEORGIA
Airport Fund
Statement of Net Position
June 30, 2019

ASSETS	
Current Assets	
Cash	$ 59,895
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	800
Due from Other Funds	-
Total Current Assets	60,695
Noncurrent Assets	
Capital Assets	
Land	382,791
Land Improvements	4,644,770
Equipment	6,040
Construction in Progress	-
Accumulated Depreciation	(908,343)
Total Noncurrent Assets	4,125,258
TOTAL ASSETS	4,185,953
LIABILITIES	
Current Liabilities	
Accounts Payable	146
Due to Other Funds	32,526
TOTAL LIABILITIES	32,672
DEFERRED INFLOWS OF RESOURCES	
Unearned Revenues - Rent Proceeds	-
NET POSITION	
Investment in Capital Assets	4,125,258
Unrestricted	28,023
TOTAL NET POSITION	$ 4,153,281

CITY OF SYLVESTER, GEORGIA
Airport Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2019

OPERATING REVENUES		
Rent	$	6,400
Other Revenues		67,885
TOTAL OPERATING REVENUES		74,285
OPERATING EXPENSES		
Advertising		-
Dues and Licenses		-
Insurance		-
Repairs and Maintenance		17,431
Utilities		2,640
Miscellaneous		1,222
Depreciation		230,465
TOTAL OPERATING EXPENSES		251,758
OPERATING LOSS		(177,473)
NON-OPERATING REVENUES		
Capital Grants		-
Income Before Transfers		(177,473)
Transfers in		79,000
CHANGE IN NET POSITION		(98,473)
NET POSITION-JULY 1, 2018		4,251,754
NET POSITION-JUNE 30, 2019	$	4,153,281

CITY OF SYLVESTER, GEORGIA
Airport Fund
Statement of Cash Flows
For the Year Ended June 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	$	72,685
Cash Payments to Suppliers		(24,025)
NET CASH USED BY OPERATING ACTIVITIES		48,660
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Payments from Other Funds		84,166
Payments to Other Funds		-
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES		84,166
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase and Construction of Capital Assets		(135,491)
Capital Grants Received		-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES		(135,491)
CASH FLOWS FROM INVESTING ACTIVITIES		-
Net Decrease in Cash and Cash Equivalents		(2,665)
CASH AND CASH EQUIVALENTS - JULY 1, 2018		62,560
CASH AND CASH EQUIVALENTS - JUNE 30, 2019	$	59,895
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Loss		(177,473)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation		230,465
(Increase) Decrease in Assets:		
Accounts Receivable		(800)
Increase (Decrease) in Liabilities:		
Unearned Revenues		(800)
Accounts Payable		(2,732)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$	48,660

CITY OF SYLVESTER, GEORGIA
Solid Waste Fund
Statement of Net Position
June 30, 2019

ASSETS	
Current Assets	
Cash	$ 90,139
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	88,436
Due from Other Funds	15,198
Total Current Assets	193,773
Noncurrent Assets	
Capital Assets	
Land	19,780
Vehicles	139,855
Accumulated Depreciation	(18,647)
Total Noncurrent Assets	140,988
TOTAL ASSETS	334,761
LIABILITIES	
Current Liabilities	
Accounts Payable	34,670
Notes Payable	25,214
Due to Other Funds	9,594
Total Current Liabilities	69,478
Long-Term Liabilities	
Notes Payable	75,315
Total Long-Term Liabilities	75,315
TOTAL LIABILITIES	144,793
NET POSITION	
Net Investment in Capital Assets	40,459
Unrestricted	149,509
TOTAL NET POSITION	$ 189,968

CITY OF SYLVESTER, GEORGIA
Solid Waste Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2019

OPERATING REVENUES		
Refuse Collection Fees	$	673,779
Landfill Collection Fees		45,054
Penalties		9,883
Other Revenues		-
TOTAL OPERATING REVENUES		728,716
OPERATING EXPENSES		
Refuse Disposal Fees		417,230
Landfill Fees		123,243
Repairs		-
Insurance		-
Clerical and Administrative		-
Miscellaneous		621
Depreciation		9,323
TOTAL OPERATING EXPENSES		550,417
OPERATING INCOME		178,299
NON-OPERATING EXPENSES		
Interest Expense		4,535
Income Before Transfers		173,764
Transfers out		(110,000)
CHANGE IN NET POSITION		63,764
NET POSITION-JULY 1, 2018		126,204
NET POSITION-JUNE 30, 2019	$	189,968

CITY OF SYLVESTER, GEORGIA
Solid Waste Fund
Statement of Cash Flows
For the Year Ended June 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 716,564
Cash Payments to Suppliers	(592,912)
Cash Payments to Employee	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	123,652
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payments to Other Funds	(23,595)
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	(23,595)
CASH FLOWS FROM CAPITAL AND RELATING FINANCING ACTIVITIES	
Purchase of Capital Assets	-
Principal Paid on Long Term Debt	(22,162)
Interest Paid on Long Term Debt	(4,535)
Proceeds from Long Term Debt	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(26,697)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	-
NET CASH USED BY INVESTING ACTIVITIES	-
Net Decrease in Cash and Cash Equivalents	73,360
CASH AND CASH EQUIVALENTS - JULY 1, 2018	16,779
CASH AND CASH EQUIVALENTS - JUNE 30, 2019	$ 90,139
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	178,299
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation Expense	9,323
(Increase) Decrease in Assets:	
Accounts Receivable	(12,152)
Increase (Decrease) in Liabilities	
Accounts Payable	(51,818)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 123,652

CITY OF SYLVESTER, GEORGIA
Telecommunications Fund
Statement of Net Position
June 30, 2019

ASSETS	
Current Assets	
Cash	$ 36,643
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	108,765
Due from Other Funds	368
Total Current Assets	145,776
Noncurrent Assets	
Capital Assets	
Construction in Progress	53,690
Fiber Optics System	328,171
Vehicles	3,060
Accumulated Depreciation	(306,996)
Total Noncurrent Assets	77,925
TOTAL ASSETS	223,701
LIABILITIES	
Current Liabilities	
Accounts Payable	40,475
Due to Other Funds	76,026
TOTAL LIABILITIES	116,501
NET POSITION	
Investment in Capital Assets	77,925
Unrestricted	29,275
TOTAL NET POSITION	$ 107,200

CITY OF SYLVESTER, GEORGIA
Telecommunications Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2019

OPERATING REVENUES		
Telecom Charges	$	-
Internet Charges		66,391
TOTAL OPERATING REVENUES		66,391
OPERATING EXPENSES		
Contractual Services		2,907
Internet Fees		-
Leases		-
Licenses		-
Professional Services		27,794
Repairs and Maintenance-System		34,634
Supplies		-
Depreciation		21,282
TOTAL OPERATING EXPENSES		86,617
OPERATING INCOME		(20,226)
Income Before Transfers		(20,226)
Transfers Out		(20,000)
CHANGE IN NET POSITION		(40,226)
NET POSITION-JULY 1, 2018		147,426
NET POSITION-JUNE 30, 2019	$	107,200

CITY OF SYLVESTER, GEORGIA
Telecommunications Fund
Statement of Cash Flows
For the Year Ended June 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	$	91,227
Cash Payments to Suppliers		(24,870)
NET CASH PROVIDED BY OPERATING ACTIVITIES		66,357
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Payments (to) from Other Funds		(16,846)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase and Construction of Capital Assets		(39,200)
CASH FLOWS FROM INVESTING ACTIVITIES		-
Net Increase in Cash and Cash Equivalents		10,311
CASH AND CASH EQUIVALENTS - JULY 1, 2018		26,332
CASH AND CASH EQUIVALENTS - JUNE 30, 2019	$	36,643
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Income (Loss)		(20,226)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation		21,282
(Increase) Decrease in Assets:		
Accounts Receivable		24,836
Increase (Decrease) in Liabilities:		
Accounts Payable		40,465
NET CASH PROVIDED BY OPERATING ACTIVITIES	$	66,357

CITY OF SYLVESTER, GEORGIA
Natural Gas Fund
Statement of Net Position
June 30, 2019

ASSETS	
Current Assets	
Cash	$ 39,834
Restricted Assets	
Cash-Customer Deposits	27,372
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	50,598
Due from Other Funds	-
Inventory	31,047
Prepaid Items	955
Total Current Assets	149,806
Noncurrent Assets	
Capital Assets	
Land	2,500
Natural Gas System	896,021
Machinery and Equipment	197,577
Vehicles	103,094
Accumulated Depreciation	(1,024,701)
Total Noncurrent Assets	174,491
TOTAL ASSETS	324,297
LIABILITIES	
Current Liabilities	
Accounts Payable	27,022
Notes Payable	11,113
Accrued Expenses	44,502
Due to Other Funds	155,394
Liabilities Payable from Restricted Assets-Customer Deposits	22,154
Total Current Liabilities	260,185
Long-Term Liabilities	
Notes Payable	8,669
Total Long-Term Liabilities	8,669
TOTAL LIABILITIES	268,854
NET POSITION	
Net Investment in Capital Assets	154,709
Unrestricted	(99,266)
TOTAL NET POSITION	$ 55,443

CITY OF SYLVESTER, GEORGIA
Natural Gas Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2019

OPERATING REVENUES		
Gas Sales	$	772,576
Penalties		51,924
Miscellaneous		-
TOTAL OPERATING REVENUES		824,500
OPERATING EXPENSES		
Purchases-Natural Gas		526,330
Personnel Services		171,439
Employee Medical Insurance		46,298
Advertising		4,951
Clerical and Administrative		1,721
Dues and Membership		13,255
Insurance - General		11,222
Motor Fuels		5,800
Professional Fees		6,989
Repairs and Maintenance - Equipment		7,939
Repairs and Maintenance - System		10,457
Retirement Fund Contribution		12,372
Supplies - General		2,829
Supplies - System		4,235
Telephone and Utilities		1,699
Travel and Training		6,402
Uniforms		2,079
Depreciation		2,861
TOTAL OPERATING EXPENSES		838,878
OPERATING INCOME (LOSS)		(14,378)
NON-OPERATING REVENUES (EXPENSES)		
Interest Income		57
Interest Expense		(1,039)
Income Before Transfers		(15,360)
Transfers In		-
Transfers Out		(80,000)
CHANGE IN NET POSITION		(95,360)
NET POSITION - JULY 1, 2018		150,803
NET POSITION - JUNE 30, 2019	$	55,443

CITY OF SYLVESTER, GEORGIA
Natural Gas Fund
Statement of Cash Flows
For the Year Ended June 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	$	841,361
Cash Payments to Suppliers		(570,604)
Cash Payments to Employee		(231,799)
NET CASH PROVIDED BY OPERATING ACTIVITIES		38,958
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Payments to Other Funds		(9,606)
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES		(9,606)
CASH FLOWS FROM CAPITAL AND RELATING FINANCING ACTIVITIES		
Purchase of Capital Assets		-
Principal Paid on Long Term Debt		(9,756)
Interest Paid on Long Term Debt		(1,039)
Proceeds from Long Term Debt		-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES		(10,795)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received		57
NET CASH USED BY INVESTING ACTIVITIES		57
Net Decrease in Cash and Cash Equivalents		18,614
CASH AND CASH EQUIVALENTS - JULY 1, 2018		48,592
CASH AND CASH EQUIVALENTS - JUNE 30, 2019	$	67,206
Displayed As:		
Restricted Assets	$	27,372
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Loss		(14,378)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation Expense		2,861
(Increase) Decrease in Assets:		
Accounts Receivable		17,605
Prepaid Items		232
Increase (Decrease) in Liabilities		
Accounts Payable		(2,620)
Accrued Expenses		37,924
Customer Deposits		(976)
Accrued Vacation		(1,690)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$	38,958

CITY OF SYLVESTER, GEORGIA
Agency Funds
Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2019

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
Utility Energy Crisis				
ASSETS				
Cash	$ 760	$ -	$ -	$ 760
LIABILITIES				
Due to Other Governments	$ 760	$ -	$ -	$ 760
Downtown Sylvester Farmer's Market				
ASSETS				
Cash	$ 3,215	$ -	$ (432)	$ 2,783
LIABILITIES				
Due to Other Governments	$ 3,215	$ -	$ (432)	$ 2,783
Totals				
ASSETS				
Cash	$ 3,975	$ -	$ (432)	$ 3,543
LIABILITIES				
Due to Other Governments	$ 3,975	$ -	$ (432)	$ 3,543

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE, 2019

ADDITIONAL SUPPLEMENTARY INFORMATION

CITY OF SYLVESTER, GEORGIA
Schedule of Projects Constructed with Special Sales Tax Proceeds
For the Year Ended June 30, 2019

2016 Referendum

Category	Original Estimated Cost	Revised Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Total	% Complete as of 6/30/2019
Roads, bridges, sidewalks and associated capital equipment	$ 537,015	$ 537,015	$ 477,538	$ 10,175	$ 487,713	91%
City Hall renovations and associated capital equipment	950,000	950,000	-	-	-	0%
Water and sewer improvements and associated capital equipment	250,000	250,000	-	-	-	0%
Parks and recreation improvements and associated capital equipment	50,000	50,000	-	-	-	0%
Depot improvements and parking lot	100,000	100,000	25,782	-	25,782	26%
Holly School Gym	100,000	100,000	-	-	-	0%
Public safety building and associated capital equipment (1)	1,010,000	1,010,000	-	-	-	0%
TOTAL	$ 2,997,015	$ 2,997,015	$ 503,320	$ 10,175	$ 513,495	

(1) The City has incurred expenditures for debt service payments on a public safety project as follows:

Prior Years	$ 996,914
Current Year	183,994
	$ 1,180,908

CITY OF SYLVESTER, GEORGIA
Community Development Block Grant
Project Cost Schedule
18p-x-159-2-6029
For the Year Ended June 30, 2019

Program Activity	Activity Number	Latest Approved Budget CDBG Funds	Accumulative Expenditures To Date CDBG Funds	Accumulative Expenditures To Date Other Funds	Grant Total Expenditures To Date
Sewer Facilities	P-03J-02	$ 703,400	$ -	$ -	$ -
Engineering	T-03J-00	-	-	52,238	-
General Administration	A-21A-00	-	-	33,000	33,000
Total		$ 703,400	$ -	$ 85,238	$ 33,000

CITY OF SYLVESTER, GEORGIA
Community Development Block Grant
Source & Application of Funds Schedule
18p-x-159-2-6029
For the Year Ended June 30, 2019

Total Program Year 2018 CDBG Funds Allocated to Recipient	$	703,400
Less: Deobligations		-
Net Program Year 2018 Funds Allocated to Recipient		703,400
Less: Total Program Year 2018 Funds Drawn Down by Recipient	$	-
Funds Still Available from Program Year 2018 Resources	$	703,400
Total Program Year 2018 CDBG Funds Drawn and Received by Recipient	$	-
Local Matches and Other Receipts		85,238
Total Receipts Available for Program Year 2018 Costs		-
Less: Funds Applied and Expended to Program Year 2018 Costs		-
Total Program Year 2018 Funds Held by Recipient	$	-

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

STATISTICAL SECTION
(UNAUDITED)

CITY OF SYLVESTER, GEORGIA
Statistical Section
(Unaudited)
FOR THE YEAR ENDED JUNE 30, 2019

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

Contents **Page**

Financial Trends
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time. 116-120

Revenue Capacity
These Schedules contain information to help the reader assess the government's most significant local revenue source, the property tax. 121-124

Debt Capacity
These schedules contain information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future. 125

Demographic and Economic Information
Helps the reader understand the environment within which the government's financial activities take place. 126-127

Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. 128-130

City of Sylvester
Net Position by Component
For the 10 fiscal years ending June 30, 2019
(accrual basis of accounting)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental Activities:										
Net investment in capital assets	$ 15,434,579	$ 12,573,014	$ 10,452,796	$ 10,171,410	$ 8,459,304	$ 7,633,975	$ 6,855,992	$ 5,704,644	$ 5,348,061	$ 5,360,427
Restricted	611,224	439,467	873,925	687,469	721,377	647,400	759,004	1,178,911	1,263,150	-
Unrestricted	330,052	650,098	27,209	(199,005)	(509,945)	1,385,181	1,378,361	1,686,301	1,538,246	2,302,533
Total Governmental Activities	**$ 16,375,855**	**$ 13,662,579**	**$ 11,353,930**	**$ 10,659,874**	**$ 8,670,736**	**$ 9,666,556**	**$ 8,993,357**	**$ 8,569,856**	**$ 8,149,457**	**$ 7,662,960**
Business-Type Activities:										
Net investment in capital assets	$ 10,615,376	$ 10,813,405	$ 10,686,390	$ 9,806,411	$ 7,792,520	$ 7,850,152	$ 7,229,388	$ 6,822,045	$ 6,518,856	$ 5,705,134
Restricted	165,148	164,966	164,966	164,966	164,623	164,623	178,467	199,022	164,198	165,539
Unrestricted	3,973,037	6,433,462	9,088,088	7,708,671	7,876,129	6,675,445	6,562,053	6,991,018	7,424,097	6,746,315
Total Business-Type Activities	**$ 14,753,561**	**$ 17,411,833**	**$ 19,939,444**	**$ 17,680,048**	**$ 15,833,272**	**$ 14,690,220**	**$ 13,969,908**	**$ 14,012,085**	**$ 14,107,151**	**$ 12,616,988**
Total Primary Government:										
Net investment in capital assets	$ 26,049,955	$ 23,386,419	$ 21,139,186	$ 19,977,821	$ 16,251,824	$ 15,484,127	$ 14,085,380	$ 12,526,689	$ 11,866,917	$ 11,065,561
Restricted	776,372	604,433	1,038,891	852,435	886,000	812,023	937,471	1,377,933	1,427,348	165,539
Unrestricted	4,303,089	7,083,560	9,115,297	7,509,666	7,366,184	8,060,626	7,940,414	8,677,319	8,962,343	9,048,848
Total Primary Government	**$ 31,129,416**	**$ 31,074,412**	**$ 31,293,374**	**$ 28,339,922**	**$ 24,504,008**	**$ 24,356,776**	**$ 22,963,265**	**$ 22,581,941**	**$ 22,256,608**	**$ 20,279,948**

City of Sylvester
Changes in Net Position
For the 10 fiscal years ending June 30, 2019
(accrual basis of accounting)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses										
Governmental Activities:										
General Government	$ 2,226,593	$ 1,777,599	$ 1,870,163	$ 1,655,651	$ 1,755,934	$ 1,758,014	$ 1,726,208	$ 1,594,040	$ 1,255,763	$ 1,255,880
Public Safety	2,834,516	3,068,864	2,566,203	2,674,793	2,612,595	2,734,049	2,809,962	2,785,058	2,615,144	2,678,906
Public Works	1,439,370	1,524,891	1,145,314	926,809	939,209	936,325	1,046,354	866,716	721,925	669,797
Culture & Recreation	236,627	260,292	249,378	307,554	189,179	154,427	166,754	148,781	141,845	89,905
Community & Economic Development	212,347	271,628	324,824	95,668	120,767	402,427	74,024	419,275	151,918	97,789
Interest on Long-Term Debt	35,971	44,398	40,329	44,461	53,260	64,711	75,478	78,937	84,683	93,374
Total Governmental Activities	**$ 6,985,424**	**$ 6,947,672**	**$ 6,196,211**	**$ 5,704,936**	**$ 5,670,944**	**$ 6,049,953**	**$ 5,898,780**	**$ 5,892,807**	**$ 4,971,278**	**$ 4,885,651**
Business-Type Activities:										
Electric	$ 8,171,784	$ 7,922,990	$ 7,814,953	$ 7,948,169	$ 8,184,532	$ 7,621,180	$ 8,024,993	$ 7,695,605	$ 7,033,155	$ 6,291,280
Water & Sewer	1,586,101	1,618,685	1,402,180	1,532,551	1,564,885	1,357,357	1,258,717	1,283,539	1,255,141	1,022,193
Natural Gas	839,917	820,875	753,576	705,120	924,034	1,037,136	868,219	823,646	948,670	1,019,980
Solid Waste	554,952	521,080	622,476	532,488	619,209	580,960	548,974	562,860	553,667	567,331
Telecommunications	86,617	79,977	80,753	92,072	92,011	98,098	120,498	101,624	104,797	129,633
Airport	251,758	240,170	148,224	30,218	42,309	32,021	35,629	30,544	28,530	26,022
Total Business-Type Activities	**$ 11,491,129**	**$ 11,203,777**	**$ 10,822,162**	**$ 10,840,618**	**$ 11,426,980**	**$ 10,726,752**	**$ 10,857,030**	**$ 10,497,818**	**$ 9,923,960**	**$ 9,056,439**
Total Expenses	**$ 18,476,553**	**$ 18,151,449**	**$ 17,018,373**	**$ 16,545,554**	**$ 17,097,924**	**$ 16,776,705**	**$ 16,755,810**	**$ 16,390,625**	**$ 14,895,238**	**$ 13,942,090**
Program Revenues										
Governmental Activities:										
Charges for Services										
General Government	$ 132,104	$ 149,270	$ 208,636	$ 231,329	$ 133,333	$ 181,166	$ 154,799	$ 84,686	$ 78,594	$ 99,296
Public Safety	173,518	235,254	218,596	277,300	285,356	317,830	341,480	300,244	204,561	190,352
Culture & Recreation	46,551	35,265	-	-	-	-	42,377	40,827	56,186	30,175
Community & Economic Development	-	-	-	-	-	-	-	-	-	4,366
Operating Grants & Contributions	1,400	123,345	252,134	20,457	50,954	306,000	181,454	307,455	167,865	131,031
Capital Grants & Contributions	754,121	675,397	832,795	814,682	782,697	675,248	1,201,966	675,173	810,607	754,260
Total Governmental Activities	**$ 1,107,694**	**$ 1,218,531**	**$ 1,512,161**	**$ 1,343,768**	**$ 1,252,340**	**$ 1,480,244**	**$ 1,922,076**	**$ 1,408,385**	**$ 1,317,813**	**$ 1,209,480**
Business-Type Activities:										
Charges for Services										
Electric	$ 11,470,430	$ 10,298,555	$ 11,344,511	$ 11,274,368	$ 11,069,018	$ 10,217,887	$ 9,668,965	$ 9,384,219	$ 9,119,237	$ 8,866,847
Water & Sewer	1,871,085	1,765,347	2,020,112	1,938,175	1,857,728	1,743,689	1,524,930	1,603,603	1,626,609	1,542,986
Natural Gas	824,500	983,000	1,027,357	1,087,663	1,322,292	1,339,784	1,204,107	1,127,290	1,408,752	1,409,669
Solid Waste	728,716	679,447	761,250	751,700	728,258	719,234	721,012	736,210	749,200	767,116
Telecommunications	66,391	68,042	188,745	182,685	414,540	413,645	419,779	414,540	522,540	421,840
Airport	74,285	69,538	3,600	4,800	3,200	6,400	4,800	4,800	4,800	4,800
Operating Grants & Contributions	59,071	-	-	-	-	-	-	-	-	-
Capital Grants & Contributions	-	393,591	1,013,375	1,868,480	270,928	405,029	61,630	316,850	333,241	502,618
Total Business-Type Activities	**$ 15,094,478**	**$ 14,257,520**	**$ 16,358,950**	**$ 17,107,871**	**$ 15,665,964**	**$ 14,845,668**	**$ 13,605,223**	**$ 13,587,512**	**$ 13,764,379**	**$ 13,515,876**
Total Program Revenues	**$ 16,202,172**	**$ 15,476,051**	**$ 17,871,111**	**$ 18,451,639**	**$ 16,918,304**	**$ 16,325,912**	**$ 15,527,299**	**$ 14,995,897**	**$ 15,082,192**	**$ 14,725,356**
Net (Expenses)/Revenue										
Governmental Activities	$ (5,877,730)	$ (5,729,141)	$ (4,684,050)	$ (4,361,168)	$ (4,418,604)	$ (4,569,709)	$ (3,976,704)	$ (4,484,422)	$ (3,653,465)	$ (3,676,171)
Business-Type Activities	3,603,349	3,053,743	5,536,788	6,267,253	4,238,984	4,118,916	2,748,193	3,089,694	3,840,419	4,459,437
Total Net (Expenses)/Revenue	**$ (2,274,381)**	**$ (2,675,398)**	**$ 852,738**	**$ 1,906,085**	**$ (179,620)**	**$ (450,793)**	**$ (1,228,511)**	**$ (1,394,728)**	**$ 186,954**	**$ 783,266**

City of Sylvester
Changes in Net Position (continued)
For the 10 fiscal years ending June 30, 2018
(accrual basis of accounting)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Revenues										
Governmental Activities:										
Property Taxes & Franchise Taxes	$ 994,410	$ 1,009,456	$ 933,595	$ 777,058	$ 810,749	$ 806,560	$ 643,935	$ 672,466	$ 669,947	$ 678,922
Intangible & Transfer Taxes	5,109	4,940	9,844	10,156	10,295	12,465	10,939	11,076	12,284	11,980
Insurance Premium Taxes	443,525	413,686	386,219	356,558	333,748	319,202	308,287	290,243	322,452	-
Sales Taxes	453,164	442,687	429,494	426,861	437,541	378,991	436,885	454,279	465,846	482,397
Alcoholic Beverage Tax	106,943	98,582	100,561	101,021	96,219	94,878	98,414	103,270	105,077	103,377
Business Taxes	62,748	39,007	53,740	56,912	56,120	55,069	64,053	61,379	64,953	332,104
Investment Earnings	9,172	9,613	2,771	6,932	3,412	9,148	6,453	9,532	13,461	23,109
Miscellaneous Revenue	15,935	306,319	61,941	54,774	153,327	121,595	60,687	102,081	75,693	99,978
Transfers (Internal Activities)	6,500,000	5,713,500	3,399,941	4,560,034	3,266,351	3,445,000	2,770,552	3,200,495	2,410,249	2,402,590
Total Governmental Activities	**$ 8,591,006**	**$ 8,037,790**	**$ 5,378,106**	**$ 6,350,306**	**$ 5,167,762**	**$ 5,242,908**	**$ 4,400,205**	**$ 4,904,821**	**$ 4,139,962**	**$ 4,134,457**
Business-Type Activities:										
Investment Earnings	5,320	7,590	4,649	6,038	3,081	4,408	42,439	15,735	18,293	19,385
Gain on Investments	233,059	124,556	117,900	133,519	167,338	41,988	(62,258)	-	41,700	-
Transfers (Internal Activities)	(6,500,000)	(5,713,500)	(3,399,941)	(4,560,034)	(3,266,351)	(3,445,000)	(2,770,552)	(3,200,495)	(2,410,249)	(2,402,590)
Total Business-Type Activities	**$ (6,261,621)**	**$ (5,581,354)**	**$ (3,277,392)**	**$ (4,420,477)**	**$ (3,095,932)**	**$ (3,398,604)**	**$ (2,790,371)**	**$ (3,184,760)**	**$ (2,350,256)**	**$ (2,383,205)**
Total Primary Government	**$ 2,329,385**	**$ 2,456,436**	**$ 2,100,714**	**$ 1,929,829**	**$ 2,071,830**	**$ 1,844,304**	**$ 1,609,834**	**$ 1,720,061**	**$ 1,789,706**	**$ 1,751,252**
Change in Net Assets										
Governmental Activities	$ 2,713,276	$ 2,308,649	$ 694,056	$ 1,989,138	$ 749,158	$ 673,199	$ 423,501	$ 420,399	$ 486,497	$ 458,286
Business-Type Activities	(2,658,272)	(2,527,611)	2,259,396	1,846,776	1,143,052	720,312	(42,178)	(95,066)	1,490,163	2,076,232
Total Change in Net Assets	**$ 55,004**	**$ (218,962)**	**$ 2,953,452**	**$ 3,835,914**	**$ 1,892,210**	**$ 1,393,511**	**$ 381,323**	**$ 325,333**	**$ 1,976,660**	**$ 2,534,518**

City of Sylvester
Fund Balances of Governmental Funds
For the 10 fiscal years ending June 30, 2019
(modified accrual basis of accounting)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Fund										
Nonspendable	$ 103,900	$ 122,159	$ 156,530	$ 120,114	$ 85,874	$ 143,350	$ 129,485	$ 129,196	$ 124,631	$ 90,250
Restricted	22,409	22,811	14,832	14,906	13,031	28,097	61,644	122,577	93,086	-
Assigned	-	-	-	-	-	-	411,078	405,260	683,594	-
Unassigned	1,486,795	1,830,791	1,320,595	1,218,479	1,060,467	1,127,408	807,363	1,083,353	725,768	1,267,084
Total General Fund	**$ 1,613,104**	**$ 1,975,761**	**$ 1,491,957**	**$ 1,353,499**	**$ 1,159,372**	**$ 1,298,855**	**$ 1,409,570**	**$ 1,740,386**	**$ 1,627,079**	**$ 1,357,334**
SPLOST Capital Project Fund										
Restricted	200,582	39,640	465,908	401,596	439,693	473,026	565,659	937,559	744,161	482,996
Total SPLOST Capital Project Fund	**$ 200,582**	**$ 39,640**	**$ 465,908**	**$ 401,596**	**$ 439,693**	**$ 473,026**	**$ 565,659**	**$ 937,559**	**$ 744,161**	**$ 482,996**
All Other Governmental Funds										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ 117,928	$ 127,609	$ 137,463	$ 146,835	$ 146,835
Restricted	388,233	347,016	393,185	270,967	268,653	146,277	131,701	118,775	425,903	425,900
Assigned	-	-	-	-	-	-	-	100	300	-
Total All Other Governmental Funds	**$ 388,233**	**$ 347,016**	**$ 393,185**	**$ 270,967**	**$ 268,653**	**$ 264,205**	**$ 259,310**	**$ 256,338**	**$ 573,038**	**$ 572,735**
Total Governmental Funds										
Nonspendable	$ 103,900	$ 122,159	$ 156,530	$ 120,114	$ 85,874	$ 261,278	$ 257,094	$ 266,659	$ 271,466	$ 237,085
Restricted	611,224	409,467	873,925	687,469	721,377	647,400	759,004	1,178,911	1,263,150	908,896
Assigned	-	-	-	-	-	-	411,078	405,360	683,894	-
Unassigned	1,486,795	1,830,791	1,320,595	1,218,479	1,060,467	1,127,408	807,363	1,083,353	725,768	1,267,084
Total Governmental Funds	**$ 2,201,919**	**$ 2,362,417**	**$ 2,351,050**	**$ 2,026,062**	**$ 1,867,718**	**$ 2,036,086**	**$ 2,234,539**	**$ 2,934,283**	**$ 2,944,278**	**$ 2,413,065**

City of Sylvester
Changes in Fund Balances of Governmental Funds
For the 10 fiscal years ending June 30, 2019
(modified accrual basis of accounting)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
REVENUES											
Taxes - Net	$ 2,086,701	$ 1,964,827	$ 2,005,743	$ 1,735,154	$ 1,733,668	$ 1,600,280	$ 1,644,555	$ 1,587,915	$ 1,659,813	$ 1,593,731	$ 1,577,213
Charges for Services	70,279	88,379	137,154	167,618	66,146	116,251	99,063	37,615	20,942	34,635	38,279
Fines & Forfeitures	173,518	235,254	218,596	277,300	285,356	317,830	341,480	300,244	204,561	190,027	229,135
Licenses & Permits	61,825	60,891	71,482	63,711	67,187	64,915	55,736	47,071	57,652	99,527	93,214
Intergovernmental	300,000	773,760	1,070,163	833,500	831,826	978,370	1,320,645	980,951	976,957	883,886	1,011,200
Interest Income	3,760	10,619	4,322	8,571	5,237	12,026	7,574	11,209	14,976	25,460	52,625
Miscellaneous	62,486	365,610	75,156	54,774	153,327	121,595	103,064	85,471	131,879	99,032	62,689
TOTAL REVENUES	**$ 2,758,569**	**$ 3,499,340**	**$ 3,582,616**	**$ 3,140,628**	**$ 3,142,747**	**$ 3,211,267**	**$ 3,572,117**	**$ 3,050,476**	**$ 3,066,780**	**$ 2,926,298**	**$ 3,064,355**
EXPENDITURES											
Current											
General Government	$ 3,272,212	$ 2,143,053	$ 1,926,708	$ 1,640,216	$ 1,802,268	$ 1,806,078	$ 1,994,519	$ 1,809,480	$ 1,238,189	$ 1,239,164	$ 1,093,947
Public Safety	2,577,352	2,840,882	2,846,748	2,497,294	2,488,302	2,595,449	2,750,569	2,837,388	2,478,920	2,606,911	2,273,498
Public Works	3,374,329	2,412,617	1,060,627	851,429	858,822	965,301	857,535	940,520	624,502	855,623	813,757
Culture & Recreation	219,725	290,027	326,318	810,355	380,165	145,333	158,241	142,165	128,431	83,278	96,173
Community & Economic Development	136,755	271,305	324,495	839,065	120,598	402,259	78,316	419,044	152,957	95,294	100,430
Capital Outlay	-	946,467	486,336	668,785	546,964	518,707	891,239	154,216	-	72,662	36,411
Debt Service	-										
Principal	89,765	252,497	224,679	221,470	327,087	356,882	336,006	282,101	238,132	233,694	200,344
Interest	14,232	44,398	40,329	44,461	53,260	64,711	75,478	78,937	84,683	93,374	97,729
TOTAL EXPENDITURES	**$ 9,684,370**	**$ 9,201,246**	**$ 7,236,240**	**$ 7,573,075**	**$ 6,577,466**	**$ 6,854,720**	**$ 7,141,903**	**$ 6,663,851**	**$ 4,945,814**	**$ 5,280,000**	**$ 4,712,289**
Excess (Deficiency) of Revenue Over (Unde	**$ (6,925,801)**	**$ (5,701,906)**	**$ (3,653,624)**	**$ (4,432,447)**	**$ (3,434,719)**	**$ (3,643,453)**	**$ (3,569,786)**	**$ (3,613,375)**	**$ (1,879,034)**	**$ (2,353,702)**	**$ (1,647,934)**
OTHER FINANCING SOURCES (USES)											
Capital Lease Transaction	$ 55,340	$ -	$ 578,671	$ 30,757	$ -	$ -	$ 99,490	$ 402,885	$ -	$ 99,629	$ 105,000
Transfer In	6,507,624	5,722,509	3,399,941	4,566,534	3,273,351	3,451,500	3,114,938	3,351,560	2,774,182	2,423,094	2,229,724
Transfer Out	-	(9,009)	-	(6,500)	(7,000)	(6,500)	(344,386)	(151,065)	(363,935)	(20,504)	(500,792)
Total Other Financing Sources (Uses)	**$ 6,562,964**	**$ 5,713,500**	**$ 3,978,612**	**$ 4,590,791**	**$ 3,266,351**	**$ 3,445,000**	**$ 2,870,042**	**$ 3,603,380**	**$ 2,410,247**	**$ 2,502,219**	**$ 1,833,932**
Net Change in Fund Balances	**$ (362,837)**	**$ 11,594**	**$ 324,988**	**$ 158,344**	**$ (168,368)**	**$ (198,453)**	**$ (699,744)**	**$ (9,995)**	**$ 531,213**	**$ 148,517**	**$ 185,998**
Debt Services Ratio	1.09%	3.73%	4.09%	4.01%	6.73%	7.13%	7.05%	5.87%	6.98%	6.70%	6.81%

City of Sylvester
Assessed Value and Estimated Actual Value of Taxable Property
For the 10 fiscal years ending June 30, 2019

Year	Real Property	Motor Vehicles	Mobile Homes	Gross Digest	M&O Exemptions	Net M&O Digest	Taxable Assesssed Value as % of Estimated Actual Value	Estimated Actual Taxable Value	Total Millage Rate
2009	104,161,589	9,599,180	1,472,590	115,233,359	2,760,866	112,472,493	39.04%	288,083,398	30.0150
2010	108,397,100	8,372,080	1,429,210	118,198,390	6,070,591	112,127,799	37.95%	295,495,975	30.0150
2011	107,316,570	8,313,410	1,381,450	117,011,430	5,184,404	111,827,026	38.23%	292,528,575	30.0150
2012	112,997,903	8,563,160	1,426,460	122,987,523	9,598,412	113,389,111	36.88%	307,468,808	29.9480
2013	111,390,786	8,912,600	1,375,980	121,679,366	8,840,602	112,838,764	37.09%	304,198,415	31.1580
2014	113,498,510	7,088,560	1,353,970	121,941,040	9,833,355	112,107,685	36.77%	304,852,600	33.3630
2015	114,523,799	5,132,310	1,265,910	120,922,019	5,698,268	115,223,751	38.12%	302,305,048	33.3630
2016	116,197,568	3,883,040	1,303,070	121,383,678	7,861,253	113,522,425	37.41%	303,459,195	35.3130
2017	112,682,261	2,920,240	1,286,810	116,889,311	3,322,465	113,566,846	38.86%	292,223,278	35.3130
2018	113,646,643	2,352,250	1,392,574	117,391,467	3,434,292	113,957,175	38.83%	293,478,668	35.3130
2019	114,101,230	2,361,659	1,398,144	117,861,033	3,448,029	114,413,004	38.83%	294,652,582	35.3130

Source: Georgia Department of Revenue (apps.dor.ga.gov/digestconsolidation)

City of Sylvester
Property Tax Rates (Per $ 1,000) and Overlapping Governments
For the 10 fiscal years ending June 30, 2019

Year	City of Sylvester	Worth County	Worth County School District	State of Georgia	Total
2010	5.2530	10.2620	14.2500	0.2500	30.0150
2011	5.2530	10.2620	14.2500	0.2500	30.0150
2012	5.2530	10.2550	14.2400	0.2000	29.9480
2013	5.2530	10.2550	15.5000	0.1500	31.1580
2014	5.2530	12.5100	15.5000	0.1000	33.3630
2015	5.2530	12.5600	15.5000	0.0500	33.3630
2016	7.2530	12.5600	15.5000	-	35.3130
2017	7.2530	12.5600	15.5000	-	35.3130
2018	7.2530	12.5600	15.5000	-	35.3130
2019	7.2530	12.5600	15.5000	-	35.3130

City of Sylvester
Property Tax Levies and Collections
For the 10 fiscal years ending June 30, 2019

Year	Total Levy	Current Year Collections	Collections in Subsequent Years	Total Collections	Percent Collected
2010	589,007	584,596	1,735	586,330	99.55%
2011	587,427	572,401	5,385	577,786	98.36%
2012	595,633	581,621	4,372	585,993	98.38%
2013	592,742	589,778	424	590,202	99.57%
2014	588,902	535,236	4,199	539,434	91.60%
2015	605,270	591,575	12,719	604,294	99.84%
2016	823,378	692,639	17,650	710,289	86.27%
2017	823,700	776,638	20,192	796,830	96.74%
2018	824,355	780,168	20,004	800,172	97.07%
2019	824,279	785,244	21,000	806,244	97.81%

City of Sylvester
Principal TaxPayers - Real Estate Ad Valorem Taxes
For the fiscal years including June 30, 2019 and June 30, 2009

	2019				2009			
Name	**Taxable Assessed Value**	**Rank**	**Percentage of Total Assessed Value**	**Taxes Assessed**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Assessed Value**	**Taxes Assessed**
Conagra Grocery Products	9,691,205	1	8.53%	298,536	9,125,044	1	8.04%	273,847
Winfield Solutions LLC C	3,236,958	2	2.85%	116,220			0.00%	
Conagra Foods Packaged F	1,832,840	3	1.61%	65,806			0.00%	
Wal-Mart Stores EAST LP	1,616,455	4	1.42%	58,037			0.00%	
Kohn Pamela - Trustee	1,554,498	5	1.37%	55,812	1,803,524	3	1.59%	60,111
AGRI - AFC	1,489,520	6	1.31%	53,480			0.00%	
Crop Prodctn SVS Inc	1,365,291	7	1.20%	49,019	1,022,173	6	0.90%	33,059
Universal Blanchers LLC	1,138,004	8	1.00%	40,859	701,208	9	0.62%	23,371
Hal Carter Rental LP	1,138,004	9	1.00%	40,016			0.00%	
Fiint Equipment Company	1,058,348	10	0.93%	37,998			0.00%	
Genuine Parts Co.					2,959,720	2	2.61%	83,130
JFT Properties					1,181,795	4	1.04%	39,389
Bellsouth Telecomm Inc.					1,180,407	5	1.04%	33,097
Sylvester Plaza LTD					824,494	7	0.73%	27,480
H G Davis Jr Entprs LLLP					729,711	8	0.64%	24,321
Seabrook Blanching #5					694,704	10	0.61%	23,154
Total	**24,121,123**		**21.24%**	**815,783**	**12,651,949**		**11.14%**	**620,962**

City of Sylvester
Computation of Legal Debt Margin
For the 10 fiscal years ending June 30, 2019

Year	Gross Digest	M&O Exemptions	Net M&O Digest	Legal Debt Margin (10% of Assessed Value)
2009	115,233,359	2,760,866	112,472,493	11,247,249
2010	118,198,390	6,070,591	112,127,799	11,212,780
2011	117,011,430	5,184,404	111,827,026	11,182,703
2012	122,987,523	9,598,412	113,389,111	11,338,911
2013	121,679,366	8,840,602	112,838,764	11,283,876
2014	121,941,040	9,833,355	112,107,685	11,210,769
2015	120,922,019	5,698,268	115,223,751	11,522,375
2016	121,383,678	7,861,253	113,522,425	11,352,243
2017	116,889,311	3,322,465	113,566,846	11,356,685
2018	117,391,467	3,734,292	113,657,175	11,365,718
2019	117,861,033	3,749,229	114,111,804	11,411,180

City of Sylvester
Demographic & Economic Statistics for Zip Code 31791
For the 8 fiscal years ending June 30, 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Population	12,000	12,631	12,184	12,064	11,844	11,817	11,637	12,008	12,479
Median Household Income	28,898	43,354	38,250	37,500	37,193	39,552	35,594	39,241	37,471
Per Capita Income	26,097	22,088	19,576	19,382	18,547	18,936	18,658	18,939	19,074
Median Age	33.0	40.0	40.0	40.0	39.3	39.6	39.4	38.9	37.7
School Enrollment	2,425	2,425	2,400	2,312	2,244	2,168	2,203	2,305	2,460
Unemployment Rate	4.00%	4.00%	4.30%	5.00%	5.30%	6.10%	7.50%	8.10%	9.00%

Source: Google Search Internet

City of Sylvester
Top Employers (Worth County)
For the fiscal years including June 30, 2019 and June 30, 2010

	2019			2010		
Name	**Number of Employees**	**Rank**	**Percentage of Total Employees**	**Number of Employees**	**Rank**	**Percentage of Total Employees**
Worth County Board of Education	577	1	6.81%	575	1	6.30%
Phoebe Worth	214	2	2.53%	212	3	2.32%
Worth County Board of Commissioners	180	3	2.12%	182	2	1.99%
ConAgra Grocery Products	175	4	2.07%	175	4	1.92%
Wal-Mart Stores East LP	106	5	1.25%	106		0
Coca-Cola Bottling Company	133	6	1.57%	134		0
Pruitt Health Care *(formerly Sylvester Health Care)*	100	7	1.18%	100	5	1.10%
City of Sylvester	87	8	1.03%	85	6	0.93%
Birdsong Peanuts	66	9	0.78%	65	7	0.71%
Olam Edible Nuts *(formerly Universal Blanchers)*	65	10	0.77%	65	10	0.71%
Total	**1,703**		**20.10%**	**1,699**		**18.60%**

City of Sylvester
Employees by Function (Full & Part-time)
For the 10 fiscal years ending June 30, 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses										
Governmental Activities:										
General Government	49	49	49	51	44	44	46	39	33	22
Public Safety	39	39	39	33	37	37	39	37	40	43
Public Works	14	14	14	13	13	14	13	11	10	10
Community & Economic Development	10	10	10	9	9	9	11	10	8	6
Total Governmental Activities	**112**	**112**	**112**	**106**	**103**	**104**	**109**	**97**	**91**	**81**
Business-Type Activities:										
Electric	15	15	15	14	12	11	11	12	10	11
Water & Sewer	7	7	7	6	5	6	5	5	7	8
Natural Gas	3	3	3	1	2	2	2	1	2	2
Total Business-Type Activities	**25**	**25**	**25**	**21**	**19**	**19**	**18**	**18**	**19**	**21**
Total Employees	**137**	**137**	**137**	**127**	**122**	**123**	**127**	**115**	**110**	**102**

Source: Sylvester Human Resource Department

City of Sylvester
Operating Indicators by Function
For the 5 fiscal years ending June 30, 2019

	2019	2018	2017	2016	2015
Electric:					
# of Residential Meters	2,264	2,264	2,264	2,275	2,264
Average Daily Usage (KwH)	89,532	89,532	89,309	92,299	94,086
# of Commercial Meters	405	405	404	423	410
Average Daily Usage (KwH)	68,439	68,439	66,770	77,564	76,636
Water & Sewer:					
# of Residential Meters	2,495	2,495	2,489	2,500	2,486
Average Daily Usage (gallons)	4,914	4,914	4,902	5,573	5,966
# of Commercial Meters	344	344	343	347	347
Average Daily Usage (gallons)	1,371	1,371	1,368	1,704	1,419
Natural Gas:					
# of Residential Meters	629	629	626	635	646
Average Daily Usage (decatherms)	13	13	13	14	13
# of Commercial Meters	89	89	88	89	91
Average Daily Usage (decatherms)	55	55	54	51	42

Note: detailed billing records showing usage are not readily available prior to 2015

City of Sylvester
Capital Assets by Function
For the 10 fiscal years ending June 30, 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Fund										
Buildings										
General Gov't	2	2	2	2	2	2	2	2	2	2
Public Safety	6	6	6	6	6	6	6	6	6	6
Public Works	3	3	3	3	3	3	3	3	3	3
Community & Economic Development	4	4	4	4	4	4	4	4	4	4
Auto & Trucks										
General Gov't	9	9	9	9	9	9	9	9	7	7
Public Safety	42	42	42	42	42	42	42	39	33	33
Public Works	18	18	18	18	18	18	18	18	16	16
Total General Fund	**84**	**84**	**84**	**84**	**84**	**84**	**84**	**81**	**71**	**71**
Water & Sewer										
Buildings	2	2	2	2	2	2	1	1	-	-
Auto & Trucks	18	18	18	18	18	18	18	18	17	17
Total Water & Sewer Capital Assets	**20**	**20**	**20**	**20**	**20**	**20**	**19**	**19**	**17**	**17**
Gas										
Auto & Trucks	10	9	9	9	9	9	9	9	9	9
Total Gas Capital Assets	**10**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**
Electric										
Buildings										
Auto & Trucks	20	19	19	19	19	18	18	18	17	16
Total Electric Capital Assets	**20**	**19**	**19**	**19**	**19**	**18**	**18**	**18**	**17**	**16**
Telecom Auto & Truck	1	1	1	1	1	1	1	1	1	-

Source: Maintenance Shop

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

COMPLIANCE SECTION

Hudson & NeSmith, CPAs

Ronald D. Hudson, CPA, CFP®

John A. NeSmith, Jr., CPA

Member
American Institute of Certified Public Accountants
Georgia Society of Certified Public Accountants
Private Companies Practice Section

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 Honorable Mayor and Members of the City Council
City of Sylvester, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Sylvester, Georgia, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Sylvester, Georgia's basic financial statements and have issued our report thereon dated December 30, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Sylvester, 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 Sylvester, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Sylvester, Georgia'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control that we consider to be significant deficiencies. We consider the deficiency (Item 2019-1) described in the accompany schedule of findings and questioned costs to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Sylvester, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement

amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Sylvester, Georgia's Response to Findings

The City of Sylvester, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Sylvester, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.



Hudson & NeSmith, CPAs
Sylvester, Georgia
December 30, 2019

CITY OF SYLVESTER, GEORGIA
Schedule of Findings and Responses
For the Year Ended June 30, 2019

SECTION 1 - SUMMARY OF AUDIT RESULTS

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

2. No material weaknesses relating to the audit of the financial statements are reported in the *Report on Internal Control over Financial Reporting and On Compliance Based on An Audit of Financial Statements Performed in Accordance with Government Auditing Standards.*

3. One significant deficiency relating to the audit of the financial statements is reported in the *Report on Internal Control over Financial Reporting and on Compliance Based on an Audit of Financial Statements Performed In Accordance With Government Auditing Standards.*

4. No instances of noncompliance material to the financial statements were disclosed during the audit.

SECTION 11-FINANCIAL STATEMENT FINDINGS

2019-1 Segregation of Duties

Condition and Criteria – Segregation of duties is a key internal control whereby the authorization, custody, record keeping, and reconciling duties are separated among several persons. A proper segregation of duties does not exist between handling cash receipts and disbursements, access to accounts receivable and accounts payable detail, access to the general ledger, and reconciliation of the bank accounts. Internal controls should be in place which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Cause – The limited number of personnel to perform all of the required duties.

Effect – The failure to segregate out the accounting duties among multiple persons presents the opportunity for misappropriation of assets, mainly cash.

Recommendation – Segregation of duties should be implemented to the extent practical and accounting records reviewed by responsible officials on a regular basis.

Management's Response – The City concurs with the recommendation. City management will work to continually improve and implement as many procedures as possible to improve internal controls in this area.

CITY OF SYLVESTER, GEORGIA
Schedule of Prior Audit Findings
For the Year Ended June 30, 2019

2018-1 Segregation of Duties (*Government Auditing Standards Finding*)

Condition and Criteria – Segregation of duties is a key internal control whereby the authorization, custody, record keeping, and reconciling duties are separated among several persons. There is not appropriate segregation of duties between recording, distribution, and reconciliation of cash accounts and other operational functions in certain departments and component unit.

Recommendation – Segregation of duties should be implemented to the extent practical and accounting records reviewed by responsible officials on a regular basis.

Current Status – This was a repeat finding in the current year.

City of Sylvester
P.O. Box 370
101 N Main Street
Sylvester, GA 31791
Telephone: 229-776-8505

December 30, 2019

Georgia Department of Audits and Accounts
Atlanta, Georgia 30334-8400

Re: Section 11-Financial Statement Finding audit report year ending 6/30/2019.

2019-1 Segregation of Duties

We agree with the auditor's comments as to segregation of duties. The small staff prevents this at present; however we will continue to work to improve the situation.