CITY OF SYLVESTER, GEORGIA

FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION

FOR THE FISCAL YEAR ENDED
June 30, 2020
(***With Independent Auditor's Report Thereon***)

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CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

FINANCIAL SECTION

Hudson & NeSmith, CPAs

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

Ronald D. Hudson, CPA, CFP®

John A. NeSmith, Jr., CPA

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, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, 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, 2020, 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 63 through 64 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 combining and individual nonmajor fund financial statements and schedules listed in the table of contents 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 schedule of expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds is presented for purposes of additional analysis as required by Official Code of Georgia 48-8-269.5, 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 combining and individual nonmajor fund financial statements, schedule of expenditures of Special Purpose Local Option Sales Tax Proceeds, schedule of expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds and the Project Cost Schedules and Source and Application of Funds Schedules 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, schedule of expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds, and the Project Cost Schedules and Source and Application of Funds Schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2020, 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 11, 2020

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, 2020. 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 $40,357,098 in total assets of which $31,436,313 are capital assets.
- The City has $9,697,170 in total liabilities of which $6,747,751 are long-term.
- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by $31,145,028(net position). Of this amount, $3,994,356 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors while $26,108,907 is the net investment in capital assets.
- The City's total net position increased by $ 15,612.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $2,121,921, a decrease of $ 79,998 in comparison with the prior year. This amount consists of $1,194,137 reserved for specific projects and public services and an unreserved balance of $788,336.
- The City's long-term debt increased by $478,044 during the current fiscal year as a result of increased 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 six (6) 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 four (4) 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 position 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 $31,145,028 at the close of the most recent fiscal year.

By far the largest portion of the City's net assets, $26,108,907 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, 2020 and 2019.

Table 2
Condensed Statement of Net Position

	Government Activities		Business Type Activties		Total	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
Assets						
Current and other assets	3,027,427	2,705,080	5,893,358	5,771,819	8,920,785	8,476,899
Capital Assets	16,083,651	16,231,735	15,352,662	15,448,229	31,436,313	31,679,964
Total Assets	19,111,078	18,936,815	21,246,020	21,220,048	40,357,098	40,156,863
Deferred Inflow of Resources						
Pension Plan Activity	908,076	489,950	-	-	908,076	489,950
Total Assets and Deferred Outflows	20,019,154	19,426,765	21,246,020	21,220,048	41,265,174	40,646,813
Liabilities						
Other Current Liabilities	1,150,178	697,505	1,799,241	1,887,662	2,949,419	2,585,167
Long Term Liabilities	2,411,995	1,690,882	4,335,756	4,578,825	6,747,751	6,269,707
Total Liabilities	3,562,173	2,388,387	6,134,997	6,466,487	9,697,170	8,854,874
Deferred Inflow of Resources						
Pension Plan Activty	422,976	662,523	-	-	422,976	662,523
Unearned Revenue	-	-	-	-	-	-
Total Assets and Deferred Outflows	422,976	662,523	-	-	422,976	662,523
Net Position						
Net Investment in Capital Assets	15,355,282	15,434,579	10,753,625	10,615,376	26,108,907	26,049,955
Restricted	926,617	611,224	165,148	165,148	1,091,765	776,372
Unrestricted	(247,894)	330,052	4,192,250	3,973,037	3,944,356	4,303,089
Total Net Position	16,034,005	16,375,855	15,111,023	14,753,561	31,145,028	31,129,416

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 $31,145,028 for 2020 as compared to $31,129,416 for 2019 for an increase of 0.05%. Of this amount $357,462 came from business-type activities and ($341,850) came from governmental activities.

An additional portion of the City's net position, 3.51%, represents resources that are subject to external restrictions on how they may be used. This is an increase of $315,393 or 40.6% from 2019.

For governmental activities, the City reported a balance of ($247,894) in unrestricted net position. This is a decrease of ($577,946) from 2019. The business-type activities unrestricted net position were $4,192,250, an increase of $219,213 from 2019.

At the end of the current fiscal year, the City is able to report positive balances in the category of net position, 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, 2020 and 2019. 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

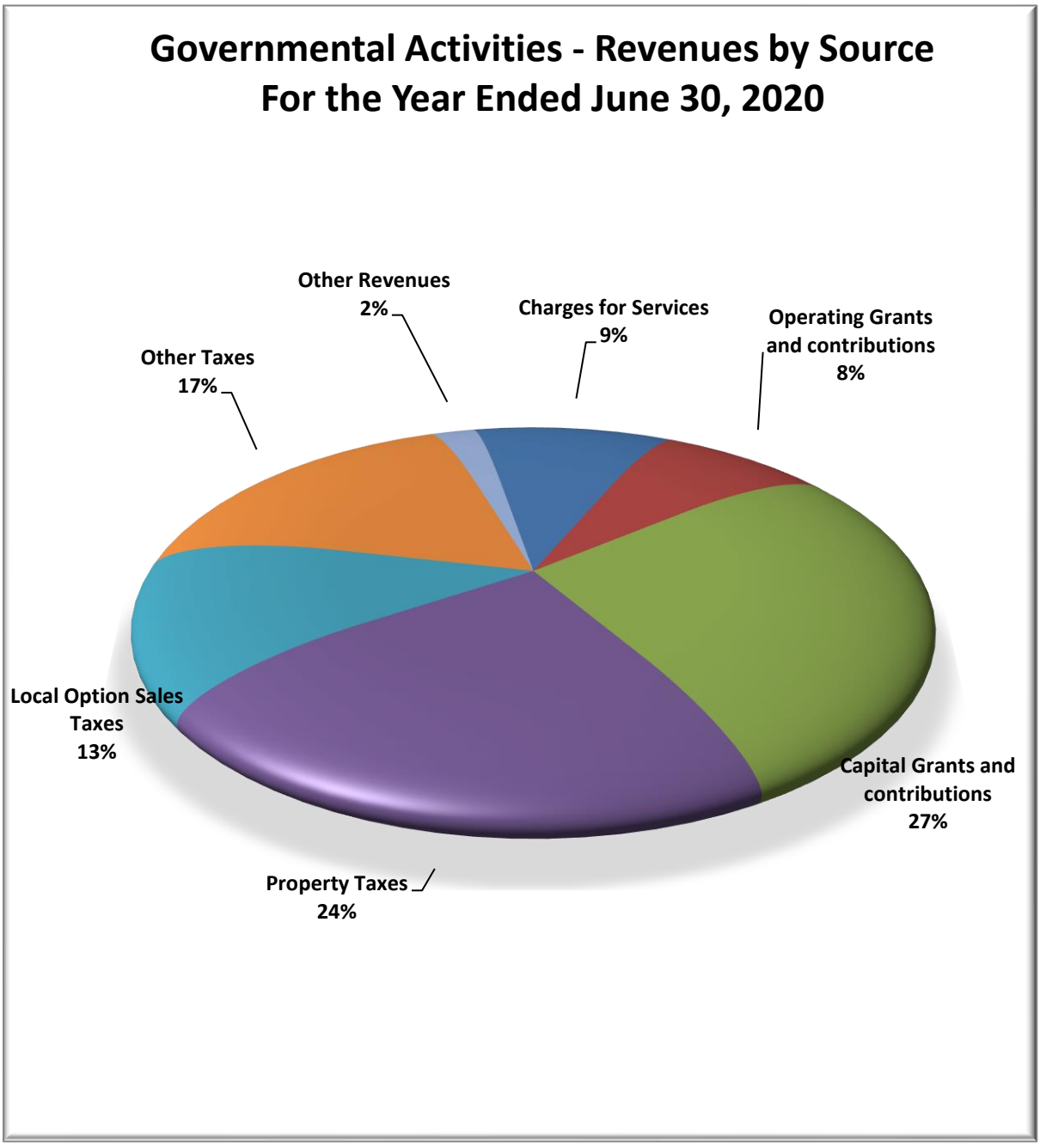
	Government Activities		Business Type Activties		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues:						
Taxes-Net	$ 2,053,911	$ 2,065,899	$ -	$ -	$ 2,053,911	$ 2,065,899
Charges for Services	354,815	352,173	15,347,794	15,035,407	15,702,609	15,387,580
Capital Grants	1,036,055	754,121	321,845	59,071	1,357,900	813,192
License & Permits	-	-	-	-	-	-
Intergovernmental	289,408	1,400	-	-	289,408	1,400
Interest Income	2,137	9,172	897	5,320	3,034	14,492
Gain/Loss on Investments	-	-	310,328	233,059	310,328	233,059
Miscellaneous	74,816	15,935	-	-	74,816	15,935
Total Revenues	3,811,142	3,198,700	15,980,864	15,332,857	19,792,006	18,531,557
Expenses						
General Government	2,172,364	2,226,593	-	-	2,172,364	2,226,593
Public Safety	3,322,122	2,834,516	-	-	3,322,122	2,834,516
Public Works	1,537,018	1,439,370	-	-	1,537,018	1,439,370
Culture and Recreation	208,293	236,627	-	-	208,293	236,627
Community development	424,211	212,347	-	-	424,211	212,347
Interest - Long-term debt	24,664	35,971	-	-	24,664	35,971
Electric	-	-	8,814,535	8,171,784	8,814,535	8,171,784
Water and sewer	-	-	1,469,069	1,586,101	1,469,069	1,586,101
Gas	-	-	756,088	839,917	756,088	839,917
Sanitation	-	-	683,864	554,952	683,864	554,952
Telecommunication	-	-	57,798	86,617	57,798	86,617
Airport	-	-	306,368	251,758	306,368	251,758
Total Expenses	7,688,672	6,985,424	12,087,722	11,491,129	19,776,394	18,476,553
Increase (decrease) in net position before transfers	(3,877,530)	(3,786,724)	3,893,142	3,841,728	15,612	55,004
Transfers	3,535,680	6,500,000	(3,535,680)	(6,500,000)	-	-
Change in Net Position	$ (341,850)	$ 2,713,276	$ 357,462	$ (2,658,272)	$ 15,612	$ 55,004

Governmental activities during the fiscal year ended June 30, 2020 decreased the City's net position by ($341,850). Business-type activities during the same period increased net position by $357,462. The net change in net assets was an increase of $15,612. The Table above shows the revenue and expenses by activity for the total primary government. This Table shows total 2020 revenues from governmental activities at $3,811,142 while expenses were $7,688,672. Business-type activities total revenues for 2020 were $15,980,864 while expenses were $12,087,722. Transfers from business-type activities are the largest governmental activity revenue source at $3,535,680 or 48%. The next largest revenue source for governmental activities comes from property taxes of $935,618 which is 12.7% of the total governmental activity funding. Revenues from other taxes are the third largest governmental activity revenue source at $627,964 or 15.2%. Business-type activities program revenues exceeded expenses by $3,893,142 before internal transfers to support the governmental activities.

Program Revenues and Expenses for Governmental Activities

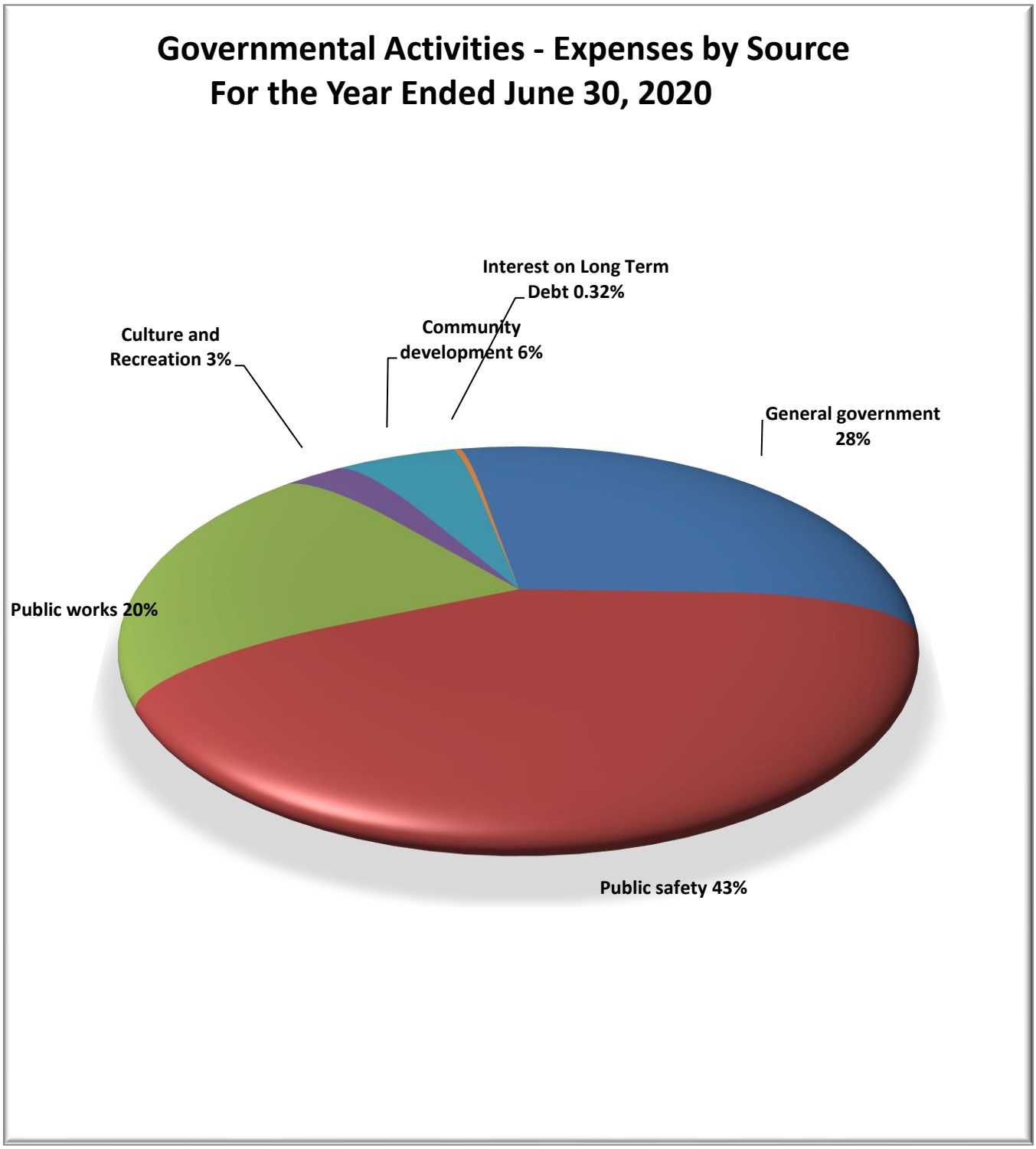
Governmental Activities - Revenues by Source

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 (24%) of the primary government. For the year ended June 30, 2020 these revenues were $935,618.



Governmental Activities – Expenses by Source

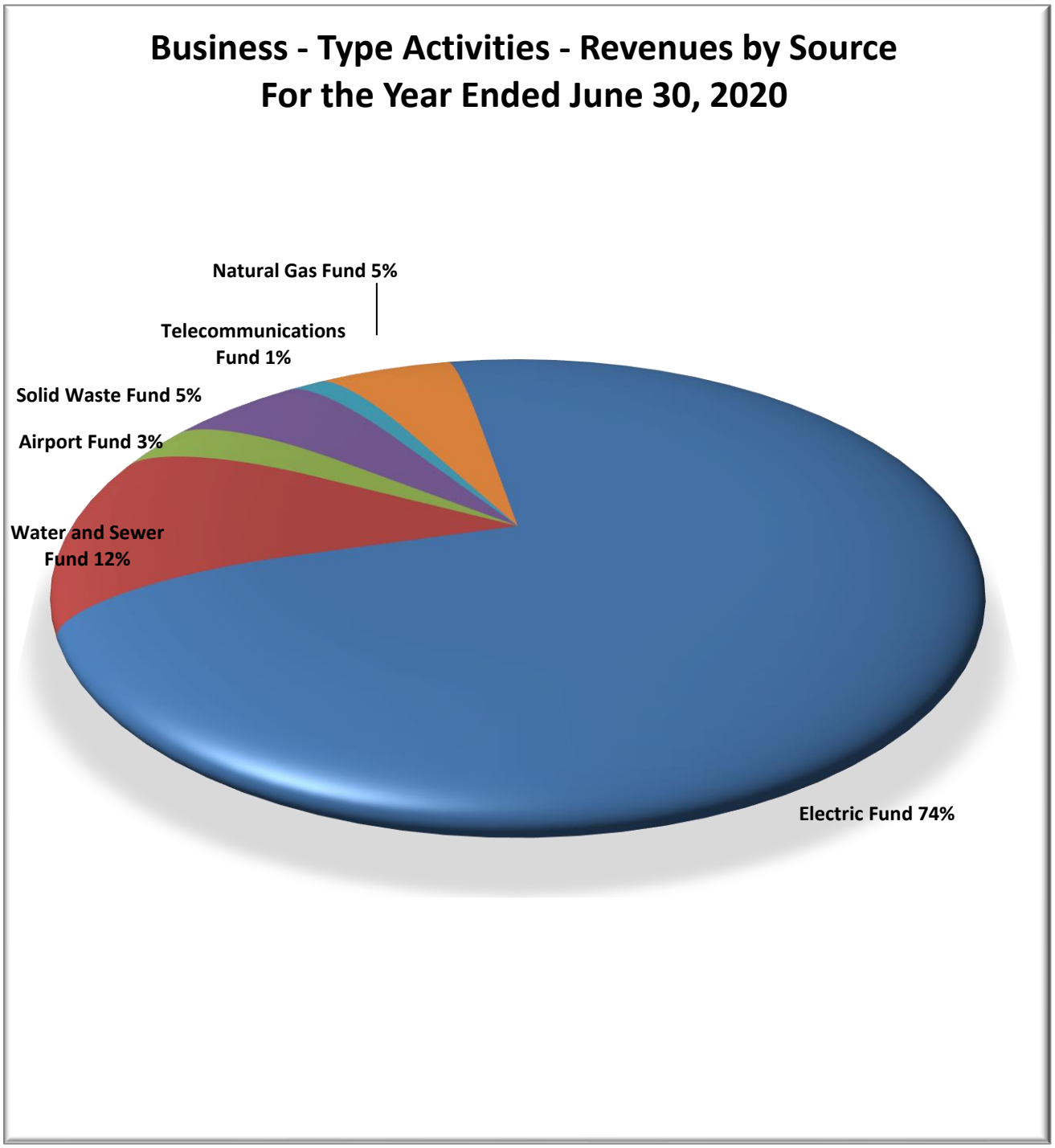
The following chart shows the governmental activities expenses by source. The City of Sylvester spent the greatest amount of its available funding on Public Safety, 43%. The next largest funding was required for General Government at 28%.


Governmental Activities - Expenses by Source
For the Year Ended June 30, 2020
Interest on Long Term Debt 0.32%
Community development 6%
Culture and Recreation 3%
General government 28%
Public works 20%
Public safety 43%

Program Revenues and Expenses for Business-Type Activities

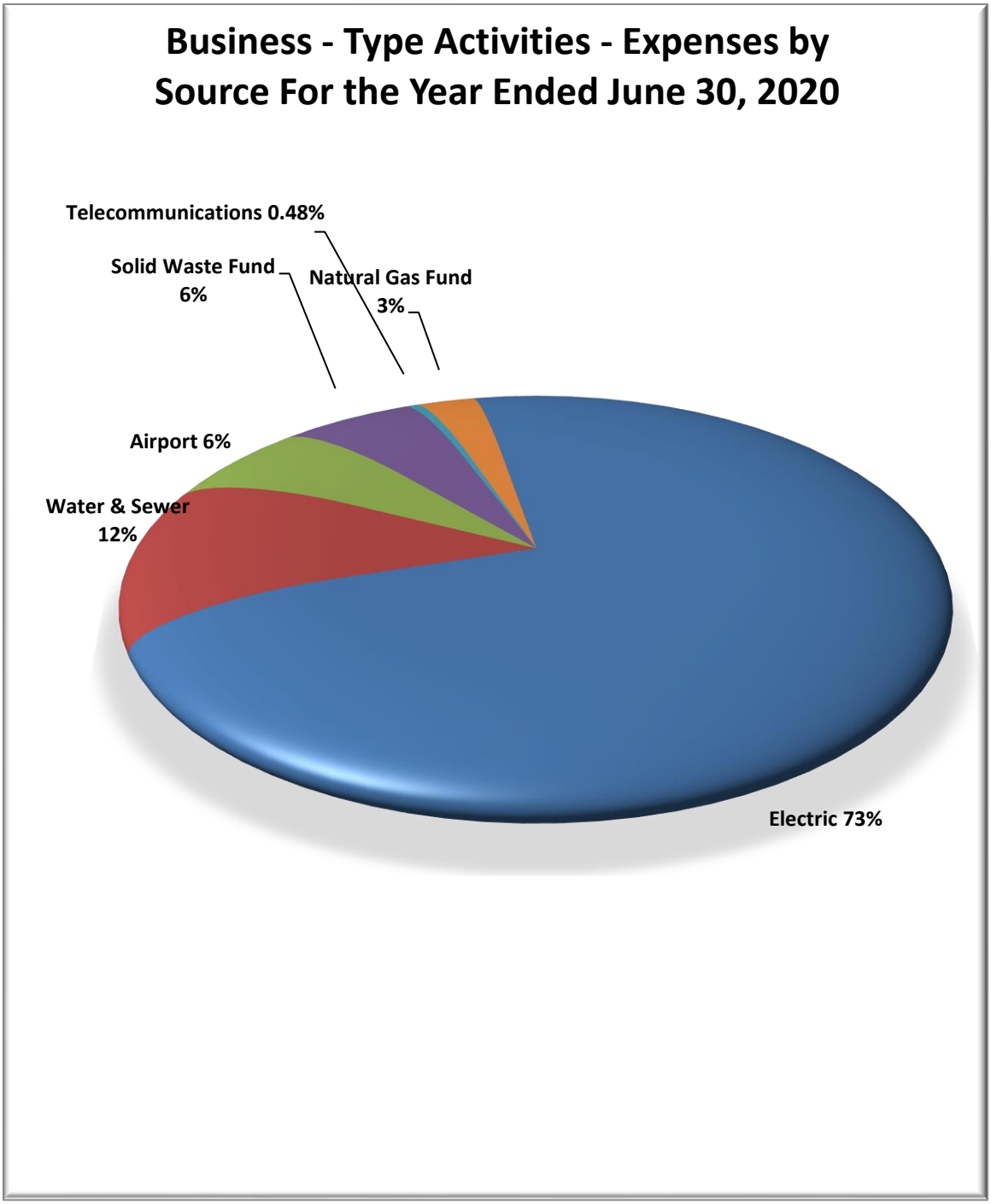
Business-Type Activities – Revenues by Source

The business-type activities largest revenue source is from the Electric Revenue Fund. More revenues, 74% or $12,056,523 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 73% or $8,814,535 but generated profits of $3,241,988 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, 2020, the General Fund had a fund balance of $951,898 and the SPLOST Fund had a balance of $427,060. This is a decrease of $661,206 for the General Fund and an increase of $226,478 for the SPLOST Fund from the beginning fund balance.

The fund balances for the other governmental funds increased by $354,730. The final fund balance for these funds was $742,963 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 $1,877,456 for the year ended June 30, 2020. This was an increase of $396,901 from the previous year.

The Electric Fund had ending cash and cash equivalents balance of $578,505. This is an increase of $29,977 from the previous year.

The Water and Sewer Fund had ending cash and cash equivalents balance of $733,224. This is an increase of $55,080 from the previous year.

The Solid Waste Fund had ending cash and cash equivalents balance of $182,288. This is an increase of $92,149 from the previous year.

The Natural Gas Fund had ending cash and cash equivalents balance of $307,928. This is an increase of $240,722 from the previous year.

The Telecommunications Fund had ending cash and cash equivalents balance of $13,638. This is a decrease of $23,005 from the previous year.

The Airport Fund had ending cash and cash equivalents balance of $61,873. This is an increase of $1,978 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 2020 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 less than final budgeted amounts by $314,225 for the year ended June 30, 2020. The major factors contributing to this difference was a deficit in Taxes, Charges for Services, Fines & Forfeitures, and Miscellaneous revenues.

The actual expenditures of the General Fund were less than final budgeted amounts by $635,503 for the year ended June 30, 2020. The difference was due to a decrease in actual expenditures in most departments.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30 2020, governmental activities and business-type activities had capital assets of $31,436,313 (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 decreased $148,084 from the 2019 amount due to current year depreciation net of acquisition costs. The net capital assets from business-type activities decreased $95,565 from the 2019 amount due to current year depreciation net of acquisition 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, 2020, the City had $2,411,995 of outstanding long-term liabilities related to governmental activities and $4,335,756 of long-term liabilities related to business-type activities for a total of $6,747,751 compared to the previous year's total of $6,269,707. This is an increase of $478,044 as a result of scheduled principal payments and new acquisitions.

Additional information on the City's long-term debt can be found in Note 7 of the Notes to Financial Statements.

FACTORS AFFECTING THE 2020 BUDGET

The Mayor and Council of the City of Sylvester considered many factors when approving the City's 2020 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 2020 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, 2020

BASIC FINANCIAL STATEMENTS

CITY OF SYLVESTER, GEORGIA
Statement of Net Position
June 30, 2020

	PRIMARY GOVERNMENT			COMPONENT UNIT
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
Assets				
Current Assets				
Cash	$ 1,563,370	$ 1,334,198	$ 2,897,568	$ 2,377
Investments	1,027,917	3,210,666	4,238,583	-
Receivables - Net	254,021	1,049,298	1,303,319	-
Interfund	-	-	-	-
Miscellaneous Current Assets	-	4,209	4,209	-
Intergovernmental Receivable	42,671	-	42,671	-
Inventory	47,116	271,760	318,876	
Prepaid Items	92,332	23,227	115,559	-
Total Current Assets	3,027,427	5,893,358	8,920,785	2,377
Noncurrent Assets				
Capital Assets				
Nondepreciable	889,626	3,534,706	4,424,332	-
Depreciable-Net	15,194,025	11,817,956	27,011,981	-
Total Noncurrent Assets	16,083,651	15,352,662	31,436,313	-
Total Assets	19,111,078	21,246,020	40,357,098	2,377
Deferred Outflows of Resources				
Pension Plan Activity	908,076	-	908,076	-
Total Assets and Deferred Outflows	20,019,154	21,246,020	41,265,174	2,377
Liabilities				
Current Liabilities				
Accounts Payable	$ 586,274	$ 698,285	$ 1,284,559	$ -
Accrued Expenses	238,809	75,062	313,871	-
Miscellaneous Liabilities	-	580,583	580,583	-
Deposits	31,893	128,372	160,265	-
Capital Leases Payable	293,202	-	293,202	-
Notes Payable	-	316,939	316,939	-
Total Current Liabilities	1,150,178	1,799,241	2,949,419	-
Long-Term Liabilities				
Capital Leases Payable, Less Current Portion	435,167	-	435,167	-
Notes Payable, Less Current Portion	-	4,282,098	4,282,098	-
Net Pension Liability	1,832,385	-	1,832,385	-
Compensated Absenses	144,443	53,658	198,101	-
Total Long-Term Liabilities	2,411,995	4,335,756	6,747,751	-
Total Liabilities	3,562,173	6,134,997	9,697,170	-
Deferred Inflows of Resources				
Pension Plan Activity	422,976	-	422,976	-
Deferred Revenues	-	-	-	-
Total Liabilities and Deferred Inflows	3,985,149	6,134,997	10,120,146	-
Net Position				
Net Investment in Capital Assets	15,355,282	10,753,625	26,108,907	-
Restricted for				
Capital Projects	707,764	-	707,764	-
Debt Service	-	165,148	165,148	-
Public Welfare	10,718	-	10,718	-
Economic Development	178,724	-	178,724	-
Public Safety	13,396	-	13,396	-
Other	16,015	-	16,015	-
Downtown Development	-	-	-	2,377
Unresticted	(247,894)	4,192,250	3,944,356	-
Total Net Position	$ 16,034,005	$ 15,111,023	$ 31,145,028	$ 2,377

See accompanying notes to the financial statements.

CITY OF SYLVESTER, GEORGIA
Statement of Activities
For the Year Ended June 30, 2020

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	$ 2,172,364	$ 147,020	$ 8,000	$ -
Public Safety	3,322,122	179,975	1,350	-
Public Works	1,537,018	-	-	1,036,055
Culture and Recreation	208,293	27,820	-	-
Community & Economic Development	424,211	-	280,058	-
Interest on Long-Term Debt	24,664	-	-	-
Total Governmental Activities	7,688,672	354,815	289,408	1,036,055
Business-Type Activities				
Electric	8,814,535	11,745,733	-	-
Water and Sewer	1,469,069	1,868,261	-	28,860
Natural Gas	756,088	838,310	-	-
Solid Waste	683,864	842,222	-	-
Telecommunications	57,798	46,868	-	-
Airport	306,368	6,400	-	292,985
Total Business-Type Activities	$ 12,087,722	$ 15,347,794	$ -	$ 321,845
Total Primary Government	$ 19,776,394	$ 15,702,609	$ 289,408	$ 1,357,900
Component Unit				
Downtown Development Authority	$ 28,392	$ 24,412	$ -	$ -

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, 2019

NET POSITION - JUNE 30, 2020

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Statement of Activities (Continued)
For the Year Ended June 30, 2020

	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
	$ (2,017,344)	$ -	$ (2,017,344)	$ -
	(3,140,797)	-	(3,140,797)	-
	(500,963)	-	(500,963)	-
	(180,473)	-	(180,473)	-
	(144,153)		(144,153)	-
	(24,664)	-	(24,664)	-
	(6,008,394)	-	(6,008,394)	-
	-	2,931,198	2,931,198	-
	-	428,052	428,052	-
	-	82,222	82,222	-
	-	158,358	158,358	-
	-	(10,930)	(10,930)	-
	-	(6,983)	(6,983)	-
	-	3,581,917	3,581,917	-
	(6,008,394)	3,581,917	(2,426,477)	
	-	-	-	(3,980)
	935,618	-	935,618	-
	5,605	-	5,605	-
	471,046	-	471,046	-
	481,462	-	481,462	-
	105,998	-	105,998	-
	54,182	-	54,182	-
	2,137	897	3,034	2
	-	310,328	310,328	-
	74,816	-	74,816	-
	3,535,680	(3,535,680)	-	-
	5,666,544	(3,224,455)	2,442,089	2
	(341,850)	357,462	15,612	(3,978)
	16,375,855	14,753,561	31,129,416	6,355
	$ 16,034,005	$ 15,111,023	$ 31,145,028	$ 2,377

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Governmental Funds
Balance Sheet
June 30, 2020

	General Fund	SPLOST Capital Projects Fund	Other Non-Major Governmental Funds	Total
Assets				
Cash	$ 416,131	$ 427,060	$ 696,065	$ 1,539,256
Restricted Cash	24,114	-	-	24,114
Investments-Certificates of Deposit	1,027,917	-	-	1,027,917
Receivables-Net of Allowance for Uncollectible Accounts	207,123	-	46,898	254,021
Due from Other Funds	-	-	-	-
Due from Other Governments	42,671	-	-	42,671
Inventory	47,116	-	-	47,116
Prepaid Items	92,332	-	-	92,332
TOTAL ASSETS	$ 1,857,404	$ 427,060	$ 742,963	$ 3,027,427
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts Payable	$ 586,274	$ -	$ -	$ 586,274
Accrued Liabilities	238,809	-	-	238,809
Due to Other Funds	-	-	-	-
Deposits	31,893	-	-	31,893
Total Liabilities	856,976	-	-	856,976
Deferred Inflows of Resources				
Deferred Revenue - Property Taxes	48,530	-	-	48,530
Deferred Revenue-Other	-	-	-	-
Total Deferred Inflows of Resources	48,530	-	-	48,530
Fund Balances				
Nonspendable	139,448	-	-	139,448
Restricted	24,114	427,060	742,963	1,194,137
Unassigned	788,336	-	-	788,336
Total Fund Balances	951,898	427,060	742,963	2,121,921
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 1,857,404	$ 427,060	$ 742,963	$ 3,027,427

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, 2020

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS		$ 2,121,921
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	$ 10,752,867	
Machinery and Equipment	2,382,821	
Vehicles	2,373,464	
Infrastructure	7,917,743	
Accumulated Depreciation	(7,343,244)	
		16,083,651
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	(728,369)	
Compensated Absences	(144,443)	(872,812)
Certain revenues are not available to pay for current period expenditures and therefore are reported deferred inflows of resources in the governmental funds.		48,530
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.		908,076
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.		(422,976)
Net pension liability is not due and payable in the current period and therefore, is not reported in the governmental funds.		(1,832,385)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 16,034,005

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, 2020

	General Fund	SPLOST Capital Projects Fund	Other Non-Major Governmental Funds	Total
REVENUES				
Taxes-Net	$ 2,037,343	$ -	$ 17,732	$ 2,055,075
Charges for Services	70,274	-	-	70,274
Fines & Forfeitures	179,975	-	-	179,975
Licenses and Permits	76,746	-	-	76,746
Intergovernmental	8,000	458,272	857,169	1,323,441
Interest Income	39	672	2,098	2,809
Miscellaneous	102,636	-	1,350	103,986
Total Revenues	2,475,013	458,944	878,349	3,812,306
EXPENDITURES				
Current				
General Government	2,056,963	-	-	2,056,963
Public Safety	2,966,432	-	-	2,966,432
Public Works	1,581,621	-	-	1,581,621
Culture and Recreation	192,739	-	-	192,739
Community & Economic Development	132,549	-	291,374	423,923
Capital Outlay	-	48,472	119,722	168,194
Debt Service				
Principal	59,597	170,715	-	230,312
Interest	11,385	13,279	-	24,664
TOTAL EXPENDITURES	7,001,286	232,466	411,096	7,644,848
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,526,273)	226,478	467,253	(3,832,542)
OTHER FINANCING SOURCES (USES)				
Capital Lease Transaction	213,700	-	-	213,700
Transfers In	3,651,367	-	-	3,651,367
Transfers Out	-	-	(112,523)	(112,523)
TOTAL OTHER FINANCING SOURCES (USES)	3,865,067	-	(112,523)	3,752,544
NET CHANGE IN FUND BALANCES	(661,206)	226,478	354,730	(79,998)
FUND BALANCE - JULY 1, 2019	$ 1,613,104	$ 200,582	$ 388,233	$ 2,201,919
FUND BALANCE - JUNE 30, 2020	$ 951,898	$ 427,060	$ 742,963	$ 2,121,921

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, 2020

NET CHANGE IN FUND BALANCES-TOTAL GOVERNMENTAL FUNDS		$ (79,998)
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.		381,894
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.		(474,638)
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		(82,395)
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, 2020	$ 48,530	
Deferred at June 30, 2019	(49,692)	(1,162)
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, 2020	(144,443)	
Liability at June 30, 2019	45,445	(98,998)
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	(213,700)	
Long-term debt payments	230,311	16,611
A transfer of a capital asset to the Water and Sewer Fund from the General Fund is not reported in the Governmental Funds but is reported as an interfund transfer in Governmental Activities		
Capital Equipment	$ (55,340)	
Less Associated Note Payable	52,176	(3,164)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ (341,850)

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Net Position
June 30, 2020

	Electric Fund	Water and Sewer Fund	Airport Fund	Solid Waste Fund	Telecommunications Fund	Natural Gas Fund	Total
ASSETS							
Current Assets							
Cash	$ 284,394	$ 273,401	$ 61,873	$ 182,288	$ 13,638	$ 280,032	$ 1,095,626
Investment - Certificate of Deposit	194,829	183,563	-	-	-	-	378,392
Investments	2,667,308	-	-	-	-	-	2,667,308
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	545,560	283,666	800	103,229	108,900	7,143	1,049,298
Miscellaneous Current Assets	-	-	-	4,209	-	-	4,209
Restricted Cash	99,282	111,394	-	-	-	27,896	238,572
Restricted Certificate of Deposit	-	164,966	-	-	-	-	164,966
Due from Other Funds	-	-	-	-	-	-	-
Inventory	190,663	50,050	-	-	-	31,047	271,760
Prepaid Items	14,465	7,535	-	-	-	1,227	23,227
Total Current Assets	3,996,501	1,074,575	62,673	289,726	122,538	347,345	5,893,358
Noncurrent Assets							
Capital Assets							
Nondepreciable Capital Assets	-	3,129,635	382,791	19,780	-	2,500	3,534,706
Depreciable Capital Assets	4,789,660	16,026,876	5,147,930	139,855	384,921	1,196,692	27,685,934
Accumulated Depreciation	(3,233,063)	(10,036,555)	(1,208,467)	(27,871)	(316,243)	(1,045,779)	(15,867,978)
Total Noncurrent Assets	1,556,597	9,119,956	4,322,254	131,764	68,678	153,413	15,352,662
TOTAL ASSETS	5,553,098	10,194,531	4,384,927	421,490	191,216	500,758	21,246,020

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Net Position (Continued)
June 30, 2020

	Electric Fund	Water and Sewer Fund	Airport Fund	Solid Waste Fund	Telecommunications Fund	Natural Gas Fund	Total
LIABILITIES							
Current Liabilities							
Accounts Payable	$ 629,439	$ 42,387	$ -	$ -	$ -	$ 26,459	$ 698,285
Notes Payable	-	284,078	-	24,192	-	8,669	316,939
Accrued Expenses	69,056	4,001	-	-	-	2,005	75,062
Miscellaneous Liabilities	-	-	138,629	-	104,946	337,008	580,583
Due to Other Funds	-	-	-	-	-	-	-
Customer Deposits	23,182	82,845	-	-	-	22,345	128,372
Total Current Liabilities	721,677	413,311	138,629	24,192	104,946	396,486	1,799,241
Long-Term Liabilities							
Notes Payable	-	4,233,126	-	48,972	-	-	4,282,098
Accrued Vacation	40,223	11,217	-	-	-	2,218	53,658
Total Long-Term Liabilities	40,223	4,244,343	-	48,972	-	2,218	4,335,756
TOTAL LIABILITIES	761,900	4,657,654	138,629	73,164	104,946	398,704	6,134,997
DEFERRED INFLOWS OF RESOURCES							
Unearned Revenues	-	-	-	-	-	-	-
NET POSITION							
Net Investment in Capital Assets	1,556,597	4,602,752	4,322,254	58,600	68,678	144,744	10,753,625
Restricted for Debt Service	-	165,148	-	-	-	-	165,148
Unrestricted	3,234,601	768,977	(75,956)	289,726	17,592	(42,690)	4,192,250
TOTAL NET POSITION	$ 4,791,198	$ 5,536,877	$ 4,246,298	$ 348,326	$ 86,270	$ 102,054	$ 15,111,023

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, 2020

	Electric Fund	Water and Sewer Fund	Airport Fund	Solid Waste Fund	Telecommunications Fund	Natural Gas Fund	Total
OPERATING REVENUES							
Operations	$ 11,745,733	$ 1,868,261	$ 6,400	$ 842,222	$ 46,868	$ 838,310	$ 15,347,794
OPERATING EXPENSES							
Operating Expenses	8,706,539	1,009,238	6,243	670,455	48,551	735,010	11,176,036
Depreciation	107,979	364,851	300,125	9,224	9,247	21,078	812,504
TOTAL OPERATING EXPENSES	8,814,518	1,374,089	306,368	679,679	57,798	756,088	11,988,540
OPERATING INCOME	2,931,215	494,172	(299,968)	162,543	(10,930)	82,222	3,359,254
NON-OPERATING REVENUES (EXPENSES)							
Capital Grants	-	-	292,985	-	-	-	292,985
Interest Income	462	378	-	-	-	57	897
Interest Expense	(17)	(94,980)	-	(4,185)	-	-	(99,182)
Principal Forgiveness on Long-Term Debt	-	28,860	-	-	-	-	28,860
Market Gain on Investments	310,328	-	-	-	-	-	310,328
TOTAL NON-OPERATING REVENUES (EXPENSES)	310,773	(65,742)	292,985	(4,185)	-	57	533,888
Income Before Transfers	3,241,988	428,430	(6,983)	158,358	(10,930)	82,279	3,893,142
Capital Transfer In of Capital Equipment (Net of $52,175 in related debt)	-	3,164	-	-	-	-	3,164
Transfers In	-	112,523	100,000	-	-	-	212,523
Transfers Out	(3,486,068)	(219,631)	-	-	(10,000)	(35,668)	(3,751,367)
CHANGE IN NET POSITION	(244,080)	324,486	93,017	158,358	(20,930)	46,611	357,462
NET POSITION - JULY 1, 2019	5,035,278	5,212,391	4,153,281	189,968	107,200	55,443	14,753,561
NET POSITION - JUNE 30, 2020	$ 4,791,198	$ 5,536,877	$ 4,246,298	$ 348,326	$ 86,270	$ 102,054	$ 15,111,023

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2020

	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	$ 12,491,077	$ 1,827,194	$ 6,400	$ 823,220	$ 46,733	$ 881,684	$ 16,076,308
Cash Payments to Suppliers	(8,321,257)	(833,357)	132,240	(705,125)	15,920	(181,619)	(9,893,198)
Cash Paid to Employees	(781,657)	(295,871)	-	-	-	(257,225)	(1,334,753)
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,388,163	697,966	138,640	118,095	62,653	442,840	4,848,357
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Payments from Other Funds	-	-	67,474	5,604	-	-	73,078
Payments to Other Funds	(3,241,140)	(170,180)	-	-	(85,658)	(191,062)	(3,688,040)
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	(3,241,140)	(170,180)	67,474	5,604	(85,658)	(191,062)	(3,614,962)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Purchase and Construction of Capital Assets	-	(164,473)	(497,121)	-	-	-	(661,594)
Capital Grants Received	-	-	292,985	-	-	-	292,985
Principal Paid on Capital Debt	(5,022)	(242,491)	-	(27,365)	-	(11,113)	(285,991)
Interest Paid on Capital Debt	(17)	(94,980)	-	(4,185)	-	-	(99,182)
Proceeds from Long Term Debt	-	28,860	-	-	-	-	28,860
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(5,039)	(473,084)	(204,136)	(31,550)	-	(11,113)	(724,922)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of Investments	(112,469)	-	-	-	-	-	(112,469)
Proceeds from Sale of Investments	-	-	-	-	-	-	-
Interest Received	462	378	-	-	-	57	897
NET CASH PROVIDED BY INVESTING ACTIVITIES	(112,007)	378	-	-	-	57	(111,572)
Net Increase (Decrease) in Cash and Cash Equivalents	29,977	55,080	1,978	92,149	(23,005)	240,722	396,901
CASH AND CASH EQUIVALENTS - JULY 1, 2019	548,528	678,144	59,895	90,139	36,643	67,206	1,480,555
CASH AND CASH EQUIVALENTS - JUNE 30, 2020	$ 578,505	$ 733,224	$ 61,873	$ 182,288	$ 13,638	$ 307,928	$ 1,877,456
Displayed As:							
Investment-Certificate of Deposit	$ 194,829	$ 183,563	$ -	$ -	$ -	$ -	$ 378,392
Restricted Assets	$ 99,282	$ 276,360	$ -	$ -	$ -	$ 27,372	$ 403,014

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Cash Flows (Continued)
For the Year End June 30, 2020

	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)	$ 2,931,215	$ 494,172	$ (299,968)	$ 162,543	$ (10,930)	$ 82,222	$ 3,359,254
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:							
Depreciation	107,979	364,851	300,125	9,224	9,247	21,078	812,504
(Increase) Decrease in Assets:							
Accounts Receivable and Miscellaneous Current Assets	789,500	(42,820)	-	(19,002)	(135)	43,455	770,998
Inventory	5,877	-	-	-	-	-	5,877
Due from Other Funds	-	-	-	-	-	-	-
Prepaid Items	(660)	(1,667)	-	-	-	(272)	(2,599)
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:							
Accounts Payable	(37,224)	(60,248)	138,483	(34,670)	64,471	(563)	70,249
Accrued Expenses and Other Liabilities	(385,323)	(65,448)	-	-	-	294,511	(156,260)
Unearned Revenues	-	-	-	-	-	-	-
Customer Deposits	(44,152)	1,753	-	-	-	191	(42,208)
Accrued Vacation	20,951	7,373	-	-	-	2,218	30,542
NET CASH PROVIDED BY OPERATING ACTIVITES	$ 3,388,163	$ 697,966	$ 138,640	$ 118,095	$ 62,653	$ 442,840	$ 4,848,357
Noncash Investing, Capital and Financing Activities							
Principal Forgiveness on Capital Debt	$ -	$ 28,860	$ -	$ -	$ -	$ -	$ 28,860
Increase in Fair Value of Investments	310,328	-	-	-	-	-	310,328
Transfer of Capital Asset from General Fund	-	55,339	-	-	-	-	55,339
Transfer of Capital Asset Related Debt from General Fund	-	52,175	-	-	-	-	52,175

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Agency Funds
Statement of Fiduciary Assets and Liabilities
June 30, 2020

ASSETS	
Cash	$ 2,129
TOTAL ASSETS	$ 2,129
LIABILITIES	
Due to Other Governments	$ 2,129
TOTAL LIABILITIES	$ 2,129

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Component Unit
Statement of Net Position
June 30, 2020

ASSETS	
Cash	$ 2,377
TOTAL ASSETS	$ 2,377
LIABILITIES	
Liabilities	$ -
NET POSITION	
Restricted:	
Downtown Development	$ 2,377
TOTAL NET POSITION	$ 2,377

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Component Unit
Statement of Activities
For the Year Ended June 30, 2020

EXPENSES	
Program Costs	$ 28,392
TOTAL EXPENSES	28,392
REVENUES	
Program Revenues	24,412
Net Program Revenue	(3,980)
GENERAL REVENUES	
Investment Earnings	2
CHANGE IN NET POSITION	(3,978)
NET POSITION-JULY 1, 2019	6,355
NET POSITION-JUNE 30, 2020	$ 2,377

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 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, 2020. 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, 2020, 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, 2020.

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, 2020 consisted of the following:

Primary Government Fund Reporting Level		Cash and Cash Equivalents
Governmental Funds - Balance Sheet	$	2,567,173
Governmental Funds - Balance Sheet - Restricted		24,114
Proprietary Fund Type Statement of Net Position		1,474,018
Proprietary Fund Type Statement of Net Position - Restricted		403,538
Statement of Fiduciary Assets and Liabilities		2,129
Total	$	4,470,972

Investments

For fiscal year 2020, 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, 2020, 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	$ 640,736	$ 786,785	$ 1,177,144	$ 62,643	$ 2,667,308
Bank Certificates of Deposit	Not Rated	1,571,275	-	-	-	1,571,275
Total Investments		$ 2,212,011	$ 786,785	$ 1,177,144	$ 62,643	$ 4,238,583

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, 2020, 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 23, 2020 through October 1, 2031. 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, 2020:

Municipal Bonds	11.89%
Bank Certificates of Deposit	37.07%
Federal Home Loan Bank	49.79%

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, 2020 are classified as follows:

		Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Municipal Competitive Trust	$ 2,667,308	$ -	$ 2,667,308	$ -
Bank Certificates of Deposit	1,571,275	1,571,275	-	-
Total Investments	$ 4,238,583	$ 1,571,275	$ 2,667,308	$ -

NOTE 4 – RECEIVABLES

Receivables at June 30, 2020, 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	$ 59,009	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 59,009
Accounts	148,114	-	742,550	317,763	114,404	108,900	800	17,523	1,450,054
Notes	-	46,898	-	-	-	-	-	-	46,898
Other Governments	42,671	-	-	-	-	-	-	-	42,671
Other	-	-	-	-	-	-	-	-	-
Gross Receivables	249,794	46,898	742,550	317,763	114,404	108,900	800	17,523	1,598,632
Less: Allowance for uncollectibles	-	-	(196,990)	(34,097)	(11,175)	-	-	(10,380)	(252,642)
Net Receivables	$ 249,794	$ 46,898	$ 545,560	$ 283,666	$ 103,229	$ 108,900	$ 800	$ 7,143	$ 1,345,990

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, 2020:

Governmental Activities	Balance 7/1/2019	Increases	Decreases	Balance 6/30/2020
Capital assets not being depreciated:				
Land	$ 769,904	$ -	$ -	$ 769,904
Construction in progress	-	119,722	-	119,722
Total capital assets not being depreciated	769,904	119,722	-	889,626
Capital assets being depreciated:				
Plant, buildings, improvements	9,826,116	37,125	-	9,863,241
Machinery and equipment	2,224,461	213,700	(55,340)	2,382,821
Vehicles	2,373,464	-	-	2,373,464
Infrastructure	7,906,396	11,347	-	7,917,743
Total capital assets being depreciated	22,330,437	262,172	(55,340)	22,537,269
Less accumulated depreciation:				
Plant, building, improvements	(2,907,313)	(242,588)	-	(3,149,901)
Machinery and equipment	(2,153,178)	(42,887)	-	(2,196,065)
Vehicles	(1,301,555)	(47,373)	-	(1,348,928)
Infrastructure	(506,560)	(141,790)	-	(648,350)
Total accumulated depreciation	(6,868,606)	(474,638)	-	(7,343,244)
Net capital assets being depreciated	15,461,831	(212,466)	(55,340)	15,194,025
Total Capital Assets, Net	$ 16,231,735	$ (92,744)	$ (55,340)	$ 16,083,651

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

General Government	$ 59,170
Public Safety	263,180
Public Works	136,446
Culture and Recreation	15,554
Community and Economic Development	288
Total	$ 474,638

Business-Type Activities	Balance 7/1/2019	Increases	Decreases	Balance 6/30/2020
Capital assets not being depreciated:				
Land	$ 291,380	$ -	$ -	$ 291,380
Construction in progress	2,997,052	164,474	(53,690)	3,107,836
Total capital assets not being depreciated	3,288,432	164,474	(53,690)	3,399,216
Capital assets being depreciated:				
Plant, buildings, improvements	24,722,892	550,810	-	25,273,702
Machinery and equipment	1,114,550	55,340	-	1,169,890
Vehicles	1,377,835	-	-	1,377,835
Total capital assets being depreciated	27,215,277	606,150	-	27,821,427
Less accumulated depreciation:				
Plant, buildings, improvements	(12,817,033)	(740,924)	-	(13,557,957)
Machinery and equipment	(1,047,910)	(19,848)	-	(1,067,758)
Vehicles	(1,190,537)	(51,727)	-	(1,242,264)
Total accumulated depreciation	(15,055,480)	(812,499)	-	(15,867,979)
Net capital assets being depreciated	12,159,797	(206,349)	-	11,953,448
Total Capital Assets, Net	$ 15,448,229	$ (41,875)	$ (53,690)	$ 15,352,664

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, 2020:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Capital leases	$ 797,156	$ 213,700	$ (282,487)	$ 728,369	$ 293,202
Compensated absences	45,445	200,061	(101,063)	144,443	-
Total Governmental Activities	842,601	413,761	(383,550)	872,812	293,202
Compensated absences are liquidated by the General Fund.					
Business-Type Activities					
Notes Payable	$ 4,832,855	$ 81,035	$ (314,852)	$ 4,599,038	$ 316,939
Compensated absences	23,065	76,271	(45,677)	53,659	-
Total Business-Type Activities	$ 4,855,920	$ 157,306	$ (360,529)	$ 4,652,697	$ 316,939

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, 2020:

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 - $939,280

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 - $275,567

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 - $373,546

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 - $1,236,252

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 - $1,653,416

Magnolia Bank, Inc. dated March 31, 2019 for $55,340 to be used for a water fund rear cradle boom mower. Loan is to be repaid in 48 monthly installments of $1,266 including interest at 4.68%, beginning April 21, 2019. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $39,143

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 - $0

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 - $8,669

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 - $73,164

The following schedule represents the annual requirements to amortize all notes payable outstanding as of June 30, 2020.

Year Ending June 30	Principal	Interest	Total
2021	$ 316,939	$ 96,641	$ 413,580
2022	318,441	88,734	407,175
2023	315,615	80,479	396,094
2024	289,568	73,286	362,854
2025	296,355	66,499	362,854
2026-2030	1,581,858	222,909	1,804,767
2031-2035	956,392	74,430	1,030,822
2036-2040	523,870	12,965	536,835
Total	$ 4,599,038	$ 715,943	$ 5,314,981

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	1,966,119
	$ 4,091,897
Less: Accumulated depreciation	(1,029,636)
Carrying Value	$ 3,062,261

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2020 were as follows:

Year Ended June 30	Total
2021	$ 278,545
2022	125,217
2023	94,551
2024	94,551
2025	90,724
2026-2030	93,189
Total minimum lease payments	776,777
Less amounts representing interest	(48,408)
Present value of minimum capital lease payments	$ 728,369

NOTE 9 - 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	$ 35,668
General	Electric	3,386,068
General	Water & Sewer	219,631
General	Telecommunications	10,000
Airport	Electric	100,000
Water & Sewer	Designated Grant	112,523
Total		$ 3,863,890

NOTE 10 - 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, 2020 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 $6,805,887.

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, 2020, the balance in this account was $2,667,308. 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, 2020 was $2,008,756 and $0, respectively. Due to the restrictive nature of these funds, neither is shown in the cash balance for the electric fund.

NOTE 11 - 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 12 - 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, 2020, the City purchased $6,805,887 of its electricity from MEAG, with accounts payable of $555,922 to MEAG at June 30, 2020.

During the fiscal year ended June 30, 2020, the City purchased $394,444 of its gas from MGAG, with accounts payable of $17,385 to MGAG at June 30, 2020.

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 $6,332 in such dues during the year ended June 30, 2020.

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 13 – 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, 2020, employee membership data related to the pension plan was as follows:

Retirees and beneficiaries currently receiving benefits	54
Terminated plan members entitled to, but not yet receiving benefits	18
Active plan participants	90
Total	162

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 10.82% 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, 2020, the City reported a liability of $1,823,385 for its pension liability. The City's net pension liability was measured as of September 30, 2019 and was determined by an actuarial valuation as of January 1, 2020. The changes in the Net Pension Liability for the year ended September 30, 2019 (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, 2019	$ 8,855,945	$ 7,763,628	$ 1,092,317
Changes for the year:			
Service cost	132,459	-	132,459
Interest	654,083	-	654,083
Differences between expected and actual experience	21,107	-	21,107
			-
Contributions - employer	-	261,839	(261,839)
Contributions - employee	-	-	-
Net investment income	-	217,485	(217,485)
Benefit payments, including refunds of employee contributions	(534,583)	(534,583)	-
			-
Administrative expense	-	(19,514)	19,514
Other	392,229	-	392,229
Net changes	665,295	(74,773)	740,068
Balances at June 30, 2020	$ 9,521,240	$ 7,688,855	$ 1,832,385

Pension Expense

Pension expense for the year ended June 30, 2020		
Service cost	$	132,459
Interest on TPL		654,083
Employee contributions		-
Administrative expense		19,514
Expected return on assets		(571,312)
Expensed portion of current year period differences between expected and actual experience on TPL		4,223
Expensed portion of current year period assumption changes		78,445
Current year plan changes		-
Expensed portion of current year period differences between projected and actual investment earnings		70,767
Current year recognition of deferred inflows and outflows established in prior years		(52,840)
Total expense	$	335,339

Deferred Outflows/Inflows of Resources Related to Pensions as of June 30, 2020

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to measurement date	$ 187,751	$ -
Demographic	80,738	(83,472)
Investment	283,060	(339,504)
Assumption change	356,527	-
Total	$ 908,076	$ (422,976)

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

Year ended June 30:	
2021	$ 45,484
2022	(19,414)
2023	117,847
2024	153,432
2025	-

Discount Rate

The discount rate used to measure the collective total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at 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 (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
Employer's proportionate share of the net liabilit	$ 3,015,483	$ 1,832,385	$ 848,569

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, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.41%
International equity	20%	6.96%
Real estate	10%	4.76%
Global fixed income	5%	3.06%
Domestic fixed income	20%	1.96%
Cash	0%	
	100%	

Actuarial Methods and Assumptions

Valuation Date	January 1, 2020
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	7.375%
Projected Salary Increases	2.75% plus service based merit increases
Cost of Living Adjustments	0.00%
Inflation Rate	2.75%
Mortality Rates:	
Healthy	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25
Disabled	Sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25
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, 2020 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 14 - 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 15 - 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 16 - 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, 2020 is as follows:

Hotel-Motel Tax Receipts		$ 17,732
Disbursements to Worth County- Sylvester Chamber of Commerce	64%	11,316
Balance Retained by City	36%	$ 6,416

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 17 – 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 18 – 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	T-SPLOST Capital Projects Fund	CDBG Loan Fund	Designated Grant Fund	Hotel/ Motel Tax Fund
Fund Balances						
Nonspendable:						
Inventory	$ 47,116	$ -	$ -	$ -	$ -	$ -
Prepaid Items	92,332	-	-	-	-	-
Total Nonspendable	139,448	-	-	-	-	-
Restricted:						
Public Safety	13,396	-	-	-	-	-
Public Welfare	10,718	-	-	-	-	-
Capital Projects	-	427,060	250,975	-	297,249	-
Economic Development	-	-	-	178,724	-	-
Tourism	-	-	-	-	-	16,015
Total Restricted	24,114	427,060	250,975	178,724	297,249	16,015
Unassigned	788,336	-	-	-	-	-
Total Fund Balances	$ 951,898	$ 427,060	$ 250,975	$ 178,724	$ 297,249	$ 16,015

NOTE 19 – SUBSEQUENT EVENTS

In preparing these financial statements, the City has evaluated events and transactions for potential recognition of disclosure through December 11, 2020, the date when the financial statements were available to be issued.

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Schedule of Changes in Net Pension Liability and Related Ratios
June 30, 2020

	Total Pension Liability					
Measurement Date	**Fiscal Year End June 30, 2020**	**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	$ 132,459	$ 115,251	$ 121,554	$ 123,275	$ 127,640	$ 143,056
Interest	654,083	636,574	600,885	590,322	580,864	581,530
Differences between expected and actual experience	21,107	(166,943)	255,414	(100,006)	(140,677)	(245,155)
Changes of assumptions	392,229	-	170,973	-	-	(78,814)
Changes of benefit terms	-	173,513	-	-	-	-
Benefit payments, including refunds of employee contributions	(534,583)	(549,717)	(509,834)	(444,745)	(446,823)	(371,608)
Other	-	-	-			
Net change in total pension liability	665,295	208,678	638,992	168,846	121,004	29,009
Total pension liability - beginning	8,855,945	8,647,267	8,008,275	7,839,429	7,718,425	7,689,416
Total pension liability - ending (a)	$ 9,521,240	$ 8,855,945	$ 8,647,267	$ 8,008,275	$ 7,839,429	$ 7,718,425
Plan Fiduciary Net Position						
Contributions - employer	$ 261,839	$ 261,626	$ 265,873	$ 287,114	$ 326,057	$ 351,208
Contributions - employee	-	-	-	-	-	-
Net investment income	217,485	717,935	981,834	677,155	74,217	637,350
Benefit payments, including refunds of employee contributions	(534,583)	(549,717)	(509,834)	(444,745)	(446,823)	(371,608)
Administrative expenses	(19,514)	(20,832)	(22,341)	(12,988)	(14,676)	(11,697)
Other	-	-	-	-	-	-
Net change in fiduciary net position	(74,773)	409,012	715,532	506,536	(61,225)	605,253
Plan fiduciary net position - beginning	7,763,628	7,354,616	6,639,084	6,132,548	6,193,773	5,588,520
Plan fiduciary net position - ending (b)	$ 7,688,855	$ 7,763,628	$ 7,354,616	$ 6,639,084	$ 6,132,548	$ 6,193,773
Net pension liability - ending (a) - (b)	$ 1,832,385	$ 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	80.75%	87.67%	85.05%	82.90%	78.23%	80.25%
Covered payroll	$ 3,176,790	$ 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	57.68%	36.66%	48.67%	50.63%	61.45%	60.99%

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Schedule of Contributions
June 30, 2020

	Fiscal Year End June 30, 2020		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	$ -	*	$ 282,018	$ 254,829	$ 269,554	$ 292,967	$ 337,087
Contributions in relation to the actuarially determined contribution	-	*	258,517	254,829	269,554	292,667	337,087
Contribution deficiency (excess)	-	*	23,501	-	-	-	-
Covered payroll	-	*	2,979,313	2,656,091	2,707,446	2,777,874	2,499,865
Contributions as a percentage of covered-employee payroll	-	*	8.68%	9.59%	9.96%	10.54%	13.48%

* 2020 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, 2020

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, 2020, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2021.

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 12 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	7.375%
Projected Salary Increases	2.75% plus service based merit increases
Cost of Living Adjustments	0.00%
Mortality Rates:	
Healthy	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25
Disabled	Sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25
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, 2019 are summarized in the following table:

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Notes to Schedule of Contributions
June 30, 2020

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.41%
International equity	20%	6.96%
Real estate	10%	4.76%
Global fixed income	5%	3.06%
Domestic fixed income	20%	1.96%
Cash	0%	
	100%	

Changes of assumptions

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

- The mortality table for healthy retirees and beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for disabled participants was changed from the sex-distinct RP-2000 Disabled Retiree Mortality Table to the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for active participants, terminated vested participants, and deferred beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.
- Future mortality improvement is based on projecting generationally from 2012 using 60% of the sex-distinct Scale SSA2019. Previously future mortality improvements were not explicitly projected.
- The prior retirement assumption was based on the Plan's normal retirement eligibility. If normal retirement eligibility was only available on or after age 65, the prior assumption was 60% at ages 65 to 69 and 100% at age 70 and older. If normal retirement eligibility was available prior to age 65, the rates were 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70 and older as long as a participant was at least eligible for early retirement.
- The new assumption relates to when a given participant is eligible for normal retirement (either regular normal retirement or alternative normal retirement). Retirement rates do not apply if a participant is not eligible for either early or normal retirement. The retirement rates where normal retirement is available on or after age 65 are 5% at ages 55 to 59, 7% at ages 60 and 61, 20% at age 62, 10% at ages 63 and 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older.
- Where normal retirement is available to a given participant at age 62, 63, or 64, the new retirement rates are 3% when first eligible for early retirement through age 60, 10% at ages 61 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 30%.
- Where normal retirement is available at age 60 or 61, the new retirement rates are 3% when first eligible for early retirement through age 59, 10% at ages 60 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 20%.

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Notes to Schedule of Contributions
June 30, 2020

- Where normal retirement is available prior to age 60, the new retirement rates are 3% when first eligible for early retirement through the year prior to normal retirement eligibility, 10% from normal retirement eligibility through age 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 10%.
- The turnover rates were changed from the greater of age-based rates and select rates for the first five years of service followed by age-based rates thereafter to service-based rates only.
- The disability rates were changed to 50% of the rates in the prior age-based table.
- The inflation assumption was decreased from 2.75% to 2.25%.
- The salary increase assumption was changed from a service-based salary scale starting at 8.25% for the first two years of service with an ultimate rate of 3.25% at ten years of service to a service-based scale starting at 8.50% for the first two years of service with an ultimate rate of 3.00% at 15 years of service.
- The investment return assumption was decreased from 7.50% to 7.375%.

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, 2020

	Budget			Variance
	Original	Final	Actual	with Budget
REVENUES				
Taxes - Net	$ 2,116,729	$ 2,116,729	$ 2,037,343	$ (79,386)
Charges for Services	79,150	79,150	70,274	(8,876)
Fines & Forfeitures	223,814	223,814	179,975	(43,839)
Intergovernmental	-	-	8,000	8,000
Licenses and Permits	67,158	67,158	76,746	9,588
Interest Income	8,200	8,200	39	(8,161)
Miscellaneous	294,187	294,187	102,636	(191,551)
TOTAL REVENUES	2,789,238	2,789,238	2,475,013	(314,225)
EXPENDITURES				
Legislative	141,499	183,673	74,782	(108,891)
Judicial	218,341	220,585	173,027	(47,558)
Administrative	1,155,888	1,040,455	1,040,455	-
Police	1,895,786	1,928,084	1,918,978	(9,106)
City Manager	237,010	291,756	291,756	-
Financial Administration	246,724	272,576	207,509	(65,067)
Human Resources	150,825	175,607	154,609	(20,998)
Animal Control	38,467	38,467	38,467	-
Cemetery and Parks	235,710	210,216	192,739	(17,477)
Fire	937,803	974,401	896,162	(78,239)
Economic Development	88,800	28,800	120	(28,680)
Street	1,609,830	1,251,378	1,251,378	-
Storm Water	246,654	331,364	193,150	(138,214)
Shop	150,254	172,514	141,715	(30,799)
Code Enforcement	166,549	172,445	138,674	(33,771)
Building and Zoning	168,673	180,272	155,336	(24,936)
Downtown Development	141,007	164,196	132,429	(31,767)
TOTAL EXPENDITURES	7,829,820	7,636,789	7,001,286	(635,503)
Deficiency of Revenue Under Expenditures	(5,040,582)	(4,847,551)	(4,526,273)	(949,728)
OTHER FINANCING SOURCES				
Capital Lease Transaction	-	-	213,700	213,700
Transfers from Other Funds	5,040,582	10,640,582	3,651,367	(6,989,215)
NET CHANGE IN FUND BALANCE	-	5,793,031	(661,206)	(7,725,243)
FUND BALANCE - JULY 1, 2019	-	-	1,613,104	
FUND BALANCE - JUNE 30, 2020	$ -	$ 5,793,031	$ 951,898	

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, 2020

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, 2020

SUPPLEMENTARY INFORMATION

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF SYLVESTER, GEORGIA
General Fund
Balance Sheet
June 30, 2020

ASSETS

Assets	
Cash	$ 416,131
Restricted Cash	24,114
Investment-Certificates of Deposit	1,027,917
Receivables	
Property Taxes	59,009
Due From Other Governments	42,671
Other	148,114
Due from Other Funds	-
Inventory, at Cost	47,116
Prepaid Items	92,332
TOTAL ASSETS	$ 1,857,404

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES

Liabilities	
Accounts Payable	$ 586,274
Accrued Expenses	14,805
Accrued Taxes and Withholdings	224,004
Due to Other Funds	-
Deposits	31,893
Total Liabilities	856,976
Deferred Inflows of Resources	
Deferred Revenue - property taxes	48,530
Fund Balance	
Nonspendable:	
Inventory	47,116
Prepaid Items	92,332
Restricted:	
Public Safety	13,396
Public Welfare	10,718
Unassigned	788,336
Total Fund Balance	951,898
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 1,857,404

CITY OF SYLVESTER, GEORGIA
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2020

	Budget			
	Original	Final	Actual	Variance with Budget
REVENUES (Schedule 1)				
Taxes - Net	$ 2,116,729	$ 2,116,729	$ 2,037,343	$ (79,386)
Charges for Services	79,150	79,150	70,274	(8,876)
Fines & Forfeitures	223,814	223,814	179,975	(43,839)
Intergovernmental	-	-	8,000	8,000
Licenses and Permits	67,158	67,158	76,746	9,588
Interest Income	8,200	8,200	39	(8,161)
Miscellaneous	294,187	294,187	102,636	(191,551)
TOTAL REVENUES	2,789,238	2,789,238	2,475,013	(314,225)
EXPENDITURES (Schedule 2)				
Legislative	141,499	183,673	74,782	(108,891)
Judicial	218,341	220,585	173,027	(47,558)
Administrative	1,155,888	1,040,455	1,040,455	-
Police	1,895,786	1,928,084	1,918,978	(9,106)
City Manager	237,010	291,756	291,756	-
Financial Administration	246,724	272,576	207,509	(65,067)
Human Resources	150,825	175,607	154,609	(20,998)
Animal Control	38,467	38,467	38,467	-
Cemetery and Parks	235,710	210,216	192,739	(17,477)
Fire	937,803	974,401	896,162	(78,239)
Economic Development	88,800	28,800	120	(28,680)
Street	1,609,830	1,251,378	1,251,378	-
Storm Water	246,654	331,364	193,150	(138,214)
Shop	150,254	172,514	141,715	(30,799)
Code Enforcement	166,549	172,445	138,674	(33,771)
Building and Zoning	168,673	180,272	155,336	(24,936)
Downtown Development	141,007	164,196	132,429	(31,767)
TOTAL EXPENDITURES	7,829,820	7,636,789	7,001,286	(635,503)
Deficiency of Revenue Under Expenditures	(5,040,582)	(4,847,551)	(4,526,273)	(949,728)
OTHER FINANCING SOURCES				
Capital Lease Transaction	-	-	213,700	213,700
Transfers from Other Funds	5,040,582	10,640,582	3,651,367	(6,989,215)
NET CHANGE IN FUND BALANCE	-	5,793,031	(661,206)	(7,725,243)
FUND BALANCE - JULY 1, 2019	-	-	1,613,104	
FUND BALANCE - JUNE 30, 2020	$ -	$ 5,793,031	$ 951,898	

CITY OF SYLVESTER, GEORGIA
General Fund
Revenues-Budget and Actual
For the Year Ended June 30, 2020

SCHEDULE 1	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Ad Valorem Taxes	$ 951,349	$ 951,349	$ 863,945	$ (87,404)
Alcoholic Beverage Tax	103,066	103,066	105,998	2,932
Business and Occupation Tax	42,000	42,000	36,450	(5,550)
Charges for Services	79,150	79,150	70,274	(8,876)
Fines and Forfeitures	223,814	223,814	179,975	(43,839)
Franchise Tax	90,792	90,792	72,837	(17,955)
Insurance Premium Tax	456,830	456,830	471,046	14,216
Intangible and Transfer Tax	9,232	9,232	5,605	(3,627)
Interest Income	8,200	8,200	39	(8,161)
Intergovernmental	-	-	8,000	8,000
Licenses and Permits	67,158	67,158	76,746	9,588
Miscellaneous	251,087	251,087	74,816	(176,271)
Miscellaneous - Cemetery Lot Sales	30,000	30,000	19,420	(10,580)
Miscellaneous - Rent	13,100	13,100	8,400	(4,700)
Sales Tax-Local Option	463,460	463,460	481,462	18,002
TOTAL REVENUES	$ 2,789,238	$ 2,789,238	$ 2,475,013	$ (314,225)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual
For the Year Ended June 30, 2020

SCHEDULE 2

EXPENDITURES	Budget Original	Budget Final	Actual	Variance with Budget
LEGISLATIVE				
Personnel Services	$ 35,290	$ 42,424	$ 34,901	$ (7,523)
Employee Medical Insurance	22,558	28,600	13,360	(15,240)
Retirement Fund Contribution	15,251	15,251	15,248	(3)
Dues and Membership	1,000	1,000	-	(1,000)
Miscellaneous	1,000	1,000	-	(1,000)
Professional Services	300	300	291	(9)
Telephone and Utilities	6,100	3,100	7,478	4,378
Travel and Training	60,000	91,998	3,504	(88,494)
Total Legislative	141,499	183,673	74,782	(108,891)
JUDICIAL				
Personnel Services	179,341	187,585	146,017	(41,568)
Municipal Court Judge	18,000	18,000	16,860	(1,140)
Indigent Defence Attorney	6,000	-	-	-
City Solicitor	15,000	15,000	10,150	(4,850)
Dues and Membership	-	-	-	-
Total Judicial	218,341	220,585	173,027	(47,558)
ADMINISTRATIVE				
Personnel Services	105,212	147,018	129,554	(17,464)
Employee Medical Insurance	12,968	106,790	114,317	7,527
Retirement Fund Contribution	25,575	25,575	5,662	(19,913)
Advertising	4,000	4,000	2,765	(1,235)
Appropriations:				-
DeSoto Trail Regional Library	65,875	65,875	57,500	(8,375)
Recreation Program and Community	100,000	100,000	100,000	-
Chamber of Commerce	25,000	25,000	20,000	(5,000)
Other	51,000	44,701	9,166	(35,535)
Capital Outlay	-	-	-	-
Clerical and Administrative	25,250	31,943	21,972	(9,971)
Dues and Membership	10,600	9,641	11,091	1,450
Insurance	60,000	60,000	57,579	(2,421)
Miscellaneous	37,500	40,192	23,094	(17,098)
Motor Fuels	1,800	(2,008)	1,969	3,977
Professional Services	136,700	160,216	201,731	41,515
Repairs and Maintenance - Equipment	322,800	24,103	6,889	(17,214)
Supplies	11,600	21,264	137,138	115,874

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2020

	Budget			Variance with
	Original	Final	Actual	Budget
Administrative (continued)				
Telephone and Utilities	$ 26,690	$ 26,190	$ 20,472	$ (5,718)
Travel and Training	14,100	19,957	17,420	(2,537)
Housing Authority Gas	18,500	18,500	15,585	(2,915)
Uniforms	2,200	2,200	2,095	(105)
Worth County Family Connection	55,000	64,695	44,693	(20,002)
Daisy Gamble Learning Center	43,518	44,603	39,763	(4,840)
Total Administrative	1,155,888	1,040,455	1,040,455	-
POLICE				
Personnel Services	1,023,891	1,075,022	1,130,475	55,453
Employee Medical Insurance	240,258	270,258	303,218	32,960
Retirement Fund Contribution	77,660	77,660	77,643	(17)
Capital Outlay	58,000	-	-	-
Clerical and Administrative	3,750	4,416	3,284	(1,132)
Community Programs	4,600	4,600	2,641	(1,959)
Courtware Solutions	17,000	17,664	20,712	3,048
Dues and Membership	1,000	1,000	100	(900)
Inmate Medical and Board	11,500	16,513	22,361	5,848
Insurance	75,000	55,000	28,858	(26,142)
Miscellaneous	2,500	2,690	2,011	(679)
Motor Fuels	55,250	50,250	44,382	(5,868)
Professional Services	20,000	20,000	12,431	(7,569)
Repairs and Maintenance-Equipment	53,400	54,134	54,685	551
Supplies	20,000	47,200	39,348	(7,852)
Travel and Training	19,000	19,000	13,959	(5,041)
Telephone and Utilities	38,600	39,300	42,451	3,151
Trust Fund Contributions	47,850	46,850	26,539	(20,311)
Uniforms	12,000	12,000	8,150	(3,850)
Capital Lease-Principal	35,000	35,000	10,178	(24,822)
Capital Lease-Interest	2,700	2,700	136	(2,564)
911 Cost	76,827	76,827	75,416	(1,411)
Total Police	1,895,786	1,928,084	1,918,978	(9,106)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2020

	Budget			Variance with
	Original	Final	Actual	Budget
CITY MANAGER				
Personnel Services	$ 166,486	$ 237,316	$ 216,616	$ (20,700)
Employee Medical Insurance	31,455	49,208	37,679	(11,529)
Retirement Fund Contribution	16,879	16,879	16,875	(4)
Advertising	500	500	-	(500)
Clerical and Administrative	200	200	-	(200)
Dues and Membership	2,000	2,000	810	(1,190)
Miscellaneous	600	650	109	(541)
Motor Fuels	2,000	2,000	-	(2,000)
Professional Fees	900	(100)	1,243	1,343
Repairs and Maintenance-Equipment	1,400	1,816	1,441	(375)
Supplies	1,600	4,399	3,527	(872)
Telephone and Utilities	2,340	2,340	551	(1,789)
Travel and Training	10,500	14,046	12,905	(1,141)
Uniforms	150	(39,498)	-	39,498
Total City Manager	237,010	291,756	291,756	-
FINANCIAL ADMINISTRATION				
Personnel Services	173,959	174,313	133,287	(41,026)
Employee Medical Insurance	10,080	29,299	30,282	983
Retirement Fund Contribution	9,220	9,220	9,218	(2)
Clerical and Administration	1,050	1,169	276	(893)
Dues and Membership	500	500	317	(183)
Repairs and Maintenance	3,500	3,100	209	(2,891)
Professional Fees	37,500	39,259	17,579	(21,680)
Supplies	3,150	6,975	7,989	1,014
Telephone and Utilities	1,940	1,940	670	(1,270)
Travel and Training	3,100	3,100	704	(2,396)
Miscellaneous	225	505	590	85
Uniforms	100	796	826	30
Advertising	2,400	2,400	608	(1,792)
Insurance	-	-	4,954	4,954
Total Financial Administration	246,724	272,576	207,509	(65,067)
HUMAN RESOURCES				
Personnel Services	107,958	107,758	104,889	(2,869)
Employee Medical Insurance	20,189	41,225	30,911	(10,314)
Retirement Fund Contribution	8,563	8,563	8,561	(2)
Dues and Membership	150	269	307	38

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2020

	Budget			Variance with
	Orginal	Final	Actual	Budget
Human Resources (continued)				
Insurance	$ -	$ -	$ -	$ -
Miscellaneous	150	150	6	(144)
Professional Services	2,075	2,075	1,876	(199)
Repairs and Maintenance	2,000	2,000	88	(1,912)
Supplies	2,700	4,050	4,161	111
Telephone and Utilities	1,640	1,640	1,026	(614)
Travel and Training	4,000	4,841	392	(4,449)
Uniforms	100	180	270	90
Advertising	600	600	566	(34)
Clerical and Administrative	700	2,256	1,556	(700)
Total Human Resources	150,825	175,607	154,609	(20,998)
ANIMAL CONTROL				
Humane Society	38,367	38,367	38,367	-
Miscellaneous	100	100	100	-
Total Animal Control	38,467	38,467	38,467	-
CEMETERY AND PARKS				
Personnel Services	$ 34,000	$ 34,000	$ 34,357	$ 357
Capital Outlay	-	-	-	-
Clerical and Adminstrative	3,500	3,500	2,441	(1,059)
Insurance	6,000	6,658	6,658	-
Maintenance Contract	64,680	-	64,680	64,680
Miscellaneous	6,100	8,721	2,920	(5,801)
Repairs and Maintenance-Cemetery	1,000	1,000	-	(1,000)
Repairs and Maintenance-Equipment	68,550	96,884	32,959	(63,925)
Supplies	5,900	7,900	4,568	(3,332)
Telephone and Utilities	45,980	51,553	44,156	(7,397)
Total Cemetery and Parks	235,710	210,216	192,739	(17,477)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2020

	Budget			Variance with
	Original	Final	Actual	Budget
FIRE				
Personnel Services	$ 540,973	$ 545,915	$ 542,401	$ (3,514)
Employee Medical Insurance	136,316	155,853	169,260	13,407
Retirement Fund Contribution	33,588	33,588	33,581	(7)
Capital Outlay	-	-	-	-
Clerical and Administrative	12,550	12,550	5,444	(7,106)
Dues and Membership	600	600	355	(245)
Insurance	37,500	37,500	28,858	(8,642)
Miscellaneous	700	1,143	749	(394)
Motor Fuels	10,000	10,000	5,810	(4,190)
Professional Fees	300	300	-	(300)
Repairs and Maintenance-Equipment	36,000	38,801	26,288	(12,513)
Supplies	15,400	24,275	11,284	(12,991)
Telephone and Utilities	17,500	17,500	15,222	(2,278)
Travel and Training	9,000	9,000	2,698	(6,302)
Uniforms	9,000	9,000	4,324	(4,676)
Capital Lease-Principal	63,879	63,879	38,490	(25,389)
Capital Lease-Interest	14,497	14,497	11,398	(3,099)
Total Fire	937,803	974,401	896,162	(78,239)
ECONOMIC DEVELOPMENT				
Personnel Services	64,925	4,925	-	(4,925)
Employee Medical Insurance	9,225	9,225	-	(9,225)
Clerical and Administrative	1,230	1,230	-	(1,230)
Community Relations	2,000	2,000	90	(1,910)
Dues and Membership	650	650	-	(650)
Advertising	1,000	1,000	-	(1,000)
Professional Fees	100	100	-	(100)
Rent	-	-	-	-
Repairs and Maintenance	3,600	3,600	-	(3,600)
Supplies	650	650	30	(620)
Telephone and Utilities	3,020	3,020	-	(3,020)
Travel and Training	2,400	2,400	-	(2,400)
Total Economic Development	88,800	28,800	120	(28,680)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2020

	Budget			Variance with
	Original	Final	Actual	Budget
STREET				
Personnel Services	$ 576,689	$ 541,724	$ 426,874	$ (114,850)
Employee Medical Insurance	78,641	197,991	171,731	(26,260)
Retirement Fund Contribution	19,072	19,072	19,068	(4)
Advertising	300	300	115	(185)
Capital Outlay	500,000	40,638	213,700	173,062
Clerical and Administrative	2,700	4,285	9,641	5,356
General Supplies	4,400	4,728	2,311	(2,417)
Grounds Maintenance Contract	160,000	160,000	148,162	(11,838)
Miscellaneous	1,000	1,000	57	(943)
Motor Fuels	26,000	27,543	28,169	626
Professional Fees	-	170	170	-
Repairs and Maintenance-Equipment	61,550	58,598	38,433	(20,165)
Repairs and Maintenance-System	111,000	131,269	156,247	24,978
System Supplies and Chemicals	23,000	18,000	14,138	(3,862)
Telephone and Utilities	10,725	10,725	11,317	592
Travel and Training	4,000	4,582	2,152	(2,430)
Uniforms	6,000	6,000	4,471	(1,529)
Capital Lease-Principal	24,153	24,153	4,862	(19,291)
Capital Lease-Interest	600	600	(240)	(840)
Total Street	1,609,830	1,251,378	1,251,378	-
STORM WATER				
Personnel Services	135,735	135,735	110,778	(24,957)
Employee Medical Insurance	41,943	135,766	39,253	(96,513)
Retirement Fund Contribution	10,366	10,366	10,364	(2)
Motor Fuels	8,300	8,300	5,985	(2,315)
Professional Fees	-	-	-	-
Repairs and Maintenance	35,725	25,725	23,196	(2,529)
Rent	2,000	2,000	-	(2,000)
Telephone and Utilities	600	600	1,033	433
Travel and Training	750	1,103	-	(1,103)
Miscellaneous	1,700	1,700	332	(1,368)
Uniforms	1,400	1,934	2,209	275
Capital Lease-Principal	8,000	8,000	-	(8,000)
Capital Lease-Interest	135	135	-	(135)
Total Storm Water	246,654	331,364	193,150	(138,214)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2020

	Budget			Variance with
	Original	Final	Actual	Budget
SHOP				
Personnel Services	$ 93,536	$ 93,536	$ 87,716	$ (5,820)
Employee Medical Insurance	20,976	42,054	32,683	(9,371)
Retirement Fund Contribution	6,092	6,092	6,091	(1)
Motor Fuels	2,300	2,300	1,777	(523)
Repairs and Maintenance	15,700	15,700	1,768	(13,932)
Supplies	3,800	4,596	3,290	(1,306)
Telephone and Utilities	5,400	5,786	7,821	2,035
Travel and Training	1,500	1,500	-	(1,500)
Uniforms	700	700	569	(131)
Professional Services	250	250	-	(250)
Total Shop	150,254	172,514	141,715	(30,799)
CODE ENFORCEMENT				
Personnel Services	82,234	82,234	67,297	(14,937)
Employee Medical Insurance	20,948	20,948	15,373	(5,575)
Retirement Fund Contribution	5,241	5,241	5,240	(1)
Clerical and Administrative	200	534	434	(100)
Advertising	350	350	-	(350)
Community Relations	300	300	-	(300)
Dues and Membership	200	200	-	(200)
Great Sylvester Cleanup	1,000	1,000	1,952	952
Miscellaneous	500	515	40	(475)
Motor Fuels	4,000	4,000	2,426	(1,574)
Professional Services	30,700	36,247	35,959	(288)
Rent	2,700	2,700	675	(2,025)
Repairs and Maintenance-Equipment	1,400	1,400	690	(710)
Supplies	800	800	314	(486)
Telephone and Utilities	2,600	2,600	2,116	(484)
Travel and Training	2,400	2,400	-	(2,400)
Uniforms	500	500	-	(500)
Capital Lease-Principal	9,853	9,853	6,067	(3,786)
Capital Lease-Interest	623	623	91	(532)
Total Code Enforcement	166,549	172,445	138,674	(33,771)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2020

	Budget			Variance with
	Original	Final	Actual	Budget
BUILDING AND ZONING				
Personnel Services	$ 120,898	$ 120,898	$ 103,049	$ (17,849)
Retirement Contributions	7,970	7,970	7,968	(2)
Employee Medical Insurance	22,505	24,005	22,953	(1,052)
Professional Services	6,000	16,084	16,084	-
Clerical and Administrative	3,050	3,065	1,075	(1,990)
Motor Fuels	900	900	571	(329)
Rent	-	-	-	-
Repairs and Maintenance	1,150	1,150	731	(419)
Telephone and Utilities	1,700	1,700	1,714	14
Travel and Training	4,500	4,500	1,191	(3,309)
Total Building and Zoning	168,673	180,272	155,336	(24,936)
DOWNTOWN DEVELOPMENT				
Personnel Services	50,737	50,737	48,820	(1,917)
Employee Medical Insurance	10,213	20,016	16,062	(3,954)
Retirement Fund Contribution	3,587	3,587	3,586	(1)
Advertising	8,000	5,800	1,164	(4,636)
Community Relations	33,000	31,500	21,590	(9,910)
Georgia Cities Week	9,000	9,000	7,206	(1,794)
Clerical and Administrative	1,450	2,951	2,469	(482)
Dues and Membership	1,200	1,409	1,616	207
Façade Program	6,000	6,000	6,000	-
Miscellaneous	7,250	15,464	15,464	-
Rent	-	675	675	-
Repairs and Maintenance	1,100	3,022	1,813	(1,209)
Supplies	1,150	5,715	2,613	(3,102)
Telephone and Utilities	2,320	2,320	1,662	(658)
Travel and Training	6,000	6,000	1,689	(4,311)
Total Downtown Development	141,007	164,196	132,429	(31,767)
TOTAL EXPENDITURES	$ 7,829,820	$ 7,636,339	$ 7,001,286	$ (635,053)

CITY OF SYLVESTER, GEORGIA
Non-major Governmental Funds
Combining Balance Sheet
June 30, 2020

	SPECIAL REVENUE FUNDS			CAPITAL PROJECTS FUND	
	CDBG Loan Fund	Designated Grant Fund	Hotel/ Motel Tax Fund	Transportation SPLOST Fund	Total
ASSETS					
Cash	$ 131,826	$ 297,249	$ 16,015	$ 250,975	$ 696,065
Taxes Receivable	-	-	-	-	-
Loan Receivable	46,898	-	-	-	46,898
Due from Other Funds	-	-	-	-	-
TOTAL ASSETS	$ 178,724	$ 297,249	$ 16,015	$ 250,975	$ 742,963
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts Payable	$ -	$ -	$ -	$ -	$ -
Due to Other Funds	-	-	-	-	-
Total Liabilities	-	-	-	-	-
Deferred Inflows of Resources					
None	-	-	-	-	-
Fund Balances					
Restricted:					
Economic Development	178,724	-	-	-	178,724
Tourism	-	-	16,015	-	16,015
Capital Projects	-	297,249	-	250,975	548,224
Total Fund Balances	178,724	297,249	16,015	250,975	742,963
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 178,724	$ 297,249	$ 16,015	$ 250,975	$ 742,963

CITY OF SYLVESTER, GEORGIA
Non-major Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
June 30, 2020

	SPECIAL REVENUE FUNDS			CAPITAL PROJECTS FUND	
	CDBG Loan Fund	Designated Grant Fund	Hotel/ Motel Tax Fund	Transportation SPLOST Fund	Total
REVENUES					
Grant Proceeds	$ -	$ 606,194	$ -	$ -	$ 606,194
Intergovernmental	-	-	-	250,975	250,975
Contributions	-	1,350	-	-	1,350
Investment Income	2,098	-	-	-	2,098
Hotel/Motel Taxes	-	-	17,732	-	17,732
TOTAL REVENUES	2,098	607,544	17,732	250,975	878,349
EXPENDITURES					
Culture and Recreation	-	-	-	-	-
Community and Economic Development	-	280,058	11,316	-	291,374
Capital Outlay	-	119,722	-	-	119,722
TOTAL EXPENDITURES	-	399,780	11,316	-	411,096
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,098	207,764	6,416	250,975	467,253
OTHER FINANCING USES					
Transfer In (Out)	-	(112,523)	-	-	(112,523)
NET CHANGE IN FUND BALANCE	2,098	95,241	6,416	250,975	354,730
FUND BALANCE - JULY 1, 2019	176,626	202,008	9,599	-	388,233
FUND BALANCE - JUNE 30, 2020	$ 178,724	$ 297,249	$ 16,015	$ 250,975	$ 742,963

CITY OF SYLVESTER, GEORGIA
CDBG Economic Development Revolving Loan Fund
Balance Sheet
June 30, 2020

ASSETS		
Cash	$	131,826
Loan Receivable		46,898
TOTAL ASSETS	$	178,724
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable		-
Fund Balance		
Restricted:		
Economic Development		178,724
TOTAL LIABILITIES AND FUND BALANCE	$	178,724

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, 2020

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Interest on Loan Receivable	$ 12,000	$ 12,000	$ 2,073	$ (9,927)
Interest-Bank	1,200	1,200	25	(1,175)
TOTAL REVENUES	13,200	13,200	2,098	(11,102)
EXPENDITURES				
Loan Servicing Fees	-	-	-	-
Contingency	13,200	13,200	-	(13,200)
TOTAL EXPENDITURES	13,200	13,200	-	(13,200)
Excess of Revenues Over Expenditures	-	-	2,098	2,098
NET CHANGE IN FUND BALANCE	-	-	2,098	2,098
FUND BALANCE - JULY 1, 2019			176,626	
FUND BALANCE - JUNE 30, 2020			$ 178,724	

CITY OF SYLVESTER, GEORGIA
Designated Grant Fund
Balance Sheet
June 30, 2020

ASSETS		
Cash	$	297,249
Due from Other Funds		-
TOTAL ASSETS	$	297,249
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	$	-
Due to Other Funds		-
TOTAL LIABILITIES		-
Fund Balance		
Restricted:		
Capital Projects		297,249
TOTAL LIABILITIES AND FUND BALANCE	$	297,249

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, 2020

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Grant Proceeds	$ 300,000	$ 300,000	$ 606,194	$ 306,194
Contributions	-	-	1,350	1,350
TOTAL REVENUES	300,000	300,000	607,544	307,544
EXPENDITURES				
Community and Economic Development	-	-	280,058	280,058
Capital Outlay	300,000	300,000	119,722	(180,278)
TOTAL EXPENDITURES	300,000	300,000	399,780	99,780
Excess of Revenues Over Expenditures	-	-	207,764	207,764
OTHER FINANCING USES				
Transfer Out	-	-	(112,523)	(112,523)
NET CHANGE IN FUND BALANCE	-	-	95,241	95,241
FUND BALANCE - JULY 1, 2019			202,008	
FUND BALANCE - JUNE 30, 2020			$ 297,249	

CITY OF SYLVESTER, GEORGIA
Hotel/Motel Tax Fund
Balance Sheet
June 30, 2020

ASSETS		
Cash	$	16,015
Taxes Receivable		-
TOTAL ASSETS	$	16,015
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable		-
Fund Balance		
Restricted:		
Tourism		16,015
TOTAL LIABILITIES AND FUND BALANCE	$	16,015

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, 2020

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Hotel/Motel Taxes	$ 24,354	$ 24,354	$ 17,732	$ (6,622)
TOTAL REVENUES	24,354	24,354	17,732	(6,622)
EXPENDITURES				
Chamber of Commerce Allocation	14,612	14,612	11,316	(3,296)
Bank Charges	-	-	-	-
TOTAL EXPENDITURES	14,612	14,612	11,316	(3,296)
Excess of Revenues Over Expenditures	9,742	9,742	6,416	(3,326)
OTHER FINANCING USES				
Transfer Out	(9,742)	(9,742)	-	9,742
NET CHANGE IN FUND BALANCE	-	-	6,416	6,416
FUND BALANCE - JULY 1, 2019			9,599	
FUND BALANCE - JUNE 30, 2020			$ 16,015	

CITY OF SYLVESTER, GEORGIA
T-SPLOST Capital Projects Fund
Balance Sheet
June 30, 2020

ASSETS		
Cash	$	250,975
Taxes Receivable		-
TOTAL ASSETS	$	250,975
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	$	-
Due to Other Funds		-
Fund Balance		
Restricted:		
Capital Projects		250,975
TOTAL LIABILITIES AND FUND BALANCE	$	250,975

CITY OF SYLVESTER, GEORGIA
T-SPLOST Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2020

	Budget			Variance With
	Original	Final	Actual	Budget
REVENUES				
Intergovernmental	$ 250,975	$ 250,975	$ 250,975	$ -
Total Revenues	250,975	250,975	250,975	-
EXPENDITURES				
Capital Projects	250,975	250,975	-	(250,975)
TOTAL EXPENDITURES	250,975	250,975	-	(250,975)
Deficiency of Revenues Under Expenditures	-	-	250,975	250,975
NET CHANGE IN FUND BALANCE	$ -	$ -	250,975	$ 250,975
FUND BALANCE-JULY 1, 2019			-	
FUND BALANCE-JUNE 30, 2020			$ 250,975	

CITY OF SYLVESTER, GEORGIA
SPLOST Capital Projects Fund
Balance Sheet
June 30, 2020

ASSETS		
Cash	$	427,060
Taxes Receivable		-
TOTAL ASSETS	$	427,060
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	$	-
Due to Other Funds		-
Fund Balance		
Restricted:		
Capital Projects		427,060
TOTAL LIABILITIES AND FUND BALANCE	$	427,060

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, 2020

	Budget			Variance With
	Original	Final	Actual	Budget
REVENUES				
Intergovernmental	$ 378,346	$ 378,346	$ 458,272	$ 79,926
Interest	600	600	672	72
Total Revenues	378,946	378,946	458,944	79,998
EXPENDITURES				
Capital Projects	194,952	194,952	48,472	(146,480)
Debt Service:				
Principal	169,695	169,695	170,715	1,020
Interest	14,299	14,299	13,279	(1,020)
TOTAL EXPENDITURES	378,946	378,946	232,466	(146,480)
Deficiency of Revenues Under Expenditures	-	-	226,478	226,478
NET CHANGE IN FUND BALANCE	$ -	$ -	226,478	$ 226,478
FUND BALANCE-JULY 1, 2019			200,582	
FUND BALANCE-JUNE 30, 2020			$ 427,060	

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Net Position
June 30, 2020

ASSETS		
Current Assets		
Cash	$	284,394
Investment-Certificate of Deposit		194,829
Investment		2,667,308
Restricted Assets		
Cash-Customer Deposits		99,282
Accounts Receivable (Net of Allowance for Uncollectible Accounts)		545,560
Inventory		190,663
Prepaid Items		14,465
Due from Other Funds		-
Total Current Assets		3,996,501
Noncurrent Assets		
Capital Assets		
Electric System		3,737,888
Machinery and Equipment		161,975
Vehicles		889,797
Construction in Progress		-
Accumulated Depreciation		(3,233,063)
Total Noncurrent Assets		1,556,597
TOTAL ASSETS		5,553,098
LIABILITIES		
Current Liabilities		
Accounts Payable		629,439
Accrued Expenses		69,056
Liabilities Payable from Restricted Assets-Customer Deposits		23,182
Due to Other Funds		-
Total Current Liabilities		721,677
Long-Term Liabilities		
Accrued Vacation		40,223
Total Long-Term Liabilities		40,223
TOTAL LIABILITIES		761,900
Investment in Capital Assets		1,556,597
Unrestricted		3,234,601
TOTAL NET POSITION	$	4,791,198

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2020

OPERATING REVENUES	
Electric Sales	$ 11,500,822
Penalties	65,404
Service Fees	62,110
Miscellaneous	6,578
Pole Rental	110,819
TOTAL OPERATING REVENUES	11,745,733
OPERATING EXPENSES	
Personnel Services	456,028
Employee Medical Insurance	319,402
Retirement Fund Contribution	27,178
Purchases - Electricity	7,400,491
Clerical and Administrative	50,426
Insurance - General	32,200
Marketing	24,176
Miscellaneous	3,270
Motor Fuels	16,663
Professional Fees	10,038
Repairs and Maintenance-Equipment	17,547
Repairs and Maintenance-System	164,948
Supplies-General	8,965
Supplies-System	40,233
Technical Support	93,966
Telephone and Utilities	33,300
Travel and Training	552
Uniforms	7,156
Depreciation	107,979
TOTAL OPERATING EXPENSES	8,814,518
OPERATING INCOME	2,931,215

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position (Continued)
For the Year Ended June 30, 2020

NON-OPERATING REVENUES (EXPENSES)	
Interest Income	$ 462
Market Gain on Investments	310,328
Interest Expense	(17)
TOTAL NON-OPERATING REVENUES (EXPENSES)	310,773
Income Before Transfers	3,241,988
Transfers In	-
Transfers Out	(3,486,068)
CHANGE IN NET POSITION	(244,080)
NET POSITION - JULY 1, 2019	5,035,278
NET POSITION - JUNE 30, 2020	$ 4,791,198

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Cash Flows
For the Year Ended June 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 12,491,077
Cash Payments to Suppliers	(8,321,257)
Cash Payments to Employees	(781,657)
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,388,163
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payments to Other Funds	(3,241,140)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase and Construction of Capital Assets	-
Principal Paid on Capital Debt	(5,022)
Interest Paid on Capital Debt	(17)
Proceeds from Capital Debt	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(5,039)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	462
Purchase of Investments	(112,469)
NET CASH USED BY INVESTING ACTIVITIES	(112,007)
Net Increase in Cash and Cash Equivalents	29,977
CASH AND CASH EQUIVALENTS-JULY 1, 2019	548,528
CASH AND CASH EQUIVALENTS-JUNE 30, 2020	$ 578,505
Displayed As:	
Investment-Certificate of Deposit	$ 194,829
Restricted Assets	$ 99,282

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Cash Flows (Continued)
For the Year Ended June 30, 2020

Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	$ 2,931,215
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation Expense	107,979
(Increase) Decrease in Assets:	
Accounts Receivable	789,500
Prepaid Items	(660)
Inventory	5,877
Increase (Decrease) in Liabilities:	
Accounts Payable	(37,224)
Accrued Expenses	(385,323)
Accrued Vacation	20,951
Customer Deposits	(44,152)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 3,388,163
Noncash Investing, Capital and Financing Activities	
Increase in Fair Value of Investments	$ 310,328

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Statement of Net Position
June 30, 2020

ASSETS		
Current Assets		
Cash	$	273,401
Investment-Certificate of Deposit		183,563
Restricted Assets		
Cash-Customer Deposits		111,212
Cash-GEFA		182
Investment-Certificate of Deposit-GEFA		164,966
Accounts Receivable (Net of Allowance for Uncollectible Accounts)		283,666
Inventory		50,050
Prepaid Items		7,535
Due from Other Funds		-
Total Current Assets		1,074,575
Noncurrent Assets		
Capital Assets		
Land		21,800
Buildings		365,283
Water and Sewer System		14,615,266
Machinery and Equipment		838,852
Vehicles		207,475
Construction in Progress		3,107,835
Accumulated Depreciation		(10,036,555)
Total Noncurrent Assets		9,119,956
TOTAL ASSETS		10,194,531
LIABILITIES		
Current Liabilities		
Accounts Payable		42,387
Notes Payable		284,078
Accrued Expenses		4,001
Liabilities Payable from Restricted Assets-Customer Deposits		82,845
Due to Other Funds		-
Total Current Liabilities		413,311
Long-Term Liabilities		
Accrued Vacation		11,217
Notes Payable		4,233,126
Total Long-Term Liabilities		4,244,343
TOTAL LIABILITIES		4,657,654
Net Investment in Capital Assets		4,602,752
Restricted for Debt Service		165,148
Unrestricted		768,977
TOTAL NET POSITION	$	5,536,877

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2020

OPERATING REVENUES	
Water Revenue	$ 1,038,943
Sewer Revenue	809,728
Penalties	19,059
Other	531
TOTAL OPERATING REVENUES	1,868,261
OPERATING EXPENSES	
Water (Schedule 1)	441,412
Sewer (Schedule 2)	567,826
Depreciation	364,851
TOTAL OPERATING EXPENSES	1,374,089
OPERATING INCOME	494,172
NON-OPERATING REVENUES (EXPENSES)	
Principal Forgiveness on Long-Term Debt	28,860
Interest Income	378
Interest Expense	(94,980)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(65,742)
Income Before Transfers	428,430
Capital Transfer In of Capital Equipment (Net of $52,175 in related debt)	3,164
Transfers In	112,523
Transfers Out	(219,631)
CHANGE IN NET POSITION	324,486
NET POSITION-JULY 1, 2019	5,212,391
NET POSITION-JUNE 30, 2020	$ 5,536,877

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Statement of Cash Flows
For the Year Ended June 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 1,827,194
Cash Payments to Suppliers	(833,357)
Cash Payment to Employees	(295,871)
NET CASH PROVIDED BY OPERATING ACTIVITIES	697,966
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payments to Other Funds	(170,180)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases and Construction of Capital Assets	(164,473)
Principal Paid on Capital Debt	(242,491)
Interest Paid on Capital Debt	(94,980)
Proceeds from Long Term Debt	28,860
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(473,084)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	378
NET CASH PROVIDED BY OPERATING ACTIVITIES	378
Net Increase in Cash and Cash Equivalents	55,080
CASH AND CASH EQUIVALENT-JULY 1, 2019	678,144
CASH AND CASH EQUIVALENT-JUNE 30, 2020	$ 733,224
Displayed As:	
Investment-Certificate of Deposit	$ 183,563
Restricted Assets	$ 276,360
Non Cash Transactions:	
Principal Forgiveness on Capital Debt	$ 28,860
Transfer of Capital Asset from General Fund	$ 55,339
Transfer of Capital Asset Related Debt from General Fund	$ 52,175

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Statement of Cash Flows (Continued)
For the Year Ended June 30, 2020

Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	$ 494,172
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation Expense	364,851
(Increase) Decrease in Assets:	
Accounts Receivable	(42,820)
Prepaid Items	(1,667)
Increase (Decrease) in Liabilities:	
Accounts Payable	(60,248)
Accrued Expenses	(65,448)
Accrued Vacation	7,373
Customer Deposits	1,753
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 697,966

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Water Operating Expenses – Schedule 1
For the Year Ended June 30, 2020

Water Operating Expenses

Personnel Services	$	132,286
Retirement Fund Contribution		13,099
Advertising		1,074
Clerical and Administrative		1,377
Dues and Memberships		493
Insurance		28,858
Lab Fees		18,945
Motor fuels		8,242
Repairs and Maintenance-Equipment		6,376
Repairs and Maintenance-System		78,791
Supplies-General		5,864
Supplies- System		37,336
Telephone and Utilities		105,689
Travel and Training		662
Uniforms		2,320
Total Operating Expenses	$	441,412

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Sewer Operating Expenses – Schedule 2
For the Year Ended June 30, 2020

Sewer Operating Expenses

Personnel Services	$ 124,729
Employee Medical Insurance	14,437
Retirement Fund Contribution	18,693
Advertising	-
Clerical and Administrative	1,842
Insurance	28,858
Lab Fees	56,049
Motor Fuels	7,417
Repairs and Maintenance - Equipment	16,908
Repairs and Maintenance - System	111,626
Supplies - General	49
Supplies - System	5,810
Telephone and Utilities	179,884
Travel and Training	300
Uniforms	1,224
Total Operating Expenses	$ 567,826

CITY OF SYLVESTER, GEORGIA
Airport Fund
Statement of Net Position
June 30, 2020

ASSETS	
Current Assets	
Cash	$ 61,873
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	800
Due from Other Funds	-
Total Current Assets	62,673
Noncurrent Assets	
Capital Assets	
Land	382,791
Land Improvements	5,141,890
Equipment	6,040
Construction in Progress	-
Accumulated Depreciation	(1,208,467)
Total Noncurrent Assets	4,322,254
TOTAL ASSETS	4,384,927
LIABILITIES	
Current Liabilities	
Miscellaneous Liabilities	138,629
Due to Other Funds	-
TOTAL LIABILITIES	138,629
DEFERRED INFLOWS OF RESOURCES	
Unearned Revenues - Rent Proceeds	-
NET POSITION	
Investment in Capital Assets	4,322,254
Unrestricted	(75,956)
TOTAL NET POSITION	$ 4,246,298

CITY OF SYLVESTER, GEORGIA
Airport Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2020

OPERATING REVENUES	
Rent	$ 6,400
Other Revenues	-
TOTAL OPERATING REVENUES	6,400
OPERATING EXPENSES	
Dues and Licenses	400
Insurance	2,887
Repairs and Maintenance	1,063
Utilities	1,880
Miscellaneous	13
Depreciation	300,125
TOTAL OPERATING EXPENSES	306,368
OPERATING LOSS	(299,968)
NON-OPERATING REVENUES	
Capital Grants	292,985
Income Before Transfers	(6,983)
Transfers in	100,000
CHANGE IN NET POSITION	93,017
NET POSITION-JULY 1, 2019	4,153,281
NET POSITION-JUNE 30, 2020	$ 4,246,298

CITY OF SYLVESTER, GEORGIA
Airport Fund
Statement of Cash Flows
For the Year Ended June 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 6,400
Cash Payments to Suppliers	132,240
NET CASH PROVIDED BY OPERATING ACTIVITIES	138,640
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payments from Other Funds	67,474
Payments to Other Funds	-
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	67,474
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase and Construction of Capital Assets	(497,121)
Capital Grants Received	292,985
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(204,136)
CASH FLOWS FROM INVESTING ACTIVITIES	-
Net Increase in Cash and Cash Equivalents	1,978
CASH AND CASH EQUIVALENTS - JULY 1, 2019	59,895
CASH AND CASH EQUIVALENTS - JUNE 30, 2020	$ 61,873
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Loss	(299,968)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	300,125
(Increase) Decrease in Assets:	
Accounts Receivable	-
Increase (Decrease) in Liabilities:	
Unearned Revenues	-
Accounts Payable and Miscellaneous Liabilities	138,483
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 138,640

CITY OF SYLVESTER, GEORGIA
Solid Waste Fund
Statement of Net Position
June 30, 2020

ASSETS	
Current Assets	
Cash	$ 182,288
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	103,229
Miscellaneous Current Assets	4,209
Due from Other Funds	-
Total Current Assets	289,726
Noncurrent Assets	
Capital Assets	
Land	19,780
Vehicles	139,855
Accumulated Depreciation	(27,871)
Total Noncurrent Assets	131,764
TOTAL ASSETS	421,490
LIABILITIES	
Current Liabilities	
Accounts Payable	-
Notes Payable	24,192
Due to Other Funds	-
Total Current Liabilities	24,192
Long-Term Liabilities	
Notes Payable	48,972
Total Long-Term Liabilities	48,972
TOTAL LIABILITIES	73,164
NET POSITION	
Net Investment in Capital Assets	58,600
Unrestricted	289,726
TOTAL NET POSITION	$ 348,326

CITY OF SYLVESTER, GEORGIA
Solid Waste Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2020

OPERATING REVENUES	
Refuse Collection Fees	$ 696,971
Landfill Collection Fees	137,349
Penalties	7,902
TOTAL OPERATING REVENUES	842,222
OPERATING EXPENSES	
Refuse Disposal Fees	515,162
Landfill Fees	155,106
Miscellaneous	187
Depreciation	9,224
TOTAL OPERATING EXPENSES	679,679
OPERATING INCOME	162,543
NON-OPERATING EXPENSES	
Interest Expense	4,185
Income Before Transfers	158,358
Transfers	-
CHANGE IN NET POSITION	158,358
NET POSITION-JULY 1, 2019	189,968
NET POSITION-JUNE 30, 2020	$ 348,326

CITY OF SYLVESTER, GEORGIA
Solid Waste Fund
Statement of Cash Flows
For the Year Ended June 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 823,220
Cash Payments to Suppliers	(705,125)
Cash Payments to Employee	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	118,095
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payments from Other Funds	5,604
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	5,604
CASH FLOWS FROM CAPITAL AND RELATING FINANCING ACTIVITIES	
Purchase of Capital Assets	-
Principal Paid on Long Term Debt	(27,365)
Interest Paid on Long Term Debt	(4,185)
Proceeds from Long Term Debt	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(31,550)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	-
NET CASH USED BY INVESTING ACTIVITIES	-
Net Increase in Cash and Cash Equivalents	92,149
CASH AND CASH EQUIVALENTS - JULY 1, 2019	90,139
CASH AND CASH EQUIVALENTS - JUNE 30, 2020	$ 182,288
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	162,543
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	9,224
(Increase) Decrease in Assets:	
Accounts Receivable and Miscellaneous Current Assets	(19,002)
Increase (Decrease) in Liabilities	
Accounts Payable	(34,670)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 118,095

CITY OF SYLVESTER, GEORGIA
Telecommunications Fund
Statement of Net Position
June 30, 2020

ASSETS	
Current Assets	
Cash	$ 13,638
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	108,900
Due from Other Funds	-
Total Current Assets	122,538
Noncurrent Assets	
Capital Assets	
Construction in Progress	-
Fiber Optics System	381,861
Vehicles	3,060
Accumulated Depreciation	(316,243)
Total Noncurrent Assets	68,678
TOTAL ASSETS	191,216
LIABILITIES	
Current Liabilities	
Miscellaneous Liabilities	104,946
Due to Other Funds	-
TOTAL LIABILITIES	104,946
NET POSITION	
Investment in Capital Assets	68,678
Unrestricted	17,592
TOTAL NET POSITION	$ 86,270

CITY OF SYLVESTER, GEORGIA
Telecommunications Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2020

OPERATING REVENUES		
Telecom Charges	$	18,368
Internet Charges		28,500
TOTAL OPERATING REVENUES		46,868
OPERATING EXPENSES		
Contractual Services		-
Internet Fees		5,441
Professional Services		8,475
Repairs and Maintenance-System		34,635
Depreciation		9,247
TOTAL OPERATING EXPENSES		57,798
OPERATING INCOME		(10,930)
Income Before Transfers		(10,930)
Transfers Out		(10,000)
CHANGE IN NET POSITION		(20,930)
NET POSITION-JULY 1, 2019		107,200
NET POSITION-JUNE 30, 2020	$	86,270

CITY OF SYLVESTER, GEORGIA
Telecommunications Fund
Statement of Cash Flows
For the Year Ended June 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	$	46,733
Cash Payments to Suppliers		15,920
NET CASH PROVIDED BY OPERATING ACTIVITIES		62,653
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Payments (to) from Other Funds		(85,658)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase and Construction of Capital Assets		-
CASH FLOWS FROM INVESTING ACTIVITIES		-
Net Decrease in Cash and Cash Equivalents		(23,005)
CASH AND CASH EQUIVALENTS - JULY 1, 2019		36,643
CASH AND CASH EQUIVALENTS - JUNE 30, 2020	$	13,638
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Income (Loss)		(10,930)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation		9,247
(Increase) Decrease in Assets:		
Accounts Receivable		(135)
Increase (Decrease) in Liabilities:		
Accounts Payable and Miscellaneous Liabilities		64,471
NET CASH PROVIDED BY OPERATING ACTIVITIES	$	62,653

CITY OF SYLVESTER, GEORGIA
Natural Gas Fund
Statement of Net Position
June 30, 2020

ASSETS	
Current Assets	
Cash	$ 280,032
Restricted Assets	
Cash-Customer Deposits	27,896
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	7,143
Due from Other Funds	-
Inventory	31,047
Prepaid Items	1,227
Total Current Assets	347,345
Noncurrent Assets	
Capital Assets	
Land	2,500
Natural Gas System	896,021
Machinery and Equipment	197,577
Vehicles	103,094
Accumulated Depreciation	(1,045,779)
Total Noncurrent Assets	153,413
TOTAL ASSETS	500,758
LIABILITIES	
Current Liabilities	
Accounts Payable	26,459
Notes Payable	8,669
Accrued Expenses	2,005
Miscellaneous Liabilities	337,008
Liabilities Payable from Restricted Assets-Customer Deposits	22,345
Total Current Liabilities	396,486
Long-Term Liabilities	
Accrued Vacation	2,218
Total Long-Term Liabilities	2,218
TOTAL LIABILITIES	398,704
NET POSITION	
Net Investment in Capital Assets	144,744
Unrestricted	(42,690)
TOTAL NET POSITION	$ 102,054

CITY OF SYLVESTER, GEORGIA
Natural Gas Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2020

OPERATING REVENUES		
Gas Sales	$	824,454
Penalties		13,856
TOTAL OPERATING REVENUES		838,310
OPERATING EXPENSES		
Purchases-Natural Gas		394,144
Personnel Services		179,631
Employee Medical Insurance		65,477
Advertising		2,307
Clerical and Administrative		138
Dues and Membership		14,243
Insurance - General		21,517
Motor Fuels		4,260
Professional Fees		8,650
Repairs and Maintenance - Equipment		3,180
Repairs and Maintenance - System		9,313
Retirement Fund Contribution		14,335
Supplies - General		12,633
Telephone and Utilities		1,811
Travel and Training		1,350
Uniforms		2,021
Depreciation		21,078
TOTAL OPERATING EXPENSES		756,088
OPERATING INCOME (LOSS)		82,222
NON-OPERATING REVENUES (EXPENSES)		
Interest Income		57
Income Before Transfers		82,279
Transfers In		-
Transfers Out		(35,668)
CHANGE IN NET POSITION		46,611
NET POSITION - JULY 1, 2019		55,443
NET POSITION - JUNE 30, 2020	$	102,054

CITY OF SYLVESTER, GEORGIA
Natural Gas Fund
Statement of Cash Flows
For the Year Ended June 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 881,684
Cash Payments to Suppliers	(181,619)
Cash Payments to Employee	(257,225)
NET CASH PROVIDED BY OPERATING ACTIVITIES	442,840
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payments to Other Funds	(191,062)
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	(191,062)
CASH FLOWS FROM CAPITAL AND RELATING FINANCING ACTIVITIES	
Purchase of Capital Assets	-
Principal Paid on Long Term Debt	(11,113)
Interest Paid on Long Term Debt	-
Proceeds from Long Term Debt	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(11,113)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	57
NET CASH PROVIDED BY INVESTING ACTIVITIES	57
Net Increase in Cash and Cash Equivalents	240,722
CASH AND CASH EQUIVALENTS - JULY 1, 2019	67,206
CASH AND CASH EQUIVALENTS - JUNE 30, 2020	$ 307,928
Displayed As:	
Restricted Assets	$ 27,896
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	82,222
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation Expense	21,078
(Increase) Decrease in Assets:	
Accounts Receivable	43,455
Prepaid Items	(272)
Increase (Decrease) in Liabilities	
Accounts Payable	(563)
Accrued Expenses and Other Liabilities	294,511
Customer Deposits	191
Accrued Vacation	2,218
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 442,840

CITY OF SYLVESTER, GEORGIA
Agency Funds
Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Utility Energy Crisis				
ASSETS				
Cash	$ 760	$ 1	$ -	$ 761
LIABILITIES				
Due to Other Governments	$ 760	$ 1	$ -	$ 761
Downtown Sylvester Farmer's Market				
ASSETS				
Cash	$ 2,783	$ -	$ (1,415)	$ 1,368
LIABILITIES				
Due to Other Governments	$ 2,783	$ -	$ (1,415)	$ 1,368
Totals				
ASSETS				
Cash	$ 3,543	$ 1	$ (1,415)	$ 2,129
LIABILITIES				
Due to Other Governments	$ 3,543	$ 1	$ (1,415)	$ 2,129

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

ADDITIONAL SUPPLEMENTARY INFORMATION

CITY OF SYLVESTER, GEORGIA
Schedule of Projects Constructed
With Special Purpose Local Option Sales Tax Proceeds
For the Year Ended June 30, 2020

2016 Referendum

Category	Original Estimated Cost	Revised Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Total	% Complete as of 6/30/2020
Roads, bridges, sidewalks and associated capital equipment	$ 537,015	$ 537,015	$ 487,713	$ 11,347	$ 499,060	93%
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	-	37,125	37,125	74%
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	$ 513,495	$ 48,472	$ 561,967	

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

Prior Years	$ 1,180,908
Current Year	183,994
	$ 1,364,902

CITY OF SYLVESTER, GEORGIA
Schedule of Projects Constructed
With Transportation Special Purpose Local Option Sales Tax Proceeds
For the Year Ended June 30, 2020

2019 Referendum

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures Prior Years	Expenditures Current Years	Expenditures Total	% Complete as of 6/30/2020
Road, Street, Bridge Purposes as allowed under O.C.G.A 48-8-260(4)	$ 2,711,300	$ 2,711,300	$ -	$ -	$ -	0.0%
Total	$ 2,711,300	$ 2,711,300	$ -	$ -	$ -	

CITY OF SYLVESTER, GEORGIA
Community Development Block Grant
Project Cost Schedule
18p-x-159-2-6029
For the Year Ended June 30, 2020

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	$ 211,197	$ -	$ 211,197
Engineering	T-03J-00	-	-	72,349	72,349
General Administration	A-21A-00	-	-	12,000	12,000
Total		$ 703,400	$ 211,197	$ 84,349	$ 295,546

CITY OF SYLVESTER, GEORGIA
Community Development Block Grant
Source & Application of Funds Schedule
18p-x-159-2-6029
For the Year Ended June 30, 2020

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	$	211,197
Funds Still Available from Program Year 2018 Resources	$	492,203
Total Program Year 2018 CDBG Funds Drawn and Received by Recipient	$	211,197
Local Matches and Other Receipts		84,349
Total Receipts Available for Program Year 2018 Costs		295,546
Less: Funds Applied and Expended to Program Year 2018 Costs		295,546
Total Program Year 2018 Funds Held by Recipient	$	-

CITY OF SYLVESTER, GEORGIA
Community Development Block Grant
Project Cost Schedule
18p-x-159-2-6093
For the Year Ended June 30, 2020

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
Water Improvements	P-03J-01	$ 705,000	$ -	$ -	$ -
Engineering	T-03J-00	-	-	30,103	30,103
General Administration	A-21A-00	45,000	18,000	-	18,000
Total		$ 750,000	$ 18,000	$ 30,103	$ 48,103

CITY OF SYLVESTER, GEORGIA
Community Development Block Grant
Source & Application of Funds Schedule
18p-x-159-2-6093
For the Year Ended June 30, 2020

Total Program Year 2018 CDBG Funds Allocated to Recipient	$	750,000
Less: Deobligations		-
Net Program Year 2018 Funds Allocated to Recipient		750,000
Less: Total Program Year 2018 Funds Drawn Down by Recipient	$	18,000
Funds Still Available from Program Year 2018 Resources	$	732,000
Total Program Year 2018 CDBG Funds Drawn and Received by Recipient	$	18,000
Local Matches and Other Receipts		30,103
Total Receipts Available for Program Year 2018 Costs		48,103
Less: Funds Applied and Expended to Program Year 2018 Costs		48,103
Total Program Year 2018 Funds Held by Recipient	$	-

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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, 2020, 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 11, 2020.

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 2020-1) 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

Hudson & NeSmith, CPAs
Sylvester, Georgia
December 11, 2020

CITY OF SYLVESTER, GEORGIA
Schedule of Findings and Responses
For the Year Ended June 30, 2020

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

2020-1 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, 2020

2019-1 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 11, 2020

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

Re: Compliance Section - Financial Statement Finding audit report year ending 6/30/2020.

2020-1 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.