

Rock Solid

City of Elberton, Georgia

Comprehensive Annual Financial Report

For the fiscal year ended
June 30, 2020

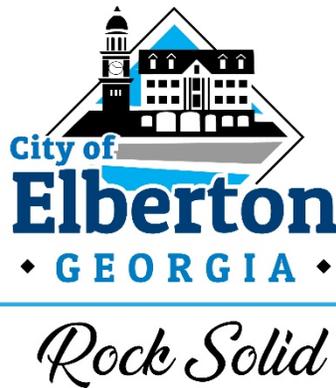
Prepared by:

Department of Finance

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Part I

Introductory Section



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City of Elberton, Georgia
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2020

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CITY OF ELBERTON, GEORGIA

CITY OFFICIALS

June 30, 2020

MAYOR

Larry L. Guest

CITY COUNCIL

Kyle Parham, Mayor Pro Tempore

Terry Burton

Carey Butler

Troy Colquitt

Rick Prince

CITY MANAGER

Lanier W. Dunn, CPA

CITY ATTORNEY

John Stephen Jenkins, Sr.

MUNICIPAL COURT JUDGE

Robert A. Johnson



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Elberton
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

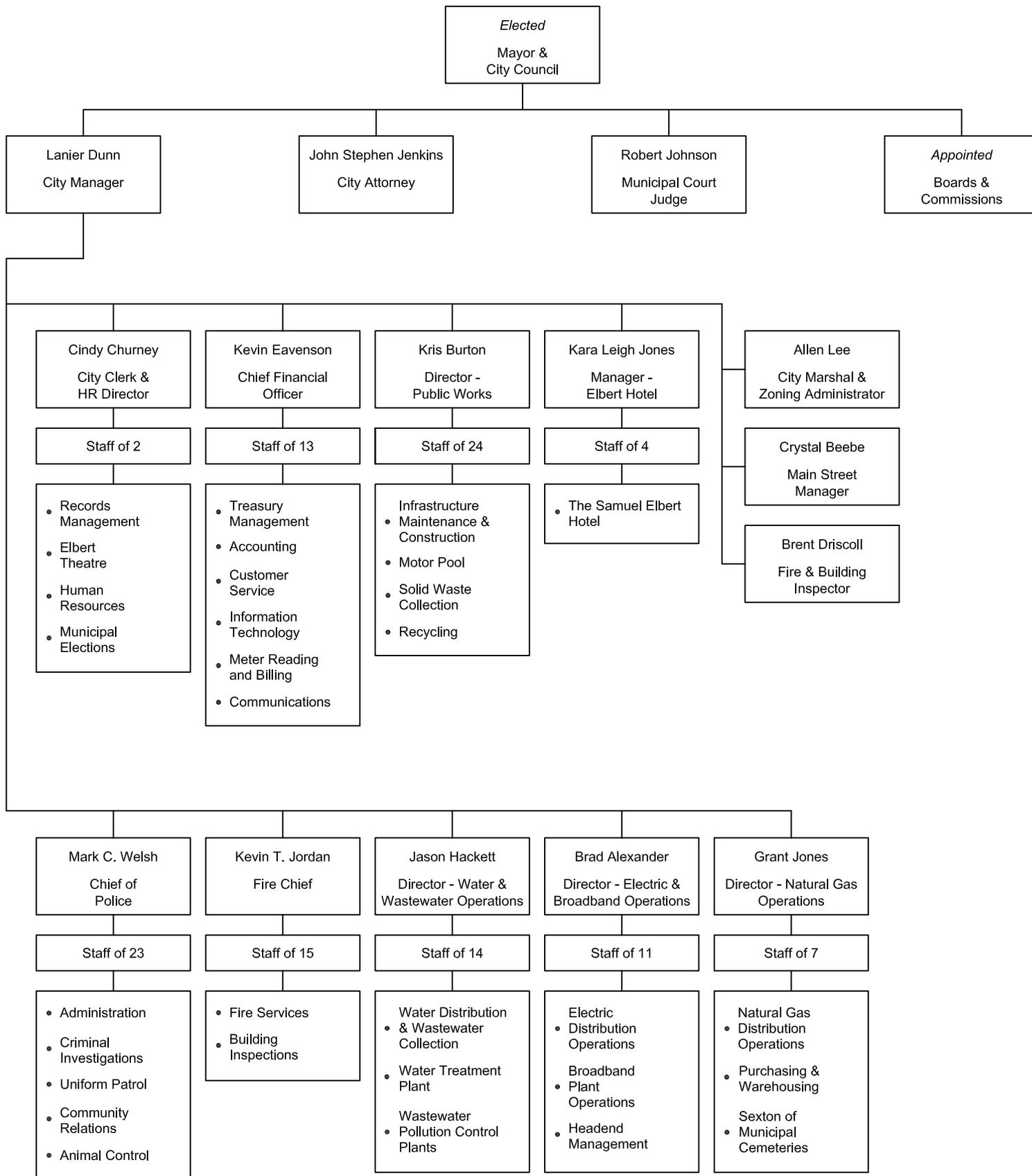
Christopher P. Morill

Executive Director/CEO

City of Elberton, Ga.

Organizational Chart

as of June 30, 2020





203 ELBERT STREET • PO BOX 70 • ELBERTON, GA 30635-0070
(706) 213-3100 • cityofelberton.net

Rock Solid

November 1, 2020

The Honorable Larry L. Guest, Mayor
Members of the City Council, and
Citizens of the City of Elberton

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of the City of Elberton, Georgia, for the fiscal year ended June 30, 2020, is submitted for review as mandated by both local ordinance and state statutes. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

To provide a reasonable basis for making these representations concerning the finances of the City, the City of Elberton has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Elberton's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

In the Financial Section immediately after the independent auditor's report is a management's discussion and analysis which provides a narrative introduction, overview, and analysis of the basic financial statements. Management's discussion and analysis begins on page 4. The Elberton Code of Ordinances and the Official Code of Georgia, annotated, require an annual audit of the books of account, financial records and transactions of all funds and activities of the City by independent certified public accountants selected by the Mayor and Council. This requirement has been met, and the independent auditor's report has been included in the Financial Section of this report.

This report has been prepared with the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA), in accordance with

generally accepted accounting principles and current financial reporting standards as set forth by the Governmental Accounting Standards Board (GASB).

PROFILE OF THE GOVERNMENT

The City of Elberton is located in the northeast part of the State of Georgia, within the boundaries of Elbert County. According to the 2010 U.S. Census, Elberton has a population of 4,653 while Elbert County has 20,166. Elberton is approximately 35 miles east of Athens, Georgia, and about 100 miles east of Atlanta. Elberton was chartered by the State of Georgia in 1803. The governing authority of the City is composed of a Mayor and five Council Members, who appoint a Manager to administer the daily operations of the City.

The City of Elberton provides a full range of governmental and utility services. These include general government administration, police and fire protection, sanitation and recycling services, animal control, streets and public works, cemetery services, parks and recreation, planning and zoning, and a municipal court system. Elberton Utilities, a department of the City of Elberton, provides electric, natural gas, water and wastewater services to customers in the City as well as a large portion of Elbert County. ElbertonNET Technology Services, a department of the City, provides telecommunications, cable television, and Internet, and voice-over-IP phone services to customers in the City and parts of Elbert County.

The annual budget serves as the foundation for the City of Elberton's financial planning and control. All agencies of the City of Elberton are required to submit requests for appropriation to the City Manager in April of each year. The City Manager uses these requests as a starting point for developing a proposed budget. The City Manager then presents this proposed budget to the council for review during the month of May. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30, the close of the City of Elberton's fiscal year. The appropriated budget is prepared by fund, function, and department. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

This report includes all the funds of the City of Elberton. Following standards established by the Governmental Accounting Standards Board and others, the City of Elberton has reviewed the relationship between itself and other local agencies to determine the amount of control or dependency on the City. The procedures to determine the amount of control or dependency have been outlined in the notes in the Financial Section. As stated in the notes to the basic financial statements, the City of Elberton Housing Authority has not been included in the City's financial statements. The City has included the Downtown Development Authority in this financial report as a discretely presented component unit because that legally separate entity has a high level of financial dependency from the City, and the authority board members are appointed by the Mayor and Council of the City.

ECONOMIC CONDITION AND OUTLOOK

The City's economy continues to be based on the granite industry, which began operation in 1898. In 1951 the Elberton Granite Association, Inc., was formed to encourage cooperation

between quarries and manufacturers. A total of 120 separate firms and quarries are operating businesses in granite production or its allied services in Elbert County. Approximately 1,800 persons are employed in the granite industry, with an annual payroll of \$57 million. Statistics indicate that Georgia's stone industry, centered in the Elberton granite district, continues to lead the nation in total production. The financial well-being of Elberton is heavily dependent on a stable granite industry.

The City's purchase of and continuing investment in the Elberton Industrial Park underscores the City's commitment to economic growth in the area. Elberton Utilities and ElbertonNET will continue to work closely with local industry to provide needed infrastructure for expansion at local plants. Elberton's Industrial Park is home to the nationally famous "Bubba Burger." "Bubba Burgers," made in Elberton, are shipped all over the eastern seaboard and Midwestern U.S.

The Downtown Development Authority has operated the Main Street Elberton organization for over twenty years. The City employs a full time director to manage the Main Street program and to work with businesses in the historic downtown area to plan and promote events that attract commerce to the downtown area. Main Street also recruits small businesses to occupy vacant commercial spaces in the area. Annually, Main Street Elberton is recognized as an "Accredited National Main Street Program" by the National Trust for Historic Preservation.

LONG-TERM FINANCIAL PLANNING

The Mayor and Council of the City of Elberton meet annually with the City Manager and department heads to discuss the overall operations of the city. The elected officials and staff review the financial performance of the city departments and evaluate the various revenue streams of the city including taxes and sales of utility services. During this planning session, the elected officials agree on the overall strategic direction of the city and various projects to be included in the upcoming annual budget. The progress of long-term capital projects are reviewed and evaluated.

The Mayor and Council will review proposed expansion capital projects for the utility systems based on an anticipated payback schedule. Most projects have a payback period of less than ten years. However, some are longer.

The Mayor and Council are presented with financial information usually with a ten-year history of revenues and expenditures. The total unrestricted cash on hand at year-end is examined and the days of operating cash on hand is evaluated. The current ratio (current assets divided by current liabilities) is examined. Total long-term debt and total required debt service (principal and interest payments) is considered.

MAJOR EVENTS OR INITIATIVES

The City continued to provide daily services to 5,000 citizens in the City as well as over 6,100 utility accounts in the City and Elbert County. The impact the City has on this community

is evident on a daily basis in the majority of homes, businesses, and organizations in the area. Following are highlights of major projects or events in fiscal year 2020.

The City of Elberton began receiving proceeds from the 2017 special purpose local option sales tax in fiscal year 2018. This special sales tax, approved by Elbert County voters, was budgeted to fund \$3.4 million of capital projects over the next six years in the City of Elberton. The proceeds from the 2017 special purpose local option sales tax (SPLOST) are scheduled to conclude in June, 2023. Several capital projects during fiscal year 2020 were funded by the 2017 sales tax. Included in these projects were purchases of vehicles and equipment for the police department and new equipment for the fire department. Additionally, the sales tax helped to purchase materials to begin the expansion of the ElbertonNET broadband system to the southeast portion of Elbert County.

The City of Elberton also began receiving proceeds from the 2019 transportation special purpose local option sales tax in fiscal year 2020. This special sales tax, approved by Elbert County voters, was budgeted to fund \$2.3 million of capital projects over the next five years in the City of Elberton. The proceeds from the 2019 transportation special purpose local option sales tax (TSPLOST) are scheduled to conclude in June, 2024. During fiscal year 2020, a total of 2.3 miles of streets were paved with the 2019 TSPLOST funds.

The divisions of Elberton Utilities concluded several projects in fiscal year 2020 that are part of long term renewal or expansion plans. The electric division continues working on a system protection and coordination project to increase the safety, longevity and reliability of the city's electric grid. During fiscal year 2020, the electric division completed additional reconductoring of electric distribution lines from the substation. The natural gas division during the year completed extensions of new gas service mains to several poultry farms and residential customers within the county. Additionally, the water division completed the upgrade of a new carbon filtration system at the water filter plant.

ElbertonNET continues to explore expansion possibilities within the rural areas of Elbert County. ElbertonNET was able to complete several small expansions of the system in various areas of the county during the year. During fiscal year 2020, ElbertonNET began the design and construction phase of a major expansion of the broadband system into the southeastern portion of Elbert County. Additionally, ElbertonNET continues to invest in upgrades to headend equipment to accommodate higher bandwidth needs and Internet usage growth.

AWARDS AND ACKNOWLEDGEMENTS

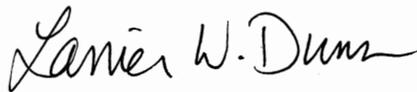
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Elberton for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019, for the seventeenth consecutive year. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for review.

We would like to thank the Mayor and the members of the City Council for their interest and support in this report on the financial condition of the City. The Mayor and Council should also be acknowledged for their valuable contributions in the planning and conducting of the financial affairs of the City in a responsible and progressive manner.

Respectfully submitted,



Lanier W. Dunn, CPA
City Manager

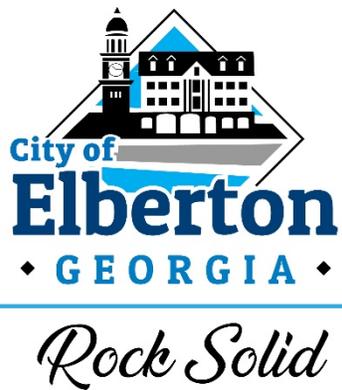


Kevin Eavenson
Controller

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Part II

Financial Section



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Independent Auditor's Report

Honorable Mayor and
Members of the City Council
City of Elberton, 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 Elberton, 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 Elberton, Georgia, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison of the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information on pages 4 through 13 and 72 through 79, respectively 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 Elberton, Georgia's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, the statistical section, the schedule of projects financed with special purpose local option sales tax, and the schedule of projects financed with transportation special purpose local option sales tax are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and schedules, the schedule of projects financed with special purpose local option sales tax, and the schedule of projects financed with transportation special purpose local option sales tax are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 fund financial statements and schedules and schedule of projects financed with special purpose local option sales tax are fairly stated in all material respects in relation to the financial statements as a whole.

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

We also have previously audited, in accordance with auditing standards generally accepted in the United States, the City of Elberton, Georgia's basic financial statements for the year ended June 30, 2019, which are not presented with the accompanying financial statements. In our report dated October 31, 2019, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Elberton, Georgia's basic financial statements as a whole. The individual fund financial statements and schedules related to the 2019 basic financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statements. The 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2019 individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2020, on our consideration of the City of Elberton, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Elberton, Georgia's internal control over financial reporting and compliance.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
November 1, 2020

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Rock Solid

MANAGEMENT’S DISCUSSION AND ANALYSIS

Management of the City of Elberton is pleased to provide this narrative discussion and analysis of the City’s financial activities for the fiscal year ended June 30, 2020. The City’s financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City of Elberton exceeded its liabilities and deferred inflows at the close of the fiscal year by \$50.0 million (reported as “*net position*”). Of this amount, \$14.0 million (*unrestricted net position*) may be used to meet the City’s ongoing obligations to citizens and creditors.
- The City’s total net position increased by \$2,262,209 as a result of this year’s activities.
- The City’s governmental funds report combined ending fund balances of \$1,984,374. Approximately 30.0% of this amount, \$578,988, is available for spending at the City’s discretion (*unassigned fund balance*), within the purposes of the funds.
- The City’s proprietary funds report net position of \$42.5 million at the end of the fiscal year, an increase of \$1,980,615 as a result of the current year’s operations.
- The City’s liabilities totaled \$14.5 million on June 30, 2020. Most of these liabilities (75% or \$10.9 million) consist of revenue bonds, notes payable, capital leases, or interest on those obligations to finance improvements or extensions of the City’s business-type activities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Elberton’s basic financial statements. The City of Elberton’s basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* include the *statement of net position* and the *statement of activities*. One of the most important questions asked about the City’s finances is “Is the City as a whole better off or worse off as a result of the year’s activities?” The *statement of net position* and the *statement of activities* report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year’s revenues and expenses are taken into account regardless of when cash is received or paid.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. The City's *net position*, which is the difference between assets, what the citizens own, and liabilities, what the citizens owe, is one way to measure the City's *financial position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other non-financial factors, however, such as changes in the City's property tax base and the condition of the City's capital assets (roads, buildings, and utility systems) must be considered to assess the *overall health* of the City.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of 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.

Both of the government-wide financial statements divide the City into two kinds of activities:

- **Governmental activities:** most of the City's basic services are reported here, including police, fire, infrastructure maintenance, parks and recreation, cemetery, and general administration. Taxes, grants, and interfund transfers from the utility system finance most of these activities.
- **Business-type activities:** the City charges a fee to customers to cover all or most of the cost of certain services it provides. The City's utility and solid waste services are reported here.

The government-wide financial statements can be found on pages 14-16 of this report.

Fund financial statements. 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. Some funds are required to be established by state law. The City of Elberton uses three categories of funds: governmental funds, proprietary funds, and a custodial fund.

In fund financial statements, information is presented in separate columns for each of the major funds. Data from non-major funds are combined into a single, aggregated column for presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

Governmental funds. Most of the City's basic *governmental activities* reported in the government-wide statements are accounted for in *governmental funds*, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. The relationship (or differences) between *governmental activities* (reported in the *statement of net position* and the *statement of activities*) and *governmental funds* is described in a reconciliation following the fund financial statements. The City uses several governmental funds, of which the general fund is considered a major fund, whose basic financial statements can be found on pages 17-22 of this report.

Proprietary funds. When the City charges customers for the full or partial cost of the services it provides whether to outside customers or to other units of the City, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the *statement of net position* and the *statement of activities* using the accrual basis of accounting. *Enterprise funds* are a type of proprietary fund used to account for functions reported as *business-type activities* in the government-wide statements. The City uses five enterprise funds to account for separate business-type activities and are reported in the basic proprietary fund financial statements on pages 23-27 of this report.

Custodial fund. The City is a trustee, or fiduciary, for the municipal court custodial fund. The City's fiduciary activity is reported in a separate Statement of Fiduciary Net Position on page 28. This activity is excluded from the City's other financial statements because the City cannot use these assets to finance its operations.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-69 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including combining financial statements for non-major funds referred to earlier. Individual fund statements and schedules are presented following the required supplementary information. These statements and schedules contain much more detailed financial information about individual services or divisions of the City.

This report includes two schedules (pages 18 and 20) that reconcile the amounts reported on the governmental fund financial statements (modified accrual basis of accounting) with the governmental activities reported on the government-wide financial statements (accrual basis of accounting). The following summarizes the impact of transitioning from modified accrual to accrual accounting:

- Capital assets used in governmental activities on the government-wide statements are not reported on the fund financial statements.
- Unless due and payable, long-term liabilities appear only in the government-wide statements.
- Capital outlay spending results in capital assets on the government-wide statements but is reported as expenditures on the governmental fund financial statements.
- Some expenses reported in the government-wide statements represent increases in liabilities on the government-wide statements but are not reported as expenditures in governmental funds because they do not require the use of current financial resources.

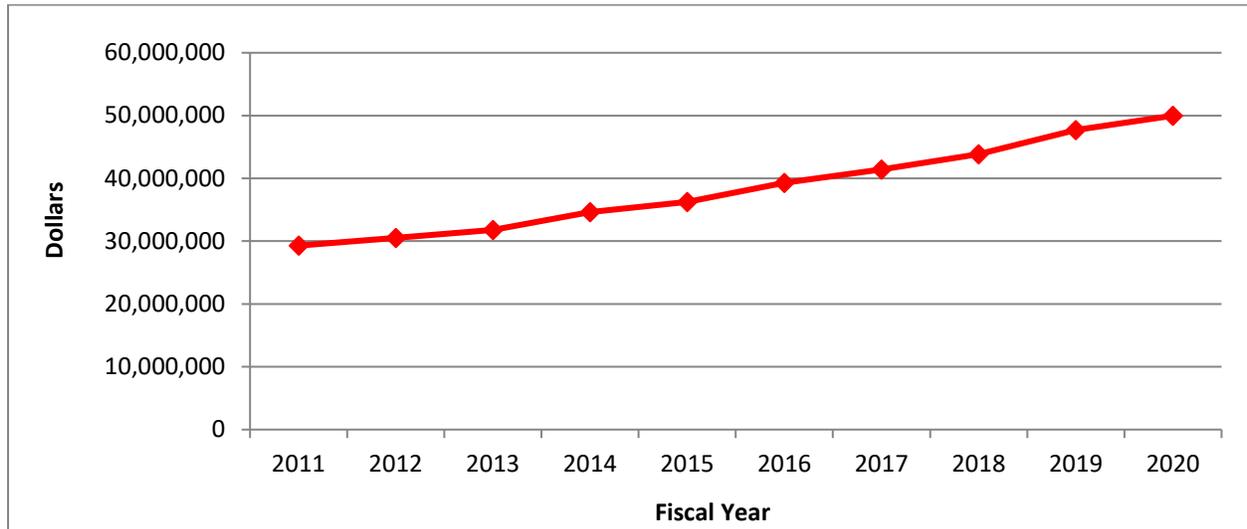
GOVERNMENT-WIDE FINANCIAL ANALYSIS

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 of Elberton, assets exceeded liabilities by \$49,983,799 at the close of the most recent fiscal year.

City of Elberton
 Net Position as of June 30, 2020 and 2019
 (in Thousands)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$ 2,664	\$ 2,976	\$ 19,242	\$ 20,520	\$ 21,906	\$ 23,496
Net Capital Assets	5,156	5,276	36,824	36,578	41,980	41,854
Total Assets	7,820	8,252	56,066	57,098	63,886	65,350
Deferred outflows of resources	485	282	391	258	876	540
Long-term Liabilities	260	263	9,236	10,947	9,496	11,210
Other Liabilities	463	336	4,563	5,114	5,026	5,450
Total Liabilities	723	599	13,799	16,061	14,522	16,660
Deferred inflows of resources	142	766	114	731	256	1,497
Net investment in capital assets	5,032	5,275	25,640	23,261	30,672	28,536
Restricted Net Position	1,147	814	4,160	4,007	5,307	4,821
Unrestricted Net Position	1,261	1,069	12,744	13,295	14,005	14,364
Total Net Position	\$ 7,440	\$ 7,158	\$ 42,544	\$ 40,563	\$ 49,984	\$ 47,721

Total Net Position – Ten Fiscal Years



The largest portion of the City’s net position (62_[WH1]%) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment), less any related debt used to acquire those assets that are 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.

Restricted net position totaling \$5,306,268 is constrained by legal requirements and is not available for day-to-day operations of the City. The remaining balance of *unrestricted net position* (\$14,005,505) may be used to meet the City's ongoing obligations to citizens and creditors. The portion of unrestricted net position from business-type activities was \$12,744,385 at the end of the fiscal year. The portion of unrestricted net position resulting from the City's governmental activities was \$1,261,120 at the close of the fiscal year.

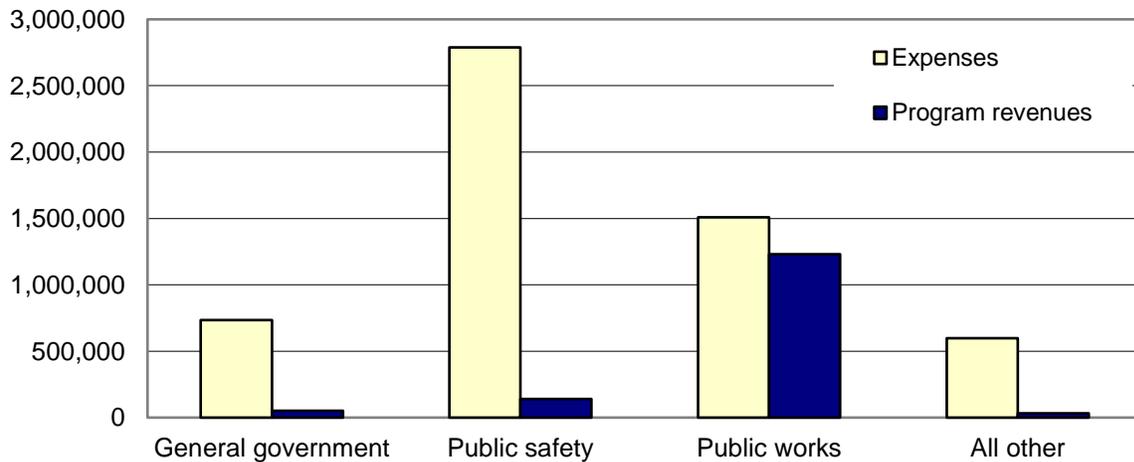
The City's net position increased by \$2,262,209 during the current fiscal year. Governmental activities resulted in an increase in net position of \$281,594 while business-type activities resulted in an increase of net position of \$1,980,615. The following table was derived from the government-wide Statement of Activities and reflects how the City's net position changed during the fiscal year.

City of Elberton
Changes in Net Position for the Fiscal Years ended June 30, 2020 and 2019
(in Thousands)

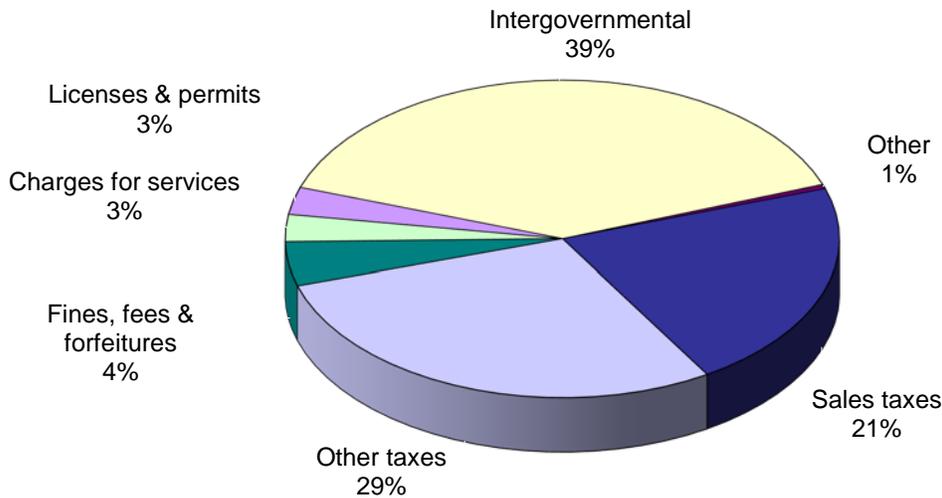
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenues:						
Charges for Services	\$ 296	\$ 281	\$ 29,408	\$ 30,370	\$ 29,704	\$ 30,651
Operating Grants and Contributions	1	10	0	133	1	143
Capital Grants and Contributions	1,157	993	184	289	1,341	1,282
General Revenues:						
Taxes	1,486	1,492	0	0	1,486	1,492
Interest and Investment Earnings	3	9	303	418	306	427
Net change in the value of investments	0	0	51	229	51	229
Miscellaneous	10	43	171	68	181	111
Total Revenues	2,953	2,828	30,117	31,507	33,070	34,335
Expenses:						
General Government	733	715	0	0	733	715
Judicial	80	73	0	0	80	73
Public Safety	2,787	2,599	0	0	2,787	2,599
Public Works	1,508	942	0	0	1,508	942
Health and Welfare	66	65	0	0	66	65
Culture and Recreation	175	237	0	0	175	237
Housing and Development	277	531	0	0	277	531
Combined Public Utilities	0	0	18,594	18,907	18,594	18,907
ElbertonNET Technology Services	0	0	4,400	4,330	4,400	4,330
Solid Waste	0	0	981	990	981	990
Elbert Theatre	0	0	156	186	156	186
Elbert Hotel	0	0	1,050	886	1,050	886
Total Expenses	5,626	5,162	25,181	25,299	30,807	30,461
Indirect Cost Allocation	(620)	(610)	620	610	0	0
Increase (Dec) in Net Position						
Before Transfers	(2,053)	(1,724)	4,316	5,598	2,263	3,874
Transfers	2,335	2,440	(2,335)	(2,440)	0	0
Change in Net Position	282	716	1,981	3,158	2,263	3,874
Net Position - July 1	7,158	6,442	40,563	37,405	47,721	43,847
Net Position - June 30	\$ 7,440	\$ 7,158	\$ 42,544	\$ 40,563	\$ 49,984	\$ 47,721

Governmental Activities. Governmental activities increased the net position of the City by \$281,594. Revenues for the City’s governmental activities increased by 5% (\$123,459) over fiscal year 2019. Expenses for governmental activities increased by 9% (\$463,487) during fiscal year 2020.

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities

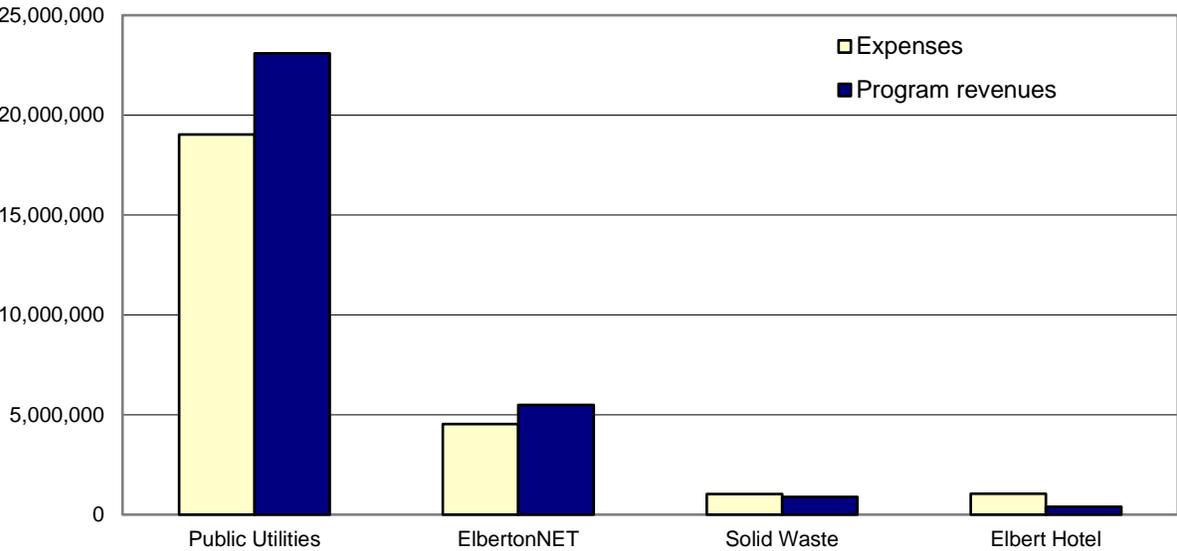


Business-type activities. Business-type activities increased the City’s net position by \$1,980,615. Key elements of this increase are as follows:

- Sales for business-type activities were \$29.6 million, which was a decrease of \$776,892 from the prior fiscal year sales.
- Sales in the combined public utility fund for electric, water, sewer, and natural gas services decreased by \$889,130 or 3.8% from last fiscal year. Electric sales decreased 3.2%, natural gas sales decreased by 15.7%, and water/sewer sales increased by 8.7%.

- Income in the combined public utility fund before transfers to the general fund was \$4.3 million, or 19% lower than last year’s income of \$5.3 million.
- The ElbertonNET technology services enterprise fund experienced sales of \$5,493,919, an increase of 2.5% over the prior year sales of \$5,360,061.
- Sales for the Solid Waste operations totaled \$870,247, a decrease of \$9,230, or 1% under the prior fiscal year.
- Sales in the Elbert Hotel fund totaled \$392,442 a decrease of \$84,429, or 18% under the prior fiscal year.

Expenses and Program Revenues – Business-type Activities



FINANCIAL ANALYSIS OF THE GOVERNMENT’S INDIVIDUAL FUNDS

As noted earlier, the City of Elberton uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and financial reporting requirements.

Governmental funds. The City uses governmental funds to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City’s financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. The City of Elberton uses five governmental funds: the general fund, the 2017 special purpose local option sales tax (SPLOST) capital projects fund, the 2019 transportation special purpose local option sales tax (TSPLOST) capital projects fund, the hotel/motel tax special revenue fund, and the revolving loan special revenue fund.

At the end of the current fiscal year, the City’s general fund reported an ending fund balance of \$837,763, an increase of \$75,382 or 10% in comparison with the prior year. Approximately 70% of this amount (\$578,998) constitutes *unassigned fund balance*, which is available for spending at the City’s discretion. The remainder of fund balance is either (a) *nonspendable* to indicate that these amounts cannot be spent because they are either not in a spendable form such as inventory and prepaid insurance, (b) are legally or contractually *restricted* for a particular purpose such as special purpose sales tax proceeds, or (c) are *assigned* for a particular purpose or project by management.

As a measure of the general fund’s liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 12% of total general fund expenditures for the current fiscal year.

As in previous fiscal years, the City of Elberton levied no property tax to finance current operations. Therefore, the City’s general fund relied heavily on transfers from the proprietary funds (or business-type activities) to finance the governmental activities of the City such as public safety and public works. The transfer from the combined public utility enterprise fund was \$2,520,000 which is the same amount transferred in fiscal year 2019.

Proprietary funds. The City’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The change in net position in the proprietary funds is depicted in the following table. Factors concerning the performance of the proprietary funds have already been addressed in the discussion of the City of Elberton’s business-type activities.

City of Elberton Proprietary Funds
Net Position as of June 30, 2020

	Combined Public Utility System	ElbertonNET Tech Services	Elbert Hotel	All Other Proprietary	Total
Operating Revenues	\$ 22,738,228	\$ 5,493,919	\$ 392,442	\$ 934,275	\$ 29,558,864
Operating Expenses	18,875,602	4,534,940	705,432	1,187,207	25,303,181
Operating income (loss)	3,862,626	958,979	(312,990)	(252,932)	4,255,683
Non-operating income (loss)	394,225	0	(344,756)	10,083	59,552
Transfers in (out)	(2,986,138)	(16,482)	500,000	168,000	(2,334,620)
Change in net position	1,270,713	942,497	(157,746)	(74,849)	1,980,615
Net Position, July 1	36,775,008	3,504,102	172,222	112,059	40,563,391
Net Position, June 30	\$ 38,045,721	\$ 4,446,599	\$ 14,476	\$ 37,210	\$ 42,544,006

GENERAL FUND BUDGETARY HIGHLIGHTS

There were two budget amendments approved during the fiscal year to reallocate for expenditures that were not planned in the original budget. Total appropriations did not increase for the fiscal year. The first amendment was to provide funding in the amount of \$45,000 for the Development Authority of Elbert County, Elberton, and Bowman that was budgeted for economic development but not designated for the Authority. A second amendment that did not increase total appropriations was also adopted to account for a one-time transfer of \$60,000 from the general fund to the solid waste fund in the fiscal year that was not originally budgeted.

General fund revenues ended the year at 2%, or \$35,220, above budget. Additionally, expenditures in the general fund were \$60,699, or 1%, under budget for the fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City of Elberton's investment in capital assets for its governmental and business-type activities as of June 30, 2020, totals \$41,980,852 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, and distribution systems for electricity, natural gas, water, sewer, and broadband services. This total also includes \$377,692 in intangible assets, primarily for the City's raw water storage rights at Lake Richard B. Russell. More detailed information about the city's capital assets is presented in the notes to the basic financial statements.

During the fiscal year, the City invested \$2,665,582 in new capital assets. Investment for business-type activities totaled \$2,409,255 while \$256,327 was for governmental activities. Major capital asset events during the current fiscal year included the following:

Governmental Activities – \$256,327 total

- \$14,122 to begin construction for the Medical Drive storm water replacement project
- \$181,915 for the purchase of vehicles and equipment for the police department
- \$10,538 for the purchase of a new lawn mower for the public works department
- \$25,000 for the purchase of a new pickup truck for the building inspector
- \$24,752 for the installation of a new LED marquee sign at the Theatre

Business-type Activities – \$2,409,255 total

- \$46,400 to purchase two new meter reading vehicles
- \$198,367 to complete construction a new 12" water main along Athens Highway
- \$53,862 for the paving of the driveway to the Falling Creek waste water plant
- \$306,294 for the new carbon filtration system at the water filter plant
- \$34,768 for installation of a water actuator valve at the Tower Lane water tank
- \$39,878 for engineering and design of a 6" force main for an industrial customer
- \$248,298 for a new digger truck for the electric department
- \$44,790 for new fixed network meter reading equipment
- \$635,863 to construct new gas pipeline and service mains to several poultry farms and residential customers
- \$61,091 to purchase equipment for the natural gas department
- \$572,543 for the construction of system expansions for ElbertonNET
- \$6,500 to purchase equipment for ElbertonNET
- \$160,601 to purchase a new garbage truck and equipment for the solid waste department

Additional information on the City's capital assets can be found in Note 8 on pages 49-50 of this report.

Debt Administration. At the end of the current fiscal year, the City had total bonded debt outstanding of \$1,830,000. This entire amount was for the Series 2011 Combined Public Utility System Revenue Bonds secured solely by the specified revenue sources of the water and sewer, electric, and natural gas systems. There was no outstanding general obligation debt backed by the full faith and credit of the City.

In addition to revenue bonds, the City has entered into a capital lease-purchase agreement to replace aged natural gas lines. The balance of the lease at June 30, 2020 was \$708,964.

The City has three outstanding notes payable with the Georgia Environmental Facilities Authority for water system improvements and for sewer plants improvements. The balance of these notes at June 30, 2020 was \$4,527,643.

The City has entered into an intergovernmental agreement with the Elberton Downtown Development Authority (DDA) to finance renovations and improvements at the Samuel Elbert Hotel. A revenue bond was issued by the DDA for this purpose, and due to the contractual obligation of the City to make these monthly bond payments, the bond payable is recognized by the City in its Elbert Hotel Enterprise Fund. The balance of this bond payable at June 30, 2020 was \$3,777,487.

Other long-term obligations of the City include accrued vacation pay and contractual liability for the Elberton-Elbert County landfill post-closure care. More detailed information about the City's long-term liabilities is presented in the notes to the basic financial statements.

Additional information on the City's long-term debt can be found in Note 10 on pages 52-57 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The local economy mirrored the state and national economy as it struggled to deal with the Coronavirus pandemic in 2020. This pandemic led to economic shutdown and closures, mostly temporary but some permanent. Schools and some industries were closed temporarily which led to lower utility sales. Sales taxes for fiscal year 2020 increased approximately 4% over fiscal year 2019. This could have been a result of more online shopping and more local shopping instead of sales that otherwise would have been made in larger urban shopping centers such as Athens. The local unemployment rate increased to 5.5% in 2020 from 4.3% in 2019.

During 2020, the City's utility system did not experience any losses of its top customers, and no new large customers were added. Several projects are in process to add extensions to the natural gas system to serve poultry farms. The businesses located in the Elberton Industrial Park and several large granite companies continue to provide stable employment and are vital utility customers of the City.

The overall City budget for fiscal year 2021 increased by 2.6% over fiscal year 2020. The rates and fees schedule for the general fund and utility services were reviewed in preparation for the 2021 budget. As a result, there were no changes made to the fees schedule in the general fund for fiscal year 2021. All other rates for the City utilities and services will remain unchanged.

Other than certain capital grant revenues and expenditures, the overall policy of next year's budget will remain the same as this year. Property taxes will not be levied, and the general fund will operate on transfers from business-type operations.

REQUESTS FOR INFORMATION

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the City Manager, Post Office Box 70, 203 Elbert Street, Elberton, Georgia 30635-0070.

BASIC FINANCIAL STATEMENTS

CITY OF ELBERTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2020

	Primary Government			Component Unit Downtown Development Authority
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash	\$ 720,321	\$ 892,195	\$ 1,612,516	\$ 108,181
Investments	0	10,369,467	10,369,467	0
Restricted assets				
Cash	25	481,707	481,732	0
Investments	0	4,498,273	4,498,273	0
Receivables (net)				
Accounts	3,560	2,517,082	2,520,642	0
Taxes	81,425	0	81,425	0
Intergovernmental	161,303	184,847	346,150	0
Notes	114,068	0	114,068	0
Prepaid items	174,792	0	174,792	0
Inventories	8,948	642,651	651,599	0
Internal balances	633,359	(633,359)	0	0
Other current assets	0	19,967	19,967	0
Total current assets	<u>1,897,801</u>	<u>18,972,830</u>	<u>20,870,631</u>	<u>108,181</u>
Noncurrent assets				
Notes receivable	431,453	0	431,453	0
Net pension asset	333,822	268,774	602,596	0
Capital assets				
Non-depreciable	1,624,694	1,553,177	3,177,871	45,100
Depreciable (net)	<u>3,531,673</u>	<u>35,271,308</u>	<u>38,802,981</u>	<u>750,446</u>
Total noncurrent assets	<u>5,921,642</u>	<u>37,093,259</u>	<u>43,014,901</u>	<u>795,546</u>
Total assets	<u>7,819,443</u>	<u>56,066,089</u>	<u>63,885,532</u>	<u>903,727</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension experience differences	316,920	255,165	572,085	0
Pension assumption changes	153,697	123,748	277,445	0
Pension contributions subsequent to measurement date	<u>14,457</u>	<u>11,639</u>	<u>26,096</u>	<u>0</u>
Total deferred outflows of resources	<u>485,074</u>	<u>390,552</u>	<u>875,626</u>	<u>0</u>
LIABILITIES				
Current liabilities				
Payables				
Accounts	190,470	1,616,404	1,806,874	1,326
Intergovernmental	0	36,104	36,104	0
Retainages	0	31,447	31,447	0
Sales tax	0	67,529	67,529	0
Interest	0	3,105	3,105	0
Accrued salaries and expenses	139,160	134,442	273,602	0
Compensated absences	118,367	122,720	241,087	0
Customer deposits payable	0	11,790	11,790	5,400
Other current liabilities	15,250	57,792	73,042	0
Notes payable	0	143,762	143,762	122,842
Capital lease payable	0	245,515	245,515	0
Bonds payable	0	371,863	371,863	0
Liabilities payable from restricted assets				
Customer deposits payable	0	789,092	789,092	0
Interest payable	0	31,256	31,256	0
Bonds payable	0	900,000	900,000	0
Total current liabilities	<u>463,247</u>	<u>4,562,821</u>	<u>5,026,068</u>	<u>129,568</u>

CITY OF ELBERTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2020

	Primary Government			Component Unit Downtown Development Authority
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities				
Compensated absences	\$ 50,729	\$ 52,595	\$ 103,324	\$ 0
Contractual liability	208,828	0	208,828	0
Notes payable	0	4,383,881	4,383,881	430,437
Capital lease payable	0	463,449	463,449	0
Bonds payable	0	4,335,624	4,335,624	0
Total noncurrent liabilities	259,557	9,235,549	9,495,106	430,437
Total liabilities	722,804	13,798,370	14,521,174	560,005
DEFERRED INFLOWS OF RESOURCES				
Pension assumption changes	49,715	40,028	89,743	0
Pension investment return differences	92,205	74,237	166,442	0
Total deferred inflows of resources	141,920	114,265	256,185	0
NET POSITION				
Net investment in capital assets	5,032,037	25,639,989	30,672,026	242,267
Restricted for:				
MEAG Generation Trust	0	3,709,181	3,709,181	0
Public Safety	25	0	25	0
Housing and Development	480,000	0	480,000	0
Capital projects	666,611	0	666,611	0
Debt service	0	450,451	450,451	0
Unrestricted	1,261,120	12,744,385	14,005,505	101,455
Total net position	\$ 7,439,793	\$ 42,544,006	\$ 49,983,799	\$ 343,722

CITY OF ELBERTON, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2020

FUNCTIONS/PROGRAMS	Expenses	Indirect Costs	Program Revenues			Net (Expense) Revenue
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government						
Governmental activities						
General Government	\$ 733,379	\$ (488,790)	\$ 51,085	\$ 0	\$ 0	\$ (193,504)
Judicial	79,742	0	0	0	0	(79,742)
Public Safety	2,787,440	0	140,829	0	0	(2,646,611)
Public Works	1,507,842	(131,636)	72,160	466	1,157,566	(146,014)
Health and Welfare	66,100	0	0	0	0	(66,100)
Culture and Recreation	175,038	0	0	0	0	(175,038)
Housing and Development	277,217	0	31,970	0	0	(245,247)
Total governmental activities	<u>5,626,758</u>	<u>(620,426)</u>	<u>296,044</u>	<u>466</u>	<u>1,157,566</u>	<u>(3,552,256)</u>
Business-type activities						
Combined Public Utilities						
Electric	13,326,722	211,321	15,167,665	0	0	1,629,622
Water and Sewer	3,185,106	109,984	3,696,678	0	184,386	585,974
Natural Gas	2,081,681	112,187	3,722,457	0	0	1,528,589
ElbertonNET Technology Services	4,400,172	134,768	5,493,919	0	0	958,979
Solid Waste	980,973	52,166	870,247	0	0	(162,892)
Elbert Theatre	155,920	0	64,028	0	0	(91,892)
Elbert Hotel	1,050,190	0	392,442	0	0	(657,748)
Total business-type activities	<u>25,180,764</u>	<u>620,426</u>	<u>29,407,436</u>	<u>0</u>	<u>184,386</u>	<u>3,790,632</u>
Total primary government	<u>30,807,522</u>	<u>0</u>	<u>29,703,480</u>	<u>466</u>	<u>1,341,952</u>	<u>238,376</u>
Component Unit						
Downtown Development Authority	96,628	0	78,978	0	0	(17,650)
			Governmental Activities	Business-Type Activities	Total	Component Unit
Change in net position						
Net (expense) revenue			<u>\$ (3,552,256)</u>	<u>\$ 3,790,632</u>	<u>\$ 238,376</u>	<u>\$ (17,650)</u>
General revenues						
Taxes						
Title ad valorem			71,902	0	71,902	0
Sales			631,316	0	631,316	0
Franchise			93,145	0	93,145	0
Occupational			135,811	0	135,811	0
Insurance premium			349,535	0	349,535	0
Alcoholic beverage			127,980	0	127,980	0
Hotel/Motel			72,148	0	72,148	0
Other			4,480	0	4,480	0
Interest and investment earnings			2,514	302,675	305,189	4
Net increase (decrease) in the fair value of investments			0	51,455	51,455	0
Payments from City of Elberton			0	0	0	24,000
Gain on sale of assets			0	19,045	19,045	5,082
Miscellaneous			10,399	151,428	161,827	0
Transfers			2,334,620	(2,334,620)	0	0
Total general revenues and transfers			<u>3,833,850</u>	<u>(1,810,017)</u>	<u>2,023,833</u>	<u>29,086</u>
Change in net position			281,594	1,980,615	2,262,209	11,436
Net position - beginning			<u>7,158,199</u>	<u>40,563,391</u>	<u>47,721,590</u>	<u>332,286</u>
Net position - ending			<u>\$ 7,439,793</u>	<u>\$ 42,544,006</u>	<u>\$ 49,983,799</u>	<u>\$ 343,722</u>

See accompanying notes to the financial statements.

CITY OF ELBERTON, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
ASSETS			
Cash	\$ 80,349	\$ 639,972	\$ 720,321
Restricted assets			
Cash	25	0	25
Receivables (net)			
Accounts	3,560	0	3,560
Taxes	75,714	5,711	81,425
Intergovernmental	0	161,303	161,303
Notes	75,000	470,521	545,521
Prepaid items	174,792	0	174,792
Inventories	8,948	0	8,948
Due from other funds	693,700	514	694,214
	<u>693,700</u>	<u>514</u>	<u>694,214</u>
Total assets	<u>\$ 1,112,088</u>	<u>\$ 1,278,021</u>	<u>\$ 2,390,109</u>
LIABILITIES			
Accounts payable	\$ 59,915	\$ 130,555	\$ 190,470
Accrued salaries and payroll liabilities	139,160	0	139,160
Due to other funds	60,000	855	60,855
Other liabilities	15,250	0	15,250
	<u>15,250</u>	<u>0</u>	<u>15,250</u>
Total liabilities	<u>274,325</u>	<u>131,410</u>	<u>405,735</u>
FUND BALANCES			
Nonspendable:			
Inventories	8,948	0	8,948
Prepaid items	174,792	0	174,792
Notes receivable	75,000	0	75,000
Restricted for:			
Public Safety	25	0	25
Housing and Development	0	480,000	480,000
Capital projects	0	666,611	666,611
Unassigned	578,998	0	578,998
	<u>578,998</u>	<u>0</u>	<u>578,998</u>
Total fund balances	<u>837,763</u>	<u>1,146,611</u>	<u>1,984,374</u>
Total liabilities and fund balances	<u>\$ 1,112,088</u>	<u>\$ 1,278,021</u>	<u>\$ 2,390,109</u>

CITY OF ELBERTON, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2020

Total fund balance - total governmental funds \$ 1,984,374

Some assets are not financial resources and, therefore, are not reported in the funds.

These are:

Capital assets, net of accumulated depreciation	\$ 5,156,367	
Net pension asset	<u>333,822</u>	5,490,189

Long-term liabilities are not due and payable in the current period and are not reported in the funds.

These are:

Compensated absences	(169,096)	
Contractual liability	<u>(208,828)</u>	(377,924)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. These are:

Deferred outflows of resources:

Pension experience differences	316,920	
Pension assumption changes	153,697	
Pension contributions subsequent to measurement date	14,457	

Deferred inflows of resources:

Pension assumption changes	(49,715)	
Pension investment return differences	<u>(92,205)</u>	<u>343,154</u>

Net position of governmental activities \$ 7,439,793

CITY OF ELBERTON, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2020

	General	Nonmajor Governmental Funds	Totals
REVENUES			
Taxes	\$ 1,414,168	\$ 72,147	\$ 1,486,315
Licenses and permits	82,701	0	82,701
Fines, fees and forfeitures	132,133	0	132,133
Charges for services	701,636	0	701,636
Intergovernmental	0	1,157,490	1,157,490
Interest	1,659	1,397	3,056
Other	10,399	0	10,399
	Total revenues	1,231,034	3,573,730
EXPENDITURES			
Current			
General Government	715,913	0	715,913
Judicial	79,591	0	79,591
Public Safety	2,597,663	0	2,597,663
Public Works	1,003,450	0	1,003,450
Health and Welfare	66,100	0	66,100
Culture and Recreation	74,000	0	74,000
Housing and Development	226,670	39,906	266,576
Capital outlay	0	696,913	696,913
	Total expenditures	736,819	5,500,206
Excess (deficiency) of revenues over (under) expenditures	(2,420,691)	494,215	(1,926,476)
Other financing sources (uses)			
Transfers in	2,556,073	0	2,556,073
Transfers out	(60,000)	(161,453)	(221,453)
	Total other financing sources (uses)	(161,453)	2,334,620
Net change in fund balance	75,382	332,762	408,144
Fund balances, July 1	762,381	813,849	1,576,230
Fund balances, June 30	\$ 837,763	\$ 1,146,611	\$ 1,984,374

CITY OF ELBERTON, GEORGIA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2020

Net change in fund balances - total governmental funds \$ 408,144

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlays	\$ 256,327	
Depreciation	<u>(375,488)</u>	(119,161)

Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

Pension contributions	14,457	
Cost of benefits earned net of employee contributions	<u>(23,875)</u>	(9,418)

Payments of contractual liabilities are an expenditure in the governmental funds, but the payments reduce long-term liabilities in the statements of net position.

Payment of contractual liabilities	4,659
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Some expenses reported in the statements of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.

Change in compensated absences	<u>(2,630)</u>
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Change in net position of governmental activities	<u><u>\$ 281,594</u></u>
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CITY OF ELBERTON, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget
REVENUES				
Taxes	\$ 1,399,000	\$ 1,399,000	\$ 1,414,168	\$ 15,168
Licenses and permits	61,500	61,500	82,701	21,201
Fines, fees and forfeitures	128,600	128,600	132,133	3,533
Charges for services	703,326	703,326	701,636	(1,690)
Interest	7,200	7,200	1,659	(5,541)
Contributions	350	350	0	(350)
Other	7,500	7,500	10,399	2,899
Total revenues	2,307,476	2,307,476	2,342,696	35,220
EXPENDITURES				
Current				
General Government				
Mayor and Council	189,720	182,920	176,402	6,518
City Manager's Office	157,960	157,960	146,654	11,306
Finance	171,244	172,854	172,852	2
Human Resources	61,826	61,826	58,878	2,948
City Clerk	102,271	114,071	114,067	4
Elections	1,600	1,600	925	675
City Attorney	20,000	20,000	17,317	2,683
City Hall Maintenance	43,046	31,046	28,818	2,228
Judicial				
Municipal Court	78,402	79,602	79,591	11
Public Safety				
Police - Administration	362,049	372,949	372,897	52
Police - Uniform Division	1,019,882	981,882	981,185	697
Police - Criminal Investigations	154,618	154,618	151,788	2,830
Police - Community Relations	71,409	71,409	66,056	5,353
Police - Detention	29,000	34,100	34,013	87
Fire	919,031	929,331	929,260	71
Animal Control	63,798	63,798	62,464	1,334
Public Works				
Administrative	105,920	130,320	131,948	(1,628)
Infrastructure Maintenance	455,835	459,635	459,582	53
Parks and Rights-of-Way	121,157	101,157	98,729	2,428
Motor Pool	175,515	179,515	179,404	111
Street Lighting	29,000	19,000	16,664	2,336
Cemetery	124,740	124,740	117,123	7,617
Health and Welfare				
Agency allocations	66,100	66,100	66,100	0
Culture and Recreation				
Agency allocations	80,500	80,500	74,000	6,500
Housing and Development				
Zoning/City Marshal	73,495	73,495	71,476	2,019
Code Enforcement	58,623	59,723	59,639	84
Mainstreet Elberton	87,345	79,935	79,824	111
Community Development	60,000	20,000	15,731	4,269
Total expenditures	4,884,086	4,824,086	4,763,387	60,699

CITY OF ELBERTON, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget
Excess (deficiency) of revenues over (under) expenditures	\$ (2,576,610)	\$ (2,516,610)	\$ (2,420,691)	\$ 95,919
Other financing sources (uses)				
Transfers in (out)				
Transfers in	2,560,000	2,560,000	2,556,073	(3,927)
Transfers out	0	(60,000)	(60,000)	0
Sales of capital assets	20,000	20,000	0	(20,000)
Contingency	(3,390)	(3,390)	0	3,390
Total other financing sources (uses)	<u>2,576,610</u>	<u>2,516,610</u>	<u>2,496,073</u>	<u>(20,537)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0	75,382	75,382
Fund balances, July 1	<u>0</u>	<u>0</u>	<u>762,381</u>	<u>762,381</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 837,763</u></u>	<u><u>\$ 837,763</u></u>

CITY OF ELBERTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2020

	Combined Public Utility System	ElbertonNET Technology Services	Elbert Hotel	Nonmajor Proprietary Funds	Totals
ASSETS					
Current assets					
Cash	\$ 834,928	\$ 0	\$ 52,918	\$ 4,349	\$ 892,195
Investments	10,369,467	0	0	0	10,369,467
Restricted assets					
Cash	481,707	0	0	0	481,707
Investments	4,498,273	0	0	0	4,498,273
Receivables (net)					
Accounts	2,020,115	408,517	0	88,450	2,517,082
Intergovernmental	184,847	0	0	0	184,847
Inventories	534,489	88,291	19,871	0	642,651
Due from other funds	1,449,113	0	7,028	74,744	1,530,885
Other current assets	19,967	0	0	0	19,967
Total current assets	<u>20,392,906</u>	<u>496,808</u>	<u>79,817</u>	<u>167,543</u>	<u>21,137,074</u>
Noncurrent assets					
Other assets					
Net pension asset	185,575	33,430	10,790	38,979	268,774
Advances to other funds	1,698,216	0	0	0	1,698,216
Capital assets					
Non-depreciable	1,013,317	405,325	107,500	27,035	1,553,177
Depreciable (net)	24,639,622	5,721,548	4,621,863	288,275	35,271,308
Total noncurrent assets	<u>27,536,730</u>	<u>6,160,303</u>	<u>4,740,153</u>	<u>354,289</u>	<u>38,791,475</u>
Total assets	<u>47,929,636</u>	<u>6,657,111</u>	<u>4,819,970</u>	<u>521,832</u>	<u>59,928,549</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension experience differences	176,178	31,738	10,244	37,005	255,165
Pension assumption changes	85,441	15,392	4,968	17,947	123,748
Pension contributions subsequent to measurement date	8,036	1,448	467	1,688	11,639
Total deferred outflows of resources	<u>269,655</u>	<u>48,578</u>	<u>15,679</u>	<u>56,640</u>	<u>390,552</u>
LIABILITIES					
Current liabilities					
Payables					
Accounts	1,114,007	468,390	7,128	26,879	1,616,404
Intergovernmental	0	36,104	0	0	36,104
Retainages	31,447	0	0	0	31,447
Sales tax	63,868	0	3,661	0	67,529
Interest	0	0	3,105	0	3,105
Accrued salaries	86,217	16,578	13,402	18,245	134,442
Compensated absences	88,401	14,874	4,542	14,903	122,720
Customer deposits payable	0	4,340	7,450	0	11,790
Other current liabilities	57,792	0	0	0	57,792
Due to other funds	708,103	0	997,864	458,277	2,164,244
Capital leases payable	245,515	0	0	0	245,515
Note payable	143,762	0	0	0	143,762
Bonds payable	0	0	371,863	0	371,863
Liabilities payable from restricted assets:					
Customer deposits payable	789,092	0	0	0	789,092
Interest payable	31,256	0	0	0	31,256
Bonds payable	900,000	0	0	0	900,000
Total current liabilities	<u>4,259,460</u>	<u>540,286</u>	<u>1,409,015</u>	<u>518,304</u>	<u>6,727,065</u>

CITY OF ELBERTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2020

	Combined Public Utility System	ElbertonNET Technology Services	Elbert Hotel	Nonmajor Proprietary Funds	Totals
Noncurrent liabilities					
Compensated absences	\$ 37,886	\$ 6,375	\$ 1,947	\$ 6,387	\$ 52,595
Advances from other funds	0	1,698,216	0	0	1,698,216
Notes payable	4,383,881	0	0	0	4,383,881
Bonds payable	930,000	0	3,405,624	0	4,335,624
Capital lease payable	463,449	0	0	0	463,449
Total noncurrent liabilities	<u>5,815,216</u>	<u>1,704,591</u>	<u>3,407,571</u>	<u>6,387</u>	<u>10,933,765</u>
Total liabilities	<u>10,074,676</u>	<u>2,244,877</u>	<u>4,816,586</u>	<u>524,691</u>	<u>17,660,830</u>
DEFERRED INFLOWS OF RESOURCES					
Pension assumption changes	27,637	4,979	1,607	5,805	40,028
Pension investment return differences	51,257	9,234	2,980	10,766	74,237
Total deferred inflows of resources	<u>78,894</u>	<u>14,213</u>	<u>4,587</u>	<u>16,571</u>	<u>114,265</u>
NET POSITION					
Net investment in capital assets	18,468,519	5,904,284	951,876	315,310	25,639,989
Restricted for:					
Debt service	450,451	0	0	0	450,451
MEAG Generation Trust	3,709,181	0	0	0	3,709,181
Unrestricted	15,417,570	(1,457,685)	(937,400)	(278,100)	12,744,385
Total net position	<u>\$ 38,045,721</u>	<u>\$ 4,446,599</u>	<u>\$ 14,476</u>	<u>\$ 37,210</u>	<u>\$ 42,544,006</u>

CITY OF ELBERTON, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2020

	Combined Public Utility System	ElbertonNET Technology Services	Elbert Hotel	Nonmajor Proprietary Funds	Totals
OPERATING REVENUES					
Charges for sales and services	\$ 22,586,800	\$ 5,493,919	\$ 392,442	\$ 934,275	\$ 29,407,436
Miscellaneous revenues	151,428	0	0	0	151,428
Total operating revenues	22,738,228	5,493,919	392,442	934,275	29,558,864
OPERATING EXPENSES					
Costs of sales and services	14,674,083	3,719,274	186,821	452,901	19,033,079
Personal services	2,632,632	433,678	323,527	663,146	4,052,983
Depreciation	1,534,547	362,108	195,084	71,160	2,162,899
Other	34,340	19,880	0	0	54,220
Total operating expenses	18,875,602	4,534,940	705,432	1,187,207	25,303,181
Operating income (loss)	3,862,626	958,979	(312,990)	(252,932)	4,255,683
Non-operating revenues (expenses)					
Interest revenue	302,673	0	2	0	302,675
Net increase (decrease) in the fair value of investments	51,455	0	0	0	51,455
Gain on sale of capital assets	7,110	0	0	11,935	19,045
Interest expense	(151,399)	0	(344,758)	(1,852)	(498,009)
Total non-operating revenues (expenses)	209,839	0	(344,756)	10,083	(124,834)
Net income (loss) before capital contributions and transfers	4,072,465	958,979	(657,746)	(242,849)	4,130,849
Capital contributions					
Intergovernmental revenue	184,386	0	0	0	184,386
Net income (loss) before transfers	4,256,851	958,979	(657,746)	(242,849)	4,315,235
Transfers in (out)					
Transfers in	33,862	91,518	500,000	168,000	793,380
Transfers out	(3,020,000)	(108,000)	0	0	(3,128,000)
Total transfers	(2,986,138)	(16,482)	500,000	168,000	(2,334,620)
Change in net position	1,270,713	942,497	(157,746)	(74,849)	1,980,615
Net position, July 1	36,775,008	3,504,102	172,222	112,059	40,563,391
Net position, June 30	\$ 38,045,721	\$ 4,446,599	\$ 14,476	\$ 37,210	\$ 42,544,006

CITY OF ELBERTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2020

	Combined Public Utility System	ElbertonNET Technology Services	Elbert Hotel	Nonmajor Proprietary Funds	Totals
Cash flows from operating activities:					
Receipts from customers	\$ 22,927,086	\$ 5,533,546	\$ 384,411	\$ 923,503	\$ 29,768,546
Payments to suppliers	(14,842,619)	(3,711,057)	(206,702)	(480,925)	(19,241,303)
Payments to employees	(2,539,753)	(424,245)	(303,660)	(653,346)	(3,921,004)
Other receipts	151,428	0	0	0	151,428
Other payments	(34,340)	(19,880)	0	0	(54,220)
Net cash provided (used) by operating activities	<u>5,661,802</u>	<u>1,378,364</u>	<u>(125,951)</u>	<u>(210,768)</u>	<u>6,703,447</u>
Cash flows from non-capital financing activities:					
Receipts from other funds	730,562	0	570,982	454,000	1,755,544
Payments to other funds	(3,020,000)	(1,113,428)	(2,846)	(27,632)	(4,163,906)
Net cash provided (used) by non-capital financing activities	<u>(2,289,438)</u>	<u>(1,113,428)</u>	<u>568,136</u>	<u>426,368</u>	<u>(2,408,362)</u>
Cash flows from capital and related financing activities:					
Receipts from other governments	184,386	0	0	0	184,386
Receipts from other funds	33,862	91,518	500,000	0	625,380
Proceeds from the sale of capital assets	7,110	0	0	11,935	19,045
Payment of capital related accounts payable	(884,070)	0	0	0	(884,070)
Acquisition of capital assets	(1,551,799)	(356,454)	0	(160,601)	(2,068,854)
Interest paid	(162,039)	0	(350,182)	(1,937)	(514,158)
Issuance of notes payable	376,876	0	0	0	376,876
Issuance of bonds payable	0	0	4,000,000	0	4,000,000
Principal payments - bonds	(875,000)	0	(222,513)	0	(1,097,513)
Principal payments - notes payable	(141,920)	0	(4,369,094)	0	(4,511,014)
Principal payments - capital leases	(240,514)	0	0	(116,834)	(357,348)
Net cash provided (used) by capital and related financing activities	<u>(3,253,108)</u>	<u>(264,936)</u>	<u>(441,789)</u>	<u>(267,437)</u>	<u>(4,227,270)</u>
Cash flows from investing activities:					
Interest received	302,673	0	2	0	302,675
Proceeds from sale of investments	600,000	0	0	0	600,000
Purchase of investments	(1,144,917)	0	0	0	(1,144,917)
Net cash provided (used) by investing activities	<u>(242,244)</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>(242,242)</u>
Net increase (decrease) in cash	(122,988)	0	398	(51,837)	(174,427)
Cash, July 1	1,439,623	0	52,520	56,186	1,548,329
Cash, June 30	<u>\$ 1,316,635</u>	<u>\$ 0</u>	<u>\$ 52,918</u>	<u>\$ 4,349</u>	<u>\$ 1,373,902</u>

CITY OF ELBERTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2020

	Combined Public Utility System	ElbertonNET Technology Services	Elbert Hotel	Nonmajor Proprietary Funds	Totals
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 3,862,626	\$ 958,979	\$ (312,990)	\$ (252,932)	\$ 4,255,683
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	1,534,547	362,108	195,084	71,160	2,162,899
(Increase) decrease in accounts receivable	322,808	37,752	635	(10,772)	350,423
(Increase) decrease in prepaids	0	0	2,107	0	2,107
(Increase) decrease in inventories	(20,333)	(28,135)	(17,525)	1,455	(64,538)
(Increase) decrease in other current assets	(1,033)	0	0	0	(1,033)
(Increase) decrease in net pension asset/liability	587,562	101,749	50,254	121,849	861,414
(Increase) decrease in pension contributions made subsequent to measurement date	387	25	198	64	674
Increase (decrease) in accounts payable	(147,170)	44,488	(76)	(29,479)	(132,237)
Increase (decrease) in intergovernmental payable	0	(8,136)	0	0	(8,136)
Increase (decrease) in sales tax payable	(12,870)	0	(4,387)	0	(17,257)
Increase (decrease) in customer deposits payable	12,772	1,875	(8,666)	0	5,981
Increase (decrease) in other current liabilities	17,576	0	0	0	17,576
Increase (decrease) in accrued salaries	17,916	(1,193)	3,879	554	21,156
Increase (decrease) in compensated absences payable	1,807	(174)	2,360	(5,213)	(1,220)
Increase (decrease) in pension experience differences	(39,088)	(7,769)	573	(8,489)	(54,773)
Increase (decrease) in pension assumption differences	(117,860)	(20,913)	(8,099)	(24,634)	(171,506)
Increase (decrease) in pension investment return differences	(357,845)	(62,292)	(29,298)	(74,331)	(523,766)
Total adjustments	1,799,176	419,385	187,039	42,164	2,447,764
Net cash provided (used) by operating activities	\$ 5,661,802	\$ 1,378,364	\$ (125,951)	\$ (210,768)	\$ 6,703,447
Cash reconciliation:					
Cash	\$ 834,928	\$ 0	\$ 52,918	\$ 4,349	\$ 892,195
Restricted assets					
Cash	481,707	0	0	0	481,707
Total cash	\$ 1,316,635	\$ 0	\$ 52,918	\$ 4,349	\$ 1,373,902

Noncash investing, capital, and financing activities:

The net increase (decrease) in the fair value of investments totaled (\$51,455).

Acquisition of capital assets through accounts payable totaled \$308,955.

Acquisition of capital assets through retainage payable totaled \$31,446.

CITY OF ELBERTON, GEORGIA
MUNICIPAL COURT CUSTODIAL FUND
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2020

ASSETS

Cash and cash equivalents

\$ 5,278

LIABILITIES

Due to others

5,278

NET POSITION

Restricted for judicial

\$ 0

CITY OF ELBERTON, GEORGIA
MUNICIPAL COURT CUSTODIAL FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the fiscal year ended June 30, 2020

ADDITIONS

Fines and forfeitures collected for other governments	\$ 48,518
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DEDUCTIONS

Distributions of fines and forfeitures to other governments	<u>48,518</u>
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Change in net position	0
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Net position, July 1	<u>0</u>
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Net position, June 30	<u><u>\$ 0</u></u>
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CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

1. Description of Government Unit

The City of Elberton was incorporated under the laws of the State of Georgia in 1803 and operates under an elected Mayor-Council form of government. The City provides a full range of governmental services, including public safety, highways and streets, public improvements, recreation, planning and zoning, and general administrative services, as well as electric, water and sewerage, natural gas, telecommunications, and sanitation services provided through enterprise funds.

2. Summary of Significant Accounting Policies

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Elberton Downtown Development Authority

The Elberton Downtown Development Authority was established as a legally separate entity, which operates pursuant to the Official Code of Georgia Annotated. The Authority consists of seven directors, who are appointed by the Mayor and Council, and an executive director. The Downtown Development Authority provides for the vitalization of the downtown area of the City of Elberton. In many respects, the Authority functions similar to a City department through regular participation in department director meetings, accounting, payroll, etc. The Authority is included in the reporting entity due to the significance of its financial relationship with the City. The City is able to significantly influence the programs and services performed or provided by the organization.

The Elberton Downtown Development Authority is reported in a separate column to emphasize that it is legally separate from the City. Individual financial statements are presented as part of the City's Annual Financial Report in the sections labeled "Component Unit" (See Exhibit I). The Elberton Downtown Development Authority has a June 30th year-end. Individual financial statements may be obtained by contacting the Elberton Downtown Development Authority, PO Box 70, Elberton, GA 30635.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has one discretely presented component unit. While the Downtown Development Authority is not considered to be a major component unit, it is nevertheless shown in a separate column in the government-wide financial statements.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

C. Basis of Presentation – Government-wide Financial Statements, continued

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's Combined Public Utilities and ElbertonNET Technology Services Enterprise Funds and the other functions of the government. Elimination of these charges would distort the direct costs of program revenues reported for the various functions concerned.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental fund:

General Fund - The general operating fund of the City is used to account for all financial resources not accounted for and reported in another fund.

The City reports the following major proprietary funds:

Combined Public Utility System Enterprise Fund - This fund is used to account for activities connected with the development, operation, and maintenance of the City's Electric, Water and Sewer, and Natural Gas Systems pursuant to requirements of the revenue bond ordinance.

ElbertonNET Technology Services Enterprise Fund - This fund is used to account for the activities connected with the development, operation, and maintenance of the City's cable television, high-speed Internet, Voice-over-Internet Protocol phone, and fiber optic-based telecommunications services.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Elbert Hotel Enterprise Fund - This fund is used to account for the activities connected with the construction and operations of the Samuel Elbert Hotel located in downtown Elberton.

Additionally, the City reports the following fund types:

Governmental Fund Types

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditures for specific purposes.

Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition or construction of capital facilities (other than those financed by the proprietary funds).

Proprietary Fund Types

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Fiduciary Fund Types

Custodial Funds – Custodial Funds are custodial in nature and do not present results of operations or have a measurement focus. Custodial Funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held either for the City or for others. The City has a custodial fund to account for the activity of the Municipal Court.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Component Units

The Elberton Downtown Development Authority is accounted for using a current financial resources measurement focus and uses the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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.

The 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. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The custodial fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

F. Revenues and Expenditures/Expenses

Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Certain indirect costs have been included as part of program expenses reported for the various functional activities.

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

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

G. Budgets and Budgetary Accounting

The City Council adopts an annual operating budget for all governmental fund types, prior to July 1, except for the Capital Projects Funds. The Capital Projects Funds are budgeted by the City Council when capital projects are approved. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted by the passage of a resolution.

In mid April each year, the departments submit their budget requests to the Finance Director. The Finance Department compiles a complete citywide budget and submits the proposed budget to the City Manager for review. Meetings are held between the City Manager, Finance Director, and department heads in May to review the proposed budget. City ordinance requires the City Manager to submit the proposed budget to the City Council forty days prior to the beginning of the next fiscal year. The proposed budget is made available to the public for review during this period. During June, the Mayor and Council conduct two public hearings to discuss the proposed budget and to obtain input from the citizens of the City of Elberton. These hearings are publicly advertised at least one week before each hearing. The final proposed budget is then adopted by the City Council on or before June 30 during a regular Council meeting, which is also open to the public.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level. All operating budget transfers between departments must be approved by City Council. Formal budgetary integration is employed as a management control device during the year.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control, which is the department level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year-end. The City does not use the encumbrance system of accounting.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

H. Cash and Investments

Cash and cash equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents and investments with an original maturity at three months or less. Investments are reported at fair value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital project investments is included in the investment accounts.

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

The City reports investments using net asset value (NAV) when NAV is calculated in a manner consistent with fair value measurement guidelines, fair value is not readily determinable, and it is not probable for the investment to be sold at an amount other than NAV.

I. Property Taxes

Amounts received from the local option sales tax which are required to be used to roll back property taxes exceeded the City's normal tax levy resulting in no property tax levy during the current fiscal year.

J. Intergovernmental Receivables

Receivables for state and federal grants are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

K. Inventories

Inventories for the General Fund are valued at average cost and recorded as expenditures when consumed. Inventories of the Combined Public Utility System Enterprise Fund are valued at cost on the first-in, first-out method.

L. Prepaid Items

Payments made to vendors that benefit future reporting periods are recorded as prepaid items. Prepaid items in the governmental funds are accounted for using the consumption method.

M. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements

GASB Statement No. 34 required the City to report and depreciate new infrastructure assets effective with the fiscal year ended June 30, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the City. Neither their historical costs nor related depreciation has historically been reported in the financial statements. The City implemented the requirements for retroactive reporting of major general infrastructure assets during the fiscal year ended June 30, 2007. The City elected not to report general infrastructure assets placed into service prior to July 1, 1980.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at acquisition value on the date donated.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

M. Capital Assets, continued

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life	Capitalization
	in Years	Threshold
Utility distribution system	10 to 50	\$ 10,000 – 20,000
Land improvements	5 to 50	10,000
Buildings	30 to 50	10,000
Equipment	2 to 10	5,000
Vehicles	5 to 10	5,000
Infrastructure	10 to 50	10,000 – 30,000
Land	N/A	1
Nondepreciable intangibles	N/A	5,000

The costs of normal maintenance and repairs that do not add value or materially extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

N. Deferred Outflows/Inflows of Resources

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

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

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

O. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

P. Fund Balance Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Q. Restricted Assets and Restricted Net Position

Restricted assets for bond redemption of the Combined Utility System Enterprise Fund represent resources set aside for the repayment of revenue bonds outstanding. The assets are maintained in a separate bank account and their use is limited by application of bond covenants. Restricted assets for the MEAG Generation Trust represent resources held in separate investment accounts for future MEAG construction projects. See Note 3 for additional details.

Restricted net position is equal to the excess of the restricted assets funded from operations over the liabilities to be paid with restricted assets which are due in one year or less. Restricted assets exclude bond proceeds for calculation of restricted net position.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

R. Fund Balances – Governmental Funds

The City of Elberton implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2012. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable, by the City are nonspendable in form. The City has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the City Council, the City of Elberton's highest level of decision making authority, which include the language "committed for the purpose of". Commitments may be modified or rescinded only through adoption of a subsequent resolution, which shall refer to the original resolution by its number, title, and date of original adoption. A resolution committing amounts must be adopted prior to the end of the fiscal year; however, the amount to be committed may be determined within 90 days of fiscal year-end.

Assigned – includes amounts that the City intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the City's adopted policy, amounts may be assigned by the City Manager, under the authorization of the City Council, through a written memorandum. Amounts appropriated to eliminate a projected deficit in the subsequent fiscal year's budget shall constitute assignments and are documented by adoption of the City's annual operating budget. The City Manager has determined that all equity amounts reported in special revenue funds, capital project funds, debt service funds, or permanent funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

R. Fund Balances – Governmental Funds, continued

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that should report positive amounts this category of fund balance.

S. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

In the fund financial statements, governmental fund types, bond premiums and discounts are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

T. Compensation for Future Absences

It is the City's policy to permit employees to accumulate earned but unused vacation benefits which will be paid to the employees upon separation from City service. Accumulated unpaid vacation pay amounts are accrued when incurred by the City in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with expendable available financial resources.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

2. Summary of Significant Accounting Policies (continued)

U. Capital Contributions

Federal, state and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

V. Comparative Data and Reclassifications

Comparative total data of the prior period has been presented in the accompanying individual fund financial statements in order to provide an understanding of changes in the City's financial position and operations. Certain prior fiscal year amounts have been reclassified to conform with the current fiscal year presentation.

W. Pension Plans

For purposes of measuring the net pension liability, and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Georgia Municipal Employees Benefit System (GMEBS) plan (Plan) and additions to/deductions from the Plan'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 at fair value.

3. Deposit and Investment Risk

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a financial institution failure, the City's deposits may not be returned. The City investment policies require that all deposits be federally insured or fully collateralized.

Interest Rate Risk

The City's investment policies place no limits on the maximum maturity of investments as a means of managing its exposure to fair value losses arising from increasing interest rates.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

3. Deposit and Investment Risk (continued)

Credit Risk

The City's investment policies authorize investment in the following securities approved by the State of Georgia for local governments. Authorized investments include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia or other states, and pooled investment programs of the State of Georgia. The City's policies do not establish a minimum credit rating for investments. Investments are reported at fair value.

Concentration of Credit Risk

City's policies place no limits on the amount the may invest in any one issuer, but require that the investment portfolio be diversified.

Foreign Currency Risk

The City's investment policies do not allow for investments denominated in a foreign currency.

The City participates in the State of Georgia Local Government Investment Pool. Assets in this pool are invested in Georgia Fund 1, created by OCGA 36-83-8, which is a stable net asset investment pool that follows Standard and Poor's criteria for AAAf rated money market funds. Georgia Fund 1 is managed by the Georgia Office of the State Treasurer. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company.

The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on \$1.00 per share. Georgia Fund 1 is managed by the Georgia Office of the State Treasurer. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

3. Deposit and Investment Risk (continued)

Georgia Fund 1 is rated AA Af by Standard & Poor's. The weighted average maturity at the end of the current fiscal year was 38 days. At the end of the current fiscal year, the City's balance in Georgia Fund 1 was \$571,084.

The City is a participant in the Municipal Electric Authority of Georgia (MEAG). The MEAG board approves an annual system budget from which MEAG bills its participants. At the end of the year, adjustments are made by MEAG to each participant's billings to agree with actual cost. Whenever MEAG recovers funds from the City in excess of its actual costs to serve the City, the City may elect to have their funds deposited in MEAG's Voluntary Flexible Operating Account or Generation Trust Account fund in lieu of receiving a refund. The voluntary stabilization fund is used to reduce future costs of the City at its discretion while also earning interest. The City is authorized to direct MEAG to retain or use the discretionary funds. The generation trust account is used to offset the City's share of future MEAG generation projects.

The Municipal Competitive Trust accounts are held in the Intermediate, Intermediate Extended Maturity, and Short-term Portfolios; these portfolios are not rated. At the end of the current fiscal year, the average weighted maturity of the Intermediate, Intermediate Extended Maturity, and Short-term Portfolios were 1.82, 30.05, and 1.11 months, respectively. The investments in each of the funds consist primarily of debt securities such as U.S. Treasuries, U.S. Agency obligations, municipal bonds, and time deposits with financial institutions. The funds in these accounts are invested in securities that are typically held to maturity. At the end of the current fiscal year, the City's balances in the Voluntary Flexible Operating Accounts were \$11,158,559, and in the Generation Trust Accounts were \$3,709,181. The City of Elberton has no unfunded commitments or restriction on its ability to sell the investments in the Municipal Competitive Trust accounts.

Investments measured at net asset value at the end of the current fiscal year consist of the following:

Investment Type	Fair Value
Municipal Competitive Trust	
Short-term Portfolio	\$ 1,156,318
Intermediate Portfolio	3,083,623
Intermediate Extended Portfolio	10,627,799
Total Investments	\$ 14,867,740

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

3. Deposit and Investment Risk (continued)

Investment Type	Fair Value
Municipal Competitive Trust Investments	\$ 10,369,467
Restricted Investments	4,498,273
Total Investments	\$ 14,867,740

4. Accounts Receivable

Net accounts receivable at the end of the current fiscal year consist of the following:

Major Funds		
General	\$ 4,892	
Less: Allowance for Uncollectibles	(1,332)	\$ 3,560
 Enterprise Funds		
Combined Public Utility System	2,295,325	
Less: Allowance for Uncollectibles	(275,210)	
ElbertonNET Technology Services	618,097	
Less: Allowance for Uncollectibles	(209,580)	2,428,632
 Nonmajor Funds		
Solid Waste	105,420	
Less: Allowance for Uncollectibles	(16,970)	88,450
Total primary government		\$ 2,520,642

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

5. Intergovernmental Receivables

Intergovernmental receivables at the end of the current fiscal year consist of the following:

Major Funds	
Enterprise Funds	
Combined Public Utility System	\$ 184,847
Nonmajor Funds	
Governmental Funds	
2019 TSPLOST	42,970
2017 SPLOST	<u>118,333</u>
Total primary government	<u><u>\$ 346,150</u></u>

6. Interfund Receivables, Payables, and Transfers

A summary of interfund receivables and payables at the end of the current fiscal year is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Combined Public Utility System	\$ 692,845
	Nonmajor Governmental	855
Combined Public Utility System	Elbert Hotel	997,864
	Nonmajor Proprietary	451,249
Elbert Hotel	Nonmajor Proprietary	7,028
Nonmajor Governmental	Combined Public Utility System	514
Nonmajor Proprietary	Combined Public Utility System	14,744
	General	<u>60,000</u>
Subtotal		<u><u>\$ 2,225,099</u></u>

The balance reported as Due to/Due from represent loans between the borrower fund and the lender fund. The balance between the Combined Public Utility System Fund and the ElbertonNET Technology Services Fund resulted from transactions to fund operations and is reported as an advance to other fund in the Combined Utilities Fund and an advance from other fund in the ElbertonNET Technology Services Fund and it is not expected to be repaid within one year. All other balances are expected to be repaid within one year.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

6. Interfund Receivables, Payables, and Transfers, continued

Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”.

A summary of interfund transfers is as follows:

<u>Transfer out Fund</u>	<u>Transfer in Fund</u>	<u>Amount</u>
General	Nonmajor Proprietary	\$ 60,000
Combined Public Utility System	General	2,520,000
	Elbert Hotel	500,000
ElbertonNET Technology Services	Nonmajor Proprietary	108,000
Nonmajor Governmental	General	36,073
	ElbertonNET Technology Services	91,518
	Combined Public Utility System	33,862
		<u>\$ 3,289,453</u>

Interfund transfers were used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

7. Intradepartmental Billings

Total operating revenues and total operating expenses in the Combined Public Utilities Enterprise Fund includes \$54,146, \$11,890, and \$470,558 of intradepartmental billings for water and sewer, natural gas, and electric usage, respectively. Total operating revenues and total operating expenses in the ElbertonNET Technology Services Enterprise Fund include \$56,852 of intradepartmental billings for cable television and high-speed internet usage.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

8. Capital Assets

Capital asset activity for the primary government for the current fiscal year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Non-depreciable assets				
Land	\$ 1,534,125	\$ 0	\$ 0	\$ 1,534,125
Construction in progress	0	90,569	0	90,569
Total non-depreciable assets	<u>1,534,125</u>	<u>90,569</u>	<u>0</u>	<u>1,624,694</u>
Depreciable assets				
Buildings	2,122,070	0	0	2,122,070
Land improvements	1,226,510	0	0	1,226,510
Vehicles and equipment	3,001,153	165,758	0	3,166,911
Infrastructure	3,230,377	0	0	3,230,377
Total depreciable assets	<u>9,580,110</u>	<u>165,758</u>	<u>0</u>	<u>9,745,868</u>
Accumulated depreciation				
Buildings	(1,292,272)	(70,281)	0	(1,362,553)
Land improvements	(983,528)	(38,581)	0	(1,022,109)
Vehicles and equipment	(2,141,159)	(175,447)	0	(2,316,606)
Infrastructure	(1,421,748)	(91,179)	0	(1,512,927)
Total accumulated depreciation	<u>(5,838,707)</u>	<u>(375,488)</u>	<u>0</u>	<u>(6,214,195)</u>
Total depreciable assets, net	<u>3,741,403</u>	<u>(209,730)</u>	<u>0</u>	<u>3,531,673</u>
Governmental activities capital assets, net	<u>\$ 5,275,528</u>	<u>\$ (119,161)</u>	<u>\$ 0</u>	<u>\$ 5,156,367</u>
Business-type activities				
Non-depreciable assets				
Land	\$ 392,985	\$ 0	\$ 0	\$ 392,985
Construction in progress	2,718,202	782,500	(2,718,202)	782,500
Intangible assets	377,692	0	0	377,692
Total non-depreciable assets	<u>3,488,879</u>	<u>782,500</u>	<u>(2,718,202)</u>	<u>1,553,177</u>
Depreciable assets				
Buildings	5,448,765	0	(4,695)	5,444,070
Land improvements	110,732	0	0	110,732
Distribution system	52,929,134	3,780,412	(3,893)	56,705,653
Vehicles and equipment	4,711,688	564,545	(255,146)	5,021,087
Total depreciable assets	<u>63,200,319</u>	<u>4,344,957</u>	<u>(263,734)</u>	<u>67,281,542</u>
Accumulated depreciation				
Buildings	(1,074,734)	(148,097)	4,695	(1,218,136)
Land improvements	(61,914)	(2,966)	0	(64,880)
Distribution system	(26,019,262)	(1,570,406)	3,893	(27,585,775)
Vehicles and equipment	(2,955,159)	(441,430)	255,146	(3,141,443)
Total accumulated depreciation	<u>(30,111,069)</u>	<u>(2,162,899)</u>	<u>263,734</u>	<u>(32,010,234)</u>
Total depreciable assets, net	<u>33,089,250</u>	<u>2,182,058</u>	<u>0</u>	<u>35,271,308</u>
Business-type activities capital assets, net	<u>\$ 36,578,129</u>	<u>\$ 2,964,558</u>	<u>\$ (2,718,202)</u>	<u>\$ 36,824,485</u>

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

8. Capital Assets (continued)

Capital asset activity for the Downtown Development Authority Component Unit for the current fiscal year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Downtown Development Authority Component Unit				
Non-depreciable assets				
Land	\$ 51,100	\$ 0	\$ (6,000)	\$ 45,100
Construction in progress	12,285	43,608	(55,893)	0
Total non-depreciable assets	<u>63,385</u>	<u>43,608</u>	<u>(61,893)</u>	<u>45,100</u>
Depreciable assets				
Buildings	1,236,352	49,450	(28,939)	1,256,863
Accumulated depreciation				
Buildings	(443,676)	(67,823)	5,082	(506,417)
Total depreciable assets, net	<u>792,676</u>	<u>(18,373)</u>	<u>(23,857)</u>	<u>750,446</u>
Downtown Development Authority Component Unit capital assets, net	<u>\$ 856,061</u>	<u>\$ 25,235</u>	<u>\$ (85,750)</u>	<u>\$ 795,546</u>

Depreciation expense was charged to functions/programs as follows:

Primary Government

Governmental activities

General Government	\$ 14,511
Public Safety	120,741
Public Works	129,060
Culture and Recreation	101,038
Housing and Development	10,138
Total depreciation expense for governmental activities	<u>\$ 375,488</u>

Business-type activities

Combined Public Utilities	
Electric Department	\$ 330,647
Water and Sewer Department	893,293
Natural Gas Department	310,607
Solid Waste	69,099
ElbertonNet Technology Services	362,108
Elbert Theatre	2,061
Elbert Hotel	195,084
Total depreciation expense for business-type activities	<u>\$ 2,162,899</u>

Downtown Development Authority Component Unit \$ 67,823

CITY OF ELBERTON, GEORGIA
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For the fiscal year ended June 30, 2020

9. Capital and Operating Leases Agreements

Business-type Activities

The City has entered into a lease-purchase agreement to finance the replacement of aged natural gas lines in Elberton. The terms of the agreement meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, which defines a capital lease generally as one which transfers benefits and risk of ownership to the lessee. The balance of the lease at the end of the current fiscal year is \$708,964.

The following is a schedule of the future minimum lease payments together with the present value of the net minimum lease payments as of the end of the current fiscal year:

Year Ending June 30,	Business-type Activities
2021	\$ 257,811
2022	257,811
2023	214,842
Total minimum lease payments	730,464
Less amounts representing interest	(21,500)
Present value of minimum lease payments	\$ 708,964

Total assets leased under capital leases are \$2,479,901 and are classified as follows:

	Business-type Activities	
	Cost	Accumulated Depreciation
Distribution system	\$ 2,479,901	\$ 294,676

Amortization of leased equipment under capital leases is included in depreciation expense.

The City's lease agreements, other than such agreements described above, are relatively minor commitments (generally for office machines) and are in compliance with state law.

CITY OF ELBERTON, GEORGIA
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For the fiscal year ended June 30, 2020

10. Long-Term Debt

Revenue Bonds

Business-type Activities

Revenue bonds issued for business-type activities are comprised of the following individual issues at the end of the current fiscal year:

\$8,355,000 2011 Combined Utility System Refunding Revenue series bonds due in annual installments of \$740,000 to \$930,000 through January 1, 2022; interest at 2.725% (\$1,830,000 outstanding). Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. The bonds are secured by a first lien of the City's combined net revenues of the water and sewerage system, gas distribution, and electric distribution system.

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 900,000	\$ 49,867	\$ 949,867
2022	930,000	25,342	955,342
Totals	<u>\$ 1,830,000</u>	<u>\$ 75,209</u>	<u>\$ 1,905,209</u>

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

10. Long-Term Debt (continued)

Bonds from Direct Placements

Business-type Activities

\$4,000,000 Revenue Refunding Bonds Series 2019 (City of Elberton Facility Redevelopment Project) direct placement bonds due in monthly installments of principal and interest of \$37,001 through October 2029; interest at 2.00% (\$3,777,487 outstanding). Upon an event of default, all outstanding principal and accrued interest will be declared immediately due and payable and the interest rate will increase to 6% until the default has been cured. Debt service payments of the agreement are secured by revenues of the City.

Annual debt service requirements to maturity for bonds from direct placements are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 371,863	\$ 72,153	\$ 444,016
2022	379,369	64,647	444,016
2023	387,026	56,990	444,016
2024	394,838	49,178	444,016
2025	402,808	41,209	444,017
2026-2030	1,841,583	85,242	1,926,825
Totals	<u>\$ 3,777,487</u>	<u>\$ 369,419</u>	<u>\$ 4,146,906</u>

Notes from Direct Borrowings

Business-type Activities

The City entered into a direct borrowing agreement with the Georgia Environmental Finance Authority (GEFA) to finance improvements to the City's water system. The City borrowed \$2,000,000 due in monthly installments of \$9,296 of principal and interest through October 1, 2036; interest at 1.11% (\$1,665,759 outstanding). Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues on taxes, fees and charges collected by the City.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

10. Long-Term Debt (continued)

Notes from Direct Borrowings, continued

Business-type Activities, continued

The City entered into a direct borrowing agreement with the Georgia Environmental Finance Authority to finance improvements to the City's sewerage system. The City borrowed \$1,120,000 due in monthly installments of \$5,472 of principal and interest through May 1, 2037; interest at 1.63% (\$970,204 outstanding). Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues on taxes, fees and charges collected by the City.

The City entered into a direct borrowing agreement the Georgia Environmental Finance Authority in the amount of \$2,500,000 for expansion of the City's water system. GEFA agrees to forgive \$500,000 of the loan if all funds are drawn. Monthly installments of principal and interest are due beginning on the first day of the calendar month following the date that the loan is fully disbursed (the Amortization Commencement Date) for 239 months; interest at 2.25%. The City has drawn \$2,364,600 on this agreement and recognized \$472,920 in principal forgiveness. As of the end of the current fiscal year, this note is still in the drawdown phase (\$1,891,680 outstanding) and is not included in the amortization schedule on the next page. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues on taxes, fees and charges collected by the City.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

10. Long-Term Debt (continued)

Notes from Direct Borrowings, continued

Business-type Activities, continued

The City entered into a direct borrowing agreement with Northeast Georgia Bank to finance the City of Elberton Facility Redevelopment Project. The proceeds were used to finance the acquisition, installation, refurbishment, redevelopment, and equipping of the hotel located at 4 South Public Square, Elberton, Georgia. The City borrowed a total of \$4,900,000 on the agreement. Monthly installments of principal and interest in the amount of \$36,783 through December 2025; interest at the Prime Rate plus 1.5%. Upon an event of default, all outstanding principal and accrued interest will be declared immediately due and payable and the interest rate will increase to the lesser of 3% above the stated interest rate or the maximum lawful interest rate. In the event of default, the City agrees to levy a property tax sufficient to meet the debt service payments outlined in the borrowing agreement. Debt service payments of the agreement are secured by the revenues of the City. During the current fiscal year, the City refunded this agreement in full. See Note 12 for more information.

Annual debt service requirements for notes from direct borrowings are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 143,762	\$ 33,455	\$ 177,217
2022	145,630	31,587	177,217
2023	147,524	29,693	177,217
2024	149,443	27,774	177,217
2025	151,388	25,829	177,217
2026-2030	787,046	99,040	886,086
2031-2035	839,770	46,316	886,086
2036-2037	271,400	3,192	274,592
Totals	<u>\$ 2,635,963</u>	<u>\$ 296,886</u>	<u>\$ 2,932,849</u>

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

10. Long-Term Debt (continued)

Notes from Direct Borrowings, continued

Elberton Downtown Development Authority Component Unit

The Elberton Downtown Development Authority entered into a direct borrowing agreement with the City of Elberton to refinance a lending agreement with Pinnacle Bank in the original amount of \$65,000. At the end of the current fiscal year, the balance of this note is \$39,000. The agreement is secured by real property located at 9 North McIntosh Street in downtown Elberton, GA. In the event of default, the lender has the option to declare the full amount of unpaid principal and interest due immediately. Monthly installments of \$105 interest are due through May 31, 2020; interest at 3.00%. All unpaid principal and interest are due in full on June 30, 2021.

The Elberton Downtown Development Authority entered into a direct borrowing agreement with the City of Elberton to help finance the planning of the renovation of the upstairs of the William O. Jones Building in downtown Elberton, GA, in the original amount of \$51,250. The agreement is secured by the William O. Jones Building. In the event of default, the lender has the option to declare the full unpaid principal balance due immediately. At the end of the current fiscal year, the balance of this note is \$41,406. Monthly installments of \$449 principal and interest are due through June 1, 2028; interest at 1.00%.

The Elberton Downtown Development Authority entered into a direct borrowing agreement with the Georgia Department of Community Affairs to refinance a lending agreement with Pinnacle Bank in the original amount of \$180,854. The agreement is secured by the William O. Jones Building located in downtown Elberton, GA. In the event of default, the lender has the option to declare the full unpaid principal balance due immediately. At the end of the current fiscal year, the balance of this note is \$57,758. Monthly installments of \$1,182 principal and interest are due through September 1, 2024; interest at 2.00%.

The Elberton Downtown Development Authority has also entered into a direct borrowing agreement with the City of Elberton for improvements to the William O. Jones Building in the original amount of \$480,000. The agreement is secured by the William O. Jones Building. In the event of default, the lender has the option to declare the full unpaid principal balance due immediately. At the end of the current fiscal year, the balance of this note is \$256,000. Monthly installments of \$2,000 are due through February 28, 2031; interest at 0.00%.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

10. Long-Term Debt (continued)

Notes from Direct Borrowings, continued

Elberton Downtown Development Authority Component Unit, continued

The Elberton Downtown Development Authority has entered into a direct borrowing agreement with the City of Elberton to assist with the acquisition and renovation of the building located at 23 North Public Square in downtown Elberton, GA, in the original amount of \$40,000. The agreement is secured by the real property located at 23 North Public Square in downtown Elberton, GA. In the event of default, the lender has the option to declare the full unpaid principal balance due immediately. At the end of the current fiscal year, the balance of this note is \$36,000. Monthly installments of \$32 interest are due through May 31, 2020; interest at 1.00%. All unpaid principal and interest are due in full on June 30, 2021.

The Elberton Downtown Development Authority has entered into a direct borrowing agreement with the City of Elberton to finance the acquisition and renovation of two commercial buildings located at 17 and 21 North McIntosh Street in downtown Elberton, GA, in the original amount of \$125,000. The agreement is secured by the real property located at 17 and 21 North McIntosh Street in downtown Elberton, GA. In the event of default, the lender has the option to declare the full unpaid principal balance due immediately. At the end of the current fiscal year, the balance of this note is \$123,115. Monthly installments of \$575 principal and interest are due through February 1, 2040; interest at 1.00%.

Annual debt service requirements for notes from direct borrowing are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 122,842	\$ 1,596	\$ 124,438
2022	48,215	1,489	49,704
2023	48,594	1,380	49,974
2024	48,980	1,271	50,251
2025	38,662	1,172	39,834
2026-2030	166,449	4,206	170,655
2031-2035	48,098	2,394	50,492
2036-2040	31,439	753	32,192
Totals	\$ 553,279	\$ 14,261	\$ 567,540

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

11. Long-Term Liabilities

Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities of the City for the current fiscal year:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental Activities					
Contractual liability	\$ 213,487	\$ 0	\$ (4,659)	\$ 208,828	\$ 0
Compensated absences	166,466	116,526	(113,896)	169,096	118,367
Total Governmental Activities	\$ 379,953	\$ 116,526	\$ (118,555)	\$ 377,924	\$ 118,367
Business-type Activities					
Revenue bonds	\$ 2,705,000	\$ 0	\$ (875,000)	\$ 1,830,000	\$ 900,000
Bonds from direct placements	0	4,000,000	(222,513)	3,777,487	371,863
Notes from direct borrowings	8,661,781	376,876	(4,511,014)	4,527,643	143,762
Capital lease obligations	1,066,312	0	(357,348)	708,964	245,515
Compensated absences	176,535	123,574	(124,794)	175,315	122,720
Total Business-type Activities	\$ 12,609,628	\$ 4,500,450	\$ (6,090,669)	\$ 11,019,409	\$ 1,783,860
Downtown Development Authority Component Unit					
Notes from direct borrowings	\$ 601,945	\$ 0	\$ (48,666)	\$ 553,279	\$ 122,842

Total interest incurred and expensed in the governmental activities and the business-type activities during the current fiscal year was \$0 and \$498,009, respectively.

Revenue bond discounts/premiums are amortized over the life of the related debt using the straight-line method. Compensated absences are liquidated by those funds that have salary and wage expenditures. In prior years, long-term liabilities, such as compensated absences, of the governmental activities were liquidated in the General Fund.

The City is subject to a legal debit margin of 10% of total assessed property value. The City's net assessed value is \$126,035,295. The City has \$0 of outstanding general obligation debt. The City has a total of \$12,603,530 (100%) of outstanding legal debt margin remaining.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

12. Bond Refunding

On November 6, 2019, the City issued \$4,000,000 Revenue Refunding Bonds, Series 2019 (City of Elberton Facility Redevelopment Project) direct placement bonds. The proceeds of the bonds were used to refund the City's direct borrowing agreement with Northeast Georgia Bank used to finance the acquisition and reburishment of the Samuel Elbert Hotel. The bonds were issued in the amount of \$4,000,000. The bonds are due in monthly installments of \$37,001 principal and interest due through October 2029; interest at 2.00%. The City completed the refunding to reduce its total debt service payments over the next 10 years by \$1,919,628 and to obtain an economic gain (the difference between the present value of the old debt and new debt service payments) of \$1,395,163.

13. Nonspendable, Restricted, Committed, and Assigned Fund Balances

The following is a summary of nonspendable, restricted, committed, and assigned fund balances of the governmental funds at the end of the current fiscal year:

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:			
Inventory	\$ 8,948	\$ 0	\$ 8,948
Prepaid items	174,792	0	174,792
Notes receivable	75,000	0	75,000
	<u>258,740</u>	<u>0</u>	<u>258,740</u>
Restricted for:			
Public Safety			
Police facilities and equipment	25	0	25
Housing and Development			
Downtown development	0	480,000	480,000
Capital projects	0	666,611	666,611
	<u>25</u>	<u>1,146,611</u>	<u>1,146,636</u>

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

14. Landfill Closure and Post-Closure Care Costs

At June 30, 1995, the City owned and operated a landfill site located on approximately 200 acres of land north of Elberton. The landfill had been operated at the site since 1990. State and federal laws and regulations require the operator to close the landfill once its capacity is reached and to monitor and maintain the site for thirty subsequent years. The City recognized a portion of the closure and post closure care costs in each operating period even though actual payouts would not occur until the landfill was closed. The amount recognized each year was based on the landfill capacity used as of the balance sheet date.

Effective July 1, 1995, Elbert County, Georgia, became the owner and operator of the sanitary landfill. All assets of the landfill and related capital leases were transferred to the County as of that date.

The agreement with Elbert County calls for the City and the County to each assume one-half of the closure and post closure care costs of the landfill cells (cells 1 - 8) existing on July 1, 1995, for future years. The City has recorded a contractual obligation to Elbert County of \$208,828. The obligation will be adjusted annually based upon current data and engineering studies. The landfill is closed and has no estimated remaining life. This liability is reported as a non-current contractual liability in the Governmental Activities on the Statement of Net Position.

15. Risk Management and Self-Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City has elected to manage its risk financing activities through the purchase of commercial insurance. There have been no insurance settlements exceeding insurance coverage for any of the past three fiscal years.

The City is a member of the Georgia Municipal Association (GMA) Group Self-Insurance Workers' Compensation Fund, a group self-insured program authorized by state statute and administered by GMA. The fund provides workers' compensation statutory coverage to local government entities in Georgia as an alternative to the standard commercial insurance market. The membership owns and controls the fund, resulting in dividends (or renewal credits) returned to the fund members, significantly reducing the cost of coverage for the membership. The cost of coverage is based on individual loss experience and underwriting.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

15. Risk Management and Self-Insurance (continued)

Membership includes proactive safety and risk control service which includes loss control field service, individual member problem analysis, and on-site and regional training. Workers' compensation claims are reported to and administered by GMA employees.

The City's deductible for workers' compensation claims is \$500,000. At the end of the current fiscal year, the City has no losses that are probable or estimable and accordingly has not recognized any liability.

16. Pension Plan

Plan Description. The City is a participating member of the Georgia Municipal Employees Benefit System (GMEBS), a state-wide agent, multiple-employer retirement system, administered by the Georgia Municipal Association. This is a defined benefit pension plan, which provides retirement, disability and death benefits to plan members and beneficiaries. The City has established provisions, which assign the authority to the City Council members to establish and amend the benefit provisions of the plan.

Control over the operation and administration of the plan is vested with GMEBS along with custody of the plan assets. The plan provides that the City has no liability with respect to payments or benefits or otherwise under the plan except to pay over to GMEBS such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems Standards Law and provide benefits thereunder. If terminated, the plan provides that if there are funds remaining after the satisfaction of all liabilities, such funds shall not revert to the City but shall be allocated to employees. All employees are eligible for immediate participation. Officials are covered under the plan and are eligible for immediate participation.

There are no loans to any of the City officials or other "party-in-interest," and there are no prohibited transactions. The plan assets do not include any securities or investments in the City of Elberton. The funds are managed by independent money managers.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

16. Pension Plan (continued)

The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. The report may be obtained at www.gmanet.com or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

At of the date of the most recent actuarial valuation participants consisted of the following:

Retirees and beneficiaries currently receiving benefits	97
Terminated vested participants entitled to but not yet receiving benefits	28
Active participants	123
Total number of participants	248

Benefits Provided. The plan provides retirement and death benefits. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 65 with no reduction in benefit. Members with thirty years of total service are eligible to retire at age 62 with no reduction in benefit. Officials are eligible to retire at age 65 with no reduction of benefits. Members are eligible for early retirement with reduced benefits based on the early retirement reduction table at age 55 after 10 years of service. The benefit formula is 1.25% - 1.75% with a ten year vesting schedule for terminations on or after January 1, 2001. The benefit formula is 1.00% - 1.75% with a ten year vesting schedule for terminations prior to January 1, 2001.

Contributions. Employees make no contributions to the plan. The City is required to contribute the remaining amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law. The City's actuarially determined contribution rate for the current fiscal year was \$33,571 or .66% of covered payroll. The Council provides for the benefits and funding policy through City ordinance and maintains the authority to change the policy. The administrative expenses set by contract with GMEBS are in addition to the state-required annual funding requirement. This funding policy, as specified by ordinance, has been the same since the inception of the plan.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

16. Pension Plan (continued)

Pension Liabilities (Assets), Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At the end of the current fiscal year, the City reported a net pension asset of \$602,596. The net pension asset was measured as of September 30, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2020. For the current fiscal year, the City recognized pension expense of \$156,263. For the Governmental Activities, the net pension liability is liquidated by the General Fund.

At the end of the current fiscal year, the City reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 572,085	\$ 0
Changes of assumptions	277,445	(89,743)
Net difference between projected and actual earnings on pension plan investments	0	(166,442)
City contributions subsequent to the measurement date	26,096	0
Totals	\$ 875,626	\$ (256,185)

The \$26,096 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net position liability in the subsequent fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending June 30		
2021	\$	(18,479)
2022		34,613
2023		237,950
2024		339,261
Totals	\$	593,345

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

16. Pension Plan (continued)

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

Inflation	2.25%
Projected salary increases	2.25% plus service based merit increases
Cost of living adjustments	2.25%
Net investment rate of return	7.375%

Healthy mortality rates were based on the Sex-Distinct Pri-2012 Head-County Weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled mortality rates were based on the Sex-Distinct Pri-2012 Head-County Weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.

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

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 of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

16. Pension Plan (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019 are summarized in the following table:

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

Discount Rate. The discount rate used to measure the total pension liability was 7.375 percent. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

16. Pension Plan (continued)

Changes in Net Pension Liability (Asset)

	<u>Total Pension Liability (Asset)</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balances at 9/30/18	\$ 19,577,148	\$ 21,887,900	\$ (2,310,752)
Changes for the year:			
Service cost	174,109	0	174,109
Interest	1,437,459	0	1,437,459
Differences between expected and actual experience	357,266	0	357,266
Contributions—employer	0	33,877	(33,877)
Net investment income	0	605,552	(605,552)
Benefit payments, including refunds of employee contributions	(1,170,265)	(1,170,265)	0
Administrative expense	0	(31,948)	31,948
Other	346,803	0	346,803
Net changes	<u>1,145,372</u>	<u>(562,784)</u>	<u>1,708,156</u>
Balances at 9/30/19	<u>\$ 20,722,520</u>	<u>\$ 21,325,116</u>	<u>\$ (602,596)</u>

Plan fiduciary net position as a percentage of the total pension asset	102.91%
Covered payroll	\$ 5,003,067
Employer's net pension asset as percentage of covered payroll	(12.04%)

Sensitivity of the Net Pension Asset/Liability to Changes in the Discount Rate. The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.375 percent) or one percentage-point higher (8.375 percent) than the current rate:

	<u>Discount Rate</u>	<u>Net Pension Liability (Asset)</u>
1% decrease	6.375%	\$ 1,989,767
Current discount rate	7.375%	(602,596)
1% increase	8.375%	(2,749,580)

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Georgia Municipal Employees Benefit System financial report.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

16. Pension Plan (continued)

Other Plans. In addition to the plan above, various City employees are covered under the Peace Officers' Annuity and Benefit Fund of Georgia. Further information regarding this plan can be obtained from the plan's annual report. These plans are immaterial to the financial statements.

17. Deferred Compensation Plan

The City also provides retirement benefits for its employees through a deferred compensation, defined contribution plan. The Plan was created under Internal Revenue Code Sections 457 and 401(a). The Plan is administered by the Georgia Municipal Association (GMA), an independent third party. The City began participation in the plan during fiscal year 2004. All employees who work at least 30 hours per week are eligible to participate in the Plan. The City Council provides for the benefits and funding policy through a City ordinance and maintains the authority to change the policy.

Under the terms of the Plan, employees may defer a portion of their salary through voluntary contributions to the Plan. Employees may defer a maximum of 25% of their salary, up to the maximum allowable by federal law. After completing 30 days of service, the City contributes 100% of the employee's contributions up to 6% of compensation per year.

Employee contributions are vested 100% at the time of contribution. Employer contributions are vested on a schedule of 20% after the first year of service and an additional 20% each year thereafter; employer contributions are fully vested after 5 years of service. Amounts held in the Plan are not available to the employees until termination, retirement, death, or unforeseeable emergency.

During the fiscal year, the City contributed \$229,867 to the plan based on covered salaries of \$4,316,908. Plan members made voluntary contributions of \$234,083 to the plan. Total payroll was \$5,733,263.

The City has no fiduciary relationship with the plans, and plan assets are not available to the City or its general creditors. The Plans assets are held in trust by the administrator for the exclusive benefit of the participants of the Plans.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

18. Post Employment Health Care Benefits

The City does not provide post-employment benefits other than pensions and those mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA).

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured on or before the 10th day of the month for the actual month covered. This program is offered for the duration of 18 months after the employee's termination date. There is no associated cost to the City under this program.

19. Hotel/Motel Lodging Tax

The City has levied a 6% lodging tax, in accordance with Official Code of Georgia Annotated (OCGA) Section 48-13-51(3.7). The City is required to spend an amount equal to the amount by which the total taxes collected under the Code section exceed the taxes which would be collected at a rate of 3 percent for the purpose of promoting tourism, conventions, and trade shows, or for facilities used for these purposes. A summary of the transactions for the current fiscal year were as follows:

Lodging tax receipts	\$ 72,147
Disbursements to Chamber of Commerce, for Elbert Theatre, and for other tourism and visitor programs	\$ 75,124 104% of tax receipts

20. Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Northeast Georgia Regional Commission and is required to pay annual dues thereto. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the NEGRC financial statements can be obtained from the Northeast Georgia Regional Commission, 305 Research Drive, Athens, Georgia 30605.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

21. Related Organizations

The City of Elberton Housing Authority is considered a related organization to the City of Elberton. The City appoints members to the Authority, but does not have the ability to impose its will or create a financial benefit or burden for the Authority. The Authority provides low-income housing for the individuals in the City of Elberton. The City received no payments for services provided during the current fiscal year.

22. Commitments and Contingencies

Commitments

The City has entered into Power Sales Contracts with the Municipal Electric Authority of Georgia (MEAG). The contracts require the City to purchase from MEAG all of the City's bulk power supply, other than power supplied by Federally-owned generation projects. MEAG is authorized to establish rates and charges so as to produce revenues sufficient to cover its costs. The City's payment obligations are general obligations to the payment of which the City's full faith and credit and taxing powers are pledged. The City purchased bulk power totaling \$10,637,971 from MEAG during the current fiscal year. The City's future minimum payment obligations to the Authority will be based on the Authority's costs and the City's yearly demand for bulk power supply.

The City has adopted 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 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 flexible operating trust account includes funds that are available to the City for operating costs and rate stabilization. At the end of the current fiscal year, the balance in this account was \$11,158,559. This amount is included in investments in the Combined Public Utility System Fund. The generation trust account is used to offset the City's share of future MEAG generation projects. At the end of the current fiscal year, the balance in this account was \$3,709,181. This amount is included in restricted investments in the Combined Public Utility Fund.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2020

22. Commitments and Contingencies (continued)

Contingencies

The City's legal counsel has stated that there are presently no determinable lawsuits.

23. New Accounting Standards

The City early implemented GASB Statement No. 84, *Fiduciary Activities*, effective for the City's current year. The requirements of this statement are effective for periods beginning after December 15, 2019.

24. Risks and Uncertainties

In January 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the City, its performance, and its financial results.

25. Subsequent Events

Subsequent to the current fiscal year, City Council approved a direct borrowing agreement with the Georgia Environmental Finance Authority, utilizing the Drinking Water State Revolving Fund loan program, in the amount of \$2,500,000. The agreement includes principal forgiveness in the amount of \$900,000. The proceeds will be used to finance the upgrade of the City's water treatment plant and related appurtenances.

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Required Supplementary Information



CITY OF ELBERTON, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2020
(Unaudited)

	Fiscal Year End	
	2020	2019
Total pension liability		
Service cost	\$ 174,109	\$ 153,205
Interest	1,437,459	1,386,472
Differences between expected and actual experience	357,266	263,547
Changes of assumptions	346,803	0
Changes of benefit terms	0	0
Benefit payments, including refunds of employee contributions	<u>(1,170,265)</u>	<u>(1,118,331)</u>
Net change in total pension liability	1,145,372	684,893
Total pension liability - beginning	<u>19,577,148</u>	<u>18,892,255</u>
Total pension liability - ending (a)	<u><u>\$ 20,722,520</u></u>	<u><u>\$ 19,577,148</u></u>
Plan fiduciary net position		
Contributions - employer	\$ 33,877	\$ 261,335
Net investment income	605,552	2,029,341
Benefit payments, including refunds of employee contributions	(1,170,265)	(1,118,331)
Administrative expense	<u>(31,947)</u>	<u>(33,672)</u>
Net change in total pension liability	(562,783)	1,138,673
Plan fiduciary net position - beginning	<u>21,887,899</u>	<u>20,749,226</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 21,325,116</u></u>	<u><u>\$ 21,887,899</u></u>
Net pension liability (asset) - ending : (a) - (b)	<u><u>\$ (602,596)</u></u>	<u><u>\$ (2,310,751)</u></u>
Plan's fiduciary net position as a percentage of the total pension liability	102.91%	111.80%
Covered payroll	\$ 5,003,067	\$ 4,647,492
Net pension liability (asset) as a percentage of covered payroll	-12.04%	-49.72%

Note: Fiscal year 2015 was the first year of implementation. Therefore, years prior to 2015 are not reported.

Fiscal Year End

2018	2017	2016	2015
\$ 164,994	\$ 173,629	\$ 185,301	\$ 200,459
1,359,452	1,347,052	1,299,615	1,345,099
617,994	(387,757)	0	(358,709)
(358,973)	0	151,751	(847,478)
90,421	0	(117,838)	0
<u>(1,045,886)</u>	<u>(899,965)</u>	<u>(913,514)</u>	<u>(939,024)</u>
828,002	232,959	605,315	(599,653)
<u>18,064,253</u>	<u>17,831,294</u>	<u>17,225,979</u>	<u>17,825,632</u>
<u>\$ 18,892,255</u>	<u>\$ 18,064,253</u>	<u>\$ 17,831,294</u>	<u>\$ 17,225,979</u>
\$ 358,526	\$ 344,865	\$ 358,930	\$ 348,379
2,767,707	1,912,937	221,538	1,863,860
(1,045,886)	(899,965)	(913,514)	(939,024)
<u>(35,849)</u>	<u>(21,184)</u>	<u>(24,006)</u>	<u>(19,423)</u>
2,044,498	1,336,653	(357,052)	1,253,792
<u>18,704,728</u>	<u>17,368,075</u>	<u>17,725,127</u>	<u>16,471,335</u>
<u>\$ 20,749,226</u>	<u>\$ 18,704,728</u>	<u>\$ 17,368,075</u>	<u>\$ 17,725,127</u>
<u>\$ (1,856,971)</u>	<u>\$ (640,475)</u>	<u>\$ 463,219</u>	<u>\$ (499,148)</u>
109.83%	103.55%	97.40%	102.90%
\$ 4,221,554	\$ 4,200,078	\$ 4,545,318	\$ 4,461,208
-43.99%	-15.25%	10.19%	-11.19%

CITY OF ELBERTON, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2020
(Unaudited)

	Fiscal Year End	
	2020	2019
Actuarially determined contribution	\$ 33,571	\$ 337,256
Contributions in relation to the actuarially determined contribution	(33,571)	(337,256)
Contribution deficiency (excess)	\$ 0	\$ 0
Covered payroll	\$ 5,100,652	\$ 5,003,067
Contributions as a percentage of covered payroll	0.66%	6.74%

Note: Fiscal year 2015 was the first year of implementation. Therefore, years prior to 2015 are not reported.

Fiscal Year End

2018	2017	2016	2015
\$ 365,616 (365,616)	\$ 337,948 (337,948)	\$ 365,616 (365,616)	\$ 365,924 (365,924)
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 4,848,402	\$ 4,633,317	\$ 4,454,847	\$ 4,461,208
7.54%	7.29%	8.21%	8.20%

CITY OF ELBERTON, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the fiscal year ended June 30, 2020

1. 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.

2. 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 10 years

Asset valuation method = Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Net investment rate of return = 7.375%

Projected salary increases = 2.25% plus service based merit increases

Cost of living adjustments = 2.25%

Retirement age for inactive vested participants = 65

Mortality = Healthy mortality rates were based on the Sex-Distinct Pri-2012 Head-County Weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled mortality rates were based on the Sex-Distinct Pri-2012 Head-County Weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.

CITY OF ELBERTON, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the fiscal year ended June 30, 2020

3. Changes in Benefits

There were no changes in benefit provisions in the last two fiscal years.

4. Changes of Assumptions

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.

CITY OF ELBERTON, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the fiscal year ended June 30, 2020

4. Changes of Assumptions (continued)

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%.

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%.

CITY OF ELBERTON, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the fiscal year ended June 30, 2020

4. Changes of Assumptions (continued)

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%.

The cost-of-living assumption was decreased from 2.75% to 2.25%.

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Supplementary Information



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COMBINING STATEMENTS

Nonmajor Governmental Funds

Nonmajor Enterprise Funds

CITY OF ELBERTON, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2020

	<u>Special Revenue</u>		<u>Capital Projects</u>		<u>Total Nonmajor Funds</u>
	<u>Hotel/ Motel Tax</u>	<u>Revolving Loan</u>	<u>2017 SPLOST</u>	<u>2019 TSPLOST</u>	
ASSETS					
Cash	\$ 0	\$ 10,334	\$ 449,838	\$ 179,800	\$ 639,972
Receivables					
Taxes	5,711	0	0	0	5,711
Intergovernmental	0	0	118,333	42,970	161,303
Notes	0	470,521	0	0	470,521
Due from other funds	514	0	0	0	514
	<u>514</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>514</u>
Total assets	<u>\$ 6,225</u>	<u>\$ 480,855</u>	<u>\$ 568,171</u>	<u>\$ 222,770</u>	<u>\$ 1,278,021</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 6,225	\$ 0	\$ 124,330	\$ 0	\$ 130,555
Due to other funds	0	855	0	0	855
	<u>0</u>	<u>855</u>	<u>0</u>	<u>0</u>	<u>855</u>
Total liabilities	<u>6,225</u>	<u>855</u>	<u>124,330</u>	<u>0</u>	<u>131,410</u>
Fund balances					
Restricted for:					
Housing and Development	0	480,000	0	0	480,000
Capital Projects	0	0	443,841	222,770	666,611
	<u>0</u>	<u>0</u>	<u>443,841</u>	<u>222,770</u>	<u>666,611</u>
Total fund balances	<u>0</u>	<u>480,000</u>	<u>443,841</u>	<u>222,770</u>	<u>1,146,611</u>
Total liabilities and fund balances	<u>\$ 6,225</u>	<u>\$ 480,855</u>	<u>\$ 568,171</u>	<u>\$ 222,770</u>	<u>\$ 1,278,021</u>

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2020

	Special Revenue		Capital Projects		Total Nonmajor Funds
	Hotel/ Motel Tax	Revolving Loan	2017 SPLOST	2019 TSPLOST	
REVENUES					
Taxes	\$ 72,147	\$ 0	\$ 0	\$ 0	\$ 72,147
Intergovernmental	0	0	628,739	528,751	1,157,490
Interest	0	855	465	77	1,397
Total revenues	<u>72,147</u>	<u>855</u>	<u>629,204</u>	<u>528,828</u>	<u>1,231,034</u>
EXPENDITURES					
Current					
Housing and Development	39,051	855	0	0	39,906
Capital outlay	0	0	390,855	306,058	696,913
Total expenditures	<u>39,051</u>	<u>855</u>	<u>390,855</u>	<u>306,058</u>	<u>736,819</u>
Excess (deficiency) of revenues over (under) expenditures	33,096	0	238,349	222,770	494,215
Other financing sources (uses)					
Transfers out	(36,073)	0	(125,380)	0	(161,453)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing use:	(2,977)	0	112,969	222,770	332,762
Fund balances, July 1	2,977	480,000	330,872	0	813,849
Fund balances, June 30	<u>\$ 0</u>	<u>\$ 480,000</u>	<u>\$ 443,841</u>	<u>\$ 222,770</u>	<u>\$ 1,146,611</u>

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
June 30, 2020

	<u>Solid Waste</u>	<u>Elbert Theatre</u>	<u>Total Nonmajor Proprietary Funds</u>
ASSETS			
Current assets			
Cash	\$ 0	\$ 4,349	\$ 4,349
Receivables (net)			
Accounts	88,450	0	88,450
Due from other funds	60,000	14,744	74,744
	<u>148,450</u>	<u>19,093</u>	<u>167,543</u>
Total current assets			
Noncurrent assets			
Capital assets			
Non-depreciable	27,035	0	27,035
Depreciable (net)	261,658	26,617	288,275
Other assets			
Net pension asset	38,979	0	38,979
	<u>327,672</u>	<u>26,617</u>	<u>354,289</u>
Total noncurrent assets			
	<u>476,122</u>	<u>45,710</u>	<u>521,832</u>
Total assets			
DEFERRED OUTFLOWS OF RESOURCES			
Pension experience differences	37,005	0	37,005
Pension assumption changes	17,947	0	17,947
Pension contributions subsequent to measurement date	1,688	0	1,688
	<u>56,640</u>	<u>0</u>	<u>56,640</u>
Total deferred outflows of resources			
LIABILITIES			
Current liabilities			
Accounts payable	26,844	35	26,879
Accrued salaries	16,890	1,355	18,245
Compensated absences	10,997	3,906	14,903
Due to other funds	451,250	7,027	458,277
	<u>505,981</u>	<u>12,323</u>	<u>518,304</u>
Total current liabilities			

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
June 30, 2020

	Solid Waste	Elbert Theatre	Total Nonmajor Proprietary Funds
Noncurrent liabilities			
Compensated absences	\$ 4,713	\$ 1,674	\$ 6,387
Total liabilities	<u>510,694</u>	<u>13,997</u>	<u>524,691</u>
DEFERRED INFLOWS OF RESOURCES			
Pension assumption changes	5,805	0	5,805
Pension investment return differences	<u>10,766</u>	<u>0</u>	<u>10,766</u>
Total deferred inflows of resources	<u>16,571</u>	<u>0</u>	<u>16,571</u>
NET POSITION			
Net investment in capital assets	288,693	26,617	315,310
Unrestricted	<u>(283,196)</u>	<u>5,096</u>	<u>(278,100)</u>
Total net position	<u>\$ 5,497</u>	<u>\$ 31,713</u>	<u>\$ 37,210</u>

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
For the fiscal year ended June 30, 2020

	Solid Waste	Elbert Theatre	Total Nonmajor Proprietary Funds
OPERATING REVENUES			
Charges for sales and services	\$ 870,247	\$ 64,028	\$ 934,275
OPERATING EXPENSES			
Costs of sales and services	385,327	67,574	452,901
Personal services	576,861	86,285	663,146
Depreciation	69,099	2,061	71,160
Total operating expenses	1,031,287	155,920	1,187,207
Operating income (loss)	(161,040)	(91,892)	(252,932)
Non-operating revenues (expenses)			
Sale of capital assets	11,935	0	11,935
Interest expense	(1,852)	0	(1,852)
Total non-operating revenues (expenses)	10,083	0	10,083
Net income (loss) before transfers	(150,957)	(91,892)	(242,849)
Transfers in (out)			
Transfers in	100,000	68,000	168,000
Change in net position	(50,957)	(23,892)	(74,849)
Net position, July 1	56,454	55,605	112,059
Net position, June 30	\$ 5,497	\$ 31,713	\$ 37,210

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the fiscal year ended June 30, 2020

	<u>Solid Waste</u>	<u>Elbert Theatre</u>	<u>Total Nonmajor Proprietary Funds</u>
Cash flows from operating activities:			
Receipts from customers	\$ 859,475	\$ 64,028	\$ 923,503
Payments to suppliers	(410,823)	(70,102)	(480,925)
Payments to employees	(567,215)	(86,131)	(653,346)
Net cash provided (used) by operating activities	<u>(118,563)</u>	<u>(92,205)</u>	<u>(210,768)</u>
Cash flows from non-capital financing activities:			
Receipts from other funds	386,000	68,000	454,000
Payments to other funds	0	(27,632)	(27,632)
Net cash provided (used) by non-capital financing activities	<u>386,000</u>	<u>40,368</u>	<u>426,368</u>
Cash flows from capital and related financing activities:			
Interest paid	(1,937)	0	(1,937)
Proceeds from the sale of capital assets	11,935		11,935
Acquisition of capital assets	(160,601)		(160,601)
Principal payments - capital leases	(116,834)	0	(116,834)
Net cash provided (used) by capital and related financing activities	<u>(267,437)</u>	<u>0</u>	<u>(267,437)</u>
Net increase (decrease) in cash	0	(51,837)	(51,837)
Cash, July 1	<u>0</u>	<u>56,186</u>	<u>56,186</u>
Cash, June 30	<u>\$ 0</u>	<u>\$ 4,349</u>	<u>\$ 4,349</u>

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the fiscal year ended June 30, 2020

	<u>Solid Waste</u>	<u>Elbert Theatre</u>	<u>Total Nonmajor Proprietary Funds</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (161,040)	\$ (91,892)	\$ (252,932)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	69,099	2,061	71,160
(Increase) decrease in accounts receivable	(10,772)	0	(10,772)
(Increase) decrease in inventories	0	1,455	1,455
(Increase) decrease in net pension asset/liability	121,849	0	121,849
(Increase) decrease in pension contributions made subsequent to measurement date	64	0	64
Increase (decrease) in accounts payable	(25,496)	(3,983)	(29,479)
Increase (decrease) in accrued salaries	563	(9)	554
Increase (decrease) in compensated absences payable	(5,376)	163	(5,213)
Increase (decrease) in pension experience differences	(8,489)	0	(8,489)
Increase (decrease) in pension assumption differences	(24,634)	0	(24,634)
Increase (decrease) in pension investment return differences	(74,331)	0	(74,331)
Total adjustments	<u>42,477</u>	<u>(313)</u>	<u>42,164</u>
Net cash provided (used) by operating activities	<u>\$ (118,563)</u>	<u>\$ (92,205)</u>	<u>\$ (210,768)</u>

GENERAL FUND

The general operating fund of the City is used to account for all financial resources except those required to be accounted for in another fund.

**CITY OF ELBERTON, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
June 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash	\$ 80,349	\$ 432,825
Restricted cash	25	25
Receivables (net)		
Accounts	3,560	3,387
Taxes	75,714	82,196
Notes	75,000	80,000
Prepaid items	174,792	149,722
Inventory, at cost	8,948	20,594
Due from other funds	693,700	308,919
	<u>693,700</u>	<u>308,919</u>
Total assets	<u>\$ 1,112,088</u>	<u>\$ 1,077,668</u>
LIABILITIES		
Accounts payable	\$ 59,915	\$ 81,045
Accrued salaries and payroll liabilities	139,160	120,239
Due to other funds	60,000	100,000
Other liabilities	15,250	14,003
	<u>15,250</u>	<u>14,003</u>
Total liabilities	<u>274,325</u>	<u>315,287</u>
FUND BALANCES		
Nonspendable:		
Prepaid items	174,792	149,722
Inventory	8,948	20,594
Notes receivable	75,000	80,000
Restricted for Public Safety	25	25
Unassigned	578,998	512,040
	<u>578,998</u>	<u>512,040</u>
Total fund balances	<u>837,763</u>	<u>762,381</u>
Total liabilities and fund balances	<u>\$ 1,112,088</u>	<u>\$ 1,077,668</u>

CITY OF ELBERTON, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
REVENUES		
Taxes	\$ 1,414,168	\$ 1,402,094
Licenses and permits	82,701	62,694
Fines, fees and forfeitures	132,133	149,924
Charges for services	701,636	678,757
Intergovernmental	0	18,052
Interest	1,659	8,835
Contributions	0	10,285
Other	10,399	3,937
Total revenues	<u>2,342,696</u>	<u>2,334,578</u>
EXPENDITURES		
Current		
General Government	715,913	725,301
Judicial	79,591	75,142
Public Safety	2,597,663	2,543,089
Public Works	1,003,450	886,166
Health and Welfare	66,100	65,100
Culture and Recreation	74,000	85,500
Housing and Development	226,670	769,230
Total expenditures	<u>4,763,387</u>	<u>5,149,528</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,420,691)</u>	<u>(2,814,950)</u>
Other financing sources (uses)		
Transfers in (out)		
Hotel/Motel Fund	36,073	45,015
Combined Public Utility System Fund	2,520,000	2,520,000
Solid Waste Fund	(60,000)	(100,000)
Sale of capital assets	0	39,282
Total other financing sources (uses)	<u>2,496,073</u>	<u>2,504,297</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	75,382	(310,653)
Fund balances, July 1	<u>762,381</u>	<u>1,073,034</u>
Fund balances, June 30	<u>\$ 837,763</u>	<u>\$ 762,381</u>

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020

(With comparative actual amounts for the fiscal year ended June 30, 2019)

	2020			2019
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
Intangibles tax	\$ 5,500	\$ 4,480	\$ (1,020)	\$ 5,919
Franchise tax	98,000	93,145	(4,855)	94,681
Occupational tax	130,500	135,811	5,311	140,341
Insurance premium tax	335,000	349,535	14,535	328,128
Title ad valorem tax	80,000	71,902	(8,098)	103,699
Liquor tax	20,000	22,649	2,649	19,287
Beer and wine tax	110,000	105,330	(4,670)	102,832
Local option sales tax	620,000	631,316	11,316	607,207
Total taxes	<u>1,399,000</u>	<u>1,414,168</u>	<u>15,168</u>	<u>1,402,094</u>
Licenses and permits				
Building permits	18,000	31,970	13,970	16,639
Alcoholic beverage licenses	40,000	47,000	7,000	42,250
Other permits	3,500	3,731	231	3,805
Total licenses and permits	<u>61,500</u>	<u>82,701</u>	<u>21,201</u>	<u>62,694</u>
Fines, fees and forfeitures				
Parking fines	1,000	814	(186)	2,017
Court and DUI fines	124,600	128,319	3,719	144,907
Probation fees	3,000	3,000	0	3,000
Total fines, fees, and forfeitures	<u>128,600</u>	<u>132,133</u>	<u>3,533</u>	<u>149,924</u>
Charges for services				
Reimbursement of joint expenses	620,426	620,426	0	609,882
Cemetery sales and services	64,000	71,440	7,440	57,247
Public safety	14,000	6,668	(7,332)	6,415
Other	4,900	3,102	(1,798)	5,213
Total charges for services	<u>703,326</u>	<u>701,636</u>	<u>(1,690)</u>	<u>678,757</u>
Intergovernmental				
Grants	<u>0</u>	<u>0</u>	<u>0</u>	<u>18,052</u>
Interest				
	<u>7,200</u>	<u>1,659</u>	<u>(5,541)</u>	<u>8,835</u>
Contributions				
	<u>350</u>	<u>0</u>	<u>(350)</u>	<u>10,285</u>
Other				
Miscellaneous	<u>7,500</u>	<u>10,399</u>	<u>2,899</u>	<u>3,937</u>
Total revenues	<u><u>\$ 2,307,476</u></u>	<u><u>\$ 2,342,696</u></u>	<u><u>\$ 35,220</u></u>	<u><u>\$ 2,334,578</u></u>

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020
(With comparative actual amounts for the fiscal year ended June 30, 2019)

	2020			2019
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
Mayor and Council				
Personal services	\$ 143,202	\$ 142,045	\$ 1,157	\$ 132,741
Contractual services	39,468	34,299	5,169	38,589
Materials and supplies	250	58	192	866
Total Mayor and Council	<u>182,920</u>	<u>176,402</u>	<u>6,518</u>	<u>172,196</u>
City Manager's Office				
Personal services	151,525	143,107	8,418	148,564
Contractual services	5,435	2,394	3,041	2,966
Materials and supplies	1,000	1,153	(153)	(67)
Total City Manager's Office	<u>157,960</u>	<u>146,654</u>	<u>11,306</u>	<u>151,463</u>
Finance				
Personal services	113,984	114,716	(732)	110,579
Contractual services	57,770	57,858	(88)	56,386
Materials and supplies	1,100	278	822	355
Total Finance	<u>172,854</u>	<u>172,852</u>	<u>2</u>	<u>167,320</u>
Human Resources				
Personal services	52,057	53,027	(970)	49,947
Contractual services	7,769	3,504	4,265	6,583
Materials and supplies	2,000	2,347	(347)	2,243
Total Human Resources	<u>61,826</u>	<u>58,878</u>	<u>2,948</u>	<u>58,773</u>
City Clerk				
Personal services	102,543	102,278	265	93,278
Contractual services	750	893	(143)	542
Materials and supplies	10,778	10,896	(118)	10,293
Total City Clerk	<u>114,071</u>	<u>114,067</u>	<u>4</u>	<u>104,113</u>
Elections				
Personal services	550	280	270	0
Contractual services	750	603	147	69
Materials and supplies	300	42	258	0
Total Elections	<u>1,600</u>	<u>925</u>	<u>675</u>	<u>69</u>
City Attorney				
Contractual services	20,000	17,317	2,683	23,602
Total City Attorney	<u>20,000</u>	<u>17,317</u>	<u>2,683</u>	<u>23,602</u>

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020
(With comparative actual amounts for the fiscal year ended June 30, 2019)

	2020			2019
	Final Budget	Actual	Variance	Actual
General Government - continued				
City Hall Maintenance				
Contractual services	\$ 20,046	\$ 20,419	\$ (373)	\$ 38,721
Materials and supplies	11,000	8,399	2,601	9,044
Total City Hall Maintenance	<u>31,046</u>	<u>28,818</u>	<u>2,228</u>	<u>47,765</u>
 Total General Government	 <u>742,277</u>	 <u>715,913</u>	 <u>26,364</u>	 <u>725,301</u>
Judicial				
Municipal Court				
Personal services	73,342	76,667	(3,325)	70,710
Contractual services	6,260	2,924	3,336	4,432
Total Judicial	<u>79,602</u>	<u>79,591</u>	<u>11</u>	<u>75,142</u>
Public Safety				
Police - Administration				
Personal services	169,180	172,347	(3,167)	169,322
Contractual services	183,546	181,848	1,698	186,258
Materials and supplies	20,223	18,702	1,521	28,755
Total Police - Administration	<u>372,949</u>	<u>372,897</u>	<u>52</u>	<u>384,335</u>
 Police - Uniform Division				
Personal services	909,494	913,092	(3,598)	883,999
Contractual services	30,000	28,950	1,050	29,625
Materials and supplies	42,388	39,143	3,245	41,252
Total Police - Uniform Division	<u>981,882</u>	<u>981,185</u>	<u>697</u>	<u>954,876</u>
 Police - Criminal Investigations				
Personal services	144,945	144,073	872	135,124
Contractual services	2,740	3,021	(281)	1,534
Materials and supplies	6,933	4,694	2,239	5,824
Total Police - Criminal Investigations	<u>154,618</u>	<u>151,788</u>	<u>2,830</u>	<u>142,482</u>
 Police - Community Relations				
Personal services	64,659	62,601	2,058	61,814
Contractual services	1,000	998	2	1,294
Materials and supplies	5,750	2,457	3,293	4,117
Total Police - Community Relations	<u>71,409</u>	<u>66,056</u>	<u>5,353</u>	<u>67,225</u>

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020
(With comparative actual amounts for the fiscal year ended June 30, 2019)

	2020			2019
	Final Budget	Actual	Variance	Actual
Public Safety - continued				
Police - Detention				
Contractual services	\$ 34,100	\$ 34,013	\$ 87	\$ 34,672
Fire				
Personal services	874,217	874,775	(558)	840,764
Contractual services	31,679	34,207	(2,528)	36,073
Materials and supplies	23,435	20,278	3,157	24,620
Total Fire	<u>929,331</u>	<u>929,260</u>	<u>71</u>	<u>901,457</u>
Animal Control				
Personal services	52,697	51,712	985	50,082
Contractual services	6,951	7,725	(774)	4,049
Materials and supplies	4,150	3,027	1,123	3,911
Total Animal Control	<u>63,798</u>	<u>62,464</u>	<u>1,334</u>	<u>58,042</u>
Total Public Safety	<u>2,608,087</u>	<u>2,597,663</u>	<u>10,424</u>	<u>2,543,089</u>
Public Works				
Administrative				
Personal services	91,298	87,848	3,450	58,779
Contractual services	19,886	24,329	(4,443)	20,659
Materials and supplies	16,136	15,112	1,024	16,493
Payments to others	3,000	4,659	(1,659)	8,841
Total Administration	<u>130,320</u>	<u>131,948</u>	<u>(1,628)</u>	<u>104,772</u>
Infrastructure Maintenance				
Personal services	406,636	404,462	2,174	304,254
Contractual services	20,565	14,963	5,602	16,672
Materials and supplies	32,434	40,157	(7,723)	38,015
Total Infrastructure Maintenance	<u>459,635</u>	<u>459,582</u>	<u>53</u>	<u>358,941</u>
Parks and Rights-of-Way				
Personal services	45,417	39,483	5,934	48,805
Contractual services	46,740	52,020	(5,280)	60,240
Materials and supplies	9,000	7,226	1,774	7,804
Total Parks and Rights of Way	<u>101,157</u>	<u>98,729</u>	<u>2,428</u>	<u>116,849</u>

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020
(With comparative actual amounts for the fiscal year ended June 30, 2019)

	2020			2019
	Final Budget	Actual	Variance	Actual
Public Works - continued				
Motor Pool				
Personal services	\$ 113,765	\$ 116,515	\$ (2,750)	\$ 109,700
Contractual services	40,550	29,595	10,955	31,956
Materials and supplies	25,200	33,294	(8,094)	24,561
Total Motor Pool	179,515	179,404	111	166,217
Street Lighting				
Contractual services	5,000	0	5,000	0
Materials and supplies	14,000	16,664	(2,664)	14,000
Total Street Lighting	19,000	16,664	2,336	14,000
Cemetery				
Personal services	47,329	47,826	(497)	49,520
Contractual services	71,927	63,681	8,246	70,727
Materials and supplies	5,484	5,616	(132)	5,140
Total Cemetery	124,740	117,123	7,617	125,387
Total Public Works	1,014,367	1,003,450	10,917	886,166
Health and Welfare				
Agency allocations				
Elbert County Hospital Authority	57,600	57,600	0	57,600
Community Partnership	1,500	1,500	0	1,500
Elbert County Aging Program	7,000	7,000	0	6,000
Total Health and Welfare	66,100	66,100	0	65,100
Culture and Recreation				
Agency allocations				
Library	68,000	68,000	0	68,000
Keep Elbert County Beautiful	5,000	5,000	0	0
Sister City Program	7,500	1,000	6,500	17,500
Total Culture and Recreation	80,500	74,000	6,500	85,500

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020
(With comparative actual amounts for the fiscal year ended June 30, 2019)

	2020			2019
	Final Budget	Actual	Variance	Actual
Housing and Development				
Zoning/City Marshal				
Personal services	\$ 67,920	\$ 68,036	\$ (116)	\$ 65,339
Contractual services	2,840	1,637	1,203	1,487
Materials and supplies	2,235	1,723	512	1,832
Payments to others	500	80	420	30
Total Zoning/Special Projects	<u>73,495</u>	<u>71,476</u>	<u>2,019</u>	<u>68,688</u>
Code Enforcement				
Personal services	56,216	47,359	8,857	53,372
Contractual services	2,085	8,942	(6,857)	135
Materials and supplies	1,422	3,338	(1,916)	1,636
Total Code Enforcement	<u>59,723</u>	<u>59,639</u>	<u>84</u>	<u>55,143</u>
Mainstreet Elberton				
Personal services	47,521	48,121	(600)	43,290
Contractual services	4,824	6,413	(1,589)	6,148
Materials and supplies	3,590	1,290	2,300	17,250
Payments to others	24,000	24,000	0	87,501
Total Mainstreet Elberton	<u>79,935</u>	<u>79,824</u>	<u>111</u>	<u>154,189</u>
Community Development				
Contractual services	20,000	15,731	4,269	24,907
Capital outlay	0	0	0	466,303
Total Community Development	<u>20,000</u>	<u>15,731</u>	<u>4,269</u>	<u>491,210</u>
Total Housing and Development	<u>233,153</u>	<u>226,670</u>	<u>6,483</u>	<u>769,230</u>
Total expenditures	<u><u>\$ 4,743,586</u></u>	<u><u>\$ 4,763,387</u></u>	<u><u>\$ 54,199</u></u>	<u><u>\$ 5,064,028</u></u>

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SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Hotel/Motel Tax Fund - *This fund is used to collect Hotel/Motel taxes which are used to help support trade and tourism in the City of Elberton.*

Revolving Loan Fund – *This fund is used to record activities connected with US Department of Housing and Urban Development Community Development Block Grant. The objective of the grant is to develop employment opportunities, principally to persons of low and moderate income.*

CITY OF ELBERTON, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2020 and 2019

	2020	2019
ASSETS		
Taxes receivable	\$ 5,711	\$ 8,231
Due from other funds	514	0
Total assets	\$ 6,225	\$ 8,231
LIABILITIES		
Accounts payable	\$ 6,225	\$ 3,546
Due to other funds	0	1,708
Total liabilities	6,225	5,254
FUND BALANCES		
Restricted for Housing and Development	0	2,977
Total liabilities and fund balances	\$ 6,225	\$ 8,231

CITY OF ELBERTON, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020

(With comparative actual amounts for the fiscal year ended June 30, 2019)

	2020			2019
	Final Budget	Actual	Variance	Actual
REVENUES				
Hotel/motel taxes	\$ 80,000	\$ 72,147	\$ (7,853)	\$ 90,031
EXPENDITURES				
Current				
Housing and Development				
Contract services	40,000	6,675	33,325	4,393
Payments to other agencies	0	32,376	(32,376)	52,238
Total expenditures	<u>40,000</u>	<u>39,051</u>	<u>949</u>	<u>56,631</u>
Excess (deficiency) of revenues over (under) expenditures	40,000	33,096	(6,904)	33,400
Other financing sources (uses)				
Transfers in (out)				
General Fund	<u>(40,000)</u>	<u>(36,073)</u>	<u>3,927</u>	<u>(45,015)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(2,977)	(2,977)	(11,615)
Fund balances, July 1	<u>0</u>	<u>2,977</u>	<u>2,977</u>	<u>14,592</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 2,977</u></u>

**CITY OF ELBERTON, GEORGIA
 REVOLVING LOAN SPECIAL REVENUE FUND
 COMPARATIVE BALANCE SHEETS
 June 30, 2020 and 2019**

	2020	2019
ASSETS		
Cash	\$ 10,334	\$ 154,137
Notes receivable	470,521	451,353
Total assets	\$ 480,855	\$ 605,490
LIABILITIES		
Due to other funds	\$ 855	\$ 125,490
FUND BALANCES		
Restricted for Housing and Development	480,000	480,000
Total liabilities and fund balances	\$ 480,855	\$ 605,490

CITY OF ELBERTON, GEORGIA
REVOLVING LOAN SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020

(With comparative actual amounts for the fiscal year ended June 30, 2019)

	2020			2019
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	\$ 24,000	\$ 0	\$ (24,000)	\$ 0
Interest	0	855	855	490
Total revenues	24,000	855	(23,145)	490
EXPENDITURES				
Current				
Housing and Development	24,000	855	23,145	490
Excess (deficiency) of revenues over (under) expenditures	0	0	0	0
Fund balances, July 1	0	480,000	480,000	480,000
Fund balances, June 30	\$ 0	\$ 480,000	\$ 480,000	\$ 480,000

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CAPITAL PROJECTS FUND

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by the proprietary or fiduciary funds).

2017 Special Purpose Local Option Sales Tax Fund - *This fund is used to account for long-term projects financed by the passage of the 2017 special purpose local option sales tax.*

2019 Transportation Special Purpose Local Option Sales Tax Fund - *This fund is used to account for long-term projects financed by the passage of the 2019 transportation special purpose local option sales tax.*

CITY OF ELBERTON, GEORGIA
2017 SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2020 and 2019

	2020	2019
ASSETS		
Cash	\$ 449,838	\$ 228,152
Intergovernmental receivable	118,333	103,194
Total assets	\$ 568,171	\$ 331,346
 LIABILITIES		
Accounts payable	\$ 124,330	\$ 474
 FUND BALANCES		
Restricted for capital projects	443,841	330,872
Total liabilities and fund balances	\$ 568,171	\$ 331,346

CITY OF ELBERTON, GEORGIA
2017 SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2019 and 2018

	2020	2019
REVENUES		
Intergovernmental	\$ 628,739	\$ 670,164
Interest	465	136
	629,204	670,300
EXPENDITURES		
Capital outlay		
Public Safety	244,699	138,891
Public Works	121,404	143,054
Culture and Recreation	24,752	18,802
Housing and Development	0	173,155
	390,855	473,902
Excess (deficiency) of revenues over (under) expenditures	238,349	196,398
Other financing sources (uses)		
Transfers in (out)		
Combined Public Utility System Fund	(33,862)	20,000
ElbertonNET Technology Services Fund	(91,518)	0
	(125,380)	20,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	112,969	216,398
Fund balances, July 1	330,872	114,474
Fund balances, June 30	\$ 443,841	\$ 330,872

CITY OF ELBERTON, GEORGIA
2019 TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
BALANCE SHEET
June 30, 2020

ASSETS

Cash	\$ 179,800
Intergovernmental receivable	<u>42,970</u>

Total assets	<u><u>\$ 222,770</u></u>
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FUND BALANCES

Restricted for capital projects	<u><u>\$ 222,770</u></u>
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CITY OF ELBERTON, GEORGIA
2019 TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the fiscal year ended June 30, 2020

REVENUES	
Intergovernmental	\$ 528,751
Interest	<u>77</u>
Total revenues	<u>528,828</u>
 EXPENDITURES	
Capital outlay	
Public Works	<u>306,058</u>
Total expenditures	<u>306,058</u>
Excess (deficiency) of revenues over (under) expenditures	222,770
Fund balances, July 1	<u>0</u>
Fund balances, June 30	<u><u>\$ 222,770</u></u>

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ENTERPRISE FUNDS

Enterprise Funds account for City operations which are financed and operated in a manner similar to private business enterprises.

Combined Public Utility System Fund - *This fund is used to account for the operations of the City's Electric, Water and Sewer, and Natural Gas Systems pursuant to requirements of the revenue bond ordinance.*

Solid Waste Fund - *This fund is used to account for the operation of the City's residential and commercial sanitation services and recycling operations.*

ElbertonNET Technology Services Fund - *This fund is used to account for the operation of the City's cable television service and high-speed internet service systems.*

Elbert Theatre Fund - *This fund is used to account for the operation of the City's historic theatre.*

Elbert Hotel Fund – *This fund is used to account for the construction and operation of the City's historic Samuel Elbert Hotel located in downtown Elberton.*

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2020 and 2019

ASSETS	2020	2019
Current assets		
Cash	\$ 834,928	\$ 958,348
Investments	10,369,467	9,927,486
Receivables		
Accounts (net)	2,020,115	2,222,802
Intergovernmental	184,847	304,968
Inventories	534,489	514,156
Due from other funds	1,449,113	649,574
Other current assets	19,967	18,934
	<hr/>	<hr/>
Total current assets	15,412,926	14,596,268
Restricted assets		
MEAG Generation Trust		
Investments	3,709,181	3,567,561
Bond Redemption		
Cash	481,707	481,275
Customer Deposits		
Investments	789,092	776,320
	<hr/>	<hr/>
Total restricted assets	4,979,980	4,825,156
Capital assets		
Land	254,685	254,685
Intangible assets	377,692	377,692
Buildings	499,026	503,721
Distribution system	47,710,637	44,108,236
Vehicles and equipment	2,766,314	2,529,395
Construction in progress	380,940	2,718,202
Accumulated depreciation	(26,336,355)	(24,974,056)
	<hr/>	<hr/>
Total capital assets (net of accumulated depreciation)	25,652,939	25,517,875
Other assets		
Net pension asset	185,575	773,137
Advances to other funds	1,698,216	2,703,644
	<hr/>	<hr/>
Total other assets	1,883,791	3,476,781
	<hr/>	<hr/>
Total assets	47,929,636	48,416,080
DEFERRED OUTFLOWS OF RESOURCES		
Pension experience differences	176,178	169,528
Pension assumption changes	85,441	0
Pension contributions subsequent to measurement date	8,036	8,423
	<hr/>	<hr/>
Total deferred outflows of resources	269,655	177,951

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2020 and 2019

LIABILITIES	<u>2020</u>	<u>2019</u>
Current liabilities		
Payables		
Accounts	\$ 1,114,007	\$ 1,959,539
Retainages	31,447	99,343
Sales tax	63,868	76,738
Accrued salaries	86,217	68,301
Compensated absences	88,401	87,136
Other current liabilities	57,792	40,216
Due to other funds	708,103	183,429
Note payable	143,762	141,919
Capital lease payable	245,515	240,514
	<u>2,539,112</u>	<u>2,897,135</u>
Total current liabilities		
Current liabilities payable from restricted assets		
Customer deposits payable	789,092	776,320
Interest payable	31,256	41,896
Bonds payable	900,000	875,000
	<u>1,720,348</u>	<u>1,693,216</u>
Total liabilities payable from restricted assets		
Noncurrent liabilities		
Compensated absences	37,886	37,344
Capital lease payable	463,449	708,964
Notes payable	4,383,881	4,150,768
Bonds payable	930,000	1,830,000
	<u>5,815,216</u>	<u>6,727,076</u>
Total noncurrent liabilities		
Total liabilities	<u>10,074,676</u>	<u>11,317,427</u>
DEFERRED INFLOWS OF RESOURCES		
Pension experience differences	0	32,438
Pension assumption changes	27,637	60,056
Pension investment return differences	51,257	409,102
	<u>78,894</u>	<u>501,596</u>
Total deferred inflows of resources		
NET POSITION		
Net investment in capital assets	18,468,519	16,686,640
Restricted for:		
Debt service	450,451	439,379
MEAG Generation Trust	3,709,181	3,567,561
Unrestricted	15,417,570	16,081,428
	<u>18,628,121</u>	<u>16,775,008</u>
Total net position	<u>\$ 38,045,721</u>	<u>\$ 36,775,008</u>

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES		
Charges for sales and services	\$ 22,586,800	\$ 23,475,930
Miscellaneous revenues	151,428	23,658
Total operating revenues	<u>22,738,228</u>	<u>23,499,588</u>
OPERATING EXPENSES		
Costs of sales and services	14,674,083	15,495,971
Personal services	2,632,632	2,217,654
Depreciation	1,534,547	1,388,811
Miscellaneous expenses	34,340	53,412
Total operating expenses	<u>18,875,602</u>	<u>19,155,848</u>
Operating income (loss)	<u>3,862,626</u>	<u>4,343,740</u>
Non-operating revenues (expenses)		
Intergovernmental revenue	0	132,837
Interest revenue	302,673	418,454
Net increase (decrease) in the fair value of investments	51,455	229,025
Interest expense	(151,399)	(151,344)
Gain on sale of capital assets	7,110	44,175
Debt issue costs	0	(25,000)
Total non-operating revenues (expenses)	<u>209,839</u>	<u>648,147</u>
Net income (loss) before capital contributions and transfers	4,072,465	4,991,887
Capital contributions		
Intergovernmental revenue	184,386	288,534
Net income (loss) before transfers	<u>4,256,851</u>	<u>5,280,421</u>
Transfers in (out)		
General Fund	(2,520,000)	(2,520,000)
Elbert Hotel Fund	(500,000)	(440,000)
2017 SPLOST Fund	33,862	(20,000)
Total transfers	<u>(2,986,138)</u>	<u>(2,980,000)</u>
Change in net position	1,270,713	2,300,421
Net position, July 1	<u>36,775,008</u>	<u>34,474,587</u>
Net position, June 30	<u><u>\$ 38,045,721</u></u>	<u><u>\$ 36,775,008</u></u>

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
ELECTRIC UTILITY DEPARTMENT
COMPARATIVE SCHEDULES OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2020 and 2019

	2020	2019
OPERATING REVENUES		
Charges for sales and services	\$ 15,167,665	\$ 15,659,814
Miscellaneous revenues	9,601	5,099
Total operating revenues	15,177,266	15,664,913
OPERATING EXPENSES		
Costs of sales and services	11,764,261	12,197,353
Personal services	1,416,865	1,152,456
Depreciation	330,647	280,116
Miscellaneous expenses	26,270	41,621
Total operating expenses	13,538,043	13,671,546
Operating income (loss)	1,639,223	1,993,367
Non-operating revenues (expenses)		
Intergovernmental revenue	0	132,837
Interest revenue	291,518	401,886
Gain on sale of capital assets	4,110	44,175
Net increase (decrease) in the fair value of investments	51,455	229,025
Total non-operating revenues (expenses)	347,083	807,923
Net income (loss) before transfers	1,986,306	2,801,290
Transfers in (out)		
Elbert Hotel Fund	(500,000)	(440,000)
General Fund	(1,600,000)	(1,600,000)
Total transfers	(2,100,000)	(2,040,000)
Change in net position	\$ (113,694)	\$ 761,290

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
WATER AND SEWER UTILITY DEPARTMENT
COMPARATIVE SCHEDULES OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES		
Charges for sales and services	\$ 3,696,678	\$ 3,403,340
Miscellaneous revenues	10,701	2,126
Total operating revenues	<u>3,707,379</u>	<u>3,405,466</u>
OPERATING EXPENSES		
Costs of sales and services	1,338,148	1,182,499
Personal services	907,630	757,437
Depreciation	893,293	863,788
Miscellaneous expenses	4,620	4,994
Total operating expenses	<u>3,143,691</u>	<u>2,808,718</u>
Operating income (loss)	<u>563,688</u>	<u>596,748</u>
Non-operating revenues (expenses)		
Interest revenue	11,155	16,568
Interest expense	(151,399)	(151,344)
Gain on sale of capital assets	3,000	0
Debt issue costs	0	(25,000)
Total non-operating revenues (expenses)	<u>(137,244)</u>	<u>(159,776)</u>
Net income (loss) before capital contributions and transfers	426,444	436,972
Capital contributions		
Intergovernmental	184,386	288,534
Net income (loss) before transfers	<u>610,830</u>	<u>725,506</u>
Transfers in (out)		
General Fund	(20,000)	(20,000)
2017 SPLOST Fund	33,862	(20,000)
Total transfers	<u>13,862</u>	<u>(40,000)</u>
Change in net position	<u>\$ 624,692</u>	<u>\$ 685,506</u>

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
NATURAL GAS UTILITY DEPARTMENT
COMPARATIVE SCHEDULES OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2020 and 2019

	2020	2019
OPERATING REVENUES		
Charges for sales and services	\$ 3,722,457	\$ 4,412,776
Miscellaneous revenues	131,126	16,433
	3,853,583	4,429,209
OPERATING EXPENSES		
Costs of sales and services	1,571,674	2,116,119
Personal services	308,137	307,761
Depreciation	310,607	244,907
Miscellaneous expenses	3,450	6,797
	2,193,868	2,675,584
Operating income (loss)	1,659,715	1,753,625
Transfers in (out)		
General Fund	(900,000)	(900,000)
Change in net position	\$ 759,715	\$ 853,625

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITIES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Receipts from customers	\$ 22,927,086	\$ 23,164,136
Payments to suppliers	(14,842,619)	(15,355,513)
Payments to employees	(2,539,753)	(2,294,155)
Other receipts	151,428	23,658
Other payments	<u>(34,340)</u>	<u>(53,412)</u>
Net cash provided (used) by operating activities	<u>5,661,802</u>	<u>5,484,714</u>
Cash flows from non-capital financing activities:		
Receipts from other funds	730,562	651,675
Payments to other funds	<u>(3,020,000)</u>	<u>(3,011,805)</u>
Net cash provided (used) from non-capital financing activities	<u>(2,289,438)</u>	<u>(2,360,130)</u>
Cash flows from capital and related financing activities:		
Receipts from other governments	184,386	132,836
Receipts from other funds	33,862	0
Payments to other funds	0	(20,000)
Proceeds from sale of capital assets	7,110	44,175
Payment of capital related accounts payable	(884,070)	(3,457)
Acquisition of capital assets	(1,551,799)	(2,954,582)
Debt issue costs	0	(25,000)
Interest paid	(162,039)	(161,315)
Issuance of notes payable	376,876	1,514,805
Principal payments - leases	(240,514)	(235,614)
Principal payments - notes payable	(141,920)	(140,099)
Principal payments - bonds	<u>(875,000)</u>	<u>(855,000)</u>
Net cash provided (used) by capital and related financing activities	<u>(3,253,108)</u>	<u>(2,703,251)</u>
Cash flows from investing activities:		
Interest received	302,673	418,538
Proceeds from sale of investments	600,000	40,000
Purchase of investments	<u>(1,144,917)</u>	<u>(509,692)</u>
Net cash provided (used) by investing activities	<u>(242,244)</u>	<u>(51,154)</u>
Net increase (decrease) in cash	(122,988)	370,179
Cash, July 1	<u>1,439,623</u>	<u>1,069,444</u>
Cash, June 30	<u><u>\$ 1,316,635</u></u>	<u><u>\$ 1,439,623</u></u>

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITIES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2020 and 2019

	2020	2019
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 3,862,626	\$ 4,343,740
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	1,534,547	1,388,811
(Increase) decrease in accounts receivable	322,808	(343,911)
(Increase) decrease in inventories	(20,333)	61,475
(Increase) decrease in other current assets	(1,033)	(1,521)
(Increase) decrease in net pension asset/liability	587,562	(138,388)
(Increase) decrease in pension contributions made subsequent to measurement date	387	77,420
Increase (decrease) in accounts payable	(147,170)	80,504
Increase (decrease) in sales tax payable	(12,870)	16,896
Increase (decrease) in deposits payable	12,772	13,068
Increase (decrease) in other current liabilities	17,576	2,154
Increase (decrease) in accrued salaries	17,916	12,495
Increase (decrease) in compensated absences payable	1,807	4,086
Increase (decrease) in pension experience differences	(39,088)	(37,596)
Increase (decrease) in pension assumption differences	(117,860)	(34,451)
Increase (decrease) in pension investment return differences	(357,845)	39,932
Total adjustments	1,799,176	1,140,974
Net cash provided (used) by operating activities	\$ 5,661,802	\$ 5,484,714
Cash reconciliation:		
Cash	\$ 834,928	\$ 958,348
Bond Redemption		
Cash	481,707	481,275
Total cash	\$ 1,316,635	\$ 1,439,623

Noncash investing, capital, and financing activities:

The net increase (decrease) in the fair value of investments totaled \$(51,455) and \$229,025 for the fiscal years ended June 30, 2020 and 2019, respectively.

Acquisition of capital assets through accounts payable totaled \$86,366 and \$784,727 for the fiscal years ended June 30, 2020 and 2019, respectively.

Acquisition of capital assets through retainage payable totaled \$31,447 and \$99,343 for the fiscal years ended June 30, 2020 and 2019, respectively.

Contributions of capital assets totaled \$0 and \$288,534 for the fiscal years ended June 30, 2020 and 2019, respectively.

CITY OF ELBERTON, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2020 and 2019

ASSETS	2020	2019
Current assets		
Accounts receivable (net)	\$ 88,450	\$ 77,678
Due from other funds	60,000	100,000
Total current assets	<u>148,450</u>	<u>177,678</u>
Capital assets		
Land	23,900	23,900
Land improvements	67,031	67,031
Buildings	86,886	86,886
Vehicles and equipment	608,282	542,302
Construction in progress	3,135	0
Accumulated depreciation	(500,541)	(522,928)
Total capital assets (net of accumulated depreciation)	<u>288,693</u>	<u>197,191</u>
Other assets		
Net pension asset	38,979	160,828
Total assets	<u>476,122</u>	<u>535,697</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension experience differences	37,005	35,263
Pension assumption changes	17,947	0
Pension contributions subsequent to measurement date	1,688	1,752
Total deferred outflows of resources	<u>56,640</u>	<u>37,015</u>
LIABILITIES		
Current liabilities		
Accounts payable	26,844	52,340
Accrued salaries	16,890	16,327
Compensated absences	10,997	14,760
Capital leases payable	0	41,729
Interest payable	0	85
Due to other funds	451,250	205,250
Total current liabilities	<u>505,981</u>	<u>330,491</u>
Noncurrent liabilities		
Compensated absences	4,713	6,326
Capital leases payable	0	75,105
Total noncurrent liabilities	<u>4,713</u>	<u>81,431</u>
Total liabilities	<u>510,694</u>	<u>411,922</u>
DEFERRED INFLOWS OF RESOURCES		
Pension experience differences	0	6,747
Pension assumption changes	5,805	12,492
Pension investment return differences	10,766	85,097
Total deferred inflows of resources	<u>16,571</u>	<u>104,336</u>
NET POSITION		
Net investment in capital assets	288,693	80,357
Unrestricted	(283,196)	(23,903)
Total net position	<u>\$ 5,497</u>	<u>\$ 56,454</u>

CITY OF ELBERTON, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2020 and 2019

OPERATING REVENUES	<u>2020</u>	<u>2019</u>
Charges for sales and services		
Residential service	\$ 491,889	\$ 484,561
Commercial service	321,841	324,891
Sale of recyclables	39,562	54,985
Garbage container sales	<u>16,955</u>	<u>15,040</u>
Total operating revenues	<u>870,247</u>	<u>879,477</u>
 OPERATING EXPENSES		
Costs of sales and services	385,327	425,183
Personal services	576,861	554,678
Depreciation	<u>69,099</u>	<u>59,225</u>
Total operating expenses	<u>1,031,287</u>	<u>1,039,086</u>
Operating income (loss)	<u>(161,040)</u>	<u>(159,609)</u>
Non-operating revenues (expenses)		
Other	0	57,900
Gain on sale of capital assets	11,935	0
Interest expense	<u>(1,852)</u>	<u>(2,807)</u>
Total non-operating revenues (expenses)	<u>10,083</u>	<u>55,093</u>
Net income (loss) before transfers	<u>(150,957)</u>	<u>(104,516)</u>
Transfers in (out)		
General Fund	60,000	100,000
ElbertonNET Technology Services Fund	<u>40,000</u>	<u>32,000</u>
Total transfers	<u>100,000</u>	<u>132,000</u>
Change in net position	(50,957)	27,484
Net position, July 1	<u>56,454</u>	<u>28,970</u>
Net position, June 30	<u><u>\$ 5,497</u></u>	<u><u>\$ 56,454</u></u>

CITY OF ELBERTON, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Receipts from customers	\$ 859,475	\$ 870,464
Payments to suppliers	(410,823)	(392,308)
Payments to employees	<u>(567,215)</u>	<u>(570,805)</u>
Net cash provided (used) by operating activities	<u>(118,563)</u>	<u>(92,649)</u>
Cash flows from non-capital financing activities:		
Receipts from other funds	386,000	138,473
Payments to other funds	<u>0</u>	<u>(60,000)</u>
Net cash provided (used) from non-capital financing activities	<u>386,000</u>	<u>78,473</u>
Cash flows from capital and related financing activities:		
Interest paid	(1,937)	(2,837)
Proceeds from insurance on capital assets	0	57,900
Proceeds from the sale of capital assets	11,935	0
Acquisition of capital assets	(160,601)	0
Principal payments - capital leases	<u>(116,834)</u>	<u>(40,887)</u>
Net cash provided (used) by capital and related financing activities	<u>(267,437)</u>	<u>14,176</u>
Net increase (decrease) in cash	0	0
Cash, July 1	<u>0</u>	<u>0</u>
Cash, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

CITY OF ELBERTON, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	<u>\$ (161,040)</u>	<u>\$ (159,609)</u>
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	69,099	59,225
(Increase) decrease in accounts receivable	(10,772)	(9,013)
(Increase) decrease in net pension asset/liability	121,849	(29,882)
(Increase) decrease in pension contributions made subsequent to measurement date	64	15,373
Increase (decrease) in accounts payable	(25,496)	32,875
Increase (decrease) in pension experience differences	(8,489)	(7,981)
Increase (decrease) in pension assumption differences	(24,634)	(6,103)
Increase (decrease) in pension investment return differences	(74,331)	8,434
Increase (decrease) in accrued salaries	563	4,775
Increase (decrease) in compensated absences payable	<u>(5,376)</u>	<u>(743)</u>
 Total adjustments	 <u>42,477</u>	 <u>66,960</u>
 Net cash provided (used) by operating activities	 <u><u>\$ (118,563)</u></u>	 <u><u>\$ (92,649)</u></u>

CITY OF ELBERTON, GEORGIA
ELBERTONNET TECHNOLOGY SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2020 and 2019

ASSETS	2020	2019
Current assets		
Accounts receivable (net)	\$ 408,517	\$ 446,269
Inventories	88,291	60,156
Total current assets	<u>496,808</u>	<u>506,425</u>
Capital assets		
Land	6,900	6,900
Buildings	519,065	519,065
Vehicles and equipment	613,530	607,030
Construction in progress	398,425	0
Distribution system	8,995,015	8,820,897
Accumulated depreciation	<u>(4,406,062)</u>	<u>(4,043,954)</u>
Total capital assets (net of accumulated depreciation)	<u>6,126,873</u>	<u>5,909,938</u>
Other assets		
Net pension asset	<u>33,430</u>	<u>135,179</u>
Total assets	<u>6,657,111</u>	<u>6,551,542</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Pension experience differences	31,738	29,640
Pension assumption changes	15,392	0
Pension contributions subsequent to measurement date	<u>1,448</u>	<u>1,473</u>
Total deferred outflows of resources	<u>48,578</u>	<u>31,113</u>
 LIABILITIES		
Current liabilities		
Payables		
Accounts	468,390	201,313
Intergovernmental	36,104	44,240
Accrued salaries	16,578	17,771
Compensated absences	14,874	14,996
Customer deposits	<u>4,340</u>	<u>2,465</u>
Total current liabilities	<u>540,286</u>	<u>280,785</u>
Noncurrent liabilities		
Compensated absences	6,375	6,427
Advances from other funds	<u>1,698,216</u>	<u>2,703,644</u>
Total noncurrent liabilities	<u>1,704,591</u>	<u>2,710,071</u>
Total liabilities	<u>2,244,877</u>	<u>2,990,856</u>

CITY OF ELBERTON, GEORGIA
ELBERTONNET TECHNOLOGY SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2020 and 2019

	2020	2019
DEFERRED INFLOWS OF RESOURCES		
Pension experience differences	\$ 0	\$ 5,671
Pension assumption changes	4,979	10,500
Pension investment return differences	9,234	71,526
Total deferred inflows of resources	14,213	87,697
NET POSITION		
Net investment in capital assets	5,904,284	5,909,938
Unrestricted	(1,457,685)	(2,405,836)
Total net position	\$ 4,446,599	\$ 3,504,102

CITY OF ELBERTON, GEORGIA
ELBERTONNET TECHNOLOGY SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES		
Charges for sales and services	\$ 5,493,919	\$ 5,360,061
Total operating revenues	<u>5,493,919</u>	<u>5,360,061</u>
OPERATING EXPENSES		
Costs of sales and services	3,719,274	3,688,324
Personal services	433,678	423,727
Depreciation	362,108	313,813
Miscellaneous expenses	19,880	36,769
Total operating expenses	<u>4,534,940</u>	<u>4,462,633</u>
Operating income (loss)	<u>958,979</u>	<u>897,428</u>
Transfers in (out)		
2017 SPLOST Fund	91,518	0
Elbert Theatre Fund	(68,000)	(68,000)
Solid Waste Fund	(40,000)	(32,000)
Total transfers	<u>(16,482)</u>	<u>(100,000)</u>
Change in net position	942,497	797,428
Net position, July 1	<u>3,504,102</u>	<u>2,706,674</u>
Net position, June 30	<u><u>\$ 4,446,599</u></u>	<u><u>\$ 3,504,102</u></u>

CITY OF ELBERTON, GEORGIA
ELBERTONNET TECHNOLOGY SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Receipts from customers	\$ 5,533,546	\$ 5,332,909
Payments to suppliers	(3,711,057)	(3,670,897)
Payments to employees	(424,245)	(433,321)
Other payments	(19,880)	(36,769)
	<u>1,378,364</u>	<u>1,191,922</u>
Cash flows from non-capital financing activities:		
Payments to other funds	(1,113,428)	(903,619)
Cash flows from capital and related financing activities:		
Receipts from other funds	91,518	0
Acquisition of capital assets	(356,454)	(288,303)
	<u>(264,936)</u>	<u>(288,303)</u>
Net cash provided (used) by capital and related financing activities	(264,936)	(288,303)
Net increase (decrease) in cash	0	0
Cash, July 1	<u>0</u>	<u>0</u>
Cash, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 958,979	\$ 897,428
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	362,108	313,813
(Increase) decrease in accounts receivable	37,752	(26,144)
(Increase) decrease in inventories	(28,135)	6,559
(Increase) decrease in net pension asset/liability	101,749	(23,061)
(Increase) decrease in pension contributions made subsequent to measurement date	25	10,351
Increase (decrease) in accounts payable	44,488	1,024
Increase (decrease) in intergovernmental payable	(8,136)	9,844
Increase (decrease) in customer deposits	1,875	(1,008)
Increase (decrease) in accrued salaries	(1,193)	6,101
Increase (decrease) in compensated absences payable	(174)	947
Increase (decrease) in pension experience differences	(7,769)	(6,213)
Increase (decrease) in pension assumption differences	(20,913)	(1,089)
Increase (decrease) in pension investment return differences	(62,292)	3,370
	<u>419,385</u>	<u>294,494</u>
Total adjustments	419,385	294,494
Net cash provided (used) by operating activities	<u><u>\$ 1,378,364</u></u>	<u><u>\$ 1,191,922</u></u>

Noncash investing, capital, and financing activities:

Acquisition of capital assets through accounts payable totaled \$222,589 and \$0 for the fiscal years ended June 30, 2020 and 2019, respectively.

CITY OF ELBERTON, GEORGIA
ELBERT THEATRE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
For the fiscal years ended June 30, 2020 and 2019

ASSETS	<u>2020</u>	<u>2019</u>
Current assets		
Cash	\$ 4,349	\$ 56,186
Due from other fund	14,744	0
Inventories	<u>0</u>	<u>1,455</u>
Total current assets	<u>19,093</u>	<u>57,641</u>
Capital assets		
Vehicles and equipment	30,910	30,910
Accumulated depreciation	<u>(4,293)</u>	<u>(2,232)</u>
Total capital assets (net of accumulated depreciation)	<u>26,617</u>	<u>28,678</u>
Total assets	<u>45,710</u>	<u>86,319</u>
LIABILITIES		
Current liabilities		
Accounts payable	35	4,018
Accrued salaries	1,355	1,364
Compensated absences	3,906	3,792
Due to other fund	<u>7,027</u>	<u>19,915</u>
Total current liabilities	12,323	29,089
Noncurrent liabilities		
Compensated absences	<u>1,674</u>	<u>1,625</u>
Total liabilities	<u>13,997</u>	<u>30,714</u>
NET POSITION		
Investment in capital assets	26,617	28,678
Unrestricted	<u>5,096</u>	<u>26,927</u>
Total net position	<u>\$ 31,713</u>	<u>\$ 55,605</u>

CITY OF ELBERTON, GEORGIA
ELBERT THEATRE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2020 and 2019

OPERATING REVENUES	<u>2020</u>	<u>2019</u>
Charges for sales and services	\$ 64,028	\$ 119,760
Total operating revenues	<u>64,028</u>	<u>119,760</u>
OPERATING EXPENSES		
Costs of sales and services	67,574	94,905
Personal services	86,285	88,864
Depreciation	<u>2,061</u>	<u>2,061</u>
Total operating expenses	<u>155,920</u>	<u>185,830</u>
Net income (loss) before transfers	(91,892)	(66,070)
Transfers in (out)		
ElbertonNET Technology Services Fund	<u>68,000</u>	<u>68,000</u>
Change in net position	(23,892)	1,930
Net position, July 1	<u>55,605</u>	<u>53,675</u>
Net position, June 30	<u><u>\$ 31,713</u></u>	<u><u>\$ 55,605</u></u>

CITY OF ELBERTON, GEORGIA
ELBERT THEATRE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Receipts from customers	\$ 64,028	\$ 119,760
Payments to suppliers	(70,102)	(91,858)
Payments to employees	(86,131)	(84,182)
Net cash provided (used) by operating activities	<u>(92,205)</u>	<u>(56,280)</u>
Cash flows from non-capital financing activities:		
Receipts from other funds	68,000	84,675
Payments to other funds	(27,632)	0
Net cash provided (used) by non-capital financing activities:	<u>40,368</u>	<u>84,675</u>
Net increase (decrease) in cash	(51,837)	28,395
Cash, July 1	56,186	27,791
Cash, June 30	<u>\$ 4,349</u>	<u>\$ 56,186</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	<u>\$ (91,892)</u>	<u>\$ (66,070)</u>
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	2,061	2,061
(Increase) decrease in inventories	1,455	(105)
Increase (decrease) in accounts payable	(3,983)	3,152
Increase (decrease) in compensated absences	163	5,417
Increase (decrease) in accrued salaries	(9)	(735)
Total adjustments	<u>(313)</u>	<u>9,790</u>
Net cash provided (used) by operating activities	<u>\$ (92,205)</u>	<u>\$ (56,280)</u>

CITY OF ELBERTON, GEORGIA
ELBERT HOTEL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
For the fiscal years ended June 30, 2020 and 2019

ASSETS	<u>2020</u>	<u>2019</u>
Current assets		
Cash	\$ 52,918	\$ 52,520
Accounts receivable	0	635
Prepaid items	0	2,107
Due from other funds	7,028	4,181
Inventories	19,871	2,346
Total current assets	<u>79,817</u>	<u>61,789</u>
Capital assets		
Land	107,500	107,500
Land improvements	43,700	43,700
Building	4,339,093	4,339,093
Machinery and equipment	1,002,051	1,002,051
Accumulated depreciation	(762,981)	(567,897)
Total capital assets (net of accumulated depreciation)	<u>4,729,363</u>	<u>4,924,447</u>
Other assets		
Net pension asset	10,790	61,044
Total assets	<u>4,819,970</u>	<u>5,047,280</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Pension experience differences	10,244	10,817
Pension assumption changes	4,968	0
Pension contributions subsequent to measurement date	467	665
Total deferred outflows of resources	<u>15,679</u>	<u>11,482</u>
 LIABILITIES		
Current liabilities		
Payables		
Accounts	7,128	7,203
Interest	3,105	8,529
Sales tax	3,661	8,048
Customer deposits	7,450	16,116
Accrued salaries	13,402	9,523
Compensated absences	4,542	2,890
Notes payable	0	239,711
Bonds payable	371,863	0
Due to other funds	997,864	426,882
Total current liabilities	<u>1,409,015</u>	<u>718,902</u>

CITY OF ELBERTON, GEORGIA
ELBERT HOTEL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
For the fiscal years ended June 30, 2020 and 2019

	2020	2019
Noncurrent liabilities		
Compensated absences	\$ 1,947	\$ 1,239
Notes payable	0	4,129,383
Bonds payable	3,405,624	0
Total noncurrent liabilities	3,407,571	4,130,622
Total liabilities	4,816,586	4,849,524
DEFERRED INFLOWS OF RESOURCES		
Pension assumption changes	\$ 1,607	\$ 4,738
Pension investment return differences	2,980	32,278
Total deferred inflows of resources	4,587	37,016
NET POSITION		
Net investment in capital assets	951,876	555,353
Unrestricted	(937,400)	(383,131)
Total net position	\$ 14,476	\$ 172,222

CITY OF ELBERTON, GEORGIA
ELBERT HOTEL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES		
Charges for sales and services	\$ 387,642	\$ 463,233
Rent	4,800	13,638
Total operating revenues	<u>392,442</u>	<u>476,871</u>
OPERATING EXPENSES		
Costs of sales and services	186,821	176,079
Personal services	323,527	276,806
Depreciation	195,084	217,828
Total operating expenses	<u>705,432</u>	<u>670,713</u>
Operating income (loss)	<u>(312,990)</u>	<u>(193,842)</u>
Non-operating revenues (expenses)		
Interest revenue	2	2
Interest expense	(344,758)	(215,333)
Total non-operating expenses	<u>(344,756)</u>	<u>(215,331)</u>
Net income (loss) before transfers	(657,746)	(409,173)
Transfers in (out)		
Combined Public Utility System Fund	<u>500,000</u>	<u>440,000</u>
Change in net position	(157,746)	30,827
Net position, July 1	<u>172,222</u>	<u>141,395</u>
Net position, June 30	<u><u>\$ 14,476</u></u>	<u><u>\$ 172,222</u></u>

CITY OF ELBERTON, GEORGIA
ELBERT HOTEL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Receipts from customers	\$ 384,411	\$ 481,800
Payments to suppliers	(206,702)	(173,003)
Payments to employees	(303,660)	(288,657)
Net cash provided (used) by operating activities	<u>(125,951)</u>	<u>20,140</u>
Cash flows from non-capital financing activities:		
Receipts from other funds	570,982	5,793
Payments to other funds	(2,846)	0
Net cash provided (used) by non-capital financing activities:	<u>568,136</u>	<u>5,793</u>
Cash flows from capital and related financing activities:		
Receipts from other funds	500,000	440,000
Interest paid	(350,182)	(215,773)
Issuance of bonds payable	4,000,000	0
Principal payments - bonds payable	(222,513)	0
Principal payments - note payable	(4,369,094)	(225,626)
Net cash provided (used) by capital and related financing activities	<u>(441,789)</u>	<u>(1,399)</u>
Cash flows from investing activities:		
Interest received	<u>2</u>	<u>2</u>
Net increase (decrease) in cash	398	24,536
Cash, July 1	<u>52,520</u>	<u>27,984</u>
Cash, June 30	<u><u>\$ 52,918</u></u>	<u><u>\$ 52,520</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	<u>\$ (312,990)</u>	<u>\$ (193,842)</u>
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	195,084	217,828
(Increase) decrease in accounts receivable	635	(631)
(Increase) decrease in prepaid items	2,107	(69)
(Increase) decrease in inventories	(17,525)	2,488
(Increase) decrease in net pension asset/liability	50,254	(27,169)
(Increase) decrease in pension contributions made subsequent to measurement date	198	8,428
Increase (decrease) in accounts payable	(76)	(1,527)
Increase (decrease) in sales tax payable	(4,387)	2,184
Increase (decrease) in customer deposits	(8,666)	5,560
Increase (decrease) in accrued salaries	3,879	(1,683)
Increase (decrease) in compensated absences payable	2,360	636
Increase (decrease) in pension experience differences	573	11,191
Increase (decrease) in pension assumption differences	(8,099)	2,676
Increase (decrease) in pension investment return differences	(29,298)	(5,930)
Total adjustments	<u>187,039</u>	<u>213,982</u>
Net cash provided (used) by operating activities	<u><u>\$ (125,951)</u></u>	<u><u>\$ 20,140</u></u>

COMPONENT UNIT

Downtown Development Authority - *This component unit is used to account for governmental revenues and contributions reserved for City business development.*

CITY OF ELBERTON, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2020 and 2019

	2020	2019
ASSETS		
Cash	\$ 108,181	\$ 88,002
Total assets	\$ 108,181	\$ 88,002
 LIABILITIES		
Accounts payable	\$ 1,326	\$ 5,182
Deposits payable	5,400	4,650
Total liabilities	6,726	9,832
 FUND BALANCES		
Assigned for Housing and Development	101,455	78,170
Total liabilities and fund balances	\$ 108,181	\$ 88,002

CITY OF ELBERTON, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY (A COMPONENT UNIT)
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020
(With comparative actual amounts for the fiscal year ended June 30, 2019)

	2020			2019
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	\$ 0	\$ 24,000	\$ 24,000	\$ 24,000
Charges for service	15,479	14,200	(1,279)	17,621
Rents	55,800	53,905	(1,895)	30,104
Event revenue	23,500	10,874	(12,626)	25,632
Contributions	0	0	0	8,000
Interest revenue	0	5	5	6
Other	0	0	0	390
Total revenues	<u>94,779</u>	<u>102,984</u>	<u>8,205</u>	<u>105,753</u>
EXPENDITURES				
Current				
Economic Development				
Contract services	27,800	24,230	3,570	52,125
Materials and supplies	2,200	784	1,416	3,708
Capital outlay	93,664	85,766	7,898	106,951
Debt service	54,655	52,459	2,196	49,074
Total expenditures	<u>178,319</u>	<u>163,239</u>	<u>15,080</u>	<u>211,858</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(83,540)</u>	<u>(60,255)</u>	<u>23,285</u>	<u>(106,105)</u>
Other financing sources (uses)				
Sale of capital assets	83,540	83,540	0	0
Proceeds from note payable	0	0	0	125,000
Total other financing sources (uses)	<u>83,540</u>	<u>83,540</u>	<u>0</u>	<u>125,000</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	23,285	23,285	18,895
Fund balances, July 1	<u>0</u>	<u>78,170</u>	<u>78,170</u>	<u>59,275</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 101,455</u></u>	<u><u>\$ 101,455</u></u>	<u><u>\$ 78,170</u></u>

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Part III

Statistical Section



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City of Elberton
Statistical Section
(Unaudited)

This section of the City of Elberton's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This section includes data for the City (i.e. the primary government) only and does not include the City's discretely presented component unit. This information has not been audited by the independent auditor.

Contents

	<u>Page</u>
Financial Trends	128-142
These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.	
Revenue Capacity	143-146
These tables contain information that may assist the reader in assessing the viability of the City's most significant "own-source" revenue sources and trends of these sources. Property taxes are not a source of revenue for the City; however, property tax valuation and tax rate information is included as an indicator of the City's growth and overall economic condition.	
Debt Capacity	147-153
These tables present information which may assist the reader in analyzing the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	154-155
These tables offer demographic and economic indicators that can be used for financial analysis and to provide a better understanding of the City's present and ongoing financial status.	
Operating Information	156-161
These tables contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	
Miscellaneous Information	162-163

Source: Unless otherwise noted, the information in these tables is derived from the annual financial reports for the corresponding years.

City of Elberton
Net Position by Component
Last Ten Fiscal Years

	FISCAL YEAR		
	2020	2019	2018
Governmental Activities			
Net investment in capital assets	\$ 5,032,037	\$ 5,275,528	\$ 4,627,533
Restricted	1,146,636	813,874	608,283
Unrestricted	1,261,120	1,068,797	1,205,925
Total Governmental Activities Net Position	7,439,793	7,158,199	6,441,741
Business-type Activities			
Net investment in capital assets	25,639,989	23,260,966	21,725,407
Restricted	4,159,632	4,006,940	3,711,182
Unrestricted	12,744,385	13,295,485	11,968,712
Total Business-Type Activities Net Position	42,544,006	40,563,391	37,405,301
Primary Government			
Net investment in capital assets	30,672,026	28,536,494	26,352,940
Restricted	5,306,268	4,820,814	4,319,465
Unrestricted	14,005,505	14,364,282	13,174,637
Total Primary Government Net Position	\$ 49,983,799	\$ 47,721,590	\$ 43,847,042

FISCAL YEAR						
2017	2016	2015	2014	2013	2012	2011
\$ 4,456,665	\$ 4,699,117	\$ 4,794,106	\$ 4,230,037	\$ 4,289,328	\$ 4,474,881	\$ 4,138,536
956,319	480,025	825,553	1,067,009	882,783	940,916	1,214,456
794,391	508,437	108,315	469,531	412,159	374,476	483,631
<u>6,207,375</u>	<u>5,687,579</u>	<u>5,727,974</u>	<u>5,766,577</u>	<u>5,584,270</u>	<u>5,790,273</u>	<u>5,836,623</u>
21,118,188	19,533,634	18,676,675	17,877,860	17,350,028	16,525,113	15,555,835
3,479,632	3,287,785	2,957,667	2,702,871	2,317,674	2,020,369	1,383,145
10,617,545	10,774,926	8,886,182	8,281,490	6,518,491	6,170,317	6,516,711
<u>35,215,365</u>	<u>33,596,345</u>	<u>30,520,524</u>	<u>28,862,221</u>	<u>26,186,193</u>	<u>24,715,799</u>	<u>23,455,691</u>
25,574,853	24,232,751	23,470,781	22,107,897	21,639,356	20,999,994	19,694,371
4,435,951	3,767,810	3,783,220	3,769,880	3,200,457	2,961,285	2,597,601
11,411,936	11,283,363	8,994,497	8,751,021	6,930,650	6,544,793	7,000,342
<u>\$ 41,422,740</u>	<u>\$ 39,283,924</u>	<u>\$ 36,248,498</u>	<u>\$ 34,628,798</u>	<u>\$ 31,770,463</u>	<u>\$ 30,506,072</u>	<u>\$ 29,292,314</u>

City of Elberton
Changes in Net Position
Last Ten Fiscal Years

	FISCAL YEAR		
	2020	2019	2018
Expenses			
Governmental Activities:			
General Government	\$ 733,379	\$ 715,271	\$ 727,426
Judicial	79,742	73,100	73,485
Public Safety	2,787,440	2,598,987	2,537,656
Public Works	1,507,842	990,896	1,062,867
Health and Welfare	66,100	65,100	65,100
Culture and Recreation	175,038	189,270	267,559
Housing and Development	277,217	530,647	402,360
Interest on Long-term Debt	0	0	4,132
Total Governmental Activities	<u>5,626,758</u>	<u>5,163,271</u>	<u>5,140,585</u>
Business-type Activities:			
Combined Public Utilities			
Electric	13,326,722	13,464,338	12,921,059
Water and Sewer	3,185,106	2,876,701	2,864,143
Natural Gas	2,081,681	2,565,559	2,170,830
ElbertonNET Technology Services	4,400,172	4,330,304	4,300,746
Industrial Park	0	0	0
Solid Waste	980,973	989,933	863,501
Elbert Theatre	155,920	185,830	78,076
Elbert Hotel	1,050,190	886,046	931,150
Total Business-type Activities	<u>25,180,764</u>	<u>25,298,711</u>	<u>24,129,505</u>
Total Primary Government Expenses	<u>30,807,522</u>	<u>30,461,982</u>	<u>29,270,090</u>
Indirect Costs			
Governmental Activities:			
General Government	(488,790)	(482,100)	(499,545)
Public Works	(131,636)	(127,782)	(125,828)
Total Governmental Activities Indirect Cost	<u>(620,426)</u>	<u>(609,882)</u>	<u>(625,373)</u>
Business-type Activities:			
Combined Public Utilities			
Electric	211,321	207,207	223,583
Water and Sewer	109,984	108,361	109,291
Natural Gas	112,187	110,025	109,569
ElbertonNET Technology Services	134,768	132,329	131,073
Solid Waste	52,166	51,960	51,857
Total Business-type Activities Indirect Cost	<u>620,426</u>	<u>609,882</u>	<u>625,373</u>
Total Primary Government Indirect Cost	<u>0</u>	<u>0</u>	<u>0</u>
Program Revenues			
Governmental Activities:			
Charges for Services:			
General Government	51,085	45,125	45,703
Public Safety	140,829	161,452	133,963
Public Works	72,160	58,177	66,180
Housing and Development	31,970	16,739	23,186
Operating Grants and Contributions	466	10,421	502
Capital Grants and Contributions	1,157,490	993,264	673,384
Total Governmental Activities	<u>1,454,000</u>	<u>1,285,178</u>	<u>942,918</u>
Program Revenues	<u>1,454,000</u>	<u>1,285,178</u>	<u>942,918</u>
Business-type Activities:			
Charges for Services:			
Electric	15,167,665	15,659,814	15,178,416
Water and Sewer	3,696,678	3,403,339	3,179,301
Natural Gas	3,722,457	4,412,776	3,912,137
ElbertonNET Technology Services	5,493,919	5,360,061	5,003,088
Solid Waste	870,247	879,477	885,530
Elbert Theatre	64,028	119,760	87,974
Elbert Hotel	392,442	476,871	441,680
Operating Grants and Contributions	0	132,837	430,194
Capital Grants and Contributions	184,386	288,534	0
Total Business-type Activities	<u>29,591,822</u>	<u>30,733,469</u>	<u>29,118,320</u>
Program Revenues	<u>29,591,822</u>	<u>30,733,469</u>	<u>29,118,320</u>
Total Primary Government Program Revenues	<u>31,045,822</u>	<u>32,018,647</u>	<u>30,061,238</u>

Exhibit I-2, continued

FISCAL YEAR						
2017	2016	2015	2014	2013	2012	2011
\$ 733,183	\$ 696,460	\$ 661,068	\$ 673,908	\$ 657,516	\$ 697,793	\$ 782,934
72,632	67,311	63,335	106,386	107,728	104,279	99,901
2,490,299	2,355,893	2,439,366	2,539,885	2,476,946	2,395,267	2,509,964
963,917	1,067,173	966,313	1,067,150	1,151,627	1,166,098	1,155,171
61,968	65,687	60,275	58,144	67,100	9,000	11,900
262,259	269,221	221,761	174,478	186,059	167,465	163,831
288,416	253,670	251,937	259,179	249,642	247,896	205,442
7,660	8,891	10,097	11,278	8,667	92	437
<u>4,880,334</u>	<u>4,784,306</u>	<u>4,674,152</u>	<u>4,890,408</u>	<u>4,905,285</u>	<u>4,787,890</u>	<u>4,929,580</u>
13,546,027	13,592,179	14,279,534	12,991,858	13,179,039	13,064,053	12,136,219
2,801,783	2,759,461	2,721,254	2,740,178	2,734,886	2,816,229	2,797,193
2,026,826	1,903,129	2,414,678	3,193,275	2,861,258	2,734,236	3,075,133
3,741,769	3,566,175	3,362,855	3,040,601	2,855,925	2,623,765	2,435,188
0	0	0	0	0	0	459,399
884,266	804,982	816,844	837,283	778,294	768,886	757,211
80,539	77,321	44,895	0	0	0	0
584,389	137,102	0	0	0	0	0
<u>23,665,599</u>	<u>22,840,349</u>	<u>23,640,060</u>	<u>22,803,195</u>	<u>22,409,402</u>	<u>22,007,169</u>	<u>21,660,343</u>
<u>28,545,933</u>	<u>27,624,655</u>	<u>28,314,212</u>	<u>27,693,603</u>	<u>27,314,687</u>	<u>26,795,059</u>	<u>26,589,923</u>
(486,383)	(493,185)	(473,292)	(477,578)	(451,965)	(464,060)	(546,280)
<u>(133,313)</u>	<u>(129,750)</u>	<u>(119,422)</u>	<u>(141,520)</u>	<u>(227,844)</u>	<u>(204,846)</u>	<u>(202,378)</u>
<u>(619,696)</u>	<u>(622,935)</u>	<u>(592,714)</u>	<u>(619,098)</u>	<u>(679,809)</u>	<u>(668,906)</u>	<u>(748,658)</u>
220,189	230,783	221,039	212,571	220,989	244,671	294,516
109,210	107,795	119,743	118,470	124,911	143,042	147,294
109,377	115,851	103,448	103,949	123,707	174,494	196,945
128,687	116,033	81,986	80,701	129,713	50,756	54,817
52,233	52,473	66,498	103,407	80,489	55,943	55,086
<u>619,696</u>	<u>622,935</u>	<u>592,714</u>	<u>619,098</u>	<u>679,809</u>	<u>668,906</u>	<u>748,658</u>
<u>0</u>						
42,005	43,360	41,775	45,358	45,815	53,823	55,109
127,646	102,197	124,749	191,337	204,784	178,550	227,569
86,279	83,133	41,394	65,170	51,235	52,891	72,514
15,090	15,703	15,428	10,495	11,443	17,933	12,393
350	1,620	420	2,852	34,276	62,948	44,386
656,122	672,356	715,225	602,260	580,179	797,939	714,791
<u>927,492</u>	<u>918,369</u>	<u>938,991</u>	<u>917,472</u>	<u>927,732</u>	<u>1,164,084</u>	<u>1,126,762</u>
15,252,364	15,081,243	15,320,274	16,005,007	15,839,368	15,566,693	15,721,112
3,230,494	3,162,388	3,082,577	2,887,595	2,843,066	2,817,914	2,778,123
3,363,427	3,335,754	4,063,544	4,899,169	4,189,304	3,440,528	4,331,615
4,540,110	4,231,947	3,790,730	3,328,687	3,121,582	2,740,805	2,401,396
912,359	853,355	853,822	822,177	727,591	769,818	801,319
99,349	94,232	52,951	0	0	0	0
88,221	0	0	0	0	0	0
701,292	933,762	1,170,756	0	0	0	0
80,948	306,822	254,181	138,067	0	258,408	38,833
<u>28,268,564</u>	<u>27,999,503</u>	<u>28,588,835</u>	<u>28,080,702</u>	<u>26,720,911</u>	<u>25,594,166</u>	<u>26,072,398</u>
<u>29,196,056</u>	<u>28,917,872</u>	<u>29,527,826</u>	<u>28,998,174</u>	<u>27,648,643</u>	<u>26,758,250</u>	<u>27,199,160</u>

Exhibit I-2, continued

City of Elberton
Changes in Net Position
Last Ten Fiscal Years

	FISCAL YEAR		
	2020	2019	2018
Change in Net Position			
Net (expense) Revenue - Governmental Activities	\$ (3,552,332)	\$ (3,268,211)	\$ (3,572,294)
Net (expense) Revenue - Business-type Activities	3,790,632	4,824,876	4,363,442
Total Primary Government Net (Expense) Revenue	<u>238,300</u>	<u>1,556,665</u>	<u>791,148</u>
General Revenues and Other Changes in Net Position			
Governmental Activities			
Taxes:			
Title ad valorem	71,902	103,699	69,636
Sales	631,316	607,207	597,251
Franchise	93,145	94,681	92,799
Occupational	135,811	140,341	131,521
Insurance Premium	349,535	328,128	304,258
Alcoholic Beverages	127,980	122,119	122,954
Hotel/Motel	72,148	90,030	76,622
Other	4,480	5,920	4,436
Interest and Investment Earnings	2,591	9,325	5,930
Gain on Sale of Assets	0	39,282	11,009
Miscellaneous	10,398	3,937	28,639
Transfers	2,334,620	2,440,000	2,361,605
Total Government Activities	<u>3,833,926</u>	<u>3,984,669</u>	<u>3,806,660</u>
Business-type Activities			
Interest and Investment Earnings	302,675	418,456	286,650
Net increase (decrease) in the fair value of investments	51,455	229,025	(112,286)
Gain on Sale of Assets	19,045	44,175	0
Miscellaneous	151,428	81,558	13,735
Transfers	(2,334,620)	(2,440,000)	(2,361,605)
Total Business-type Activities	<u>(1,810,017)</u>	<u>(1,666,786)</u>	<u>(2,173,506)</u>
Total Primary Government General Revenues	<u>2,023,909</u>	<u>2,317,883</u>	<u>1,633,154</u>
Change in Net Position			
Governmental Activities	281,594	716,458	234,366
Business-type Activities	1,980,615	3,158,090	2,189,936
Total Primary Government Change in Net Position	<u>2,262,209</u>	<u>3,874,548</u>	<u>2,424,302</u>
Net Position - beginning (original)			
Governmental Activities	7,158,199	6,441,741	6,207,375
Business-type Activities	40,563,391	37,405,301	35,215,365
Total Primary Government Beginning Net Position (original)	<u>47,721,590</u>	<u>43,847,042</u>	<u>41,422,740</u>
Prior Period Adjustments			
Governmental Activities	0	0	0
Business-type Activities	0	0	0
Total Primary Government Prior Period Adjustments	<u>0</u>	<u>0</u>	<u>0</u>
Net Position - beginning (restated)			
Governmental Activities	7,158,199	6,441,741	6,207,375
Business-type Activities	40,563,391	37,405,301	35,215,365
Total Primary Government Beginning Net Position (restated)	<u>47,721,590</u>	<u>43,847,042</u>	<u>41,422,740</u>
Change in Net Position - ending			
Governmental Activities	7,439,793	7,158,199	6,441,741
Business-type Activities	42,544,006	40,563,391	37,405,301
Total Primary Government Ending Net Position	<u>\$ 49,983,799</u>	<u>\$ 47,721,590</u>	<u>\$ 43,847,042</u>

FISCAL YEAR						
2017	2016	2015	2014	2013	2012	2011
\$ (3,333,146)	\$ (3,243,002)	\$ (3,142,447)	\$ (3,353,838)	\$ (3,297,744)	\$ (2,954,900)	\$ (3,054,160)
<u>3,983,269</u>	<u>4,536,219</u>	<u>4,356,061</u>	<u>4,658,409</u>	<u>3,631,700</u>	<u>2,918,091</u>	<u>3,663,397</u>
<u>650,123</u>	<u>1,293,217</u>	<u>1,213,614</u>	<u>1,304,571</u>	<u>333,956</u>	<u>(36,809)</u>	<u>609,237</u>
70,116	80,432	102,458	105,085	31,875	0	0
549,707	577,700	529,378	550,972	577,225	592,734	633,998
91,906	98,172	90,654	89,389	91,243	90,041	84,338
122,502	119,704	117,607	125,781	110,828	74,804	73,352
285,732	263,786	246,913	240,020	231,813	218,245	255,324
133,842	136,212	151,413	142,639	149,169	153,664	143,118
59,668	55,836	49,138	46,283	51,865	45,344	58,650
4,541	4,465	3,739	4,096	7,061	5,294	3,160
3,374	2,435	2,095	2,117	2,317	2,646	2,500
60,618	49,369	38,113	0	0	0	10,123
7,936	11,216	9,374	23,773	19,415	9,288	17,953
<u>2,463,000</u>	<u>1,803,280</u>	<u>2,344,713</u>	<u>2,205,490</u>	<u>1,818,930</u>	<u>1,716,490</u>	<u>2,315,196</u>
<u>3,852,942</u>	<u>3,202,607</u>	<u>3,685,595</u>	<u>3,535,645</u>	<u>3,091,741</u>	<u>2,908,550</u>	<u>3,597,712</u>
207,233	152,902	119,388	135,465	86,101	38,738	33,603
(131,856)	177,697	6,185	73,896	(128,447)	0	0
14,230	0	27,284	0	17,213	2,404	1,220
9,144	12,283	9,745	13,748	16,140	17,365	25,282
<u>(2,463,000)</u>	<u>(1,803,280)</u>	<u>(2,344,713)</u>	<u>(2,205,490)</u>	<u>(1,818,930)</u>	<u>(1,716,490)</u>	<u>(2,315,196)</u>
<u>(2,364,249)</u>	<u>(1,460,398)</u>	<u>(2,182,111)</u>	<u>(1,982,381)</u>	<u>(1,827,923)</u>	<u>(1,657,983)</u>	<u>(2,255,091)</u>
<u>1,488,693</u>	<u>1,742,209</u>	<u>1,503,484</u>	<u>1,553,264</u>	<u>1,263,818</u>	<u>1,250,567</u>	<u>1,342,621</u>
519,796	(40,395)	543,148	181,807	(206,003)	(46,350)	543,552
<u>1,619,020</u>	<u>3,075,821</u>	<u>2,173,950</u>	<u>2,676,028</u>	<u>1,803,777</u>	<u>1,260,108</u>	<u>1,408,306</u>
<u>2,138,816</u>	<u>3,035,426</u>	<u>2,717,098</u>	<u>2,857,835</u>	<u>1,597,774</u>	<u>1,213,758</u>	<u>1,951,858</u>
5,687,579	5,727,974	5,766,577	5,584,270	5,790,273	5,836,623	5,293,071
<u>33,596,345</u>	<u>30,520,524</u>	<u>28,862,221</u>	<u>26,186,193</u>	<u>24,715,799</u>	<u>23,455,691</u>	<u>22,047,385</u>
<u>39,283,924</u>	<u>36,248,498</u>	<u>34,628,798</u>	<u>31,770,463</u>	<u>30,506,072</u>	<u>29,292,314</u>	<u>27,340,456</u>
0	0	(581,751)	0	0	0	0
0	0	(515,647)	0	(333,383)	0	0
0	0	(1,097,398)	0	(333,383)	0	0
5,687,579	5,727,974	5,184,826	5,584,270	5,790,273	5,836,623	5,293,071
<u>33,596,345</u>	<u>30,520,524</u>	<u>28,346,574</u>	<u>26,186,193</u>	<u>24,382,416</u>	<u>23,455,691</u>	<u>22,047,385</u>
<u>39,283,924</u>	<u>36,248,498</u>	<u>33,531,400</u>	<u>31,770,463</u>	<u>30,172,689</u>	<u>29,292,314</u>	<u>27,340,456</u>
6,207,375	5,687,579	5,727,974	5,766,077	5,584,270	5,790,273	5,836,623
<u>35,215,365</u>	<u>33,596,345</u>	<u>30,520,524</u>	<u>28,862,221</u>	<u>26,186,193</u>	<u>24,715,799</u>	<u>23,455,691</u>
<u>\$ 41,422,740</u>	<u>\$ 39,283,924</u>	<u>\$ 36,248,498</u>	<u>\$ 34,628,298</u>	<u>\$ 31,770,463</u>	<u>\$ 30,506,072</u>	<u>\$ 29,292,314</u>

City of Elberton
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	FISCAL YEAR			
	2020	2019	2018	2017
General Fund				
Nonspendable	\$ 258,740	\$ 170,316	\$ 167,780	\$ 165,248
Restricted	25	25	25	25
Unassigned	578,998	592,040	905,229	896,071
Total General Fund	<u>837,763</u>	<u>762,381</u>	<u>1,073,034</u>	<u>1,061,344</u>
All Other Governmental Funds				
Unassigned, Reported in:				
Capital Project Funds	0	0	0	(53,709)
Nonspendable	0	0	0	0
Restricted	1,146,611	813,849	608,258	956,294
Assigned	0	0	808	0
Total All Other Governmental Funds	<u>1,146,611</u>	<u>813,849</u>	<u>609,066</u>	<u>902,585</u>
Total Governmental Fund Balances	<u>\$ 1,984,374</u>	<u>\$ 1,576,230</u>	<u>\$ 1,682,100</u>	<u>\$ 1,963,929</u>

FISCAL YEAR					
2016	2015	2014	2013	2012	2011
\$ 147,473	\$ 146,986	\$ 146,234	\$ 190,731	\$ 158,855	\$ 170,860
25	25	25	25	50	50
859,995	696,935	706,758	645,418	663,004	801,597
<u>1,007,493</u>	<u>843,946</u>	<u>853,017</u>	<u>836,174</u>	<u>821,909</u>	<u>972,507</u>
(49,144)	0	0	0	0	0
40,000	0	0	0	0	448,000
480,000	825,528	1,066,984	882,758	940,866	766,455
2,692	4,288	12,869	4,407	3,061	4,068
<u>473,548</u>	<u>829,816</u>	<u>1,079,853</u>	<u>887,165</u>	<u>943,927</u>	<u>1,218,523</u>
<u>\$ 1,481,041</u>	<u>\$ 1,673,762</u>	<u>\$ 1,932,870</u>	<u>\$ 1,723,339</u>	<u>\$ 1,765,836</u>	<u>\$ 2,191,030</u>

City of Elberton
Changes in Fund Balances - Governmental Funds (1)
Last Ten Fiscal Years

	FISCAL YEAR		
	2020	2019	2018
Revenues			
Taxes	\$ 1,486,315	\$ 1,492,125	\$ 1,399,478
Licenses and permits	82,701	62,694	67,261
Fines, fees and forfeitures	132,133	149,924	115,047
Charges for services	701,636	678,757	711,197
Intergovernmental	1,157,490	688,216	673,338
Interest	3,056	9,461	6,092
Contributions	0	10,285	1,285
Other	10,399	3,937	28,640
Total Revenues	3,573,730	3,095,399	3,002,338
Expenditures			
General Government	715,913	725,301	763,729
Judicial	79,591	75,142	78,402
Public Safety	2,597,663	2,543,089	2,571,983
Public Works	1,003,450	886,166	814,101
Health and Welfare	66,100	65,100	65,100
Culture and Recreation	74,000	85,500	170,165
Housing and Development	266,576	826,351	343,869
Debt Service - Principal	0	0	334,096
Debt Service - Interest	0	0	4,132
Capital Outlay	696,913	473,902	511,204
Total Expenditures	5,500,206	5,680,551	5,656,781
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,926,476)	(2,585,152)	(2,654,443)
Other Financing Sources (Uses)			
Transfers In	2,556,073	2,585,015	2,557,503
Transfers Out	(221,453)	(145,015)	(195,898)
Sale of Capital Assets	0	39,282	11,009
Total Other Financing Sources (Uses)	2,334,620	2,479,282	2,372,614
Net Change in Fund Balances	408,144	(105,870)	(281,829)
Fund Balances, July 1	1,576,230	1,682,100	1,963,929
Fund Balances, June 30	\$ 1,984,374	\$ 1,576,230	\$ 1,682,100
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	6.22%

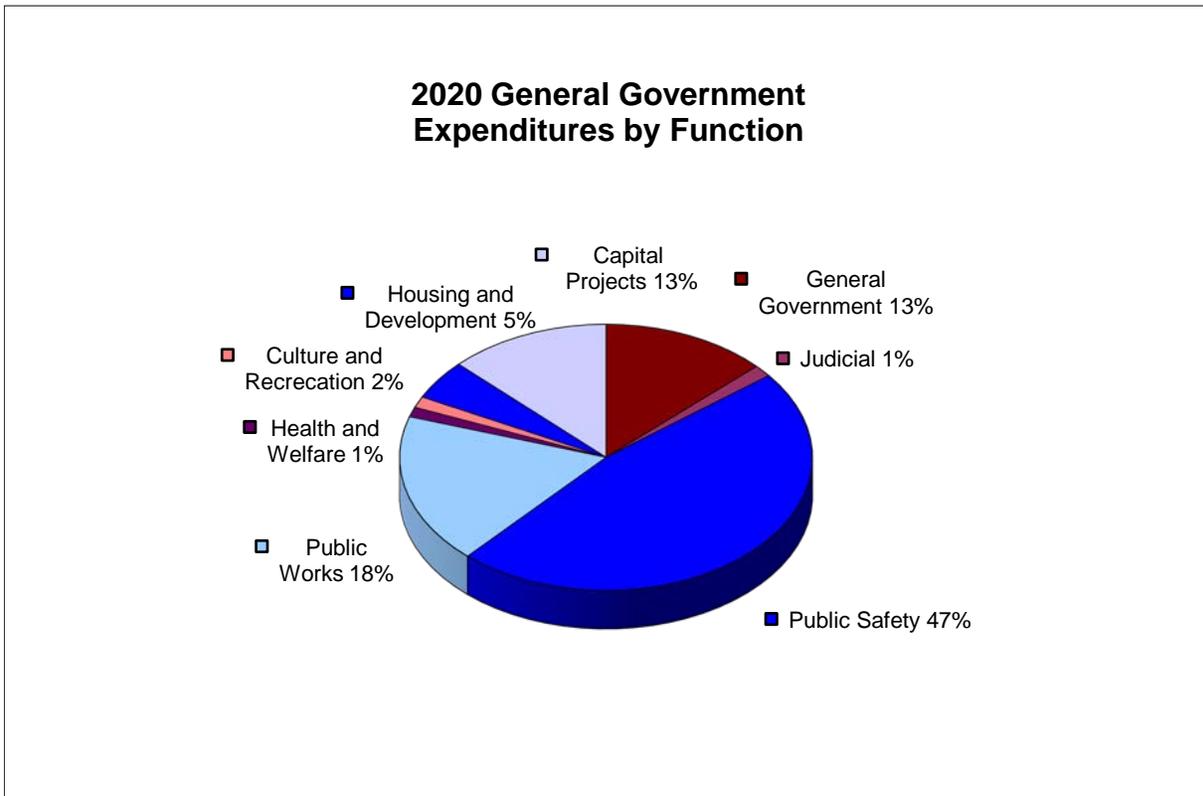
Note (1): Includes general, special revenue, and capital projects funds.

FISCAL YEAR						
2017	2016	2015	2014	2013	2012	2011
\$ 1,318,016	\$ 1,336,308	\$ 1,291,300	\$ 1,304,264	\$ 1,251,079	\$ 1,180,126	\$ 1,251,941
57,785	58,890	57,350	54,238	57,725	70,936	67,553
112,020	92,915	108,590	169,016	191,822	161,225	195,234
720,912	720,025	650,708	708,204	743,539	739,942	853,456
656,054	672,241	649,238	604,528	613,827	860,372	747,837
3,442	2,550	2,249	2,349	2,660	2,996	3,695
350	1,625	420	352	285	0	0
7,941	11,217	13,186	13,968	6,203	9,453	28,097
<u>2,876,520</u>	<u>2,895,771</u>	<u>2,773,041</u>	<u>2,856,919</u>	<u>2,867,140</u>	<u>3,025,050</u>	<u>3,147,813</u>
754,976	703,782	672,278	651,547	633,371	688,978	872,270
76,613	70,554	66,599	105,292	106,007	104,845	100,857
2,442,340	2,339,551	2,437,382	2,364,581	2,354,039	2,285,569	2,390,993
857,529	845,280	915,303	982,393	1,016,610	1,083,913	1,091,821
61,968	65,687	60,275	58,144	67,100	9,000	11,900
162,355	163,982	154,024	123,278	146,973	143,053	139,290
303,292	289,497	267,994	244,853	243,343	239,926	195,955
59,588	58,357	57,151	55,970	4,612	7,300	10,650
7,659	8,891	10,097	11,278	8,667	92	437
190,930	747,542	783,372	265,348	730,831	604,058	152,138
<u>4,917,250</u>	<u>5,293,123</u>	<u>5,424,475</u>	<u>4,862,684</u>	<u>5,311,553</u>	<u>5,166,734</u>	<u>4,966,311</u>
(2,040,730)	(2,397,352)	(2,651,434)	(2,005,765)	(2,444,413)	(2,141,684)	(1,818,498)
2,554,585	2,437,433	2,436,552	2,408,989	2,303,819	2,168,581	2,289,493
(91,585)	(282,171)	(82,339)	(203,499)	(484,889)	(452,091)	(151,009)
60,618	49,369	38,113	9,806	13,212	0	10,123
<u>2,523,618</u>	<u>2,204,631</u>	<u>2,392,326</u>	<u>2,215,296</u>	<u>2,401,916</u>	<u>1,716,490</u>	<u>2,148,607</u>
482,888	(192,721)	(259,108)	209,531	(42,497)	(425,194)	330,109
1,481,041	1,673,762	1,932,870	1,723,339	1,765,836	2,191,030	1,860,921
<u>\$ 1,963,929</u>	<u>\$ 1,481,041</u>	<u>\$ 1,673,762</u>	<u>\$ 1,932,870</u>	<u>\$ 1,723,339</u>	<u>\$ 1,765,836</u>	<u>\$ 2,191,030</u>
1.39%	1.43%	1.47%	1.48%	0.29%	0.16%	0.24%

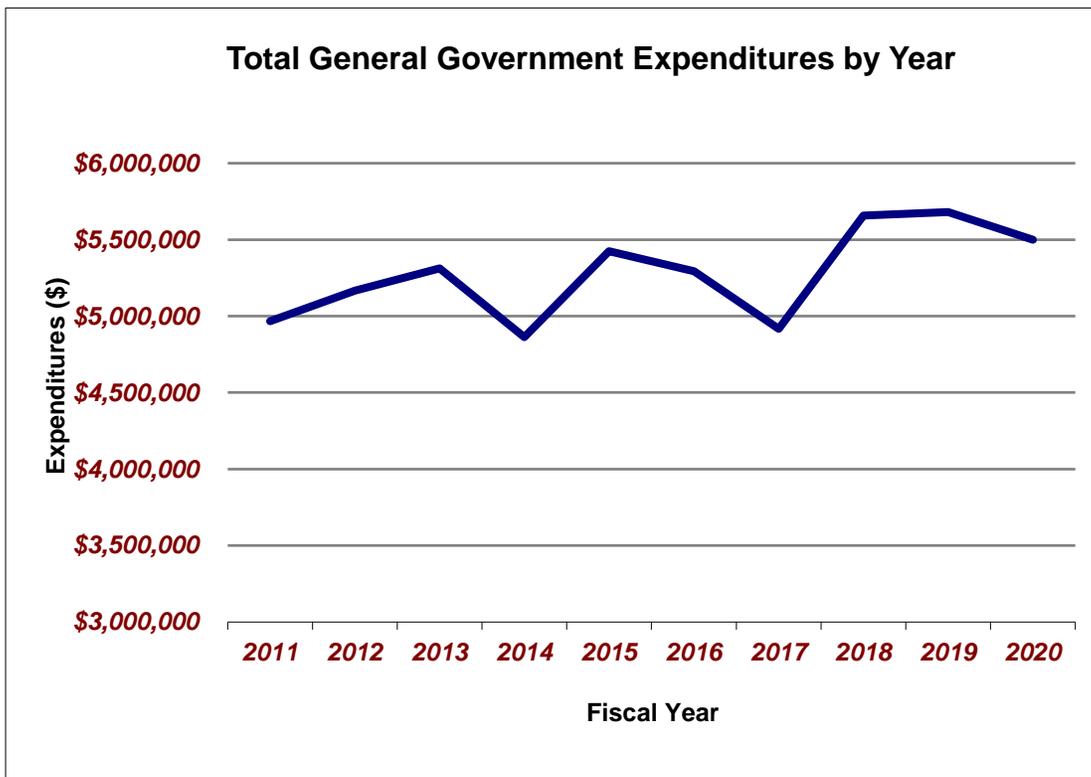
City of Elberton, Georgia
General Government Expenditures by Function (1)
Last Ten Fiscal Years

Fiscal Year	General Government	Judicial	Public Safety	Public Works	Health and Welfare
2011	\$ 872,270	\$ 100,857	\$ 2,390,993	\$ 1,091,821	\$ 11,900
2012	688,978	104,845	2,285,569	1,083,913	9,000
2013	633,371	106,007	2,354,039	1,016,610	67,100
2014	651,547	105,292	2,364,581	982,393	58,144
2015	672,278	66,599	2,437,382	915,303	60,275
2016	703,782	70,554	2,339,551	845,280	65,687
2017	754,976	76,613	2,442,340	857,529	61,968
2018	763,729	78,402	2,571,983	814,101	65,100
2019	725,301	75,142	2,543,089	886,166	65,100
2020	715,913	79,591	2,597,663	1,003,450	66,100

Note (1): Includes general, special revenue, and capital projects funds.



Culture and Recreation	Housing and Development	Capital Projects	Debt Service	Total
\$ 139,290	\$ 195,955	\$ 152,138	\$ 11,087	\$ 4,966,311
143,053	239,926	604,058	7,392	5,166,734
146,973	243,343	730,831	13,279	5,311,553
123,278	244,853	265,348	67,248	4,862,684
154,024	267,994	783,372	67,248	5,424,475
163,982	289,497	747,542	67,248	5,293,123
162,355	303,292	190,930	67,247	4,917,250
170,165	343,869	511,204	338,228	5,656,781
85,500	826,351	473,902	0	5,680,551
74,000	266,576	696,913	0	5,500,206

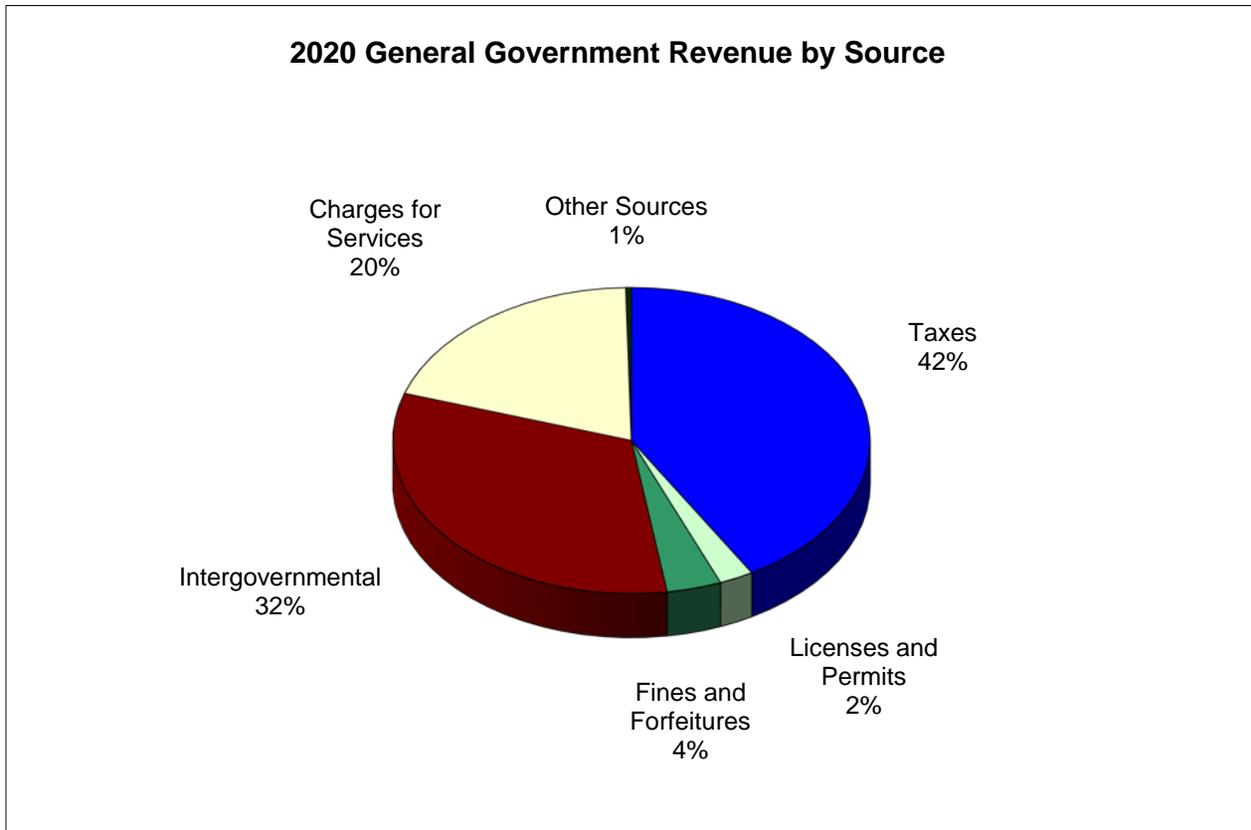


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City of Elberton, Georgia
General Government Revenue by Source (1)
Last Ten Fiscal Years

Fiscal Year	Taxes	Licenses and Permits	Fines and Forfeitures	Intergovernmental	Charges for Services	Other Sources	Total
2011	\$ 1,251,941	\$ 67,553	\$ 195,234	\$ 747,837	\$ 853,456	\$ 31,792	\$ 3,147,813
2012	1,180,126	70,936	161,225	860,372	739,942	12,449	3,025,050
2013	1,251,079	57,725	191,822	613,827	743,539	9,148	2,867,140
2014	1,304,264	54,238	169,016	604,528	708,204	16,669	2,856,919
2015	1,291,300	57,350	108,590	649,238	650,708	15,855	2,773,041
2016	1,336,308	58,890	92,915	672,241	720,025	15,392	2,895,771
2017	1,318,016	57,785	112,020	656,054	720,912	11,733	2,876,520
2018	1,399,478	67,261	115,047	673,338	711,197	36,017	3,002,338
2019	1,492,125	62,694	149,924	688,216	678,757	23,683	3,095,399
2020	1,486,315	82,701	132,133	1,157,490	701,636	13,455	3,573,730

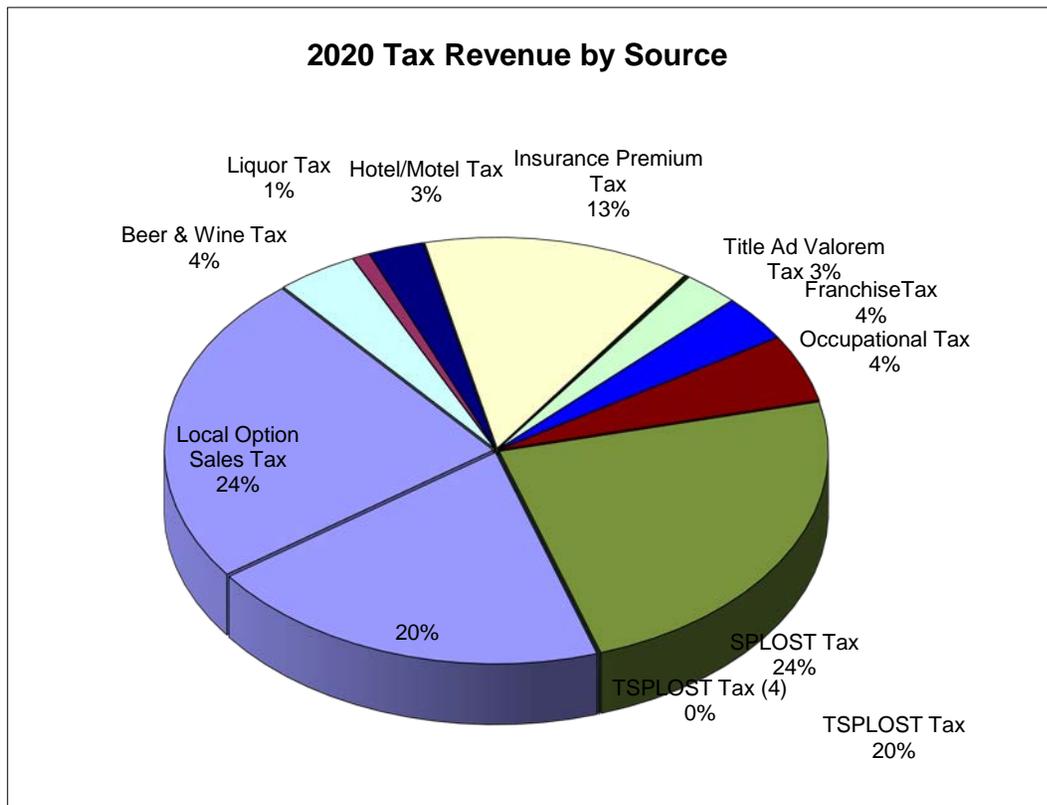
Note (1): Includes general, special revenue, and capital projects funds.



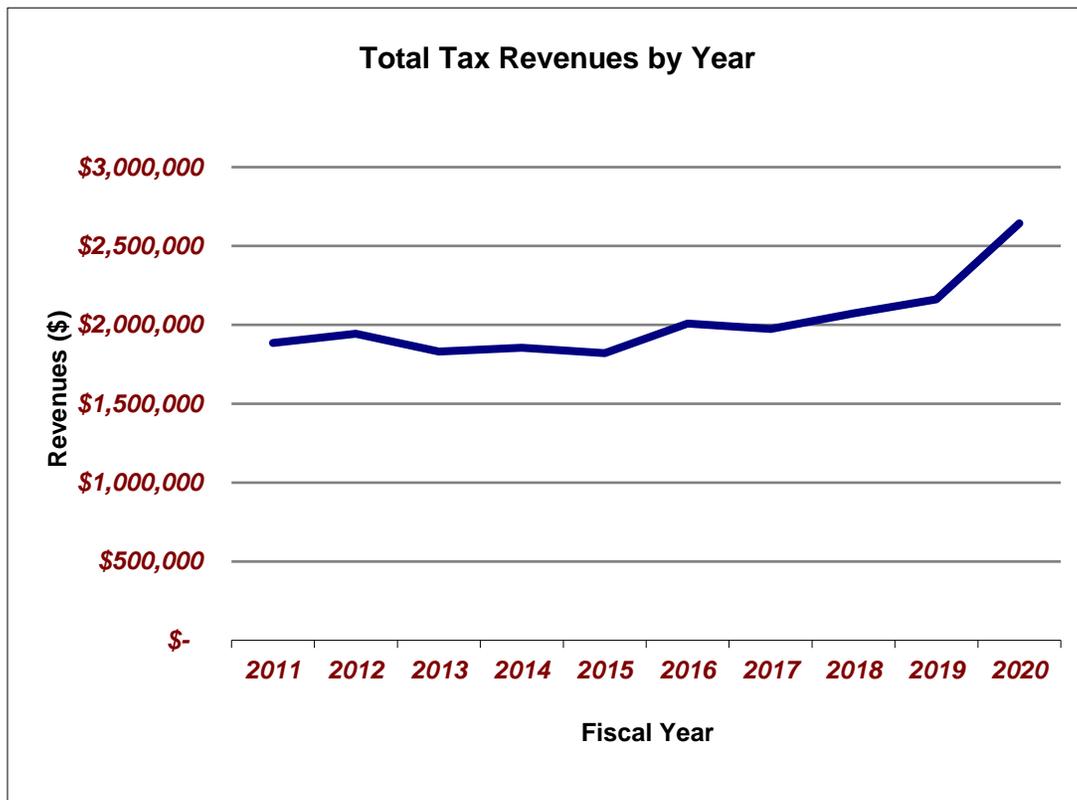
City of Elberton, Georgia
General Government Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year	Beer & Wine Tax	Liquor Tax	Hotel/Motel Tax (1)	Insurance Premium Tax	Intangible Tax	Title Ad Valorem Tax (3)
2011	\$ 121,973	\$ 21,145	\$ 58,651	\$ 255,324	\$ 3,160	\$ 0
2012	129,709	23,955	45,344	218,245	5,294	0
2013	129,775	19,394	51,865	231,813	7,061	31,875
2014	125,992	16,647	46,282	240,020	4,096	105,085
2015	132,047	19,366	49,138	246,913	3,739	102,458
2016	113,771	22,441	55,837	263,786	4,465	80,432
2017	112,152	21,690	59,669	285,732	4,542	70,116
2018	103,949	19,006	76,622	304,258	4,436	69,636
2019	102,832	19,287	90,031	328,128	5,919	103,699
2020	105,330	22,649	72,147	349,535	4,480	71,902

- Note (1): Reported in the Hotel/Motel Tax Special Revenue Fund.
- Note (2): Reported as intergovernmental revenue in the SPLOST Capital Projects Funds.
- Note (3): In fiscal year 2013, the title ad valorem tax on motor vehicles became effective March 2013.
- Note (4): Reported as intergovernmental revenue in the TSPLOST Capital Projects Funds.



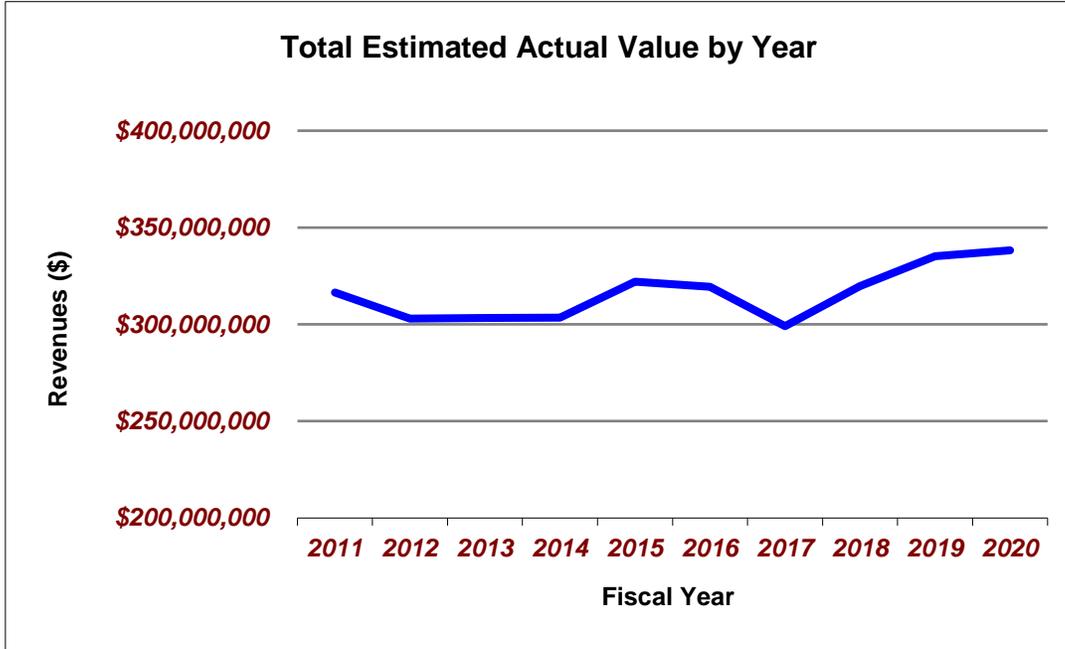
	Franchise Tax	Occupational Tax	SPLOST Tax (2)	TSPLOST Tax (4)	Local Option Sales Tax	Total
\$	84,338	\$ 73,352	\$ 634,095	\$ 0	\$ 633,998	\$ 1,886,036
	90,041	74,804	763,629	0	592,734	1,943,755
	91,243	110,828	579,455	0	577,225	1,830,534
	89,389	125,781	550,972	0	550,972	1,855,236
	90,654	117,607	529,253	0	529,378	1,820,553
	98,172	119,704	672,241	0	577,700	2,008,549
	91,906	122,502	656,054	0	549,707	1,974,070
	92,799	131,521	673,338	0	597,251	2,072,816
	94,681	140,341	670,164	0	607,207	2,162,289
	93,145	135,811	628,739	528,751	631,316	2,643,805



City of Elberton, Georgia
Assessed and Estimated Actual Value of Taxable Property
Digest Years 2011 - 2020

Calendar Year of Digest	Real Property	Motor Vehicles	Mobile Homes	Public Utilities
2011	\$ 115,566,725	\$ 8,075,750	\$ 208,676	\$ 2,697,887
2012	107,168,885	7,840,330	205,713	5,963,813
2013	107,293,014	7,888,040	172,078	5,991,509
2014	108,348,155	6,913,940	156,160	5,991,509
2015	117,102,330	5,114,940	174,615	6,390,465
2016	117,212,123	4,009,730	168,519	6,390,465
2017	112,263,431	3,046,050	132,474	4,185,489
2018	121,331,524	2,361,690	242,322	3,977,895
2019	127,770,716	1,977,420	234,397	4,075,682
2020	128,755,315	1,789,430	233,085	4,511,136

Source: Elbert County Tax Digest



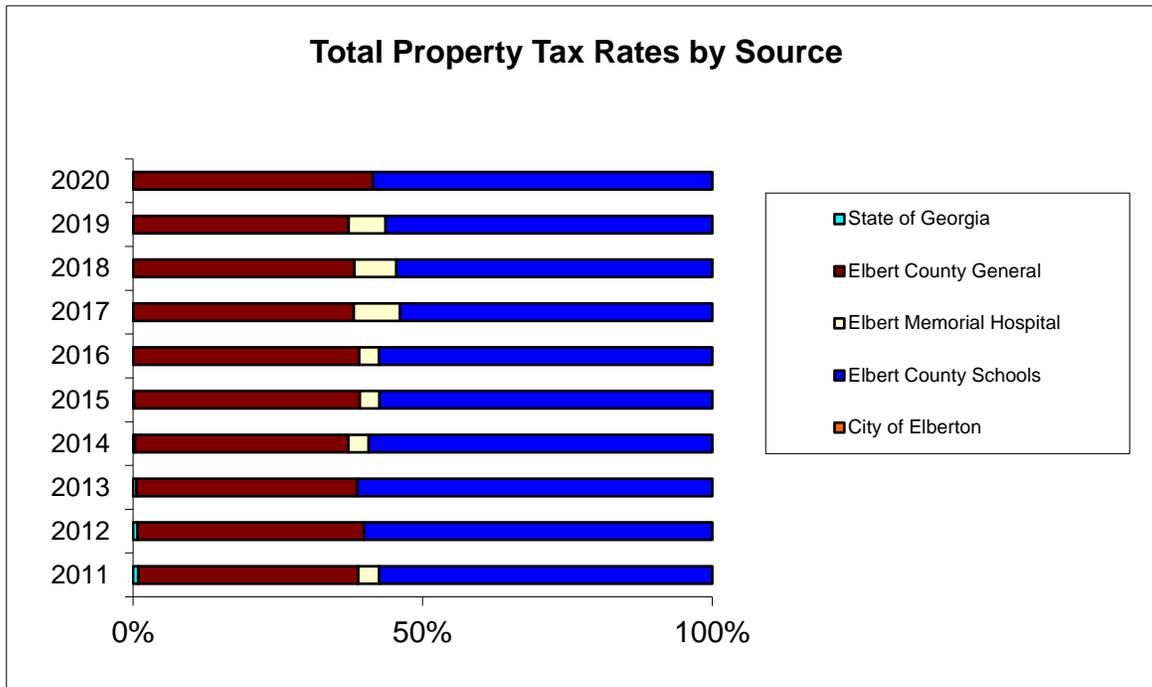
<u>Total Property</u>	<u>Less: Exemptions</u>	<u>Total Taxable Property</u>	<u>Total Estimated Actual Value</u>	<u>Total Direct Tax Rate</u>
\$ 126,549,038	\$ (8,162,096)	\$ 118,386,942	\$ 316,372,595	0.00
121,178,741	(4,334,640)	116,844,101	302,946,853	0.00
121,344,641	(5,205,734)	116,138,907	303,361,603	0.00
121,409,764	(6,261,621)	115,148,143	303,524,410	0.00
128,782,350	(7,982,703)	120,799,647	321,955,875	0.00
127,780,837	(10,886,992)	116,893,845	319,452,093	0.00
119,627,444	(6,934,039)	112,693,405	299,068,610	0.00
127,913,431	(7,067,537)	120,845,894	319,783,578	0.00
134,058,215	(9,823,328)	124,234,887	335,145,538	0.00
135,288,966	(9,253,671)	126,035,295	338,222,415	0.00

City of Elberton, Georgia
Property Tax Rates
(per \$1,000 of Assessed Value)
Digest Years 2011 - 2020

Calendar Year of Digest	State of Georgia	Elbert County (Incorporated area)			Elbert County Schools	City of Elberton	Total Tax Rate (1)
		Elbert County General	Elbert Memorial Hospital	Total County Tax Rate			
2011	0.25	10.57	1.00	11.57	16.00	0.00	27.81
2012	0.20	10.44	0.00	10.44	16.06	0.00	26.70
2013	0.15	10.41	0.00	10.41	16.72	0.00	27.28
2014	0.10	10.43	1.00	11.43	16.80	0.00	28.33
2015	0.05	11.44	1.00	12.44	16.86	0.00	29.35
2016	0.00	11.45	1.00	12.45	16.90	0.00	29.35
2017	0.00	11.98	2.50	14.48	16.94	0.00	31.42
2018	0.00	11.13	2.10	13.23	15.87	0.00	29.10
2019	0.00	10.50	1.80	12.30	15.93	0.00	28.24
2020	0.00	11.25	0.00	11.25	15.93	0.00	27.18

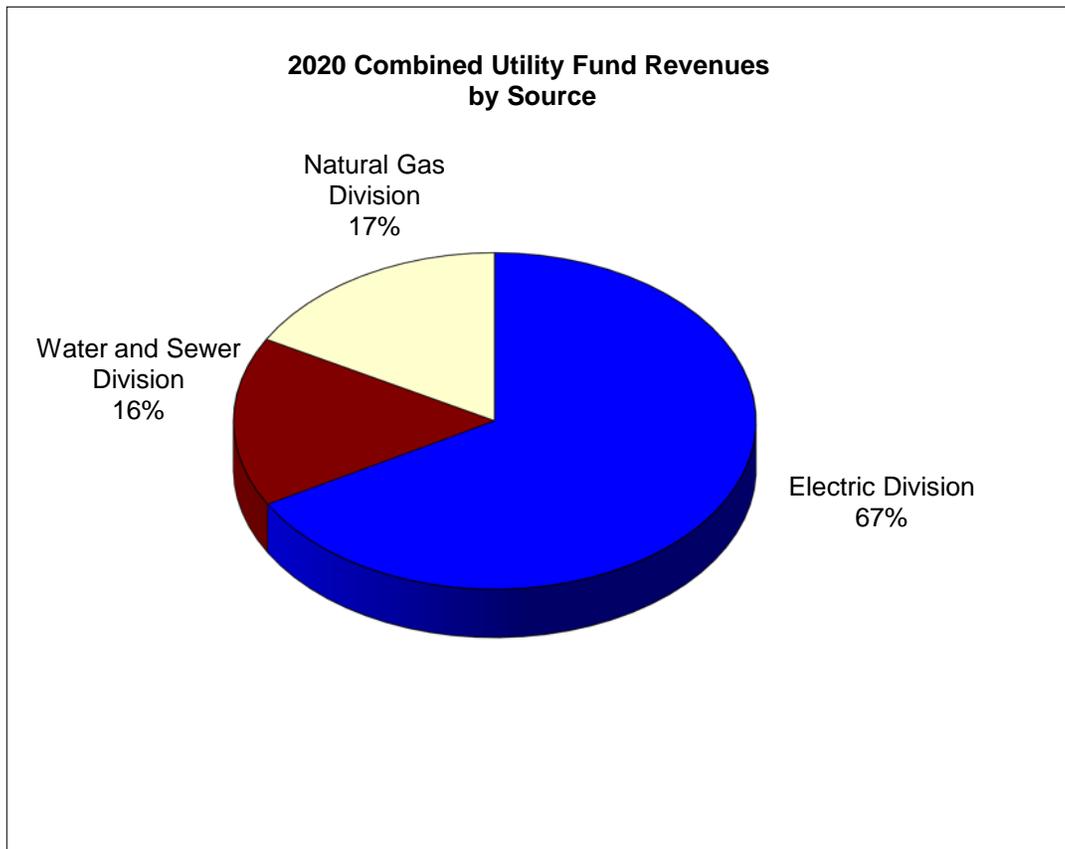
Source: Elbert County Tax Digest

Note (1): Tax rates are expressed in rate per \$1,000.



City of Elberton, Georgia
Combined Utility Fund Operating Revenue by Source
Last Ten Fiscal Years

Fiscal Year	Electric Division	Water and Sewer Division	Natural Gas Utility Division	Total
2011	\$ 15,737,432	\$ 2,783,284	\$ 4,335,416	\$ 22,856,132
2012	15,573,869	2,823,743	3,444,888	21,842,500
2013	15,845,922	2,845,625	4,196,331	22,887,878
2014	16,011,682	2,888,320	4,904,861	23,804,863
2015	15,324,173	3,082,987	4,068,943	22,476,103
2016	15,087,099	3,162,542	3,342,027	21,591,668
2017	15,258,308	3,230,673	3,366,448	21,855,429
2018	15,185,292	3,179,372	3,918,925	22,283,589
2019	15,664,913	3,405,465	4,429,209	23,499,587
2020	15,177,266	3,707,379	3,853,583	22,738,228



City of Elberton, Georgia
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business-type Activities				Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
	Capital Leases	Water & Sewer Bonds	Direct Placement Bonds	Notes Payable	Capital Leases			
2011	\$ 7,300	\$ 8,535,000		\$ 0	\$ 3,329,935 ⁽²⁾	\$ 11,872,235	2.08%	2,598
2012	0	8,220,000		0	2,565,299	10,785,299	1.82%	2,392
2013	565,162 ⁽³⁾	7,500,000		0	1,917,369	9,982,531	1.68%	2,219
2014	509,192	6,760,000		507,499 ⁽⁴⁾	1,562,987	9,339,678	1.51%	2,070
2015	452,041	5,995,000		1,568,991	3,041,061 ⁽⁵⁾	11,057,093	1.81%	2,466
2016	393,684	5,210,000		6,034,630 ⁽⁶⁾	2,477,256	14,115,570	2.24%	3,170
2017	334,096	4,395,000		7,865,513	1,613,690	14,208,299	2.15%	3,215
2018	0	3,560,000		7,512,701	1,342,813	12,415,514	1.83%	2,867
2019	0	2,705,000		8,661,781 ⁽⁷⁾	1,066,312	12,433,093	N/A	2,859
2020	0	1,830,000	3,777,487 ⁽⁸⁾	4,527,643	708,964	10,844,094	N/A	2,505

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Note (1): See the Demographic Statistics on exhibit J-16 for personal income and population information.

Note (2): Capital leases to finance the expansion of the broadband and cable television distribution system.

Note (3): Capital lease to purchase a new fire ladder truck for the fire department.

Note (4): Note payable through Georgia Environmental Finance Authority for improvements to water system.

Note (5): Capital lease to finance the replacement of natural gas bare steel lines.

Note (6): Note payable through Northeast Georgia Bank for the refurbishment of the Samuel Elbert Hotel and GEFA for sewer plant improvements.

Note (7): Note payable through Georgia Environmental Finance Authority for a new 12" water pipeline on Athens Hwy.

Note (8): Revenue refunding bond for the Samuel Elbert Hotel .

City of Elberton, Georgia
Computation of Legal Debt Margin
June 30, 2020

Net assessed value	\$	126,035,295
Debt limit - 10% of total assessed value		12,603,530
Total General Obligation bonds outstanding		<u>0</u>
Legal debt margin	\$	<u><u>12,603,530</u></u>
Ratio of Legal Debt Margin to Debt Limit		100.00%

**Direct General Obligation and
Guaranteed Revenue Debt Outstanding**

		Debt per Capita
General Obligation Debt	\$	<u>0</u>
Guaranteed Revenue Debt:		
Series 2011 Combined Public Utility System Revenue Bonds	<u>1,830,000</u>	<u>423</u>
Total General Obligation and Guaranteed Revenue Debt	<u><u>\$</u></u>	<u><u>423</u></u>

City of Elberton
Legal Debt Margin Information
Last Ten Fiscal Years

	FISCAL YEAR		
	2020	2019	2018
Debt Limit	\$ 12,603,530	\$ 12,423,489	\$ 12,084,589
Total Net Debt applicable to limit	<u>0</u>	<u>0</u>	<u>0</u>
Legal debt margin	<u>12,603,530</u>	<u>12,423,489</u>	<u>12,084,589</u>
Ratio of Legal Debt Margin to Debt Limit	100%	100%	100%

FISCAL YEAR						
2017	2016	2015	2014	2013	2012	2011
\$ 11,269,341	\$ 11,689,385	\$ 12,079,965	\$ 11,514,814	\$ 11,613,891	\$ 11,684,410	\$ 11,838,694
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>11,269,341</u>	<u>11,689,385</u>	<u>12,079,965</u>	<u>11,514,814</u>	<u>11,613,891</u>	<u>11,684,410</u>	<u>11,838,694</u>
100%	100%	100%	100%	100%	100%	100%

City of Elberton, Georgia
Revenue Bond Coverage
2001 Series Bonds for Water & Sewer Division
2011 Series Bonds for Water & Sewer Division
Combined Public Utility System Fund
Last Ten Fiscal Years

Fiscal Years	Debt Service			Water & Sewer Division				Debt Coverage
	Principal	Interest	Total	Operating Revenue	Less: Operating Expenses	Net Available Revenue		
2011	\$ 575,000	\$ 434,714	\$ 1,009,714	\$ 2,783,284	\$ 1,752,208	\$ 1,031,076	1.02	
2012	605,000	364,467	969,467	2,823,743	1,842,516	981,227	1.01	
2013	720,000	214,185	934,185	2,845,625	1,909,350	936,275	1.00	
2014	740,000	194,293	934,293	2,888,320	1,893,551	994,769	1.06	
2015	765,000	173,787	938,787	3,082,987	1,847,536	1,235,451	1.32	
2016	785,000	152,668	937,668	3,162,542	1,857,962	1,304,580	1.39	
2017	815,000	130,868	945,868	3,230,673	1,898,498	1,332,175	1.41	
2018	835,000	108,387	943,387	3,179,372	1,931,326	1,248,046	1.32	
2019	855,000	85,361	940,361	3,405,465	1,944,930	1,460,535	1.55	
2020	875,000	61,789	936,789	3,707,379	2,250,398	1,456,981	1.56	

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements. Operating Expenses do not include interest or depreciation.

Combined Public Utility System Fund

Operating Revenue	Less: Operating Expenses	Net Available Revenue	Debt Coverage
\$ 22,856,132	\$ 17,029,446	\$ 5,826,686	5.77
21,842,500	17,602,914	4,239,586	4.37
22,887,878	17,856,527	5,031,351	5.39
23,804,863	19,259,642	4,545,221	4.86
22,476,103	18,460,071	4,016,032	4.28
21,591,668	17,265,663	4,326,005	4.61
21,855,429	17,331,844	4,523,585	4.78
22,283,589	16,848,738	5,434,851	5.76
23,499,587	17,767,036	5,732,551	6.10
22,738,228	17,341,055	5,397,173	5.76

City of Elberton, Georgia
Direct and Overlapping Governmental Debt
As of June 30, 2020

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Available</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Elbert County Schools	\$0	0%	\$0
Elbert County	0	0%	0
Subtotal, overlapping debt			<u>0</u>
City of Elberton direct debt			<u>0</u>
Total direct and overlapping debt			<u><u>\$0</u></u>

Source: Debt outstanding data provided by Elbert County Schools and Elbert County Finance Offices.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Elberton. The process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Note: The outstanding debt reported from overlapping authorities includes bonds, notes, and capital leases as reported on their Governmental Activities Sheet.

City of Elberton, Georgia

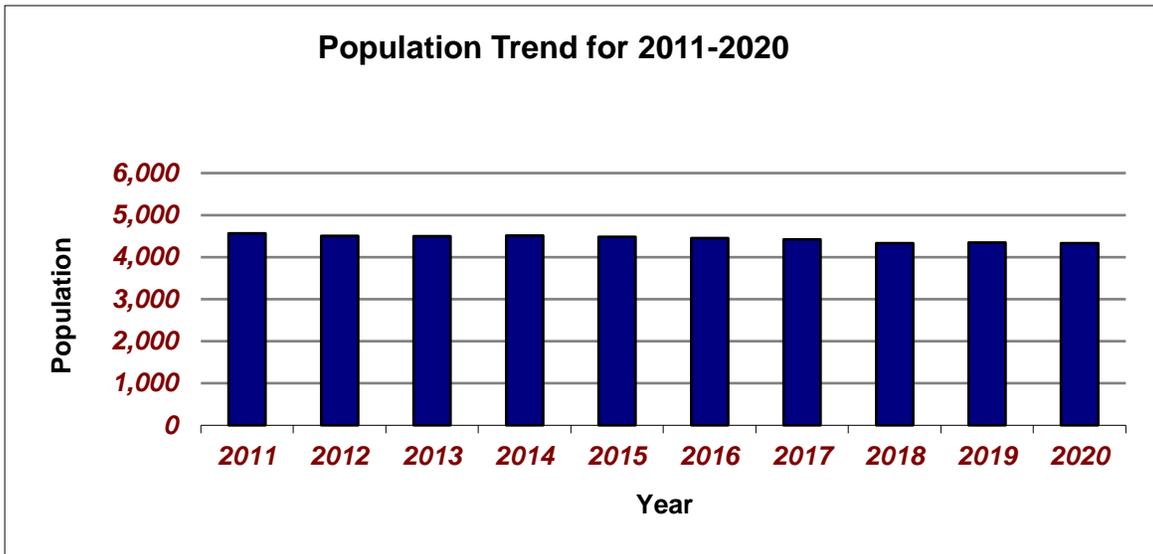
Demographic Statistics

Last Ten Fiscal Years

Fiscal Year	Population (1)	Unemployment Rate (2)	Median Household Income (3)	Per Capita Income (4)	Total Personal Income (4) (amounts in thousands)	School Enrollment (5)
2011	4,570	14.6%	32,046	28,713	570,984	3,278
2012	4,509	13.1%	35,053	30,099	592,472	3,220
2013	4,499	11.4%	35,817	30,416	593,531	3,105
2014	4,512	9.2%	35,170	31,716	616,501	3,049
2015	4,484	8.2%	35,388	31,519	610,330	3,009
2016	4,453	6.7%	35,739	32,857	628,988	3,079
2017	4,420	6.2%	35,207	34,541	660,045	3,064
2018	4,331	5.3%	37,943	35,448	677,761	3,113
2019	4,348	4.3%	N/A	N/A	N/A	3,133
2020	4,329	5.5%	N/A	N/A	N/A	2,998

- (1) U. S. Census Bureau
- (2) Georgia Department of Labor, for entire Elbert County
- (3) U. S. Census Bureau, for entire Elbert County
- (4) U. S. Dept. of Commerce, Bureau of Economic Analysis
- (5) Elbert County Board of Education, for entire Elbert County

N/A = information not available



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City of Elberton, Georgia
Principal Employers
For the Current Year and Nine Years Ago

Employer	2020			2011		
	Number of Employees (1)	Rank	Percentage of Total for Principal Employers	Number of Employees (2)	Rank	Percentage of Total for Principal Employers
Pilgrims Pride Corp	267	1	18.78%	588	1	40.61%
MollerTech South LLC	244	2	17.16%	67	10	4.63%
Star Granite Company	153	3	10.76%	115	4	7.94%
Bubba Foods	142	4	9.99%	122	2	8.43%
Eagle Granite Company	134	5	9.42%	77	8	5.32%
Elbert Memorial Hospital	117	6	8.23%	117	3	8.08%
Everlasting Granite	95	7	6.68%	71	9	4.90%
Keystone Memorials	93	8	6.54%	89	7	6.15%
Pinnacle Bank	93	9	6.54%	91	6	6.28%
Whitlow Electric	84	10	5.91%			
Wal-mart				111	5	7.67%
Total for Principal Employers	1,422		100%	1,448		100%

Source:

(1) City of Elberton

(2) Elbert County Chamber of Commerce

Note: Governmental employers are not included in the ranking

City of Elberton
Full-time Equivalent Employees by Function
Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of June 30				
	2020	2019	2018	2017	2016
Primary government					
General Government	4	4	4	5	5
Judicial	1	1	1	1	1
Public Safety					
Animal Control	1	1	1	1	1
Police	22	22	22	22	22
Fire	16	16	16	16	16
Public Works	13	12	11	10	10
Culture and Recreation	1	1	1	1	1
Housing and Development	2	2	2	2	2
Combined Public Utilities	42	41	42	41	41
ElbertonNET Technology Services	6	6	6	6	6
Solid Waste	12	12	12	12	12
Total primary government	<u>120</u>	<u>118</u>	<u>118</u>	<u>117</u>	<u>117</u>
Component unit					
Downtown Development Authority	<u>5</u>	<u>4</u>	<u>5</u>	<u>7</u>	<u>1</u>
Total employees	<u><u>125</u></u>	<u><u>122</u></u>	<u><u>123</u></u>	<u><u>124</u></u>	<u><u>118</u></u>

Source: City of Elberton Annual Budget

<u>Full-time Equivalent Employees as of June 30</u>				
<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
5	5	5	5	6
1	1	1	1	1
1	1	1	1	1
22	22	22	22	22
16	16	16	16	16
11	11	12	14	14
1	1	1	1	1
2	2	2	2	2
40	40	46	47	48
6	5	6	6	6
12	12	12	11	11
<u>117</u>	<u>116</u>	<u>124</u>	<u>126</u>	<u>128</u>
<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<u>118</u>	<u>117</u>	<u>125</u>	<u>127</u>	<u>129</u>

City of Elberton, Georgia
Operating Indicators by Function
Last Ten Fiscal Years

Function	FISCAL YEAR		
	2020	2019	2018
Police			
Number of Citations	2,572	3,066	2,072
Number of Calls for Service	11,775	12,200	9,931
Fire			
Number of Calls Answered	513	491	279
Number of Inspections Conducted	265	354	351
Electrical Service:			
Number of customers	4,442	4,460	4,426
Kilowatt hours sold	132,883,906	136,677,976	132,103,616
Water & Sewer Service:			
Number of water customers	3,553	3,520	3,498
Gallons of water sold	491,001,621	479,946,757	452,177,803
Natural Gas Service:			
Number of customers	3,883	3,913	3,909
Cubic feet sold	346,458,245	391,744,743	354,843,047

Source: Various City Departments

FISCAL YEAR						
2017	2016	2015	2014	2013	2012	2011
1,551	1,046	1,398	1,599	2,660	2,081	2,529
8,838	8,302	7,774	6,323	6,750	7,535	8,542
244	255	244	263	238	204	295
390	390	514	418	465	212	288
4,385	4,400	4,384	4,372	4,432	4,477	4,484
131,665,366	129,984,996	135,569,236	142,837,883	150,210,061	150,187,217	149,315,808
3,472	3,468	3,458	3,444	3,464	3,508	3,524
468,472,317	453,497,843	439,992,472	418,102,962	440,791,336	460,021,368	451,648,930
3,907	3,938	3,931	3,928	3,973	4,045	4,036
318,836,967	354,308,102	395,448,001	439,296,494	394,789,619	331,140,000	374,576,000

City of Elberton
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	FISCAL YEAR		
	2020 ⁽³⁾	2019	2018
Public safety			
Number of police stations	1	1	1
Number of fire stations	1	1	1
Highways and streets			
Miles of streets	53	53	53
Culture and Recreation			
Parks	4	4	4
Park acreage	29.42	29.42	29.42
Baseball/Softball fields	4	4	4
Tennis courts	4	4	4
Community Playgrounds	4	4	4
Electrical System			
# of Substations	3	3	3
# of Circuits	12	12	12
Miles of Distribution Line	164	164	164
Water and Sewerage System (MGD - Millions of Gallons per Day)			
Water System:			
Miles of water mains	128	126	124
Number of water treatment plants	1	1	1
Maximum daily capacity of treatment plants in gallons	3MGD	3MGD	3MGD
Sewer System:			
Miles of sanitary sewers	69	69	69
Number of wastewater treatment plants	2	2	2
Maximum daily capacity of treatment plant in gallons	1.5MGD	1.5MGD	1.5MGD
Natural Gas System			
Number of regulator stations	7	7	7
Miles of natural gas lines	212	201	196
Broadband System			
Miles of fiber optic cable	98	145	145
Miles of coaxial cable	245	188	188
Number of active nodes	33	33	33

Source: Various City Departments.

Note 1: No capital asset indicators are available for the general government function.

Note 2: Miles of city streets were verified and updated in 2013 utilizing new GIS software. Actual extensions did not occur in 2013.

Note 3: Miles of fiber optic and coaxial cables were verified and updated in 2020 utilizing new GIS software. Actual extensions of 5 miles of coaxial cable occurred in 2020.

FISCAL YEAR						
2017	2016	2015	2014	2013 ⁽²⁾	2012	2011
1	1	1	1	1	1	1
1	1	1	1	1	1	1
53	53	53	53	53	35	35
4	4	4	4	4	4	4
29.42	29.42	29.42	29.42	29.42	29.42	29.42
4	4	4	4	4	4	4
6	6	6	6	6	6	6
4	4	4	4	4	4	4
3	3	3	3	3	3	3
12	12	12	12	12	12	12
164	164	164	164	163	163	163
124	124	124	124	124	121	121
1	1	1	1	1	1	1
3MGD	3MGD	3MGD	3MGD	3MGD	3MGD	3MGD
69	69	69	69	69	68	68
2	2	2	2	2	2	2
1.5MGD	1.5MGD	1.5MGD	1.5MGD	1.5MGD	1.5MGD	1.5MGD
7	7	7	7	7	7	7
195	195	195	195	195	192	192
145	145	145	145	110	104	99
188	188	188	186	184	165	151
33	33	33	31	27	25	24

City of Elberton, Georgia
Property Value - Construction
Last Ten Fiscal Years

Fiscal Year	Number of Permits	Estimated Construction Costs
2011	188	1,419,547
2012	122	2,916,596
2013	92	1,770,712
2014	100	3,056,851
2015	108	1,633,134
2016	114	6,178,322
2017	111	1,219,316
2018	120	3,297,476
2019	129	1,794,488
2020	161	7,903,954

Source: City of Elberton Building Inspection Office

City of Elberton, Georgia
Miscellaneous Statistics
June 30, 2020

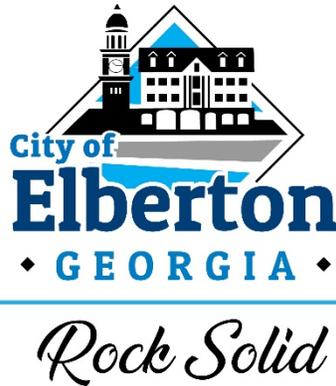
Date of incorporation	December 10, 1803
Form of government	Mayor--Council--Manager
Population (Census 2010)	4,653
Area	3.5 square miles
Fire protection:	
Number of certified firefighters	17
Police protection:	
Number of sworn police officers	22
Education:	
Elementary schools (PreK - 5)	2
Number of teachers	65
Number of students	748
Middle schools (6 - 8)	1
Number of teachers	68
Number of students	963
High schools (9 - 12)	1
Number of teachers	58
Number of students	828
Schools of post-secondary education	1
Recreation and Culture:	
Libraries	1
Recreation centers	4
Municipal cemeteries	2
Total acreage	24.10
Number of employees:	
Full-time	125
Part-time	15

Source: Various city departments and local institutions

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Part IV

Other Reporting Section



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**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed In Accordance with *Government Auditing Standards***

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Elberton, 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 Elberton, Georgia's basic financial statements and have issued our report thereon dated November 1, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Elberton, Georgia's internal control over financial reporting (internal control) as a basis for designing 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 Elberton's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Elberton's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. 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.

Compliance and Other Matters

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

Purpose of this Report

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

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
November 1, 2020

STATE REPORTING SECTION

CITY OF ELBERTON, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL
PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2020

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior	Current	Total
			Years	Year	
2017 SPLOST					
Sidewalk Improvements	\$ 50,000	\$ 50,000	\$ 0	\$ 0	\$ 0
Cemetery Improvements	50,000	50,000	0	0	0
Street Improvements	250,000	250,000	0	77,104	77,104
Stormwater Improvements	150,000	150,000	67,351	8,761	76,112
Recreation Facilities and Equipment	120,000	120,000	18,802	0	18,802
Elbert Theatre Equipment	100,000	100,000	34,304	24,752	59,056
Downtown Elberton Revitalization	200,000	200,000	276,119	0	276,119
Fire Buildings and Equipment	100,000	100,000	109,207	58,835	168,042
Street Lighting Improvements	150,000	150,000	0	0	0
Public Works Facility Improvements	100,000	100,000	0	0	0
Police Vehicles and Equipment	350,000	350,000	276,796	185,865	462,661
Water Vehicles and Equipment	75,200	75,200	0	0	0
Public Works Vehicles and Equipment	250,000	250,000	56,078	35,538	91,616
Broadband Distribution					
System Improvements	750,000	750,000	0	91,518	91,518
Water and Sewer					
Distribution System					
Improvements	750,000	750,000	118,395	53,862	172,257
Total	\$ 3,445,200	\$ 3,445,200	\$ 957,052	\$ 536,235	\$ 1,493,287
Current year expenditures				\$ 536,235	
Water and Sewer Distribution System Improvements					
financed with transfers from other funds				(20,000)	
Total 2017 SPLOST Capital Projects Fund Expenditures and Transfers Out				<u>\$ 516,235</u>	

* Estimated cost represents the portion of these projects to be financed with Special Purpose Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

CITY OF ELBERTON, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH
TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2020

<u>Project</u>	<u>Estimated Cost *</u>		<u>Expenditures</u>		
	<u>Original</u>	<u>Current</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
2019 TSPLOST					
Roads and Bridges Construction and Improvement, Sidewalks Construction & Improvements, Bicycle Paths Construction and Improvements	\$ 2,263,200	\$ 2,263,200	\$ 0	\$ 306,058	\$ 306,058
Total	<u>\$ 2,263,200</u>	<u>\$ 2,263,200</u>	<u>\$ 0</u>	<u>\$ 306,058</u>	<u>\$ 306,058</u>

* Estimated cost represents the portion of these projects to be financed with Transportation Special Purpose Option Sales. Actual costs that are in excess of these amounts have been financed through alternative funds.

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