CITY OF ADEL, GEORGIA
Annual Financial Report
For The Fiscal Year Ended
September 30, 2018

MEEKS CPA, LLP
CERTIFIED PUBLIC ACCOUNTANTS
Ocilla, Georgia

CITY OF ADEL, GEORGIA
Annual Financial Report
For The Fiscal Year Ended September 30, 2018

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Adel, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Adel, Georgia as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund

information of the City of Adel, Georgia, as of September 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, and historical pension information 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Adel, Georgia's basic financial statements. The combining and individual fund financial statements and schedules and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 16, 2019, on our consideration of the City of Adel, 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 City of Adel, Georgia's internal control over financial reporting and compliance.

MEEKS CPA, LLP

Ocilla, Georgia
August 16, 2019

BASIC FINANCIAL STATEMENTS

CITY OF ADEL, GEORGIA
Statement of Net Position
September 30, 2018

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Primary Government	Economic Development Commission	Industrial Development Authority	Downtown Development Authority
ASSETS						
Cash and Cash Equivalents	$ 12,225,949	$ 5,129,868	$ 17,355,817	$ 263,304	$ 544,178	$ 6,529
Investments	--	8,241,653	8,241,653	--	--	--
Receivables (Net of Allowance for Uncollectibles)	823,735	1,243,078	2,066,813	--	--	53,522
Due From Component Units	801,348	--	801,348	--	--	--
Inventories	--	772,601	772,601	--	--	--
Property Held for Resale	--	--	--	--	4,947,637	115,191
Prepaid Items	140,916	54,830	195,746	--	--	--
Other Current Assets	9,000	--	9,000	--	--	--
Restricted Assets						
Cash and Cash Equivalents	87,556	--	87,556	--	--	--
Capital Assets Not Being Depreciated	216,964	1,379,411	1,596,375	--	--	--
Capital Assets Net of Accumulated Depreciation	4,345,907	10,142,947	14,488,854	--	55,521	--
Total Assets	18,651,375	26,964,388	45,615,763	263,304	5,547,336	175,242
DEFERRED OUTFLOWS OF RESOURCES						
Pension	910,245	455,193	1,365,438	--	--	--
Total Deferred Outflows of Resources	910,245	455,193	1,365,438	--	--	--
LIABILITIES						
Accounts Payable	197,307	1,097,571	1,294,878	2,336	--	--
Accrued Liabilities	78,899	33,631	112,530	3,363	--	--
Intergovernmental Payable	586	56,887	57,473	--	--	--
Internal Balances	1,622,336	(1,622,336)	--	--	--	--
Due To Primary Government	--	--	--	--	632,635	168,713
Customer Deposits	1,000	492,243	493,243	--	--	--
Noncurrent Liabilities						
Due Within One Year	207,153	69,471	276,624	--	--	--
Due in More than One Year	1,072,527	1,023,424	2,095,951	--	--	--
Total Liabilities	3,179,808	1,150,891	4,330,699	5,699	632,635	168,713
DEFERRED INFLOWS OF RESOURCES						
Pension	834,692	411,308	1,246,000	--	--	--
Total Deferred Inflows of Resources	834,692	411,308	1,246,000	--	--	--
NET POSITION						
Net Investment in Capital Assets	4,094,747	10,568,944	14,663,691	--	55,521	--
Restricted						
Public Safety	87,556	--	87,556	--	--	--
Capital Outlay	1,044,498	--	1,044,498	--	--	--
Unrestricted	10,320,319	15,288,438	25,608,757	257,605	4,859,180	6,529
Total Net Position	$ 15,547,120	$ 25,857,382	$ 41,404,502	$ 257,605	$ 4,914,701	$ 6,529

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Statement of Activities
For the Year Ended September 30, 2018

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES: Charges For Services	PROGRAM REVENUES: Operating Grants & Contributions	PROGRAM REVENUES: Capital Grants & Contributions
Primary Government				
Governmental Activities				
General Government	$ 587,537	$ 25,102	$ 3,363	$ --
Judicial	25,340	732,147	--	--
Public Safety	3,421,968	11,607	400	2,420
Public Works	1,789,203	983,025	154,876	458,227
Culture and Recreation	493,892	73,010	465,753	--
Housing and Development	144,354	--	--	--
Interest on Long-Term Debt	8,558	--	--	--
Total Governmental Activities	6,470,852	1,824,891	624,392	460,647
Business-type Activities				
Electric	9,677,799	13,211,640	17,593	--
Gas	1,070,991	1,060,424	--	--
Sewer	821,218	1,282,051	3,139	--
Water	731,644	864,332	--	229,175
Total Business-Type Activities	12,301,652	16,418,447	20,732	229,175
Total Primary Government	$ 18,772,504	$ 18,243,338	$ 645,124	$ 689,822
Component Units				
Economic Development Commission	$ 540,664	$ --	$ 235,373	$ --
Industrial Development Authority	2,436,709	248,664	280,000	250,338
Downtown Development Authority	7,508	--	2,000	--
Total Component Units	$ 2,984,881	$ 248,664	$ 517,373	$ 250,338
General Revenues				
Taxes				
Property				
Franchise				
General Sales and Use				
Selective Sales and Use				
Business				
Penalties and Interest on Delinquent Taxes				
Investment Income				
Miscellaneous				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position - Beginning, as Restated				
Net Position - Ending				

The notes to the financial statements are an integral part of this statement.

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION					
Primary Government			Component Units		
Governmental Activities	Business-type Activities	Total	Economic Development Commission	Industrial Development Authority	Downtown Development Authority
$ (559,072)	$ --	$ (559,072)			
706,807	--	706,807			
(3,407,541)	--	(3,407,541)			
(193,075)	--	(193,075)			
44,871	--	44,871			
(144,354)	--	(144,354)			
(8,558)	--	(8,558)			
(3,560,922)	--	(3,560,922)			
--	3,551,434	3,551,434			
--	(10,567)	(10,567)			
--	463,972	463,972			
--	361,863	361,863			
--	4,366,702	4,366,702			
(3,560,922)	4,366,702	805,780			
			$ (305,291)	$ --	$ --
			--	(1,657,707)	--
			--	--	(5,508)
			(305,291)	(1,657,707)	(5,508)
862,362	--	862,362	--	--	--
80,241	--	80,241	--	--	--
255,950	--	255,950	--	--	--
146,697	--	146,697	--	--	--
461,732	--	461,732	--	--	--
19,611	--	19,611	--	--	--
50,148	90,997	141,145	1,686	5,485	2,049
17,988	2,378	20,366	830	--	--
6,974,150	(6,974,150)	--	--	--	--
8,868,879	(6,880,775)	1,988,104	2,516	5,485	2,049
5,307,957	(2,514,073)	2,793,884	(302,775)	(1,652,222)	(3,459)
10,239,163	28,371,455	38,610,618	560,380	6,566,923	9,988
$ 15,547,120	$ 25,857,382	$ 41,404,502	$ 257,605	$ 4,914,701	$ 6,529

CITY OF ADEL, GEORGIA
Balance Sheet
Governmental Funds
September 30, 2018

	General	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	$ 10,281,115	$ 1,944,834	$ 12,225,949
Restricted Assets			
Cash and Cash Equivalents	--	87,556	87,556
Receivables (Net of Allowance for Uncollectibles)	681,663	142,072	823,735
Due From Other Funds	88,986	--	88,986
Due From Component Units	801,348	--	801,348
Other Current Assets	9,000	--	9,000
Total Assets	$ 11,862,112	$ 2,174,462	$ 14,036,574
LIABILITIES			
Accounts Payable	$ 185,098	$ 12,209	$ 197,307
Accrued Liabilities	78,899	--	78,899
Intergovernmental Payable	586	--	586
Due To Other Funds	1,673,262	38,060	1,711,322
Customer Deposits	1,000	--	1,000
Total Liabilities	1,938,845	50,269	1,989,114
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue			
Property Taxes	4,939	--	4,939
Intergovernmental	--	44,493	44,493
Total Deferred Inflows of Resources	4,939	44,493	49,432
FUND BALANCES			
Nonspendable	994,709	--	994,709
Restricted	--	1,132,054	1,132,054
Assigned	203,967	956,444	1,160,411
Unassigned	8,719,652	(8,798)	8,710,854
Total Fund Balances	9,918,328	2,079,700	11,998,028
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 11,862,112	$ 2,174,462	
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			4,562,871
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.			49,432
Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as expenditures in the funds.			140,916
Pension deferred outflows of resources are not due and payable in the current period and will be recognized as components of pension related expenses and contributions in future periods and therefore are not reported in the funds.			910,245
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:			
Capital Leases		$ (445,369)	
Notes Payable		(454,025)	
Compensated Absences		(257,535)	
Net Pension Liability		(122,751)	
Total long-term liabilities			(1,279,680)
Pension deferred inflows of resources are not available to pay for current expenditures and will be recognized as components of pension related expenses in future periods and therefore are not reported in the funds.			(834,692)
Net Position of Governmental Activities			$ 15,547,120

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2018

	General	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	$ 1,841,522	$ --	$ 1,841,522
Licenses and Permits	20,700	--	20,700
Intergovernmental	289,668	795,269	1,084,937
Charges for Services	988,234	73,010	1,061,244
Fines and Forfeitures	732,147	10,800	742,947
Investment Income	45,781	5,423	51,204
Contributions and Donations	900	--	900
Miscellaneous	17,988	--	17,988
Total Revenues	3,936,940	884,502	4,821,442
EXPENDITURES			
Current			
General Government	570,909	--	570,909
Judicial	25,340	--	25,340
Public Safety	3,544,053	17,943	3,561,996
Public Works	1,952,515	--	1,952,515
Culture and Recreation	75,371	445,800	521,171
Housing and Development	149,456	--	149,456
Capital Outlay	--	180,519	180,519
Debt Service	178,029	--	178,029
Total Expenditures	6,495,673	644,262	7,139,935
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,558,733)	240,240	(2,318,493)
OTHER FINANCING SOURCES (USES)			
Transfers In	9,906,060	12,298	9,918,358
Transfers Out	(2,822,879)	--	(2,822,879)
Capital Leases	362,759	--	362,759
Total Other Financing Sources (Uses)	7,445,940	12,298	7,458,238
Net Change in Fund Balances	4,887,207	252,538	5,139,745
Fund Balances - Beginning, as Restated	5,031,121	1,827,162	6,858,283
Fund Balances - Ending	$ 9,918,328	$ 2,079,700	$ 11,998,028

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2018

Amounts reported for governmental activities in the *Statement of Activities* are different because:

Net change in fund balances - total governmental funds reported in the *Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds*	$ 5,139,745
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 Outlay	627,094
Depreciation Expense	(382,527)
	244,567
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) increases (decreases) net position.	
Cost of Capital Assets Sold/Disposed	(864,213)
Accumulated Depreciation	829,926
Capital Assets Reassigned to Enterprise Funds	(121,329)
	(155,616)
Revenues in the *Statement of Activities* that do not provide current financial resources are not reported as revenues in the funds while revenues reported in the *Statement of Revenues, Expenditures and Changes in Fund Balances* are recognized as revenue of the previous period in the *Statement of Activities* and included in beginning net position.	
Taxes	(14,929)
Intergovernmental	(1,854)
	(16,783)
The issuance of long-term debt (e.g., bonds, leases, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the *Statement of Activities*.	
Debt Issued or Incurred	
Capital Lease Financing	(362,759)
Principal Repayments	
Capital Leases	88,238
Notes Payable	81,233
	(193,288)
Expenses reported in the *Statement of Activities* that do not require the use of current financial resources are not reported as expenditures in governmental funds while expenditures reported in the *Statement of Revenues, Expenditures and Changes in Fund Balances* are recognized as expenses of the previous period in the *Statement of Activities* and included in beginning net position.	
Compensated Absences	(18,334)
Pensions	256,470
Prepaid Items	51,196
	289,332
Change in net position of governmental activities reported in the *Statement of Activities*	$ 5,307,957

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Statement of Net Position
Proprietary Funds
September 30, 2018

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
ASSETS						
Current Assets						
Cash and Cash Equivalents	$ 110,371	$ 62,980	$ 1,104,036	$ 5,099	$ 3,847,382	$ 5,129,868
Investments	8,241,653	--	--	--	--	8,241,653
Receivables (Net of Allowance for Uncollectibles)	1,092,763	22,675	55,131	66,653	5,856	1,243,078
Due From Other Funds	1,097,025	25,185	248,265	576,777	--	1,947,252
Inventories	616,839	23,601	125,853	6,308	--	772,601
Prepaid Items	23,413	9,720	9,958	11,739	--	54,830
Total Current Assets	11,182,064	144,161	1,543,243	666,576	3,853,238	17,389,282
Noncurrent Assets						
Capital Assets Not Being Depreciated	502,481	--	5,175	871,755	--	1,379,411
Capital Assets Net of Accumulated Depreciation	1,584,594	2,194,731	2,894,004	3,469,618	--	10,142,947
Total Noncurrent Assets	2,087,075	2,194,731	2,899,179	4,341,373	--	11,522,358
Total Assets	13,269,139	2,338,892	4,442,422	5,007,949	3,853,238	28,911,640
DEFERRED OUTFLOWS OF RESOURCES						
Pension	212,713	78,528	67,127	96,825	--	455,193
Total Deferred Outflows of Resources	212,713	78,528	67,127	96,825	--	455,193
LIABILITIES						
Current Liabilities						
Accounts Payable	969,654	56,716	35,703	35,498	--	1,097,571
Accrued Liabilities	17,480	5,334	4,119	6,698	--	33,631
Intergovernmental Payable	48,583	8,304	--	--	--	56,887
Due To Other Funds	34,835	105,632	23,734	160,715	--	324,916
Customer Deposits	445,244	31,875	15,124	--	--	492,243
Notes Payable	--	--	40,491	28,980	--	69,471
Total Current Liabilities	1,515,796	207,861	119,171	231,891	--	2,074,719
Noncurrent Liabilities						
Compensated Absences	40,038	14,443	6,121	18,392	--	78,994
Net Pension Liability	28,230	10,376	8,998	12,883	--	60,487
Notes Payable	--	--	866,165	17,778	--	883,943
Total Noncurrent Liabilities	68,268	24,819	881,284	49,053	--	1,023,424
Total Liabilities	1,584,064	232,680	1,000,455	280,944	--	3,098,143
DEFERRED INFLOWS OF RESOURCES						
Pension	191,961	70,558	61,187	87,602	--	411,308
Total Deferred Inflows of Resources	191,961	70,558	61,187	87,602	--	411,308
NET POSITION						
Net Investment in Capital Assets	2,087,075	2,194,731	1,992,523	4,294,615	--	10,568,944
Unrestricted	9,618,752	(80,549)	1,455,384	441,613	3,853,238	15,288,438
Total Net Position	$ 11,705,827	$ 2,114,182	$ 3,447,907	$ 4,736,228	$ 3,853,238	$ 25,857,382

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
OPERATING REVENUES						
Charges for Services	$ 13,211,640	$ 1,060,424	$ 864,332	$ 1,282,051	$ --	$ 16,418,447
Total Operating Revenues	13,211,640	1,060,424	864,332	1,282,051	--	16,418,447
OPERATING EXPENSES						
Personal Services and Employee Benefits	779,712	299,618	253,033	341,577	--	1,673,940
Purchased/Contracted Services	352,717	81,564	108,699	116,014	--	658,994
Supplies	8,402,819	614,860	226,383	166,538	--	9,410,600
Depreciation	138,372	73,277	131,749	193,046	--	536,444
Total Operating Expenses	9,673,620	1,069,319	719,864	817,175	--	12,279,978
Operating Income (Loss)	3,538,020	(8,895)	144,468	464,876	--	4,138,469
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental	17,593	--	229,175	3,139	--	249,907
Interest Revenue	133	--	--	--	19,885	20,018
Investment Earnings	70,979	--	--	--	--	70,979
Miscellaneous	1,485	--	893	--	--	2,378
Interest	--	--	(10,108)	(2,371)	--	(12,479)
Gain (Loss) on Disposition of Capital Assets	(4,179)	(1,672)	(1,672)	(1,672)	--	(9,195)
Total Nonoperating Revenues (Expenses)	86,011	(1,672)	218,288	(904)	19,885	321,608
Income (Loss) Before Contributions and Transfers	3,624,031	(10,567)	362,756	463,972	19,885	4,460,077
Capital Contributions	--	--	--	121,329	--	121,329
Transfers In	508,121	1,861,912	1,087,047	764,419	--	4,221,499
Transfers Out	(7,126,968)	(132,259)	(1,299,171)	(2,758,231)	(349)	(11,316,978)
Changes in Net Position	(2,994,816)	1,719,086	150,632	(1,408,511)	19,536	(2,514,073)
Net Position - Beginning	14,700,643	395,096	3,297,275	6,144,739	3,833,702	28,371,455
Net Position - Ending	$ 11,705,827	$ 2,114,182	$ 3,447,907	$ 4,736,228	$ 3,853,238	$ 25,857,382

The notes to the financial statements are an integral part of this statement.

CITY OF ADEL, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Customers and Users	$ 13,147,165	$ 1,062,992	$ 854,566	$ 1,306,557	$ --	$ 16,371,280
Payments to Suppliers	(8,715,301)	(713,350)	(345,546)	(304,964)	--	(10,079,161)
Payments to Employees	(821,293)	(316,246)	(263,652)	(360,592)	--	(1,761,783)
Net Cash Provided (Used) by Operating Activities	3,610,571	33,396	245,368	641,001	--	4,530,336
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Intergovernmental	17,593	--	--	3,139	--	20,732
Transfers To Other Funds	(1,625,675)	(92,100)	(65,350)	(148,950)	--	(1,932,075)
Due From Other Funds	(1,097,025)	(25,185)	(248,265)	(576,777)	50	(1,947,202)
Due To Other Funds	34,835	105,632	23,734	160,715	--	324,916
Other	1,485	--	893	--	--	2,378
Net Cash Provided (Used) by Noncapital Financing Activities	(2,668,787)	(11,653)	(288,988)	(561,873)	50	(3,531,251)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from Capital Debt	--	--	9,666	--	--	9,666
Acquisition and Construction of Capital Assets	(358,602)	(25,135)	(59,388)	(85,730)	--	(528,855)
Principal Paid on Capital Debt	--	--	(10,041)	(28,113)	--	(38,154)
Interest Paid on Capital Debt	--	--	(10,108)	(2,371)	--	(12,479)
Grants	--	--	229,175	--	--	229,175
Net Cash Provided (Used) by Capital and Related Financing Activities	(358,602)	(25,135)	159,304	(116,214)	--	(340,647)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of Investments	(692,873)	--	--	--	--	(692,873)
Interest Received	133	--	--	--	17,360	17,493
Dividends Received	170,026	--	--	--	--	170,026
Net Cash Provided (Used) by Investing Activities	(522,714)	--	--	--	17,360	(505,354)
Net Increase (Decrease) in Cash and Cash Equivalents	60,468	(3,392)	115,684	(37,086)	17,410	153,084
Cash and Cash Equivalents - Beginning of Year	49,903	66,372	988,352	42,185	3,829,972	4,976,784
Cash and Cash Equivalents - End of Year	$ 110,371	$ 62,980	$ 1,104,036	$ 5,099	$ 3,847,382	$ 5,129,868

CITY OF ADEL, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	$ 3,538,020	$ (8,895)	$ 144,468	$ 464,876	$ --	$ 4,138,469
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities						
Depreciation Expense	138,372	73,277	131,749	193,046	--	536,444
(Increase) Decrease in Accounts Receivable	(55,690)	4,044	(9,871)	24,506	--	(37,011)
(Increase) Decrease in Inventories	6,247	(376)	23,010	(414)	--	28,467
(Increase) Decrease in Prepaid Items	(14,918)	(6,967)	(4,320)	(5,399)	--	(31,604)
(Increase) Decrease in Deferred Outflows of Resources	(25,342)	(8,721)	(9,538)	(12,270)	--	(55,871)
Increase (Decrease) in Accounts Payable	48,906	(9,583)	(29,154)	(16,599)	--	(6,430)
Increase (Decrease) in Accrued Liabilities	11,347	3,297	2,567	4,210	--	21,421
Revenue	(9,248)	--	--	--	--	(9,248)
Increase (Decrease) in Compensated Absences Payable	3,519	1,425	3,328	1,819	--	10,091
Increase (Decrease) in Intergovernmental Payables	2,078	519	--	--	--	2,597
Deposits	(1,615)	(1,995)	105	--	--	(3,505)
Increase (Decrease) in Net Pension Liability	(117,113)	(43,738)	(35,630)	(52,623)	--	(249,104)
Increase (Decrease) in Deferred Inflows of Resources	86,008	31,109	28,654	39,849	--	185,620
Net Cash Provided (Used) by Operating Activities	$ 3,610,571	$ 33,396	$ 245,368	$ 641,001	$ --	$ 4,530,336
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES						
Contributions of Capital Assets from Governmental Funds	$ --	$ --	$ --	$ 121,329	$ --	$ 121,329
Purchase of Capital Assets on Account	$ --	$ --	$ 5,430	$ --	$ --	$ 5,430
Net Increase (Decrease) in Fair Value of Investments	$ (99,047)	$ --	$ --	$ --	$ --	$ (99,047)
Due From Other Funds	$ 5,501,293	$ 40,159	$ 1,233,821	$ 2,609,281	$ 349	$ 9,384,903
Due To Other Funds	$ 508,121	$ 1,861,912	$ 1,087,047	$ 764,419	$ --	$ 4,221,499

The notes to the financial statements are an integral part of this statement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Adel, Georgia was incorporated in 1889 by an act of the General Assembly of Georgia. The City operates under the Mayor and Council-City Manager form of government. The City provides the following services: general administrative, public safety (police, fire, and inspections), public works (streets and sanitation), and utilities (electric, gas, water, and sewer).

The accompanying financial statements present the City and its component units, entities for which the City 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 City.

Discretely Presented Component Units

The Cook County Economic Development Commission was established to provide economic development services for the benefit of the citizens of Cook County. Separate financial statements of the Economic Development Commission are not issued.

The Adel Industrial Development Authority was established to promote industrial development through the purchase and sale of land. Separate financial statements of the Industrial Development Authority are not issued.

The Downtown Development Authority of the City of Adel was established to revitalize and redevelop the downtown area of the City. Separate financial statements of the Downtown Development Authority are not issued.

B. Government-Wide and Fund 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.

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 City'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. The discretely presented component units are shown in separate columns in the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City'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 funds:

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

The City reports the following major proprietary funds:

The *Electric Fund* accounts for electricity provided by the City to residents and businesses.

The *Gas Fund* accounts for natural gas provided by the City to residents and businesses.

The *Water Fund* accounts for water provided by the City to residents and businesses.

The *Sewer Fund* accounts for the sewer services provided by the City to residents and businesses.

The *Combined Public Utility System Fund* was used to account for electricity, natural gas, water and sewer services provided to City residents and businesses during the period revenue bonds were outstanding. All activities necessary to provide such services, including financing and related debt service, were included in this fund.

During the course of operations, the City 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.

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 City 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). 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 City.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Agency funds have no measurement focus but utilize the *accrual basis of accounting* for reporting assets and liabilities.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

State statutes authorize the City to invest in obligations of the State of Georgia or other states, obligations issued by the U.S. Government, obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States, obligations of any corporation of the U.S. Government, prime bankers' acceptances, the local government investment pool, repurchase agreements, and obligations of other political subdivisions of Georgia.

Investments for the City, as well as for its component units, are reported at fair value.

3. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method in the proprietary fund. Inventories of governmental funds are recorded as expenditures when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the proprietary funds and as expenditures when paid in the governmental funds.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost which exceeds certain capitalization thresholds and an estimated useful life in excess of two years. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include all such items regardless of their acquisition date or amount. As the City constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value

excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated fair value at the date of donation. Land and construction in progress are not depreciated. The property, plant, equipment, and infrastructure of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Assets	Capitalization Thresholds	Estimated Service Life
Buildings	$ 10,000	30-40
Machinery and Equipment	$ 5,000	5-20
Improvements	$ 5,000	10-20
Roads	$ 25,000	15-40
Bridges	$ 25,000	15-40
Sidewalks	$ 25,000	15-40
Electric System	$ 25,000	15-50
Gas System	$ 5,000	30
Water System	$ 5,000	30-40
Sewer System	$ 5,000	30-40

5. 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. Premiums and discounts are deferred and amortized over the life of the debt using the effective interest method. Debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

6. 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 has one type of item that qualifies for reporting in this category. It is the deferred outflows related to pensions reported in the government-wide and proprietary fund type statements of net position.

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 has two types of items that qualify for reporting in this category. The item, unavailable revenue, which arises only under a modified accrual basis of accounting, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and intergovernmental revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other item is the deferred inflows related to pensions reported in the government-wide and proprietary fund type statements of net position.

7. Net Position Flow Assumptions

Sometimes the City 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 City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

8. Fund Balance Flow Assumptions

Sometimes the City 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 City'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.

9. Fund Balances Policies

Fund balance of governmental funds is reported in various classifications based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). The fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance includes amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority.

Assigned fund balance includes amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned fund balance is the residual classification for the General Fund. The 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 committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by board approval, commit fund balance. Once approved, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council has authorized the Finance Director, City Manager, and Mayor to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional

action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as *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 (including special assessments) 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.

2. Property Taxes

Property taxes were levied on August 21, 2017, payable December 15, 2017, and attached as an enforceable lien on property as of January 1, 2017. The billings are considered past due after December 15, 2017, at which time the applicable property is subject to lien, and penalties and interest are assessed.

3. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which are eligible for payment upon separation from City service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

4. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds 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 nonoperating revenues and expenses.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the capital projects funds, which adopt project-length budgets. All annual appropriations lapse at fiscal year-end.

All departments of the City submit requests for appropriations to the City Manager so that a budget may be prepared. The City Manager and Finance Director prepare and submit a proposed budget to the Mayor and Council for review. The Council holds public hearings and a final budget must be prepared and adopted no later than September 30.

The appropriated budget is prepared by fund, department and expenditure category. The City's Finance Director may make transfers of appropriations within any fund. The adopted budget may be amended by formal action of the Mayor and Council when unexpected modifications are required in estimated revenues and appropriations. The legal level of budgetary control is the department level.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash Deposits with Financial Institutions

As of September 30, 2018, the $253,099 of City's bank balance was uninsured or uncollateralized. As of September 30, 2018, the Cook County Economic Development Commission's entire bank balance was insured or collateralized with securities held by the pledging financial institution's trust department or agent in the Commission's name. As of September 30, 2018, the $44,178 of Adel Industrial Development Authority's bank balance was uninsured or uncollateralized. As of September 30, 2018, the Downtown Development Authority's entire bank balance was insured or collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name.

B. Investments

According to the City's Investment and Cash Management policy, the City shall seek to maximize safety through the following strategies:

1. All City investments shall be federally-insured or fully collateralized to protect investment principal and accrued interest. Emphasis shall be given to Category 1 collateralization (collateral securities held by the City or its agent in the City's name), which is preferable, or Category 2 (collateral securities held by the counter party's trust department or agent in the City's name). Category 3 (collateral not in the City's name) shall be avoided due to higher degree of risk.

2. Market risk shall be avoided by limiting investments to a maximum one-year maturity, except for special circumstances where an interest rate differential and certainty of ability to hold the investment to maturity would justify a longer maturity. The City Manager shall approve any exceptions to the one-year maturity limit, and such exceptions will be disclosed to the City Council.

3. Undue credit risk shall be avoided by monitoring the financial condition of financial institutions participating in the City's investment program. Financial institutions shall provide a consolidated report of condition annually and the City shall review credit-worthiness at least annually.

The City is a beneficiary of the Municipal Competitive Trust created in 1999 by the Municipal Electric Authority of Georgia (MEAG) and its member municipalities. The Trust provides a means for participants to deposit funds to be invested at the best prudent rates of return. The trustee has complete authority for management, investment and disbursement of the trust estate. The trustee may invest in all types of investments, which, under the laws of the State of Georgia, is legal for trust beneficiaries or MEAG to invest funds. The Trust accounts are held in Intermediate Tax Restricted, Intermediate Extended Maturity, Intermediate, and Short-Term portfolios. Investments in each of the portfolios consist primarily of U.S. Treasury securities, U.S. Government agency and agency-backed securities, and municipal bonds. The funds in the Flexible Operating accounts of the Trust are invested in securities that are not typically held to maturity. The City does not have any unfunded commitments related to its share of funds in the Flexible Operating account and has the right to withdraw part, or all, of its share of funds in this account at any time. The City's share of this account represents a current unrestricted asset of the City and is reported as a current asset of the Electric fund. The restrictive requirements of the City's share of funds in the other Trust accounts negate the recognition of those accounts until such time as the funds are disbursed for the direct benefit of the City. Any investment into or withdrawal from those accounts are reported as part of the operating expenses of the City in the year incurred. The Trust reports its portfolios at market value, using net asset value (unit price per share) to determine the account balance per beneficiary. The City reports its investment in the Flexible Operating account at fair value based on the net asset values determined by the trustee. The City's position in the accounts is the same as the value of the account shares.

At September 30, 2018 the City had the following investments measured at net asset value:

	# of Shares	Fair Value	Weighted Average Maturity (Months)
Municipal Competitive Trust			
Flexible Operating Account			
Short-term Portfolio	22,786.590	$ 2,283,216	0.36
Intermediate Portfolio	18,336.240	1,825,923	22.86
Intermediate Extended Portfolio	41,873.680	4,132,514	70.64
		$ 8,241,653	

C. Receivables

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. Below is the detail of receivables for the major funds and the nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts:

	General	Nonmajor Governmental Funds	Electric	Gas	Water	Sewer	Combined Public Utility System	Total
Interest	$ 11,809	$ 1,177	$ --	$ --	$ --	$ --	$ 5,856	$ 18,842
Taxes	38,383	--	--	--	--	--	--	38,383
Accounts	285,102	--	1,864,538	61,575	158,881	304,278	--	2,674,374
Intergovernmental	497,694	140,895	--	--	--	--	--	638,589
Gross Receivables	832,988	142,072	1,864,538	61,575	158,881	304,278	5,856	3,370,188
Less: Allowance for Uncollectibles	(151,325)	--	(771,775)	(38,900)	(103,750)	(237,625)	--	(1,303,375)
	$ 681,663	$ 142,072	$ 1,092,763	$ 22,675	$ 55,131	$ 66,653	$ 5,856	$ 2,066,813

The City executed a note with the United States Department of Agriculture under the Rural Economic Development Loan and Grant Program for a loan in the amount of $495,961. Through the program the City of Adel made a no-interest loan in the same amount to the City of Nashville, Georgia to finance expansion of their gas utility lines to promote economic development in the area. The loan is without interest and is to be repaid in monthly payments of $4,313. The balance at September 30, 2018 was $431,271 and is reported as an intergovernmental receivable. Based on the payment schedule for intergovernmental receivables, $379,518 of the amount reported in the General Fund is not expected to be collected within the next year.

D. Capital Assets

Capital asset activity for the year ended September 30, 2018, was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	$ 211,141	$ --	$ --	$ 211,141
Construction in Progress	--	127,152	(121,329)	5,823
Total Capital Assets, Not Being Depreciated	211,141	127,152	(121,329)	216,964
Capital Assets, Being Depreciated				
Buildings	2,428,977	30,805	(412,565)	2,047,217
Infrastructure	12,169,877	--	--	12,169,877
Improvements Other Than Buildings	1,409,051	--	--	1,409,051
Machinery and Equipment	4,646,702	506,485	(451,648)	4,701,539
Total Capital Assets, Being Depreciated	20,654,607	537,290	(864,213)	20,327,684
Less Accumulated Depreciation For				
Buildings	(1,794,877)	(44,020)	412,565	(1,426,332)
Infrastructure	(9,753,199)	(78,768)	--	(9,831,967)
Improvements Other Than Buildings	(1,015,785)	(30,143)	--	(1,045,928)
Machinery and Equipment	(3,827,967)	(266,944)	417,361	(3,677,550)
Total Accumulated Depreciation	(16,391,828)	(419,875)	829,926	(15,981,777)
Total Capital Assets, Being Depreciated, Net	4,262,779	117,415	(34,287)	4,345,907
Governmental Activities Capital Assets, Net	$ 4,473,920	$ 244,567	$ (155,616)	$ 4,562,871

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital Assets, Not Being Depreciated				
Land	$ 896,191	$ --	$ --	$ 896,191
Construction in Progress	211,547	483,220	(211,547)	483,220
Total Capital Assets, Not Being Depreciated	1,107,738	483,220	(211,547)	1,379,411
Capital Assets, Being Depreciated				
Buildings and System	25,677,528	471,106	(428,118)	25,720,516
Improvements Other Than Buildings	127,394	--	(4,000)	123,394
Machinery and Equipment	2,203,105	34,395	(154,342)	2,083,158
Total Capital Assets, Being Depreciated	28,008,027	505,501	(586,460)	27,927,068
Less Accumulated Depreciation For				
Buildings and System	(15,865,690)	(476,579)	428,118	(15,914,151)
Improvements Other Than Buildings	(88,574)	(3,078)	4,000	(87,652)
Machinery and Equipment	(1,870,679)	(56,787)	145,148	(1,782,318)
Total Accumulated Depreciation	(17,824,943)	(536,444)	577,266	(17,784,121)
Total Capital Assets, Being Depreciated, Net	10,183,084	(30,943)	(9,194)	10,142,947
Business-Type Activities Capital Assets, Net	$ 11,290,822	$ 452,277	$ (220,741)	$ 11,522,358

Capital assets of $121,329 were reassigned from Governmental Activities to the Sewer Fund. The Electric Fund transferred capital assets with a historical cost of $37,348 and accumulated depreciation of $37,348 to Governmental Activities.

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities	
General Government	$ 22,027
Public Safety	194,701
Public Works	149,354
Culture and Recreation	16,445
Total Depreciation Expense	$ 382,527
Business-type Activities	
Electric	$ 138,372
Gas	73,277
Water	131,749
Sewer	193,046
Total Depreciation Expense	$ 536,444

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of September 30, 2018 was as follows:

Due From / To Other Funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	$ 38,060
General Fund	Gas Enterprise Fund	27,192
General Fund	Water Enterprise Fund	23,734
Electric Enterprise Fund	General Fund	1,096,485
Electric Enterprise Fund	Sewer Enterprise Fund	540
Gas Enterprise Fund	Electric Enterprise Fund	13,135
Gas Enterprise Fund	Sewer Enterprise Fund	12,050
Water Enterprise Fund	Electric Enterprise Fund	21,700
Water Enterprise Fund	Gas Enterprise Fund	78,440
Water Enterprise Fund	Sewer Enterprise Fund	148,125
Sewer Enterprise Fund	General Fund	576,777
		$ 2,036,238

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The General Fund payables to the Enterprise Funds totaling $1,673,262 primarily consist of unreimbursed collections of payments on utility customer accounts.

The composition of interfund transfers for the year ended September 30, 2018 was as follows:

Interfund Transfers:

Transfer In	Transfer Out	Amount
General Fund	Combined Public Utility System Enterprise Fund	$ 349
General Fund	Electric Enterprise Fund	7,126,968
General Fund	Gas Enterprise Fund	92,100
General Fund	Water Enterprise Fund	65,350
General Fund	Sewer Enterprise Fund	2,621,293
Nonmajor Governmental Funds	General Fund	12,298
Electric Enterprise Fund	Gas Enterprise Fund	40,159
Electric Enterprise Fund	Water Enterprise Fund	405,074
Electric Enterprise Fund	Sewer Enterprise Fund	62,888
Gas Enterprise Fund	General Fund	1,723,534
Gas Enterprise Fund	Water Enterprise Fund	64,328
Gas Enterprise Fund	Sewer Enterprise Fund	74,050
Water Enterprise Fund	General Fund	1,087,047
Sewer Enterprise Fund	Water Enterprise Fund	764,419
		$ 14,139,857

The General Fund received annually budgeted transfers of $1,932,075 from Enterprise Funds. The General Fund transferred $12,298 to a Nonmajor Governmental Fund to finance police technology expenditures. The General Fund received transfers of $7,973,985 from the Water, Sewer, and Combined Public Utility Funds to settle balances due to those funds. The Electric Fund received transfers of $508,121 from the Water, Sewer, and Gas Funds to settle balances due to those funds. The Gas Fund received transfers of $1,861,912 from the General, Water, and Sewer Funds to settle balances due to those funds. The Water Fund received a transfer of $1,087,047 from the General Fund to settle balances due to the fund. The Sewer Fund received a transfer of $764,419 from the Water Fund to settle balances due to the fund.

F. Due From Component Units

The City loaned the Adel Industrial Development Authority $750,000, payable in 6 annual installments of $125,000 plus interest at 1%. The interest will be adjusted annually at ½% higher than the average interest rate of return on the City's investments. The balance outstanding at September 30, 2018 was $625,000 plus accrued interest of $7,635.

The City has made loans to the Downtown Development Authority of the City of Adel to finance property acquisitions and to finance loans made to local businesses in the downtown area of the City. The loan balances outstanding at September 30, 2018 were $166,191 plus accrued interest of $2,522.

Based on the payment schedules for the component unit receivables, $615,191 is not expected to be collected within the next year.

G. Lease Obligations

The City has entered into lease agreements as lessee for financing the acquisition of capital assets. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Amortization for the period is included in depreciation.

Capital assets subject to lease obligations at September 30, 2018 were as follows:

	Governmental Activities
Machinery and Equipment	$ 604,551
Less: Accumulated Depreciation	(109,071)
Total	$ 495,480

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2018, were as follows:

Year Ending September 30	Governmental Activities
2019	$ 153,379
2020	131,388
2021	84,687
2022	54,779
2023	54,779
Total Minimum Lease Payments	479,012
Less: Amounts Representing Interest	(33,643)
Present Value of Minimum Lease Payments	$ 445,369

H. Long-Term Debt

Notes Payable

On March 7, 2014, the City executed a note with the United States Department of Agriculture for the purchase of a mini pumper fire truck. The loan was in the amount of $94,213 to be repaid in sixty monthly payments of $1,714 with interest at 3.50%. The balance at September 30, 2018 was $10,115.

On August 21, 2015, the City executed a note with the United States Department of Agriculture for the purchase of police communications equipment. The loan was in the amount of $28,600 to be repaid in five annual payments of $6,357 with interest at 3.625%. The balance at September 30, 2018 was $12,640.

On February 27, 2017, the City executed a note with the United States Department of Agriculture under the Rural Economic Development Loan and Grant Program for a loan in the amount of $495,961. Through the program, the City of Adel made a no-interest loan in the same amount to the City of Nashville, Georgia to finance expansion of their gas utility lines to promote economic development in the area. The loan is without interest and repaid in monthly payments of $4,313. The balance at September 30, 2018 was $431,270.

On March 18, 2015, the City executed a promissory note with the Georgia Environmental Finance Authority, Drinking Water State Revolving Fund, to finance a meter replacement project and other improvements. The City had drawn $916,697 at September 30, 2018 and payments began July of 2018 at $4,344 per month for 20 years at 1.31%. At September 30, 2018, the balance outstanding was $906,656.

On April 15, 2004, the City executed a promissory note with the Georgia Environmental Finance Authority for $387,218 with interest at 3.82% for the Wastewater Disinfection Upgrade. The note is being repaid in sixty quarterly payments of $8,508. At September 30, 2018, the balance outstanding was $46,758.

Debt service requirements to maturity for the notes payable as of September 30, 2018 were as follows:

Year Ending	Governmental Activities			Business-type Activities		
September 30	Principal	Interest	Total	Principal	Interest	Total
2019	$ 68,150	$ 172	$ 68,322	$ 69,471	$ 13,137	$ 82,608
2020	58,110	--	58,110	58,802	11,102	69,904
2021	51,752	--	51,752	41,566	10,560	52,126
2022	51,752	--	51,752	42,113	10,013	52,126
2023	51,752	--	51,752	42,668	9,458	52,126
2024 - 2028	172,509	--	172,509	221,927	38,703	260,630
2029 - 2033	--	--	--	236,941	23,689	260,630
2034 - 2038	--	--	--	239,926	7,673	247,599
Total	$ 454,025	$ 172	$ 454,197	$ 953,414	$ 124,335	$ 1,077,749

I. Changes in General Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2018, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	$ 239,201	$ 18,334	$ --	$ 257,535	$ --
Net Pension Liability	631,954	1,221,053	(1,730,256)	122,751	--
Capital Leases	170,848	362,759	(88,238)	445,369	139,003
Notes Payable	535,258	--	(81,233)	454,025	68,150
	$ 1,577,261	$ 1,602,146	$ (1,899,727)	$ 1,279,680	$ 207,153
Business-type Activities					
Compensated Absences	$ 68,903	$ 10,091	$ --	$ 78,994	$ --
Net Pension Liability	309,591	601,691	(850,795)	60,487	--
Notes Payable	981,902	9,666	(38,154)	953,414	69,471
	$ 1,360,396	$ 621,448	$ (888,949)	$ 1,092,895	$ 69,471
Industrial Development Authority					
Notes Payable	$ 166,667	$ --	$ (166,667)	$ --	$ --
	$ 166,667	$ --	$ (166,667)	$ --	$ --

For Governmental activities, claims and judgments, compensated absences, and pension liabilities are generally liquidated by the General Fund.

J. Pensions

Defined Benefit Plan

The City sponsors a defined benefit pension plan which provides retirement and death benefits to plan participants and beneficiaries. The plan, through execution of the adoption agreement, is an agent multiple-employer pension plan, administered by the Georgia Municipal Employees Benefit System (GMEBS). GMEBS, in its role as the Plan Sponsor, has the authority to amend the provisions of the GMEBS Master Plan and the elective provisions of the adoption agreement, as provided in Article XVIII, Section 2, of the GMEBS Master Defined Benefit Plan Document. The City has the authority to amend the adoption agreement, which defines the specific benefit provisions of the plan,

as provided in Article XVIII, Section 1, of the GMEBS Master Defined Benefit Plan Document. The City's participation in the plan, benefit provisions, and other requirements are established by City ordinance. GMEBS issues a financial report that may be obtained by writing to Georgia Municipal Employees Benefit System, 201 Pryor Street SW, Atlanta, Georgia 30303.

Retirement benefits for regular employees are calculated as 2% of the employee's final average earnings (annual average of earnings for the 5 consecutive years of credited service preceding the participant's most recent termination in which participants earnings were the highest) multiplied by years of total credit service as an eligible regular employee. Regular employees are eligible for normal retirement benefits at age 65 with 5 years of total credited service or at age 55 with 30 years of total credited service. Normal retirement benefits for elected or appointed members of the City Council are calculated as $22 per month for each year of total credited service or major fraction thereof. Pre-retirement death benefits are payable monthly and are equal to the decreased monthly retirement benefit that would have otherwise been payable to the participant as if the 100% joint and survivor benefit had been elected.

Benefit terms provide for a variable annual cost-of-living adjustment, not to exceed 2%, in the amount of benefits being received by retired participants and beneficiaries, which shall be calculated and paid in accordance with the terms of the master plan.

At January 1, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	22
Inactive employees entitled to but not yet receiving benefits	12
Active employees	137
	171

City employees are required to contribute 6.2% of their covered pay. The Board of Trustees of GMEBS has adopted an actuarial funding policy for determination of annual required contributions to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the plan. The Plan is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). Annual contributions made in accordance with the funding policy, which requires a different funding level, will meet the minimum funding standards. The contribution requirements of employees and the City are established by City ordinance. For the year ended September 30, 2018, the City's actuarially determined contribution was $243,810.

The City's net pension liability was measured as of September 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018.

The total pension liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.50%
Inflation	2.75%
Salary increases	2.75% plus service based merit increases
Cost-of-living adjustment	2.00%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females.

The investment return and inflation assumptions used in the January 1, 2018 valuation were based on an experience study conducted in September 2017. The remaining assumptions were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2014.

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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	45 %	6.71 %
International Equity	20 %	7.71 %
Real Estate	10 %	5.21 %
Global Fixed Income	5 %	3.36 %
Domestic Fixed Income	20 %	2.11 %
Cash	0 %	0.00 %

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. The long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The changes in net pension liability were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - Beginning	$ 13,595,305	$ 12,653,760	$ 941,545
Changes for the Year			
Service Cost	302,844	--	302,844
Interest	1,030,283	--	1,030,283
Differences Between Expected and Actual Experience	96,053	--	96,053
Changes of Assumptions	353,337	--	353,337
Contributions - Employer	--	380,702	(380,702)
Contributions - Employee	--	305,519	(305,519)
Net Investement Income	--	1,894,830	(1,894,830)
Benefit Payments	(602,658)	(602,658)	--
Administrative Expense	--	(40,227)	40,227
Net Changes	1,179,859	1,938,166	(758,307)
Balances - Ending	$ 14,775,164	$ 14,591,926	$ 183,238

The following changes in assumptions affected the measurement of the total pension liability:

The investment return assumption was reduced from 7.75% to 7.50%.
The inflation assumption was reduced from 3.25% to 2.75%.
The Social Security wage base increase assumption was reduced from 3.25% to 2.75% (if applicable).
The salary increase rates were reduced by 0.50% for all years of service, consistent with the reduction in the inflation assumption.

The following presents the City's net pension liability calculated using the discount rate of 7.50%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	$ 2,032,630	$ 183,238	$ 1,335,275

For the year ended September 30, 2018, the City recognized pension expense of $16,330. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 240,896	$ 352,840
Changes in assumptions	733,317	163,548
Net difference between projected and actual earnings on pension plan investments	--	729,612
Contributions subsequent to the measurement date	391,225	--
	$ 1,365,438	$ 1,246,000

Contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the subsequent year. The other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30	
2019	$ (69,156)
2020	(7,905)
2021	(73,817)
2022	(195,808)
2023	74,899
Thereafter	--
	$ (271,787)

Defined Contribution Plan

The City also provides pension benefits for its employees through the City of Adel Defined Contribution Retirement Plan administered by Nationwide Retirement Solutions. In a defined contribution plan, benefits are paid solely on amounts contributed to the plan plus invested earnings. Employees are eligible to participate immediately upon becoming employed. An employee may elect to become a participant by executing a participation agreement and consenting to defer a portion of compensation by a reduction of salary of the annual deferral amount specified in the participation agreement. The administrator may establish a minimum deferral amount, currently 5% of compensation, and change such minimum deferral amounts from time to time. The City is not required to make employer contributions. All contribution and other requirements are established by City ordinance. For the year ended September 30, 2018, the City did not contribute to the plan and employee deferrals were $58,808.

K. Restricted Assets

The balances of the restricted asset accounts in the governmental and enterprise funds were as follows:

	Governmental Activities
Confiscated Funds	$ 47,960
Technology Account	39,596
	$ 87,556

L. Fund Balances

The classifications of fund balances of governmental funds at September 30, 2018 were as follows:

	General	Other Governmental Funds	Total Governmental Funds
Nonspendable			
Notes Receivable	$ 379,518	$ --	$ 379,518
Due From Component Units	615,191	--	615,191
	994,709	--	994,709
Restricted			
Public Safety	--	87,556	87,556
Capital Outlay	--	1,044,498	1,044,498
	--	1,132,054	1,132,054
Assigned			
Culture and Recreation	--	628,348	628,348
Capital Outlay	183,100	328,096	511,196
Other Purposes	20,867	--	20,867
	203,967	956,444	1,160,411
Unassigned, Reported In			
General Fund	8,719,652	--	8,719,652
Special Revenue Funds	--	(148)	(148)
Capital Projects Funds	--	(8,650)	(8,650)
	8,719,652	(8,798)	8,710,854
Total Fund Balances	$ 9,918,328	$ 2,079,700	$ 11,998,028

M. Tax Abatements

City property tax revenues were reduced by $39,015 under agreements entered into by the Adel Industrial Development Authority.

N. Restatement of Net Position/Fund Net Position

The City has changed its method of applying Governmental Accounting Standards Board (GASB) Statement of Governmental Accounting Standards No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, as amended by No. 62, *Items Previously Reported as Assets and Liabilities*, to its accounting and reporting of property taxes. In accordance with GASBS 33 paragraphs 17 and 18, governments should recognize revenues from property taxes, net of estimated refunds and estimated uncollectible amounts, in the period for which the taxes are levied, even if the enforceable legal claim arises or the due date for payment occurs in a different period and recognize assets from property taxes in the period when an enforceable legal claim to the assets arises or when the resources are

received, whichever occurs first. The City previously recognized revenue from property taxes in the same fiscal year in which property taxes were levied. The City now considers property taxes attached as an enforceable lien on property as of January 1st to be levied for the subsequent fiscal year, which begins October 1st.

The beginning net position of Governmental Activities and fund net position (fund balances) of the General Fund have been restated for the effects of this change as follows:

	Governmental Activities	General Fund
September 30, 2017 Net Position/Fund Net Position, as previously reported	$ 10,973,810	$ 5,145,680
Change in method of of applying accounting principle		
Receivables (Net of Allowance for Uncollectibles)	(734,647)	(734,647)
Deferred Inflows of Resources		620,088
	(734,647)	(114,559)
September 30, 2017 Net Position/Fund Net Position, as restated	$ 10,239,163	$ 5,031,121

O. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. For workers compensation, the City carries commercial insurance. For other risks, the City is a member of the Georgia Interlocal Risk Management Agency. The agency operates under the authority of O.C.G.A. 36-85-1 et Seq. and administers group self-insurance funds which receive contributions from its members in order to pool the risks of general liability, motor vehicle liability, and property damage. Through participation in the agency, members jointly purchase insurance with other municipalities participating in and belonging to the agency and are coinsured under master policies with the total premium apportioned among the participants. The City is jointly and severally liable for all legal obligations of the funds which arise out of an event that occurs while the City is a member of the fund. The City's deductibles for insurance coverage start at $1,000 with various limits of liability up to $5,000,000 for liability and $24,968,687 for property.

P. Commitments and Contingencies

Amounts received or receivable from grantor agencies, federal and state, are subject to audit and adjustment by those agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. In the opinion of City management, such disallowances, if any, will not be significant to the City’s financial statements.

Electric Power Service Contract & Intergovernmental Agreement - On October 31, 2018, the City entered into a contract with a prospective electric customer to provide electrical power at an extra large high load factor rate. The contract requires the customer to pay the City for its investment in the primary distribution infrastructure estimated to be $280,000 and a cash deposit of $240,000 for each substation feeder required to provide a total of 40 MW. For any usage above 40 MV that requires the construction of another substation, the customer will design, construct, own and operate such substation at its expense. The customer will pay its monthly bill in advance based on estimated electric usage provided by the City and it will be payable on the first business day of the actual usage month. The contract will remain in effect for an initial term of 5 years. If the customer, for any reason, ceases to take electric service from the City during the initial term or an event of default occurs, the electric delivery infrastructure component will be immediately due and payable to the City. The electric load required by the customer is extremely large, and, as phased in, is expected to exceed 40 MW on the premises. The City is planning to enter into an intergovernmental agreement with prospective participants to share in the costs and risks of serving the customer and to alleviate or eliminate excess energy and capacity that each have contracted for relating to their respective electric distribution

systems. Through the prospective agreement, the participants will provide electricity to the City necessary to serve the premises up to a specified maximum MW through the Municipal Electric Authority of Georgia.

Electrical Power Contract - In March 1976, the City of Adel and the Municipal Electric Authority of Georgia (MEAG) entered into a contract under which MEAG is to provide bulk electrical power to the City. In return, the City agreed to pay its participant share of MEAG's cost of generating and transmitting power. The term of the contract will continue in full force until such time, not exceeding 50 years, as all of MEAG's bonds have been paid or until such time as MEAG is retired from service, whichever is later. Each member participant is responsible for their pro-rata share of MEAG's bonds until paid. MEAG is obligated to periodically review the rates it charges member cities for power purchases. MEAG Power is also required to determine at the end of each power supply year, the sufficiency of the amounts paid by participants to recover MEAG Power's applicable costs for the year. Recent year-end settlements have resulted in net billings to participants exceeding actual costs, reserve requirements, and other assessments. These settlements are finalized after the fiscal year-end and the amounts received in the current year are for the previous fiscal years settlement and are reported as part of the operating expenses of the City in the year the settlement is received.

Distribution and Marketing Business Unit Contracts - In November 1998, the City agreed to enter into a contract with MEAG in furtherance of its power sales contract. Continuing changes in the electric industry, such as deregulation of wholesale electric supply, and changes in retail structure created a need for a business unit to function as a division of MEAG to facilitate the delivery of distribution, marketing, and related services to member cities needing such services. Under the services contract with MEAG, the City received services related to electrical distribution such as training and safety, technical support, meter testing, and services related to marketing, such as pricing and sales support, energy services, major account support, and local economic development. In March 2009, the City entered into an agreement with Electric Cities of Georgia, Inc. to provide such services until June 30, 2012 and automatically extending for additional twelve-month periods on each successive anniversary date of the contract.

Municipal Competitive Trust - On May 3, 1999, the City adopted Resolution 99-7 approving its execution of a trust agreement with MEAG and other member cities creating the Municipal Competitive Trust. The Competitive Trust was established to accumulate and grow, through common investment, a substantial fund to be utilized by the participants to mitigate the high fixed cost related to Plant Vogtle Unit Nos. 1 and 2 and the impacts that may result from the deregulation of the electric industry in Georgia. It was initially funded with certain rate stabilization and debt service reserve funds and was comprised of the Reserve Funded Debt, Credit Support Operating and Flexible Operating accounts. Participants currently contribute funds into the Flexible Operating, as well as the New Generation and Capacity Funding (discussed below) accounts on an elective basis. With the exception of the Flexible Operating account and the New Generation and Capacity Funding account, the funds in the Competitive Trust have been retained and invested in securities typically held to maturity. Changes impacting the balance in the Competitive Trust result from investment earnings and additional participants' contributions, which are offset by scheduled distributions to participants.

During 2008 and 2009, several amendments to the terms of the Competitive Trust authorized MEAG Power, on behalf of the participants executing such amendments to, among other things:

Apply funds from certain Competitive Trust accounts for the purpose of lowering the participants' annual generation billings from MEAG Power during the period 2009 through 2018 (Trust Transfers); and

Establish the New Generation and Capacity Funding account to permit the participants to fund their share of the acquisition and construction costs of any future MEAG Power generation project joined by such participants (including the Vogtle Units 3&4 Projects), as well as funding of capacity purchases proposed by MEAG Power, purchase of additional entitlement shares or obligation shares of existing MEAG Power projects and for mitigation of certain bulk power supply cost increases.

If not otherwise expended, funds in the Credit Support Operating account and Reserve Funded Debt account may be withdrawn on or after December 31, 2018 and 2025, respectively, and funds in the New Generation and Capacity

Funding Account may be withdrawn after January 1, 2037. An external trustee holds the funds in the Competitive Trust and maintains balances on an individual participant basis.

No beneficiary shall have any interest in the account of any other beneficiary. The City has the right to withdraw part, or all, of its share of funds in the Flexible Operating account at any time. Since the funds in this account represent a current unrestricted asset of the City, the balance is reported as a current asset in the balance sheet of the Electric fund. The restrictive requirements for use of the funds in the other accounts negate the recognition of those accounts until such time as the funds are disbursed for the direct benefit of the City. Any investment into or withdrawal from these accounts are reported as part of the operating expenses of the City in the year incurred.

Municipal Gas Authority of Georgia Contract - According to the terms of a contract, as amended, with Municipal Gas Authority of Georgia (MGAG), the City is committed to purchase gas supplies from MGAG through December 31, 2040. Pursuant to the agreement in order to finance project costs, MGAG was authorized to issue bonds in series through the close of business on December 31, 2014, with a maximum principal amount outstanding at any one time of $1,500,000,000 and a final maturity not to exceed 15 years from the date of issuance of each series. In the event that at any time project costs payable by MGAG are in excess of the revenues of the Authority available for the purpose of paying the same or reserve funds, the City is obligated to pay its share of such excess. The obligation of the City to make payments to the Authority under these contracts constitutes a general obligation of the City.

Telecommunications Project - In 1996, the City entered into an agreement as a participant in a Telecommunications Project with the Municipal Electric Authority of Georgia (MEAG) to construct a telecommunications system. MEAG owns, operates and maintains the Telecommunications Project. The Telecommunications Project consists of telecommunications facilities, fibers and other equipment acquired, constructed and installed by MEAG for the purpose of providing telecommunications capabilities to participants, and to Project One for the operation of the transmission facilities, and to others in order to achieve economies of scale and improve the economics of the Telecommunications Project. As a participant, the City's obligation share in the project is 3.6167%. Under the agreement, as amended, the City elected to prepay the amount it owed for Debt Service attributable to its interest in the Telecommunications Project.

Q. Related Organizations

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. Related organizations are described as follows:

Housing Authority of the City of Adel - The Authority administers Federal funding and/or other financing for improvement of housing conditions in the City. The five members of the governing board are appointed by the Mayor and Council. The City has no significant influence over management, budget, or policies of the Authority. The Authority reports independently.

R. Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the South Georgia area, is a member of the Southern Georgia Regional Commission and is required to pay annual dues thereto. During its year ended September 30, 2018, the City paid $10,747 in such dues. Membership in a regional commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the regional commission in Georgia. The regional commission board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that member governments are liable for any debts or obligations of a Regional Commission. Separate financial statements may be obtained from:

Southern Georgia Regional Commission
327 West Savannah Avenue
Valdosta, Georgia 31601

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ADEL, GEORGIA
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2018

	Budgeted Amounts		Actual	Variance With Final
	Original	Final	Amounts	Budget
REVENUES				
Taxes	$ 1,742,775	$ 1,829,125	$ 1,841,522	$ 12,397
Licenses and Permits	20,000	20,675	20,700	25
Intergovernmental	105,400	289,600	289,668	68
Charges for Services	939,550	988,350	988,234	(116)
Fines and Forfeitures	900,000	900,000	732,147	(167,853)
Interest Revenue	20,000	44,925	45,781	856
Contributions and Donations	--	850	900	50
Miscellaneous	7,000	17,925	17,988	63
Total Revenues	3,734,725	4,091,450	3,936,940	(154,510)
EXPENDITURES				
Mayor and Council	129,025	149,825	149,658	167
Administration	532,025	3,406,650	3,406,252	398
Attorney	6,600	4,500	4,500	--
Judge	29,900	25,350	25,340	10
Police	2,513,075	2,318,375	2,299,889	18,486
Fire	1,300,900	1,197,550	1,188,178	9,372
Volunteer Fire	52,500	53,775	53,651	124
Animal Control	104,900	101,050	100,843	207
Street	675,675	593,475	589,410	4,065
Sanitation	1,176,050	1,270,925	1,270,641	284
Maintenance	143,425	117,800	117,663	137
Parks	40,700	41,650	41,571	79
Inspection	14,250	17,600	17,584	16
Community Development Director	--	15,200	15,138	62
Downtown Development Director	--	38,425	38,234	191
Total Expenditures	6,719,025	9,352,150	9,318,552	33,598
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,984,300)	(5,260,700)	(5,381,612)	(120,912)
OTHER FINANCING SOURCES (USES)				
Transfers In	1,932,075	9,905,950	9,906,060	110
Capital Leases	366,700	366,700	362,759	(3,941)
Total Other Financing Sources (Uses)	2,298,775	10,272,650	10,268,819	(3,831)
Net Change in Fund Balances	(685,525)	5,011,950	4,887,207	(124,743)
Fund Balances - Beginning	5,031,121	5,031,121	5,031,121	--
Fund Balances - Ending	$ 4,345,596	$ 10,043,071	$ 9,918,328	$ (124,743)

CITY OF ADEL, GEORGIA
Pension Plan
Schedule of Changes in the City's Net Pension Liability and Related Ratios
September 30, 2018

	2018	2017	2016	2015
Total Pension Liability				
Service Cost	$ 302,844	$ 305,219	$ 588,059	$ 591,133
Interest on Total Pension Liability	1,030,283	1,011,616	843,056	802,428
Changes of Benefit Terms	--	--	--	--
Differences Between Expected and Actual Experience	96,053	(529,258)	319,708	2,990
Changes of Assumptions	353,337	--	877,732	(490,645)
Benefit Payments	(602,658)	(490,754)	(416,440)	(346,903)
Net Change in Total Pension Liability	1,179,859	296,823	2,212,115	559,003
Total Pension Liability - Beginning	13,595,305	13,298,482	11,086,367	10,527,364
Total Pension Liability - Ending (a)	$ 14,775,164	$ 13,595,305	$ 13,298,482	$ 11,086,367
Plan Fiduciary Net Position				
Contributions - Employer	$ 380,702	$ 361,690	$ 381,714	$ 571,236
Contributions - Employee	305,519	226,569	231,993	374,429
Net Investment Income	1,894,830	1,267,315	123,989	1,055,047
Benefit Payments, Including Refunds of Employee Contributions	(602,658)	(490,754)	(416,440)	(346,903)
Administrative Expense	(40,227)	(18,781)	(21,513)	(16,530)
Other	--	--	--	--
Net Change in Plan Fiduciary Net Position	1,938,166	1,346,039	299,743	1,637,279
Plan Fiduciary Net Position - Beginning	12,653,760	11,307,721	11,007,978	9,370,699
Plan Fiduciary Net Position - Ending (b)	$ 14,591,926	$ 12,653,760	$ 11,307,721	$ 11,007,978
City's Net Pension Liability - Ending (a) - (b)	$ 183,238	$ 941,545	$ 1,990,761	$ 78,389
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	98.76%	93.07%	85.03%	99.29%
Covered-Employee Payroll	$ 3,658,216	$ 3,563,770	$ 3,552,948	$ 3,436,256
City's Net Pension Liability as a Percentage of Covered-Employee Payroll	5.01%	26.42%	56.03%	2.28%

CITY OF ADEL, GEORGIA
Pension Plan
Schedule of City Contributions
September 30, 2018

	2018	2017	2016	2015
Actuarially Determined Contribution	$ 243,810	$ 322,042	$ 302,393	$ 376,573
Contributions in Relation to the Actuarially Determined Contribution	381,103	379,772	361,690	381,714
Contribution Deficiency (Excess)	$ (137,293)	$ (57,730)	$ (59,297)	$ (5,141)
Covered-Employee Payroll	$ 3,658,216	$ 3,563,770	$ 3,552,948	$ 3,436,256
Contributions as a Percentage of Covered-Employee Payroll	10.42%	10.66%	10.18%	11.11%

Notes to Schedule

Valuation date	January 1, 2017
Actuarial cost method	Projected unit credit
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Net effective period of 30 years
Asset valuation method	Sum of actuarial value at the beginning of the 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.
Investment rate of return	7.75%
Inflation	3.25%
Salary increases	3.25% plus service based merit increases
Cost-of-living adjustment	2%
Retirement age	Earlier of 65 with 5 years of service or 55 with 30 years of service
Mortality	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females.

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The presentation of expenditures reported in the General Fund *Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual* differs from the *Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds* due to the functional classification of certain expenditures. The following schedule presents a reconciliation of those amounts.

	Budget Schedule	Reconciliation	Governmental Fund Statement
EXPENDITURES			
Current			
General Government			
Mayor and Council	$ 149,658	$ --	$ 149,658
Administration	3,406,252	(2,989,501)	416,751
Attorney	4,500	--	4,500
	3,560,410	(2,989,501)	570,909
Judicial	25,340	--	25,340
Public Safety			
Police	2,299,889	(77,927)	2,221,962
Fire	1,188,178	(20,501)	1,167,677
Volunteer Fire	53,651	(80)	53,571
Animal Control	100,843	--	100,843
	3,642,561	(98,508)	3,544,053
Public Works			
Street	589,410	--	589,410
Sanitation	1,270,641	(29,399)	1,241,242
Maintenance	117,663	--	117,663
Other Public Works	--	4,200	4,200
	1,977,714	(25,199)	1,952,515
Culture and Recreation			
Parks	41,571	--	41,571
Other Culture and Recreation	--	33,800	33,800
	41,571	33,800	75,371
Housing and Development			
Inspection	17,584	--	17,584
Community Development Director	15,138	--	15,138
Downtown Development Director	38,234	--	38,234
Other Housing and Development	--	78,500	78,500
	70,956	78,500	149,456
Debt Service	--	178,029	178,029
Total Expenditures	9,318,552	(2,822,879)	6,495,673
OTHER FINANCING USES			
Transfers Out	--	2,822,879	2,822,879
Total	$ 9,318,552	$ --	$ 9,318,552

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Major Governmental Funds

General Fund

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

CITY OF ADEL, GEORGIA
General Fund
Balance Sheet
September 30, 2018 and 2017

	2018	2017
ASSETS		
Cash and Cash Equivalents	$ 10,281,115	$ 8,881,267
Receivables (Net of Allowance for Uncollectibles)		
Interest	11,809	5,996
Taxes	10,383	22,787
Accounts	161,777	97,115
Intergovernmental	497,694	531,008
Due From Other Funds		
Adel-Cook County Recreation Special Revenue Fund	37,912	9,692
2018 CHIP Grant	148	--
Gas Enterprise Fund	27,192	1,723,534
Water Enterprise Fund	23,734	1,087,047
Due From Component Units	801,348	922,543
Other Current Assets	9,000	--
Total Assets	$ 11,862,112	$ 13,280,989
LIABILITIES		
Accounts Payable	$ 185,098	$ 223,258
Accrued Liabilities	78,899	30,198
Intergovernmental Payable	586	594
Due To Other Funds		
Technology Special Revenue Fund	--	1,165
Electric Enterprise Fund	1,096,485	5,501,293
Sewer Enterprise Fund	576,777	2,472,343
Combined Public Utility System Enterprise Fund	--	399
Customer Deposits	1,000	750
Total Liabilities	1,938,845	8,230,000
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Property Taxes	4,939	19,868
Total Deferred Inflows of Resources	4,939	19,868
FUND BALANCES		
Nonspendable	994,709	783,621
Assigned	203,967	203,967
Unassigned	8,719,652	4,043,533
Total Fund Balances	9,918,328	5,031,121
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 11,862,112	$ 13,280,989

CITY OF ADEL, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2018 and 2017

	2018	2017
REVENUES		
Taxes	$ 1,841,522	$ 1,620,509
Licenses and Permits	20,700	22,150
Intergovernmental	289,668	117,517
Charges for Services	988,234	945,212
Fines and Forfeitures	732,147	955,551
Interest Revenue	45,781	27,989
Contributions and Donations	900	1,144
Miscellaneous	17,988	36,845
Total Revenues	3,936,940	3,726,917
EXPENDITURES		
Current		
General Government	570,909	527,905
Judicial	25,340	28,146
Public Safety	3,544,053	3,498,521
Public Works	1,952,515	1,474,056
Culture and Recreation	75,371	40,271
Housing and Development	149,456	82,125
Debt Service	178,029	196,770
Total Expenditures	6,495,673	5,847,794
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,558,733)	(2,120,877)
OTHER FINANCING SOURCES (USES)		
Transfers In		
Electric Enterprise Fund	7,126,968	1,498,025
Gas Enterprise Fund	92,100	79,250
Water Enterprise Fund	65,350	62,850
Sewer Enterprise Fund	2,621,293	192,650
Combined Public Utility System Enterprise Fund	349	--
Transfers Out		
Technology Special Revenue Fund	(12,298)	(16,996)
Gas Enterprise Fund	(1,723,534)	--
Water Enterprise Fund	(1,087,047)	--
Notes Payable	--	495,961
Capital Leases	362,759	102,463
Total Other Financing Sources (Uses)	7,445,940	2,414,203
Net Change in Fund Balances	4,887,207	293,326
Fund Balances - Beginning, as Restated	5,031,121	4,737,795
Fund Balances - Ending	$ 9,918,328	$ 5,031,121

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Confiscated Assets Fund - This fund is used to account for the funds received from cash confiscations and sales of capital assets acquired from drug raids.

Technology Fund - This fund is used to account for fines collected through the imposition of a technology surcharge.

Adel-Cook County Recreation Fund - This fund is used to account for the funds used to provide the parks and recreation program of the Cook County Countywide Recreation Board.

2018 CHIP Grant Fund - This fund is used to account for the proceeds of a Community Home Investment Proceeds grant to provide safe, decent, and affordable housing in the City and to rehabilitate owner-occupied homes and build and renovate affordable single family homes for sale to eligible homebuyers.

Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

1% Special Purpose Local Option Sales Tax (SPLOST) Fund - This fund is used to account for proceeds of the 1% special purpose local option sales tax used to finance capital projects.

1% Special Purpose Local Option Sales Tax (SPLOST) 2010 Fund - This fund is used to account for proceeds of the 1% special purpose local option sales tax used to finance capital projects, effective October 1, 2011 through September 30, 2017.

1% Special Purpose Local Option Sales Tax (SPLOST) 2016 Fund - This fund is used to account for proceeds of the 1% special purpose local option sales tax used to finance capital projects, effective October 1, 2017 through September 30, 2023.

CDBG EIP Hospital Fund - This fund is used to account for the proceeds of a community development block grant used to finance water and sewer extension at he new hospital exit.

2018 CDBG Water Fund - This fund is used to account for the proceeds of a community development block grant used to finance water improvements.

Recreation Project Fund - This fund is used to account for the financial resources to be used to finance a major recreation facilities project.

CITY OF ADEL, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2018

	Special Revenue Funds				
	Confiscated Assets	Technology	Adel-Cook County Recreation	2018 CHIP Grant	Total
ASSETS					
Cash and Cash Equivalents	$ --	$ --	$ 629,056	$ --	$ 629,056
Restricted Assets					
Cash and Cash Equivalents	47,960	39,596	--	--	87,556
Receivables	--	--	85,256	--	85,256
Total Assets	$ 47,960	$ 39,596	$ 714,312	$ --	$ 801,868
LIABILITIES					
Accounts Payable	$ --	$ --	$ 3,559	$ --	$ 3,559
Due To Other Funds	--	--	37,912	148	38,060
Total Liabilities	--	--	41,471	148	41,619
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue					
Intergovernmental	--	--	44,493	--	44,493
Total Deferred Inflows Of Resources	--	--	44,493	--	44,493
FUND BALANCES					
Restricted	47,960	39,596	--	--	87,556
Assigned	--	--	628,348	--	628,348
Unassigned	--	--	--	(148)	(148)
Total Fund Balances	47,960	39,596	628,348	(148)	715,756
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 47,960	$ 39,596	$ 714,312	$ --	$ 801,868

Capital Projects Funds							Total Nonmajor Governmental Funds
SPLOST	SPLOST 2010	SPLOST 2016	CDBG EIP Hospital	2018 CDBG Water	Recreation Project	Total	
$ 144,360	$ 571,922	$ 272,577	$ --	$ --	$ 326,919	$ 1,315,778	$ 1,944,834
--	--	--	--	--	--	--	87,556
--	--	55,639	--	--	1,177	56,816	142,072
$ 144,360	$ 571,922	$ 328,216	$ --	$ --	$ 328,096	$ 1,372,594	$ 2,174,462
$ --	$ --	$ --	$ 700	$ 7,950	$ --	$ 8,650	$ 12,209
--	--	--	--	--	--	--	38,060
--	--	--	700	7,950	--	8,650	50,269
--	--	--	--	--	--	--	44,493
--	--	--	--	--	--	--	44,493
144,360	571,922	328,216	--	--	--	1,044,498	1,132,054
--	--	--	--	--	328,096	328,096	956,444
--	--	--	(700)	(7,950)	--	(8,650)	(8,798)
144,360	571,922	328,216	(700)	(7,950)	328,096	1,363,944	2,079,700
$ 144,360	$ 571,922	$ 328,216	$ --	$ --	$ 328,096	$ 1,372,594	$ 2,174,462

CITY OF ADEL, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2018

	Special Revenue Funds				
	Confiscated Assets	Technology	Adel-Cook County Recreation	2018 CHIP Grant	Total
REVENUES					
Intergovernmental	$ --	$ --	$ 467,107	$ --	$ 467,107
Charges for Services	--	--	73,010	--	73,010
Fines and Forfeitures	10,800	--	--	--	10,800
Interest Revenue	50	--	693	--	743
Total Revenues	10,850	--	540,810	--	551,660
EXPENDITURES					
Current					
Public Safety	3,534	14,409	--	--	17,943
Culture and Recreation	--	--	445,800	--	445,800
Capital Outlay	--	--	21,300	148	21,448
Total Expenditures	3,534	14,409	467,100	148	485,191
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,316	(14,409)	73,710	(148)	66,469
OTHER FINANCING SOURCES (USES)					
Transfers In	--	12,298	--	--	12,298
Total Other Financing Sources (Uses)	--	12,298	--	--	12,298
Net Change in Fund Balances	7,316	(2,111)	73,710	(148)	78,767
Fund Balances - Beginning	40,644	41,707	554,638	--	636,989
Fund Balances - Ending	$ 47,960	$ 39,596	$ 628,348	$ (148)	$ 715,756

Capital Projects Funds							Total Nonmajor Governmental Funds
SPLOST	SPLOST 2010	SPLOST 2016	CDBG EIP Hospital	2018 CDBG Water	Recreation Project	Total	
$ --	$ --	$ 328,162	$ --	$ --	$ --	$ 328,162	$ 795,269
--	--	--	--	--	--	--	73,010
--	--	--	--	--	--	--	10,800
254	748	54	--	--	3,624	4,680	5,423
254	748	328,216	--	--	3,624	332,842	884,502
--	--	--	--	--	--	--	17,943
--	--	--	--	--	--	--	445,800
121,329	29,092	--	700	7,950	--	159,071	180,519
121,329	29,092	--	700	7,950	--	159,071	644,262
(121,075)	(28,344)	328,216	(700)	(7,950)	3,624	173,771	240,240
--	--	--	--	--	--	--	12,298
--	--	--	--	--	--	--	12,298
(121,075)	(28,344)	328,216	(700)	(7,950)	3,624	173,771	252,538
265,435	600,266	--	--	--	324,472	1,190,173	1,827,162
$ 144,360	$ 571,922	$ 328,216	$ (700)	$ (7,950)	$ 328,096	$ 1,363,944	$ 2,079,700

CITY OF ADEL, GEORGIA
Confiscated Assets Special Revenue Fund
Balance Sheet
September 30, 2018 and 2017

	2018	2017
ASSETS		
Restricted Assets		
Cash and Cash Equivalents	$ 47,960	$ 40,644
Total Assets	$ 47,960	$ 40,644
FUND BALANCES		
Restricted	$ 47,960	$ 40,644
Total Fund Balances	$ 47,960	$ 40,644

CITY OF ADEL, GEORGIA
Confiscated Assets Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2018 and 2017

	2018	2017
REVENUES		
Fines and Forfeitures	$ 10,800	$ 4,227
Interest Revenue	50	53
Total Revenues	10,850	4,280
EXPENDITURES		
Current		
Public Safety	3,534	2,752
Capital Outlay	--	5,500
Total Expenditures	3,534	8,252
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,316	(3,972)
Net Change in Fund Balances	7,316	(3,972)
Fund Balances - Beginning	40,644	44,616
Fund Balances - Ending	$ 47,960	$ 40,644

CITY OF ADEL, GEORGIA
Confiscated Assets Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2018

	Budget	Actual	Variance
REVENUES			
Fines and Forfeitures	$ 10,800	$ 10,800	$ --
Interest Revenue	50	50	--
Total Revenues	10,850	10,850	--
EXPENDITURES			
Current			
Public Safety	3,550	3,534	16
Total Expenditures	3,550	3,534	16
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,300	7,316	16
Net Change in Fund Balances	7,300	7,316	16
Fund Balances - Beginning	40,644	40,644	--
Fund Balances - Ending	$ 47,944	$ 47,960	$ 16

CITY OF ADEL, GEORGIA
Technology Special Revenue Fund
Balance Sheet
September 30, 2018 and 2017

	2018	2017
ASSETS		
Restricted Assets		
Cash and Cash Equivalents	$ 39,596	$ 40,542
Due From Other Funds		
General Fund	--	1,165
Total Assets	$ 39,596	$ 41,707
FUND BALANCES		
Restricted	$ 39,596	$ 41,707
Total Fund Balances	$ 39,596	$ 41,707

CITY OF ADEL, GEORGIA
Technology Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2018 and 2017

	2018	2017
EXPENDITURES		
Current		
Public Safety	$ 14,409	$ 14,996
Capital Outlay	--	16,749
Total Expenditures	14,409	31,745
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,409)	(31,745)
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	12,298	16,996
Total Other Financing Sources (Uses)	12,298	16,996
Net Change in Fund Balances	(2,111)	(14,749)
Fund Balances - Beginning	41,707	56,456
Fund Balances - Ending	$ 39,596	$ 41,707

CITY OF ADEL, GEORGIA
Technology Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2018

	Budget	Actual	Variance
EXPENDITURES			
Current			
Public Safety	$ 16,000	$ 14,409	$ 1,591
Total Expenditures	16,000	14,409	1,591
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,000)	(14,409)	1,591
OTHER FINANCING SOURCES (USES)			
Transfers In			
General Fund	16,000	12,298	(3,702)
Total Other Financing Sources (Uses)	16,000	12,298	(3,702)
Net Change in Fund Balances	--	(2,111)	(2,111)
Fund Balances - Beginning	41,707	41,707	--
Fund Balances - Ending	$ 41,707	$ 39,596	$ (2,111)

CITY OF ADEL, GEORGIA
Adel-Cook County Recreation Special Revenue Fund
Balance Sheet
September 30, 2018 and 2017

	2018	2017
ASSETS		
Cash and Cash Equivalents	$ 629,056	$ 535,986
Receivables		
Interest	--	273
Intergovernmental	85,256	78,392
Total Assets	$ 714,312	$ 614,651
LIABILITIES		
Accounts Payable	$ 3,559	$ 3,974
Due To Other Funds		
General Fund	37,912	9,692
Total Liabilities	41,471	13,666
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Intergovernmental	44,493	46,347
Total Deferred Inflows of Resources	44,493	46,347
FUND BALANCES		
Assigned	628,348	554,638
Total Fund Balances	628,348	554,638
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 714,312	$ 614,651

CITY OF ADEL, GEORGIA
Adel-Cook County Recreation Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2018 and 2017

	2018	2017
REVENUES		
Intergovernmental	$ 467,107	$ 492,581
Charges for Services	73,010	84,192
Interest Revenue	693	586
Total Revenues	540,810	577,359
EXPENDITURES		
Current		
Culture and Recreation	445,800	458,251
Capital Outlay	21,300	--
Total Expenditures	467,100	458,251
Excess (Deficiency) of Revenues Over (Under) Expenditures	73,710	119,108
Net Change in Fund Balances	73,710	119,108
Fund Balances - Beginning	554,638	435,530
Fund Balances - Ending	$ 628,348	$ 554,638

CITY OF ADEL, GEORGIA

Adel-Cook County Recreation Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2018

	Budget	Actual	Variance
REVENUES			
Intergovernmental	$ 462,270	$ 467,107	$ 4,837
Charges for Services	75,000	73,010	(1,990)
Interest Revenue	--	693	693
Total Revenues	537,270	540,810	3,540
EXPENDITURES			
Current			
Culture and Recreation	512,270	445,800	66,470
Capital Outlay	25,000	21,300	3,700
Total Expenditures	537,270	467,100	70,170
Excess (Deficiency) of Revenues Over (Under) Expenditures	--	73,710	73,710
Net Change in Fund Balances	--	73,710	73,710
Fund Balances - Beginning	554,638	554,638	--
Fund Balances - Ending	$ 554,638	$ 628,348	$ 73,710

CITY OF ADEL, GEORGIA
2018 CHIP Grant Special Revenue Fund
Balance Sheet
September 30, 2018 and 2017

	2018	2017
LIABILITIES		
Due To Other Funds		
General Fund	$ 148	$ --
Total Liabilities	148	--
FUND BALANCES		
Unassigned	(148)	--
Total Fund Balances	(148)	--
Total Liabilities and Fund Balances	$ --	$ --

CITY OF ADEL, GEORGIA
2018 CHIP Grant Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2018 and 2017

	2018	2017
EXPENDITURES		
Capital Outlay	$ 148	$ --
Total Expenditures	148	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	(148)	--
Net Change in Fund Balances	(148)	--
Fund Balances - Beginning	--	--
Fund Balances - Ending	$ (148)	$ --

CITY OF ADEL, GEORGIA
SPLOST Capital Projects Fund
Balance Sheet
September 30, 2018 and 2017

	2018	2017
ASSETS		
Cash and Cash Equivalents	$ 144,360	$ 265,435
Total Assets	$ 144,360	$ 265,435
FUND BALANCES		
Restricted	$ 144,360	$ 265,435
Total Fund Balances	$ 144,360	$ 265,435

CITY OF ADEL, GEORGIA
SPLOST Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2018 and 2017

	2018	2017
REVENUES		
Interest Revenue	$ 254	$ 416
Total Revenues	254	416
EXPENDITURES		
Capital Outlay	121,329	--
Total Expenditures	121,329	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	(121,075)	416
OTHER FINANCING SOURCES (USES)		
Transfers Out		
CDBG Drainage Project Capital Projects Fund	--	(61,005)
Transportation Enhancement Capital Projects Fund	--	(21,553)
Total Other Financing Sources (Uses)	--	(82,558)
Net Change in Fund Balances	(121,075)	(82,142)
Fund Balances - Beginning	265,435	347,577
Fund Balances - Ending	$ 144,360	$ 265,435

CITY OF ADEL, GEORGIA
SPLOST 2010 Capital Projects Fund
Balance Sheet
September 30, 2018 and 2017

	2018	2017
ASSETS		
Cash and Cash Equivalents	$ 571,922	$ 555,836
Receivables		
Intergovernmental	--	44,430
Total Assets	$ 571,922	$ 600,266
FUND BALANCES		
Restricted	$ 571,922	$ 600,266
Total Fund Balances	$ 571,922	$ 600,266

CITY OF ADEL, GEORGIA
SPLOST 2010 Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2018 and 2017

	2018	2017
REVENUES		
Intergovernmental	$ --	$ 265,898
Interest Revenue	748	881
Total Revenues	748	266,779
EXPENDITURES		
Capital Outlay	29,092	308,221
Total Expenditures	29,092	308,221
Excess (Deficiency) of Revenues Over (Under) Expenditures	(28,344)	(41,442)
Net Change in Fund Balances	(28,344)	(41,442)
Fund Balances - Beginning	600,266	641,708
Fund Balances - Ending	$ 571,922	$ 600,266

CITY OF ADEL, GEORGIA
SPLOST 2016 Capital Projects Fund
Balance Sheet
September 30, 2018 and 2017

	2018	2017
ASSETS		
Cash and Cash Equivalents	$ 272,577	$ --
Receivables		
Intergovernmental	55,639	--
Total Assets	$ 328,216	$ --
FUND BALANCES		
Restricted	$ 328,216	$ --
Total Fund Balances	$ 328,216	$ --

CITY OF ADEL, GEORGIA
SPLOST 2016 Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2018 and 2017

	2018	2017
REVENUES		
Intergovernmental	$ 328,162	$ --
Interest Revenue	54	--
Total Revenues	328,216	--
EXPENDITURES		
Capital Outlay	--	--
Total Expenditures	--	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	328,216	--
Net Change in Fund Balances	328,216	--
Fund Balances - Beginning	--	--
Fund Balances - Ending	$ 328,216	$ --

CITY OF ADEL, GEORGIA
CDBG EIP Hospital Capital Projects Fund
Balance Sheet
September 30, 2018 and 2017

	2018	2017
LIABILITIES		
Accounts Payable	$ 700	$ --
Total Liabilities	700	--
FUND BALANCES		
Unassigned	(700)	--
Total Liabilities and Fund Balances	$ --	$ --

CITY OF ADEL, GEORGIA
CDBG EIP Hospital Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2018 and 2017

	2018	2017
EXPENDITURES		
Capital Outlay	$ 700	$ --
Total Expenditures	700	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	(700)	--
Net Change in Fund Balances	(700)	--
Fund Balances - Beginning	--	--
Fund Balances - Ending	$ (700)	$ --

CITY OF ADEL, GEORGIA
2018 CDBG Water Capital Projects Fund
Balance Sheet
September 30, 2018 and 2017

	2018	2017
LIABILITIES		
Accounts Payable	$ 7,950	$ --
Total Liabilities	7,950	--
FUND BALANCES		
Unassigned	(7,950)	--
Total Liabilities and Fund Balances	$ --	$ --

CITY OF ADEL, GEORGIA
2018 CDBG Water Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2018 and 2017

	2018	2017
EXPENDITURES		
Capital Outlay	$ 7,950	$ --
Total Expenditures	7,950	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,950)	--
Net Change in Fund Balances	(7,950)	--
Fund Balances - Beginning	--	--
Fund Balances - Ending	$ (7,950)	$ --

CITY OF ADEL, GEORGIA
Recreation Project Capital Projects Fund
Balance Sheet
September 30, 2018 and 2017

	2018	2017
ASSETS		
Cash and Cash Equivalents	$ 326,919	$ 322,535
Receivables		
Interest	1,177	1,937
Total Assets	$ 328,096	$ 324,472
FUND BALANCES		
Assigned	$ 328,096	$ 324,472
Total Fund Balances	$ 328,096	$ 324,472

CITY OF ADEL, GEORGIA
Recreation Project Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2018 and 2017

	2018	2017
REVENUES		
Interest Revenue	$ 3,624	$ 2,580
Total Revenues	3,624	2,580
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,624	2,580
Net Change in Fund Balances	3,624	2,580
Fund Balances - Beginning	324,472	321,892
Fund Balances - Ending	$ 328,096	$ 324,472

Major Proprietary Funds

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City's Council is that costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City's Council has decided that periodic determination of net income is appropriate for accountability purposes.

Electric Fund - This fund is used to account for electricity provided to City residents and businesses.

Gas Fund - This fund is used to account for natural gas provided to City residents and businesses.

Water Fund - This fund is used to account for water provided to City residents and businesses.

Sewer Fund - This fund is used to account for sewer services provided to City residents and businesses.

Combined Public Utility System Authority Fund - This fund was originally used to account for electricity, natural gas, water and sewer services provided to City residents and businesses during the period revenue bonds were outstanding. All activities necessary to provide such services, including financing and related debt service, were included in this fund.

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Net Position
September 30, 2018 and 2017

	2018	2017
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 110,371	$ 49,903
Investments	8,241,653	7,647,827
Receivables (Net of Allowance for Uncollectibles)		
Accounts	1,092,763	1,037,073
Due From Other Funds		
General Fund	1,096,485	5,501,293
Sewer Enterprise Fund	540	--
Inventories	616,839	623,086
Prepaid Items	23,413	8,495
Total Current Assets	11,182,064	14,867,677
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	39,979	39,979
Construction in Progress	462,502	--
Capital Assets Net of Accumulated Depreciation		
Buildings and System	4,736,780	5,132,398
Improvements Other than Buildings	60,306	64,306
Machinery and Equipment	1,133,816	1,201,511
Accumulated Depreciation	(4,346,308)	(4,703,569)
Total Capital Assets Net of Accumulated Depreciation	2,087,075	1,734,625
Total Noncurrent Assets	2,087,075	1,734,625
Total Assets	13,269,139	16,602,302
DEFERRED OUTFLOWS OF RESOURCES		
Pension	212,713	187,371
Total Deferred Outflows of Resources	212,713	187,371

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Net Position
September 30, 2018 and 2017

	2018	2017
LIABILITIES		
Current Liabilities		
Accounts Payable	969,654	784,349
Accrued Liabilities	17,480	6,133
Intergovernmental Payable	48,583	46,505
Due To Other Funds		
Gas Enterprise Fund	13,135	40,159
Water Enterprise Fund	21,700	405,074
Sewer Enterprise Fund	--	62,888
Unearned Revenue	--	9,248
Customer Deposits	445,244	446,859
Total Current Liabilities	1,515,796	1,801,215
Noncurrent Liabilities		
Compensated Absences	40,038	36,519
Net Pension Liability	28,230	145,343
Total Noncurrent Liabilities	68,268	181,862
Total Liabilities	1,584,064	1,983,077
DEFERRED INFLOWS OF RESOURCES		
Pension	191,961	105,953
Total Deferred Inflows of Resources	191,961	105,953
NET POSITION		
Investment In Capital Assets	2,087,075	1,734,625
Unrestricted	9,618,752	12,966,018
Total Net Position	$ 11,705,827	$ 14,700,643

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2018 and 2017

	2018	2017
OPERATING REVENUES		
Charges for Services	$ 13,211,640	$ 12,748,758
Total Operating Revenues	13,211,640	12,748,758
OPERATING EXPENSES		
Personal Services and Employee Benefits	779,712	752,221
Purchased/Contracted Services	352,717	392,075
Supplies	8,402,819	8,130,251
Depreciation	138,372	147,035
Total Operating Expenses	9,673,620	9,421,582
Operating Income (Loss)	3,538,020	3,327,176
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental	17,593	--
Interest Revenue	133	136
Investment Earnings	70,979	68,235
Miscellaneous	1,485	--
Gain (Loss) on Disposition of Capital Assets	(4,179)	--
Total Nonoperating Revenues (Expenses)	86,011	68,371
Income (Loss) Before Contributions and Transfers	3,624,031	3,395,547
Transfers In		
Gas Enterprise Fund	40,159	--
Water Enterprise Fund	405,074	--
Sewer Enterprise Fund	62,888	--
Transfers Out		
General Fund	(7,126,968)	(1,498,025)
Changes in Net Position	(2,994,816)	1,897,522
Net Position - Beginning	14,700,643	12,803,121
Net Position - Ending	$ 11,705,827	$ 14,700,643

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2018 and 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 13,147,165	$ 12,783,485
Payments to Suppliers	(8,715,301)	(8,456,691)
Payments to Employees	(821,293)	(781,793)
Net Cash Provided (Used) by Operating Activities	3,610,571	3,545,001
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Intergovernmental	17,593	--
Transfers To Other Funds	(1,625,675)	(1,498,025)
Due From Other Funds	(1,097,025)	(1,686,024)
Due To Other Funds	34,835	20,102
Other	1,485	--
Net Cash Provided (Used) by Noncapital Financing Activities	(2,668,787)	(3,163,947)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(358,602)	--
Net Cash Provided (Used) by Capital and Related Financing Activities	(358,602)	--
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(692,873)	(598,380)
Interest Received	133	136
Dividends Received	170,026	117,487
Net Cash Provided (Used) by Investing Activities	(522,714)	(480,757)
Net Increase (Decrease) in Cash and Cash Equivalents	60,468	(99,703)
Cash and Cash Equivalents - Beginning of Year	49,903	149,606
Cash and Cash Equivalents - End of Year	$ 110,371	$ 49,903

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2018 and 2017

	2018	2017
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 3,538,020	$ 3,327,176
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	138,372	147,035
(Increase) Decrease in Accounts Receivable	(55,690)	10,382
(Increase) Decrease in Inventories	6,247	101,732
(Increase) Decrease in Prepaid Items	(14,918)	(255)
(Increase) Decrease in Deferred Outflows of Resources	(25,342)	97,678
Increase (Decrease) in Accounts Payable	48,906	(35,842)
Increase (Decrease) in Accrued Liabilities	11,347	352
Increase (Decrease) in Unearned Revenue	(9,248)	--
Increase (Decrease) in Compensated Absences Payable	3,519	(7,215)
Increase (Decrease) in Intergovernmental Payables	2,078	2,945
Increase (Decrease) in Customer Deposits	(1,615)	21,400
Increase (Decrease) in Net Pension Liability	(117,113)	(173,888)
Increase (Decrease) in Deferred Inflows of Resources	86,008	53,501
Net Cash Provided (Used) by Operating Activities	$ 3,610,571	$ 3,545,001
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Net Increase (Decrease) in Fair Value of Investments	$ (99,047)	$ (48,252)
Due From Other Funds	$ 5,501,293	$ --
Due To Other Funds	$ 508,121	$ --

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CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Net Position
September 30, 2018 and 2017

	2018	2017
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 62,980	$ 66,372
Receivables (Net of Allowance for Uncollectibles)		
Accounts	22,675	26,719
Due From Other Funds		
Electric Enterprise Fund	13,135	40,159
Sewer Enterprise Fund	12,050	--
Inventories	23,601	23,225
Prepaid Items	9,720	2,753
Total Current Assets	144,161	159,228
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Construction in Progress	--	211,547
Capital Assets Net of Accumulated Depreciation		
Buildings and System	3,150,552	2,913,870
Machinery and Equipment	203,970	206,199
Accumulated Depreciation	(1,159,791)	(1,087,071)
Total Capital Assets Net of Accumulated Depreciation	2,194,731	2,244,545
Total Noncurrent Assets	2,194,731	2,244,545
Total Assets	2,338,892	2,403,773
DEFERRED OUTFLOWS OF RESOURCES		
Pension	78,528	69,807
Total Deferred Outflows of Resources	78,528	69,807

CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Net Position
September 30, 2018 and 2017

	2018	2017
LIABILITIES		
Current Liabilities		
Accounts Payable	56,716	66,299
Accrued Liabilities	5,334	2,037
Intergovernmental Payable	8,304	7,785
Due To Other Funds		
General Fund	27,192	1,723,534
Water Enterprise Fund	78,440	64,328
Sewer Enterprise Fund	--	74,050
Customer Deposits	31,875	33,870
Total Current Liabilities	207,861	1,971,903
Noncurrent Liabilities		
Compensated Absences	14,443	13,018
Net Pension Liability	10,376	54,114
Total Noncurrent Liabilities	24,819	67,132
Total Liabilities	232,680	2,039,035
DEFERRED INFLOWS OF RESOURCES		
Pension	70,558	39,449
Total Deferred Inflows of Resources	70,558	39,449
NET POSITION		
Investment In Capital Assets	2,194,731	2,244,545
Unrestricted	(80,549)	(1,849,449)
Total Net Position	$ 2,114,182	$ 395,096

CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2018 and 2017

	2018	2017
OPERATING REVENUES		
Charges for Services	$ 1,060,424	$ 1,032,407
Total Operating Revenues	1,060,424	1,032,407
OPERATING EXPENSES		
Personal Services and Employee Benefits	299,618	289,061
Purchased/Contracted Services	81,564	72,433
Supplies	614,860	604,121
Depreciation	73,277	72,318
Total Operating Expenses	1,069,319	1,037,933
Operating Income (Loss)	(8,895)	(5,526)
NONOPERATING REVENUES (EXPENSES)		
Miscellaneous	--	610
Gain (Loss) on Disposition of Capital Assets	(1,672)	--
Total Nonoperating Revenues (Expenses)	(1,672)	610
Income (Loss) Before Contributions and Transfers	(10,567)	(4,916)
Transfers In		
General Fund	1,723,534	--
Water Enterprise Fund	64,328	--
Sewer Enterprise Fund	74,050	--
Transfers Out		
General Fund	(92,100)	(79,250)
Electric Enterprise Fund	(40,159)	--
Changes in Net Position	1,719,086	(84,166)
Net Position - Beginning	395,096	479,262
Net Position - Ending	$ 2,114,182	$ 395,096

CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2018 and 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 1,062,992	$ 1,052,088
Payments to Suppliers	(713,350)	(650,643)
Payments to Employees	(316,246)	(297,024)
Net Cash Provided (Used) by Operating Activities	33,396	104,421
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers To Other Funds	(92,100)	(79,250)
Due From Other Funds	(25,185)	(4,430)
Due To Other Funds	105,632	380,809
Other	--	610
Net Cash Provided (Used) by Noncapital Financing Activities	(11,653)	297,739
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(25,135)	(430,172)
Net Cash Provided (Used) by Capital and Related Financing Activities	(25,135)	(430,172)
Net Increase (Decrease) in Cash and Cash Equivalents	(3,392)	(28,012)
Cash and Cash Equivalents - Beginning of Year	66,372	94,384
Cash and Cash Equivalents - End of Year	$ 62,980	$ 66,372
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ (8,895)	$ (5,526)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	73,277	72,318
(Increase) Decrease in Accounts Receivable	4,044	18,032
(Increase) Decrease in Inventories	(376)	12,272
(Increase) Decrease in Prepaid Items	(6,967)	(288)
(Increase) Decrease in Deferred Outflows of Resources	(8,721)	36,537
Increase (Decrease) in Accounts Payable	(9,583)	13,927
Increase (Decrease) in Accrued Liabilities	3,297	314
Increase (Decrease) in Compensated Absences Payable	1,425	287
Increase (Decrease) in Intergovernmental Payables	519	(1)
Increase (Decrease) in Customer Deposits	(1,995)	1,650
Increase (Decrease) in Net Pension Liability	(43,738)	(64,982)
Increase (Decrease) in Deferred Inflows of Resources	31,109	19,881
Net Cash Provided (Used) by Operating Activities	$ 33,396	$ 104,421
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Due From Other Funds	$ 40,159	$ --
Due To Other Funds	$ 1,861,912	$ --

CITY OF ADEL, GEORGIA
Water Enterprise Fund
Statement of Net Position
September 30, 2018 and 2017

	2018	2017
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 1,104,036	$ 988,352
Receivables (Net of Allowance for Uncollectibles)		
Accounts	55,131	45,260
Due From Other Funds		
Electric Enterprise Fund	21,700	405,074
Gas Enterprise Fund	78,440	64,328
Sewer Enterprise Fund	148,125	764,419
Inventories	125,853	148,863
Prepaid Items	9,958	5,638
Total Current Assets	1,543,243	2,421,934
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	5,175	5,175
Capital Assets Net of Accumulated Depreciation		
Buildings and System	7,240,524	7,190,545
Improvements Other than Buildings	10,253	10,253
Machinery and Equipment	308,275	371,433
Accumulated Depreciation	(4,665,048)	(4,594,786)
Total Capital Assets Net of Accumulated Depreciation	2,899,179	2,982,620
Total Noncurrent Assets	2,899,179	2,982,620
Total Assets	4,442,422	5,404,554
DEFERRED OUTFLOWS OF RESOURCES		
Pension	67,127	57,589
Total Deferred Outflows of Resources	67,127	57,589

CITY OF ADEL, GEORGIA
Water Enterprise Fund
Statement of Net Position
September 30, 2018 and 2017

	2018	2017
LIABILITIES		
Current Liabilities		
Accounts Payable	35,703	74,265
Accrued Liabilities	4,119	1,552
Due To Other Funds		
General Fund	23,734	1,087,047
Customer Deposits	15,124	15,019
Notes Payable	40,491	--
Total Current Liabilities	119,171	1,177,883
Noncurrent Liabilities		
Compensated Absences	6,121	2,793
Net Pension Liability	8,998	44,628
Notes Payable	866,165	907,031
Total Noncurrent Liabilities	881,284	954,452
Total Liabilities	1,000,455	2,132,335
DEFERRED INFLOWS OF RESOURCES		
Pension	61,187	32,533
Total Deferred Inflows of Resources	61,187	32,533
NET POSITION		
Net Investment in Capital Assets	1,992,523	2,075,589
Unrestricted	1,455,384	1,221,686
Total Net Position	$ 3,447,907	$ 3,297,275

CITY OF ADEL, GEORGIA
Water Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2018 and 2017

	2018	2017
OPERATING REVENUES		
Charges for Services	$ 864,332	$ 852,453
Total Operating Revenues	864,332	852,453
OPERATING EXPENSES		
Personal Services and Employee Benefits	253,033	235,119
Purchased/Contracted Services	108,699	98,562
Supplies	226,383	158,977
Depreciation	131,749	119,914
Total Operating Expenses	719,864	612,572
Operating Income (Loss)	144,468	239,881
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental	229,175	--
Miscellaneous	893	--
Interest	(10,108)	(8,024)
Gain (Loss) on Disposition of Capital Assets	(1,672)	--
Total Nonoperating Revenues (Expenses)	218,288	(8,024)
Income (Loss) Before Contributions and Transfers	362,756	231,857
Transfers In		
General Fund	1,087,047	--
Transfers Out		
General Fund	(65,350)	(62,850)
Electric Enterprise Fund	(405,074)	--
Gas Enterprise Fund	(64,328)	--
Sewer Enterprise Fund	(764,419)	--
Changes in Net Position	150,632	169,007
Net Position - Beginning	3,297,275	3,128,268
Net Position - Ending	$ 3,447,907	$ 3,297,275

CITY OF ADEL, GEORGIA
Water Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2018 and 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 854,566	$ 852,624
Payments to Suppliers	(345,546)	(232,509)
Payments to Employees	(263,652)	(241,867)
Net Cash Provided (Used) by Operating Activities	245,368	378,248
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers To Other Funds	(65,350)	(62,850)
Due From Other Funds	(248,265)	(214,516)
Due To Other Funds	23,734	(34,587)
Other	893	--
Net Cash Provided (Used) by Noncapital Financing Activities	(288,988)	(311,953)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from Capital Debt	9,666	247,074
Acquisition and Construction of Capital Assets	(59,388)	(145,077)
Principal Paid on Capital Debt	(10,041)	--
Interest Paid on Capital Debt	(10,108)	(8,024)
Grants	229,175	--
Net Cash Provided (Used) by Capital and Related Financing Activities	159,304	93,973
Net Increase (Decrease) in Cash and Cash Equivalents	115,684	160,268
Cash and Cash Equivalents - Beginning of Year	988,352	828,084
Cash and Cash Equivalents - End of Year	$ 1,104,036	$ 988,352
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 144,468	$ 239,881
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	131,749	119,914
(Increase) Decrease in Accounts Receivable	(9,871)	71
(Increase) Decrease in Inventories	23,010	3,845
(Increase) Decrease in Prepaid Items	(4,320)	734
(Increase) Decrease in Deferred Outflows of Resources	(9,538)	30,206
Increase (Decrease) in Accounts Payable	(29,154)	20,451
Increase (Decrease) in Accrued Liabilities	2,567	301
Increase (Decrease) in Compensated Absences Payable	3,328	62
Increase (Decrease) in Customer Deposits	105	100
Increase (Decrease) in Net Pension Liability	(35,630)	(53,695)
Increase (Decrease) in Deferred Inflows of Resources	28,654	16,378
Net Cash Provided (Used) by Operating Activities	$ 245,368	$ 378,248
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Purchase of Capital Assets on Account	$ 5,430	$ 14,838
Due From Other Funds	$ 1,233,821	$ --
Due To Other Funds	$ 1,087,047	$ --
Transfer of Capital Assets to Inventory	$ --	$ 83,270

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Net Position
September 30, 2018 and 2017

	2018	2017
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 5,099	$ 42,185
Receivables (Net of Allowance for Uncollectibles)		
Accounts	66,653	91,159
Due From Other Funds		
General Fund	576,777	2,472,343
Electric Enterprise Fund	--	62,888
Gas Enterprise Fund	--	74,050
Inventories	6,308	5,894
Prepaid Items	11,739	6,340
Total Current Assets	666,576	2,754,859
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	851,037	851,037
Construction in Progress	20,718	--
Capital Assets Net of Accumulated Depreciation		
Buildings and System	10,592,661	10,440,715
Improvements Other than Buildings	52,835	52,835
Machinery and Equipment	437,097	423,962
Accumulated Depreciation	(7,612,975)	(7,439,517)
Total Capital Assets Net of Accumulated Depreciation	4,341,373	4,329,032
Total Noncurrent Assets	4,341,373	4,329,032
Total Assets	5,007,949	7,083,891
DEFERRED OUTFLOWS OF RESOURCES		
Pension	96,825	84,555
Total Deferred Outflows of Resources	96,825	84,555

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Net Position
September 30, 2018 and 2017

	2018	2017
LIABILITIES		
Current Liabilities		
Accounts Payable	35,498	52,097
Accrued Liabilities	6,698	2,488
Due To Other Funds		
Electric Enterprise Fund	540	--
Gas Enterprise Fund	12,050	--
Water Enterprise Fund	148,125	764,419
Notes Payable	28,980	28,112
Total Current Liabilities	231,891	847,116
Noncurrent Liabilities		
Compensated Absences	18,392	16,573
Net Pension Liability	12,883	65,506
Notes Payable	17,778	46,759
Total Noncurrent Liabilities	49,053	128,838
Total Liabilities	280,944	975,954
DEFERRED INFLOWS OF RESOURCES		
Pension	87,602	47,753
Total Deferred Inflows of Resources	87,602	47,753
NET POSITION		
Net Investment in Capital Assets	4,294,615	4,254,161
Unrestricted	441,613	1,890,578
Total Net Position	$ 4,736,228	$ 6,144,739

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2018 and 2017

	2018	2017
OPERATING REVENUES		
Charges for Services	$ 1,282,051	$ 1,216,341
Total Operating Revenues	1,282,051	1,216,341
OPERATING EXPENSES		
Personal Services and Employee Benefits	341,577	332,323
Purchased/Contracted Services	116,014	132,431
Supplies	166,538	142,622
Depreciation	193,046	191,192
Total Operating Expenses	817,175	798,568
Operating Income (Loss)	464,876	417,773
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental	3,139	--
Miscellaneous	--	24,298
Interest	(2,371)	(3,423)
Gain (Loss) on Disposition of Capital Assets	(1,672)	--
Total Nonoperating Revenues (Expenses)	(904)	20,875
Income (Loss) Before Contributions and Transfers	463,972	438,648
Capital Contributions	121,329	--
Transfers In		
Water Enterprise Fund	764,419	--
Transfers Out		
General Fund	(2,621,293)	(192,650)
Electric Enterprise Fund	(62,888)	--
Gas Enterprise Fund	(74,050)	--
Changes in Net Position	(1,408,511)	245,998
Net Position - Beginning	6,144,739	5,898,741
Net Position - Ending	$ 4,736,228	$ 6,144,739

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2018 and 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 1,306,557	$ 1,240,519
Payments to Suppliers	(304,964)	(238,745)
Payments to Employees	(360,592)	(342,329)
Net Cash Provided (Used) by Operating Activities	641,001	659,445
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Intergovernmental	3,139	--
Transfers To Other Funds	(148,950)	(192,650)
Due From Other Funds	(576,777)	(567,523)
Due To Other Funds	160,715	139,088
Other	--	24,298
Net Cash Provided (Used) by Noncapital Financing Activities	(561,873)	(596,787)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(85,730)	(66,648)
Principal Paid on Capital Debt	(28,113)	(27,059)
Interest Paid on Capital Debt	(2,371)	(3,423)
Net Cash Provided (Used) by Capital and Related Financing Activities	(116,214)	(97,130)
Net Increase (Decrease) in Cash and Cash Equivalents	(37,086)	(34,472)
Cash and Cash Equivalents - Beginning of Year	42,185	76,657
Cash and Cash Equivalents - End of Year	$ 5,099	$ 42,185
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 464,876	$ 417,773
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	193,046	191,192
(Increase) Decrease in Accounts Receivable	24,506	24,178
(Increase) Decrease in Inventories	(414)	596
(Increase) Decrease in Prepaid Items	(5,399)	919
(Increase) Decrease in Deferred Outflows of Resources	(12,270)	44,427
Increase (Decrease) in Accounts Payable	(16,599)	34,793
Increase (Decrease) in Accrued Liabilities	4,210	281
Increase (Decrease) in Compensated Absences Payable	1,819	210
Increase (Decrease) in Net Pension Liability	(52,623)	(78,943)
Increase (Decrease) in Deferred Inflows of Resources	39,849	24,019
Net Cash Provided (Used) by Operating Activities	$ 641,001	$ 659,445
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Contributions of Capital Assets from Governmental Funds	$ 121,329	$ --
Due From Other Funds	$ 2,609,281	$ --
Due To Other Funds	$ 764,419	$ --

CITY OF ADEL, GEORGIA
Combined Public Utility System Enterprise Fund
Statement of Net Position
September 30, 2018 and 2017

	2018	2017
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 3,847,382	$ 3,829,972
Receivables (Net of Allowance for Uncollectibles)		
Interest	5,856	3,331
Due From Other Funds		
General Fund	--	399
Total Current Assets	3,853,238	3,833,702
Total Assets	3,853,238	3,833,702
NET POSITION		
Unrestricted	3,853,238	3,833,702
Total Net Position	$ 3,853,238	$ 3,833,702

CITY OF ADEL, GEORGIA
Combined Public Utility System Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2018 and 2017

	2018	2017
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	$ 19,885	$ 14,245
Total Nonoperating Revenues (Expenses)	19,885	14,245
Income (Loss) Before Contributions and Transfers	19,885	14,245
Transfers Out		
General Fund	(349)	--
Changes in Net Position	19,536	14,245
Net Position - Beginning	3,833,702	3,819,457
Net Position - Ending	$ 3,853,238	$ 3,833,702

CITY OF ADEL, GEORGIA
Combined Public Utility System Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2018 and 2017

	2018	2017
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Due From Other Funds	$ 50	$ --
Net Cash Provided (Used) by Noncapital Financing Activities	50	--
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	17,360	14,268
Net Cash Provided (Used) by Investing Activities	17,360	14,268
Net Increase (Decrease) in Cash and Cash Equivalents	17,410	14,268
Cash and Cash Equivalents - Beginning of Year	3,829,972	3,815,704
Cash and Cash Equivalents - End of Year	$ 3,847,382	$ 3,829,972

SUPPLEMENTAL SCHEDULES

CITY OF ADEL, GEORGIA
General Fund
Schedule of Revenues
For the Years Ended September 30, 2018 and 2017

	2018	2017
REVENUES		
Taxes		
Real Property	$ 748,746	$ 591,950
Personal Property	126,979	115,263
Real Estate Transfer (Intangible)	1,566	1,568
Franchise	80,241	80,416
General Sales and Use	255,950	239,679
Selective Sales and Use	146,697	145,411
Business		
Business and Occupation	81,506	79,939
Insurance Premium	354,370	332,792
Financial Institution	25,856	25,479
Penalties and Interest on Delinquent Taxes	19,611	8,012
	1,841,522	1,620,509
Licenses and Permits		
Business	20,700	22,150
	20,700	22,150
Intergovernmental	289,668	117,517
Charges for Services		
General Government	4,402	3,548
Public Safety	807	1,499
Public Works	983,025	940,165
	988,234	945,212
Fines and Forfeitures	732,147	955,551
Interest Revenue	45,781	27,989
Contributions and Donations	900	1,144
Miscellaneous	17,988	36,845
Total Revenues	$ 3,936,940	$ 3,726,917

CITY OF ADEL, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended September 30, 2018 and 2017

	2018	2017
EXPENDITURES		
Current		
General Government		
Mayor and Council		
Personal Services and Employee Benefits	$ 72,163	$ 60,708
Purchased/Contracted Services	74,843	60,935
Supplies	2,652	4,662
Total Mayor and Council	149,658	126,305
Elections		
Purchased/Contracted Services	--	2,160
Total Elections	--	2,160
Administration		
Personal Services and Employee Benefits	234,841	220,201
Purchased/Contracted Services	127,995	111,291
Supplies	45,698	54,857
Other Costs	8,217	8,091
Total Administration	416,751	394,440
Attorney		
Purchased/Contracted Services	4,500	5,000
Total Attorney	4,500	5,000
Total General Government	570,909	527,905
Judicial		
Judge		
Purchased/Contracted Services	25,340	28,146
Total Judge	25,340	28,146
Total Judicial	25,340	28,146
Public Safety		
Police		
Personal Services and Employee Benefits	1,496,108	1,440,440
Purchased/Contracted Services	140,672	163,413
Supplies	129,311	127,639
Capital Outlay	150,769	170,100
Other Costs	305,102	373,513
Total Police	2,221,962	2,275,105
Fire		
Personal Services and Employee Benefits	1,071,195	967,631
Purchased/Contracted Services	36,516	47,779
Supplies	46,471	43,049
Capital Outlay	13,495	37,848
Total Fire	1,167,677	1,096,307

CITY OF ADEL, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended September 30, 2018 and 2017

	2018	2017
Volunteer Fire		
Personal Services and Employee Benefits	52,336	48,316
Purchased/Contracted Services	837	709
Supplies	398	1,799
Total Volunteer Fire	53,571	50,824
Animal Control		
Personal Services and Employee Benefits	51,817	49,285
Purchased/Contracted Services	7,615	9,972
Supplies	17,299	17,028
Capital Outlay	24,112	--
Total Animal Control	100,843	76,285
Total Public Safety	3,544,053	3,498,521
Public Works		
Street		
Personal Services and Employee Benefits	235,192	229,990
Purchased/Contracted Services	127,990	224,688
Supplies	211,012	179,712
Capital Outlay	15,216	21,601
Total Street	589,410	655,991
Sanitation		
Personal Services and Employee Benefits	416,496	382,967
Purchased/Contracted Services	470,570	295,310
Supplies	64,111	47,388
Capital Outlay	285,065	4,127
Other Costs	5,000	5,000
Total Sanitation	1,241,242	734,792
Maintenance		
Personal Services and Employee Benefits	103,204	67,148
Purchased/Contracted Services	3,693	3,922
Supplies	10,766	8,003
Total Maintenance	117,663	79,073
Other Public Works		
Other Costs	4,200	4,200
Total Other Public Works	4,200	4,200
Total Public Works	1,952,515	1,474,056

CITY OF ADEL, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended September 30, 2018 and 2017

	2018	2017
Culture and Recreation		
Parks		
Purchased/Contracted Services	1,731	1,539
Supplies	4,326	4,932
Capital Outlay	35,514	--
Total Parks	41,571	6,471
Other Culture and Recreation		
Other Costs	33,800	33,800
Total Other Culture and Recreation	33,800	33,800
Total Culture and Recreation	75,371	40,271
Housing and Development		
Inspection		
Purchased/Contracted Services	5,334	1,375
Other Costs	12,250	12,250
Total Inspection	17,584	13,625
Community Development Director		
Personal Services and Employee Benefits	8,608	--
Purchased/Contracted Services	4,583	--
Supplies	1,947	--
Total Community Development Director	15,138	--
Downtown Development Director		
Personal Services and Employee Benefits	23,552	--
Purchased/Contracted Services	7,094	--
Supplies	7,588	--
Total Downtown Development Director	38,234	--
Other Housing and Development		
Other Costs	78,500	68,500
Total Other Housing and Development	78,500	68,500
Total Housing and Development	149,456	82,125
Debt Service	178,029	196,770
Total Expenditures	$ 6,495,673	$ 5,847,794

CITY OF ADEL, GEORGIA
Schedule of Projects Constructed with Special Sales Tax Proceeds
For the Year Ended September 30, 2018

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
2005 SPLOST - 10/1/2005 - 9/30/2011	$ 1,431,823	$ 1,457,650				100%
Water, Sewer and Natural Gas			$ 404,956	$ 121,329	$ 526,285	
Road, Streets and Bridges			931,365	--	931,365	
Administrative Facilities			--	--	--	
Public Safety Facilities			--	--	--	
	$ 1,431,823	$ 1,457,650	$ 1,336,321	$ 121,329	$ 1,457,650	
SPLOST Capital Projects Fund						
Total Expenditures				$ 121,329		
				$ 121,329		
2010 SPLOST - 10/1/2011 - 9/30/2017	$ 1,400,000	$ 1,400,000				59%
Road, Streets and Bridges			$ 791,715	$ 29,092	$ 820,807	
Water, Sewer and Natural Gas			--	--	--	
Public Safety Facilities			--	--	--	
Administrative Facilities			--	--	--	
	$ 1,400,000	$ 1,400,000	$ 791,715	$ 29,092	$ 820,807	
SPLOST 2010 Capital Projects Fund						
Total Expenditures				$ 29,092		
				$ 29,092		
2016 SPLOST - 10/1/2017 - 9/30/2023	$ 1,935,135	$ 1,935,135				0%
Road, Streets and Bridges			$ --	$ --	$ --	
Water, Sewer and Natural Gas			--	--	--	
General Capital Outlay			--	--	--	
	$ 1,935,135	$ 1,935,135	$ --	$ --	$ --	
SPLOST 2016 Capital Projects Fund						
Total Expenditures				$ --		
				$ --		

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Georgia Society of
Certified Public Accountants

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

To the Honorable Mayor and City Council
City of Adel, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Adel, Georgia, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise City of Adel, Georgia's basic financial statements, and have issued our report thereon dated August 16, 2019.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. 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 City of Adel, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do

not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Meeks CPA, LLP

Ocilla, Georgia
August 16, 2019