CITY OF EAST DUBLIN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

June 30, 2019

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Prepared under the authority of the City Clerk

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December 18, 2019

Honorable George Gornto, Mayor
And Members of the City Council
City of East Dublin
East Dublin, GA 31027

Mayor and Council Members:

The comprehensive annual financial report of the City of East Dublin, Georgia for the fiscal year ended June 30, 2019 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the government. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the government. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The comprehensive annual financial report is divided into an introductory section, financial section, and statistical section:

- The **introductory section** is intended to familiarize the reader with the organization structure of the City, the nature and scope of the services it provides, and the specifics of its operating environment within the context of the local economy.
- The **financial section** includes the independent auditors' report, basic financial statements, the combining and individual fund and statements and schedules, and other supplementary information. GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A).
- The **statistical section** provides readers with additional historical perspective, content, and detail to assist in understanding the information in the financial statements, notes to the financial statements, required supplementary information, and for assessing the City's economic condition.

The City is required to have an audit in conformity with Governmental Auditing Standards. The auditors' report on compliance and internal control over financial reporting is included in this report.

This report includes all funds of the government. The government provides a full range of services. These services include police protection, fire protection, the construction and maintenance of streets and drainage improvements, planning and zoning, engineering, building and code enforcement, refuse collection, and water and sewer service.

A Mayor and five (5) City Council members serve the City of East Dublin. The Mayor and two City Council members are elected at large. Three City Council members are elected from districts. All serve four (4) year terms. The City Council serve as the legislative body responsible for enacting City ordinances, resolutions, appropriating funds, and providing policy direction to the City. The Mayor appoints a City Attorney, City

Auditor, Municipal Court Judge, a zoning board an appeals board. The City Council annually adopts a balanced budget and establishes a tax rate for the support of the City programs. The Mayor and Department Directors have the responsibility of administering these programs in accordance with policies and the annual budget adopted by the City Council.

General Information. The City of East Dublin is located in Laurens County. East Dublin was incorporated on February 12, 1952.

Economic Condition and Outlook

The City of East Dublin is located in central Laurens County, which is located in the central part of the state, approximately 135 miles south of Atlanta. The economic condition and outlook of the City remain strong as the area is predicted to have a sustained growth pattern through 2020. City leaders have recognized and plans have been developed and/or implemented to maintain balanced, controlled and planned developments in concert with an economic development plan that encourages appropriate growth. The City has still been able to provide its services at a cost per capita that is comparable to other communities with similar demographic and economic characteristics.

The financial position of the City has continued to be strong. This is primarily a result of a careful budget management and expenditure of funds. The City has been able to maintain low millage rates on Ad Valorem taxes for the past several years.

Future stability for the City of East Dublin is good based upon the solid fund equity balance that is maintained in the funds. This shows that the city has goals and objectives that can be met in the public service area; police and fire protection, street and drainage improvements, and infrastructure.

Major Initiatives
Mayor and City Council:

Overall Goals and Objectives – (1). Achieve all goals while striving for the lowest total cost for public services with a minimal property tax millage rate. (2). Maintain a managed growth policy that requires quality development in concert with our economic development strategy. (3). Provide for the public safety and welfare by committing appropriate resources to police, fire, streets, recreation, water and sewer. (4). Continue cooperative efforts with other governments. (5). Preserve our historic and cultural heritage.

Finance and Administration: The Finance and Administrative Department consists of the City Clerk, and support personnel. The City Clerk is appointed by the Mayor and is responsible for the execution of policies and legislative action of the City Council, direction, control and coordination of operational agencies. The City Clerk is responsible for City Council agenda preparation, minutes and custodian of City records. The City Clerk also acts in a support role to the Mayor and City Council. The Clerk is responsible for planning, developing, implementing and maintaining the administrative and financial operations of the City including purchasing, water administration, and assisting the Mayor with preparing the annual budget and capital improvement plan.

Municipal Court: The Municipal Court of East Dublin is dedicated to the principle of equal and timely access to justice so that all individuals are treated with integrity, honesty, equality, respect for the rule of law, and the rights of all. The Court uses all staff members in a collaborative effort to operate the court efficiently and effectively while maintaining public trust and confidence. The Municipal Court prepares and processes records, citations, warrants and other legal papers for the Court. Court personnel receive and

deposit monies collected for fines and fees, set court dates, issue subpoenas and warrants, prepare various reports, records, and other documents pertinent to the operation of the Court and those required by the State of Georgia.

Police: The men and women of the East Dublin Police Department are committed to protect life, property, and the constitutional guarantees of all citizens of East Dublin and those who travel through our City. With community partnership as our foundation, we, as a department, are entrusted to enhance the quality of life, seek solutions to community problems and foster a sense of peace and security for all people within our City. We will honor this trust placed in us by holding ourselves to the highest standards of professional police conduct.

Fire: The City of East Dublin Fire Department responds to various types of emergency incidents including all types of fires, motor vehicle and other accidents, rescue calls, severe weather and flooding emergencies. Fire department personnel perform numerous prevention and public relations functions, fire safety inspections, annual hydrant maintenance, emergency management functions, and other specialty programs. The City of East Dublin provides for a volunteer service to supplement career resources. The volunteer section maintains a rank structure for supervision on training exercises, emergency scenes, work details, and to provide general maintenance of the program. Volunteer Services supplements through emergency response, stand by at stations or other assistance for special events or work details.

Public Works: The City of East Dublin Public Works Department is responsible for the maintenance of all streets, sidewalks, and drainage facilities located on public property. The department is also responsible for grass cutting along City streets and State highways. The department provides landscaping services for public property. In addition, this department is responsible for traffic control and the resurfacing of City streets in association with the Georgia Department of Transportation. The Public Works Department provides emergency services including road closing and sandbagging flood prone areas. The department assists Police and Fire with traffic control during City emergencies and events. The department also oversees refuse collection.

Planning and Zoning: The Planning and Zoning Department strives to maintain and improve the overall quality of life for all citizens of the City of East Dublin by promoting sustainable development, encouraging a stable and enduring economic base, providing for the safety, health and education and preserving the natural, cultural and historic assets of the City of East Dublin. The Planning and Zoning Department coordinates the development and implementation of the City of East Dublin's Comprehensive Plan, special area studies, plan review process, Zoning Ordinance, Sign Ordinance, Landscape Ordinance and GIS program. The Planning and Zoning Department expeditiously review and respond to all inquiries, applications and studies dealing with current planning, zoning, subdivision and land development to achieve a well-designed, planned and quality community in accordance with adopted ordinances, resolutions, and policies. The Planning and Zoning Department provides all necessary land use, economic, environmental and social data upon which to base effective governmental decision resulting in orderly growth and development and a high quality of life for present and future citizens.

Water and Sewer: The Water and Sewer Department is responsible for supplying water to City of East Dublin residents for potable and fire-fighting uses. They are also responsible for the treatment and disposal of the wastewater generated by the City of East Dublin as per regulations set forth by all state and federal agencies.

Financial information

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that; (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgements by management.

Basis of accounting. The basis of accounting used determines when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Governmental fund types and expendable trust funds use the modified accrual basis of accounting. Their revenues are recognized when they become both measurable and available. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The financial statements for the proprietary fund types are accounted for on the accrual basis of accounting. Under this method revenues are recorded when earned, and expenses are recognized when the liability is incurred.

Accounting systems. In developing and evaluating the City's accounting control system, consideration is given in the adequacy of internal accounting controls. Internal accounting controls comprise the plan of organization and the procedures and records concerned with safeguarding of assets and the reliability of financial records and consequently are designed to provide reasonable assurance regarding: (1) the safeguarding of assets against loss from unauthorized user disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets.

Budgetary control. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The level of budgetary control is on a departmental basis. A budget is legally adopted for all Governmental Fund types and Proprietary Fund types. Formal budgetary integration is employed as a management control device during the year. The budget is based on the same method of accounting as the fund it represents. Transfers of appropriations within a department budget or within a non-departmental expenditure category require the approval of the Mayor. Increase in appropriations in a departmental budget or in a non-departmental expense category requires approval of the governing body in the form of amendments to the budget ordinance.

General government functions. Municipal activities and services are accounted for in the General Fund, Capital Projects Fund, Special Revenue Funds, and Enterprise Funds.

Capital Projects Fund The capital projects fund is used to account for capital projects that are being acquired or built. The City of East Dublin has one capital improvement fund:

> *SPLOST Fund.* The fund is used to account for special purpose local option sales tax proceeds for approved capital projects. The revenues equal $365,436. Total expenditures were made in the amount of $439,019 for approved SPLOST projects.

Special Revenue Fund. The special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes. The City of East Dublin has two Special Revenue Funds:

Hotel/Motel Tax Fund. The fund is used to account for hotel/motel taxes collected for the use of tourism. Total revenues equal $16,787. Expenditures were made in the amount of $8,957 for tourism and recreation purposes.

TSPLOST Fund The fund is used to account for transportation special purpose local option sales tax collected for the use of the public works department. Total revenues equal $32,942. Expenditures were made in the amount of $51,232 for infrastructure improvements.

Enterprise Fund. Business-type activities of the City of East Dublin are accounted for in the Enterprise Fund. The Enterprise Fund for the City of East Dublin is the Water and Sewer Fund.

Water and Sewer Fund. The Water and Sewer Fund charges City residents for the consumption of potable water and for the treatment of the wastewater. The Water and Sewer fund charges a sewer proportionate share fee to cover the portion of the capacity of the sewer treatment facility. Total water and sewer charges for fiscal year 2019 were $722,781. Total operating expenditures for fiscal year 2019 were $828,597. The change in net position after depreciation and non-operating revenues and/or expenses was $(585,369) for fiscal year end.

Relevant Financial Policies. Throughout the year, the Mayor and city clerk administer the governing council's approved financial policies. These policies address issuance of debt, purchasing and procurement, cash and investment management, and accounting practices. In totality, these policies formulate the core criteria for which internal evaluations occur. On a continuous basis, these policies are reviewed in order to maintain relativity to the changing financial needs of the government.

Other Information.

Independent Audit. State statutes require an annual audit by independent certified public accountants. The accounting firm of TJS Deemer Dana LLP was selected by the city council. The auditors' report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

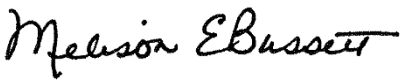
Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of East Dublin for its comprehensive annual financial report for the fiscal year ended June 30, 2018. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards of preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of East Dublin, Georgia has received a Certificate of Achievement for twenty-four years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgements. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the clerk's office. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report.

Sincerely,



Melissa E. Bassett
Chief Financial Officer

CITY OF EAST DUBLIN, GEORGIA

LIST OF PRINCIPAL OFFICIALS

MAYOR
George H Gornto

CITY COUNCIL MEMBERS
Marvin L. Tanner, Jr - Mayor Pro-Tem
Braxton Brown, Jr.
Dent Jackson, Jr.
Al Williams, Jr.
Zilmon Young

CITY ATTORNEY
Charles Butler

CITY CLERK
Melissa Bassett

POLICE CHIEF
William Luecke

FIRE CHIEF
Mark Tarpley

WATER SUPERINTENDENT
Dwayne Lake

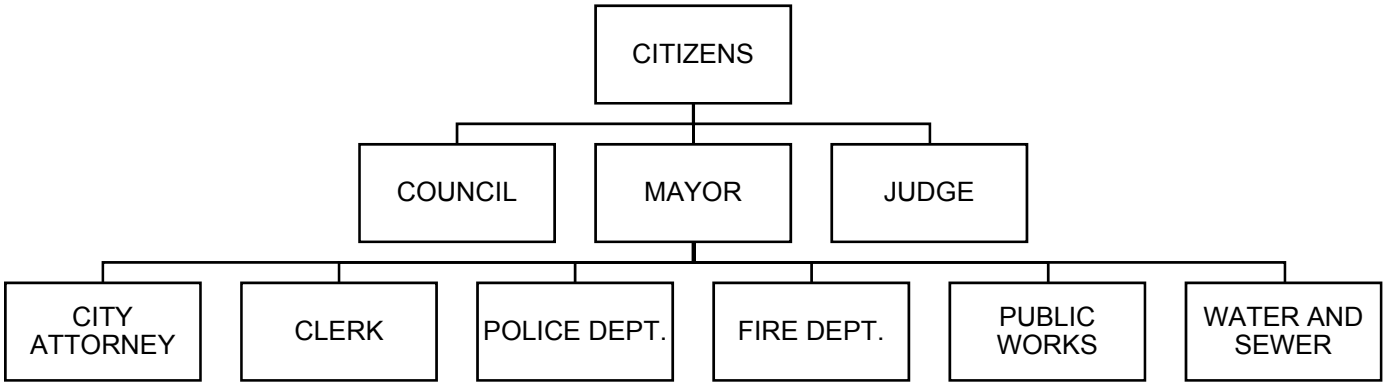
PUBLIC WORKS SUPERINTENDENT
H.T. Scarborough

CITY JUDGE
Grady Cullens

CITY AUDITOR
Robyn Tanner, CPA
TJS Deemer Dana LLP

CITY OF EAST DUBLIN, GEORGIA

ORGANIZATIONAL CHART



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of East Dublin

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of City Council
City of East Dublin, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activity, each major fund and the aggregate remaining fund information of the City of East Dublin, Georgia (the "City"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of East Dublin, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, the budgetary comparison schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of projects constructed with special sales tax proceeds is presented for purposes of additional analysis as required by Official Code of Georgia section 48-8-121 and is also not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2019, on our consideration of the City of East Dublin, 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 and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of East Dublin, Georgia's internal control over financial reporting and compliance.

TFS Deemer Dana LLP

Dublin, Georgia
December 18, 2019

This management discussion and analysis of the City of East Dublin, Georgia's financial performance provides an overall review of the City's financial activities for the fiscal year ended June 30, 2019. It is designed to give the reader an objective and easily readable analysis of the City's financial performance. The primary intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the letter of transmittal, notes to the basic financial statements, and the financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

- The City's primary government activities' assets exceeded its liabilities as of June 30, 2019, by $11,088,018
- As of June 30, 2019, total net position consisted of $9,938,037 net investment in capital assets, $223,414 restricted, and $926,567 unrestricted.
- During fiscal year 2019, the city's net position increased by $273,921.
- As of June 30, 2019, the City's governmental funds reported ending fund balance of $833,175, a increase of $709,210 in comparison with the prior year.
- As of June 30, 2019, the City's General Fund reported ending fund balance of $645,780, an increase of $774,194 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This comprehensive annual financial report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of East Dublin as a financial whole, or as an entire operating entity.

Statement of Net Position and Statement of Activities

The Statement of Net Position and Statement of Activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short term as well as what remains for future spending. For proprietary funds, the statements offer short and long term financial information about activities the City operates like businesses, such as water and sewer. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

The purpose of the Statement of Net Position and the Statement of Activities is to answer the question, "How did we do financially during FY2019?" These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and changes in position. This change in net position is important because it tells the reader that, for the City as a whole, the financial position

of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, facility conditions, and other factors.

In the Statement of Net Position and the Statement of Activities, the City has both governmental and business type activities:

Governmental Activities
Most of the City's programs and services are reported here including general government, public safety, public works, culture and recreation. Sales taxes, property taxes, fines and forfeitures finance most of these activities.

Business-Type Activities
The City charges fees to cover the services it provides. These activities include water and sewer services, sanitation services and recycling services.

Reporting the City's Most Significant Funds
Fund financial reports provide detailed information about the City's major funds. The City uses funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds.

Governmental Funds
Most of the City's activities are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general governmental operations and basic services it provides. Governmental fund information helps you determine whether there are more financial resources that can be spent in the near future to finance governmental services. The relationship (or difference) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements. See Note #1 to the Financial Statements.

The capital projects funds are used to account for financial resources to be used for the acquisition, construction, or renovation of major capital assets. The City of East Dublin has one Capital Projects Fund currently referred to as the SPLOST Fund.

The special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes. The City of East Dublin has two Special Revenue Funds currently referred to as the Hotel/Motel Tax Fund and the TSPLOST Fund.

Proprietary Funds

Proprietary funds are activities that a City operates like a business in that it attempts to recover costs through charges to the user. The City's only proprietary funds are enterprise funds. Enterprise funds may be used to account for any activity or service that charges a fee to external users to cover the cost of operations, including cost of depreciation and debt service. The City operates its water and sewer fund as an enterprise fund. Proprietary fund statements use the accrual basis of accounting like the City-wide statements.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As was previously stated, the FY2019 total net position represents an increase/decrease over FY2018. See Tables 1 and 2 for a schedule of net position and change in net position.

TABLE 1 – NET POSITION

	Governmental Activities		Business Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current & other assets	$ 1,106,618	$ 513,563	$ 383,360	$ 809,451	$ 1,489,978	$ 1,323,014
Capital assets, net	2,209,290	2,076,390	10,853,901	11,088,519	13,063,191	13,164,909
Total assetts	$ 3,315,908	$ 2,589,953	$ 11,237,261	$ 11,897,970	$ 14,553,169	$ 14,487,923
Liabilities						
Current liabilities	$ 144,172	$ 273,389	$ 166,802	$ 152,425	$ 310,974	$ 425,814
Long-term liabilities	19,711	23,829	3,134,466	3,224,183	3,154,177	3,248,012
Total liabilities	$ 163,883	$ 297,218	$ 3,301,268	$ 3,376,608	$ 3,465,151	$ 3,673,826
Net Position						
Net investment in capital assets	$ 2,209,290	$ 2,076,390	$ 7,728,747	$ 7,874,348	$ 9,938,037	$ 9,950,738
Restricted	129,678		93,736	81,554	223,414	81,554
Unrestricted	813,057	216,345	113,510	565,460	926,567	781,805
Total net position	$ 3,152,025	$ 2,292,735	$ 7,935,993	$ 8,521,362	$ 11,088,018	$ 10,814,097
Total liabilities and net position	$ 3,315,908	$ 2,589,953	$ 11,237,261	$ 11,897,970	$ 14,553,169	$ 14,487,923

TABLE 2 – CHANGE IN NET POSITION

	Governmental Activities		Business Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues						
Charges for services	$ 545,055	$ 512,471	$ 722,781	$ 765,081	$ 1,267,836	$ 1,277,552
Operating grants	83,920	47,289	-		83,920	47,289
Capital grants/contributions	454,634	59,048	-	303,683	454,634	362,731
General Revenues						
Taxes	1,160,779	1,443,165	-		1,160,779	1,443,165
Intergovernmental			111,920		111,920	
Investment earnings	547	315	155	145	702	460
Other	71,757	41,482	63,205	93,565	134,962	135,047
Total Revenues	$ 2,316,692	$ 2,103,770	$ 898,061	$ 1,162,474	$ 3,214,753	$ 3,266,244
Expenses						
General government	$ 833,010	$ 822,561	$ -		$ 833,010	$ 822,561
Public safety	589,070	650,900	-		589,070	650,900
Public works	565,105	511,059	-		565,105	511,059
Culture and recreation	8,957	9,775	-		8,957	9,775
Water and sewer	-		944,690	898,117	944,690	898,117
Total expenses	$ 1,996,142	$ 1,994,295	$ 944,690	$ 898,117	$ 2,940,832	$ 2,892,412
Increase in net position before transfers	$ 320,550	$ 109,475	$ (46,629)	$ 264,357	$ 273,921	$ 373,832
Transfers	538,740	(227,995)	(538,740)	227,995	-	-
Change in net position	$ 859,290	$ (118,520)	$ (585,369)	$ 492,352	$ 273,921	$ 373,832
Net Position, beginning	2,292,735	2,411,255	8,521,362	8,029,010	10,814,097	10,440,265
Net Position, ending	$ 3,152,025	$ 2,292,735	$ 7,935,993	$ 8,521,362	$ 11,088,018	$ 10,814,097

Governmental Activities

Please note that general government expenses of $833,010 represent 42% of the total governmental expenses. General government expenses primarily consisted of personnel costs and general insurance. The next most significant program expense is public safety which totals $589,070 and 30% of the total. Public safety primary expenses were related to personnel and fuel. Expenses of general government, public safety and public works changed nominal amounts during FY2019, primarily due to budget control.

Business-Type Activities

The only business-type activity of the City is the Water and Sewer Department. The majority of its revenue was derived from user fees charged for product and service. The sewer department saw a large increase in expenses primarily from the costs of running their new wastewater treatment facility and significant repairs due to lightning damage. Personnel costs and depreciation were the two largest expenditures for the water and sewer fund, which accounted for 58% of the total expenses in this fund.

Cost of Program Services

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental and business-type activities, the combined total cost of services and the combined net cost of services, that is, it identifies the cost of these services supported by tax revenue.

Although program revenues make up a significant percentage (39%) of the combined revenues, the City is dependent upon tax revenues for governmental activities.

TABE 3 – GOVERNMENTAL AND BUSINESS TYPE ACTIVITIES (COMBINED)

	2019	2018	2019	2018
General government	$ 833,010	$ 822,561	$ (789,750)	$ (775,352)
Public safety	589,070	$ 650,900	(266,624)	$ (430,974)
Public works	565,105	$ 511,059	152,798	$ (159,386)
Culture and recreation	8,957	$ 9,775	(8,957)	$ (9,775)
Business-type activities	944,690	898,117	(221,909)	170,647
Total Expenses	$ 2,940,832	$ 2,892,412	$ (1,134,442)	$ (1,204,840)

Governmental Fund Balance

The General Fund's ending fund balance for the FY2019 was $645,780. The General Fund 2019 fiscal year budget included no appropriation of fund balance. The governmental fund balance increased by $709,210 during 2019.

	2019	2018
General	$ 645,780	$ (128,414)
SPLOST	129,678	$ 189,261
Other governmental funds	57,717	$ 63,118
Total Fund Balance	$ 833,175	$ 123,965

The SPLOST fund is the capital improvements fund of the City. At the end of the current fiscal year, the restricted for capital outlay fund balance was $129,678 which was an decrease of $59,583 from the previous year. This increase was primarily due to the completion of a major construction project.

Proprietary Net Position

At the end of FY2019, the net position of the City's Proprietary Fund was $7,935,993.

GENERAL FUND BUDGETING HIGHLIGHTS

- The City's budget is prepared according to Georgia law. The most significant budget fund is the General Fund.
- For the General Fund, the actual revenues of $1,868,063 were more than the final budgeted amount of $1,728,550 by $139,513.
- The actual expenditures of $1,839,164 were less than the final budgeted amount of $2,003,500 by $164,336.

CAPTIAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of FY2019, the City had $13,063,191 invested in capital assets. The table below shows FY2019 and FY2018 balances.

	Governmental Activities		Business Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	$ 289,153	$ 289,153	$ 73,480	$ 73,480	$ 362,633	$ 362,633
Construction in Progress			-	-		
Buildings	976,420	958,620			976,420	956,020
Equipment	1,360,711	1,163,328	448,604	377,389	1,809,315	1,540,717
Infrastructure	1,400,046	1,400,046	14,829,733	14,829,733	16,229,779	16,229,779
Total Capital Assets	4,026,330	3,811,147	15,351,817	15,280,602	19,378,147	19,091,749
Accumulated depreciation	(1,817,040)	(1,734,757)	(4,497,916)	(4,192,083)	(6,314,956)	(5,926,840)
Total Capital Assets	$ 2,209,290	$ 2,076,390	$ 10,853,901	$ 11,088,519	$ 13,063,191	$ 13,164,909

Additional information on the City's capital assets can be found in Note 3 of this report.

Long-Term Debt

The amount of outstanding long-term debt is $3,154,177, consisting of $29,024 owed to employees for compensated absences, $2,930,340 owed in revenue bonds for the construction of the waste water treatment plant and $194,813 owed to the Georgia Environmental Facilities Administration to finance the cost of a surface water supply, a water treatment and transmission facilities and a new gravity sewer line to connect the East Laurens Schools.

	Governmental Activities		Business-type Activities	
	2019	2018	2019	2018
Compensated Absences	$ 19,711	$ 23,829	$ 9,313	$ 10,012
Bonds Payable	-		2,930,340	$ 2,975,870
Notes Payable	-		194,813	$ 238,301
Total long-term liabilities	$ 19,711	$ 23,829	$ 3,134,466	$ 3,224,183

Additional information on the City's long-term liabilities can be found in Note 3 of this report.

Economic Outlook

The City of East Dublin is located in central Laurens County, which is located in the central part of the state, approximately 135 miles south of Atlanta. According to U.S. Census figures, the City of East Dublin had a small decrease in its population from 2000 to 2010. The 2000 Census population figure for the City of East Dublin was 2,850 and the 2010 U.S. Census population figure was 2,441. Even with a decline in population, the economic condition and outlook of the City remains strong. City leaders have recognized this growth pattern and plans to have been develop and/or implemented to maintain balanced, controlled and planned developments in concert with an economic development plan that encourages appropriate growth. The economic growth has also placed increased demands on services, but the City has adopted a conservative approach and implemented programs to meet these demands. The City has been able to provide its services at a cost per capita that is comparable to other communities with similar demographic and economic characteristics.

Contracting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability of the money it receives. If you have questions about this report or need additional financial information, contact Melissa Bassett, Clerk, City of East Dublin, at 116 Savannah Avenue, East Dublin, Georgia 31027, 478-272-6883.

BASIC FINANCIAL STATEMENTS

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 1

STATEMENT OF NET POSITION
JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	$ 719,205	$ 117,331	$ 836,536
Receivables, net of allowance:			
Taxes	170,200	-	170,200
Accounts	35,298	116,623	151,921
Intergovernmental	178,230	-	178,230
Restricted assets:			
Cash and cash equivalents	-	93,736	93,736
Inventories	3,685	21,632	25,317
Debt issuance costs	-	34,038	34,038
Capital assets:			
Land and construction in progress	289,153	73,480	362,633
Other capital assets, net of accumulated depreciation	1,920,137	10,780,421	12,700,558
Total assets	3,315,908	11,237,261	14,553,169
LIABILITIES			
Accounts payable	136,210	19,396	155,606
Customer deposits	2,100	139,591	141,691
Accrued liabilities	5,862	7,815	13,677
Noncurrent liabilities			
Due within one year	19,711	100,938	120,649
Due in more than one year	-	3,033,528	3,033,528
Total liabilities	163,883	3,301,268	3,465,151
NET POSITION			
Net investment in capital assets	2,209,290	7,728,747	9,938,037
Restricted:			
Restricted for capital outlay	129,678	93,636	223,314
Restricted for debt service	-	100	100
Unrestricted	813,057	113,510	926,567
Total net position	$ 3,152,025	$ 7,935,993	$ 11,088,018

The Accompanying Notes to the Financial Statements are an integral part of this statement

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 2

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Position: Governmental Activities	Net Revenue (Expense) and Changes in Net Position: Primary Government Business-Type Activities	Net Revenue (Expense) and Changes in Net Position: Total
Primary Government							
Governmental Activities:							
General government	$ 833,010	$ 43,260	$ -	$ -	$ (789,750)	$ -	$ (789,750)
Public safety	589,070	198,248	35,000	89,198	(266,624)	-	(266,624)
Public works	565,105	303,547	48,920	365,436	152,798	-	152,798
Culture and recreation	8,957	-	-	-	(8,957)	-	(8,957)
Total governmental activities	1,996,141	545,055	83,920	454,634	(912,532)	-	(912,532)
Business-type Activities:							
Water and sewer	944,690	722,781	-	-	-	(221,909)	(221,909)
Total business-type activities	944,690	722,781	-	-	-	(221,909)	(221,909)
Total primary government	$ 2,940,831	$ 1,267,836	$ 83,920	$ 454,634	(912,532)	(221,909)	(1,134,441)
General revenues:							
Property tax					241,496	-	241,496
Sales tax					451,498	-	451,498
Other taxes					467,784	-	467,784
Intergovernmental					-	111,920	111,920
Investment and interest revenue					547	155	702
Miscellaneous					71,757	63,205	134,962
Transfers					538,740	(538,740)	-
Total general revenues and transfers					1,771,822	(363,460)	1,408,362
Changes in net position					859,290	(585,369)	273,921
Net position - beginning					2,292,735	8,521,362	10,814,097
Net position - end					$ 3,152,025	$ 7,935,993	$ 11,088,018

The Accompanying Notes to the Financial Statements are an integral part of this statement

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 3

BALANCE SHEET
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	General	SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 560,836	$ 103,395	$ 54,974	$ 719,205
Receivables, net of allowance				
Taxes receivable	170,200	-	-	170,200
Accounts receivable	35,298	-	-	35,298
Intergovernmental	113,657	61,830	2,743	178,230
Inventories	3,685	-	-	3,685
Total assets	$ 883,676	$ 165,225	$ 57,717	$ 1,106,618
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	100,663	35,547	-	136,210
Accrued liabilities	5,862	-	-	5,862
Customer deposits	2,100	-	-	2,100
Total liabilities	108,625	35,547	-	144,172
Deferred Inflow of Resources:				
Unavailable revenues	129,271	-	-	129,271
Total deferred inflow of resources	129,271	-	-	129,271
Fund Balances:				
Nonspendable	3,685	-	-	3,685
Restricted for:				
Capital outlay	-	129,678	-	129,678
Unrestricted (deficit), reported in:				
Committed	-	-	-	-
Assigned	-	-	57,717	57,717
Unassigned	642,095	-	-	642,095
Total fund balances	645,780	129,678	57,717	833,175
Total liabilities and fund balances	$ 883,676	$ 165,225	$ 57,717	$ 1,106,618

The Accompanying Notes to the Financial Statements are an integral part of this statement

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 4

RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE SATEMENT OF NET POSITION
YEAR ENDED JUNE 30, 2019

Fund balance - total governmental funds	$	833,175
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.		2,209,290
Some of the City's taxes will be collected after year end, but are not available soon enough to pay for the current period's expenditures and are therefore reported as unavailable property taxes in the funds.		129,271
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences		(19,711)
Net position of governmental activities	$	3,152,025

The Accompanying Notes to the Financial Statements are an integral part of this statement

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 5

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BLANCES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	General	SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 1,097,987	$ -	$ 49,729	$ 1,147,716
Property tax	228,434	-	-	228,434
Sales tax	418,556	-	32,942	451,498
Other taxes	450,997	-	16,787	467,784
License and permits	43,260	-	-	43,260
Intergovernmental	173,118	365,292	-	538,410
Fines and forfeitures	198,248	-	-	198,248
Charges for services	303,547	-	-	303,547
Interest income	547	144	-	691
Other revenues	51,356	-	-	51,356
Total Revenues	1,868,063	365,436	49,729	2,283,228
EXPENDITURES				
Current:				
General government	797,672	5,165	-	802,837
Public safety	539,424	6,155	-	545,579
Public works	429,618	31,874	37,232	498,724
Culture and recreation	-	-	8,957	8,957
Capital outlay	72,450	204,613	-	277,063
Total Expenditures	1,839,164	247,806	46,189	2,133,159
Excess (Deficiency) of Revenues Over (Under) Expenditures	28,899	117,630	3,540	150,069
Other Financing Sources (Uses):				
Transfers in (out)				
From other funds	729,953	14,000	5,059	749,012
To other funds	(5,059)	(191,213)	(14,000)	(210,272)
Proceeds from sale of capital assets	20,401	-	-	20,401
Total other financing sources (uses)	745,295	(177,213)	(8,941)	559,141
Net change in fund balances	774,194	(59,583)	(5,401)	709,210
Fund Balance, beginning	(128,414)	189,261	63,118	123,965
Fund Balance, ending	$ 645,780	$ 129,678	$ 57,717	$ 833,175

The Accompanying Notes to the Financial Statements are an integral part of this statement

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 6

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

Net change in fund balances - Total Governmental Funds	$	709,210
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays, reported as expenditures in governmental funds, are shown as capital assets in the Statement of Net Position.		277,063
Depreciation expenses on governmental capital assets are included in the governmental activities column in the Statement of Net Position but are not shown in the governmental funds.		(144,163)
In the Statement of Activities, only the gain (loss) on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the assets disposed of; less prior depreciation.		-
Revenues in the statement of activities that do not provide financial resources are not reported as revenues in the funds. The amount of deferred revenues recognized as revenue in the statement of activities is as follows -		
Property taxes		13,062
Long -term compensated absences are reported in the Government-Wide Statement of Activities and Changes in Net Position, but they do not require the use of current financial resources. Therefore, long-term compensated absences are not reported as expenditures in Government Funds.		
Compensated absences changed by this amount during the fiscal year.		4,118
Change in Net Position of Governmental Activities	$	859,290

The Accompanying Notes to the Financial Statements are an integral part of this statement

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 7

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 1,058,600	$ 1,094,600	$ 1,097,987	$ 3,387
Property and vehicle taxes	213,500	213,500	228,434	14,934
Sales tax	395,000	420,000	418,556	(1,444)
Other taxes	450,100	461,100	450,997	(10,103)
Total taxes	1,058,600	1,094,600	1,097,987	3,387
Licenses and permits	49,700	45,200	43,260	(1,940)
Intergovernmental	47,500	49,000	173,118	124,118
Fines and forfeitures	192,200	192,250	198,248	5,998
Charges for services	300,000	297,000	303,547	6,547
Interest income	500	500	547	47
Other revenues	30,000	50,000	51,356	1,356
Total Revenues	1,678,500	1,728,550	1,868,063	139,513
EXPENDITURES				
General government	854,450	921,050	815,472	105,578
Police department	433,250	443,250	408,483	34,767
Fire department	192,900	194,700	185,591	9,109
Public works	238,900	249,500	221,277	28,223
Sanitation	196,000	195,000	208,341	(13,341)
Total Expenditures	1,915,500	2,003,500	1,839,164	164,336
Excess (deficiency of revenues over (under) expenditures	(237,000)	(274,950)	28,899	303,849
Other Financing Sources (Uses):				
Transfers in	222,000	257,100	729,953	-
Transfers out	-	-	(5,059)	(5,059)
Proceeds from sale of capital assets	15,000	19,000	20,401	1,401
Total other financing sources and uses	237,000	276,100	745,295	469,195
Net change in fund balance	$ -	$ 1,150	$ 774,194	$ 773,044
Fund balance, beginning			$ (128,414)	
Fund balance, ending			$ 645,780	

The Accompanying Notes to the Financial Statements are an integral part of this statement

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 8

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019

	Water and Sewer Fund
ASSETS	
Current Assets	
Cash and cash equivalents	$ 117,331
Accounts receivable, net of allowances	116,623
Inventories	21,632
Total current assets	255,586
Noncurrent Assets	
Restricted cash	93,736
Debt issuance costs	34,038
Capital assets:	
Land and construction in progress	73,480
Other capital assets, net of accumulated depreciation	10,780,421
Capital assets, net	10,853,901
Total noncurrent assets	10,981,675
Total Assets	11,237,261
LIABILITIES	
Current Liabilities	
Accounts payable	19,396
Accrued liabilities	7,815
Compensated absences, current portion	9,313
Notes payable, current portion	91,625
Customer deposits	139,591
Total current liabilities	267,740
Long-term Liabilities	
Compensated absences, net of current portion	-
Notes payable, net of current portion	3,033,528
Total long-term liabilities	3,033,528
Total Liabilities	3,301,268
NET POSITION	
Net investment in capital assets	7,728,747
Restricted, capital outlay	93,636
Restricted, debt service	100
Unrestricted	113,510
Total Net Position	$ 7,935,993

The Accompanying Notes to the Financial Statements are an integral part of this statement

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 9

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2019

	Water and Sewer Fund
OPERATING REVENUES	
Charges for services:	
Water sales	$ 365,951
Sewer sales	356,830
Other fees and charges	63,205
Total operating revenues	785,986
OPERATING EXPENSES	
Personnel costs	238,089
Contracted services	29,754
Supplies	34,539
Repairs and maintenance	127,883
Other operating expenses	92,501
Depreciation	305,831
Total operating expenses	828,597
OPERATING INCOME	(42,611)
NON-OPERATING REVENUE (EXPENSE)	
Intergovernmental	111,920
Investment income	155
Interest expense	(116,093)
Total nonoperating revenues (expenses)	(4,018)
Net income (loss) before capital contributions and transfers	(46,629)
Transfers in	191,213
Transfers out	(729,953)
Change in net position	(585,369)
TOTAL NET POSITION (BEGINNING)	8,521,362
TOTAL NET POSITION (ENDING)	$ 7,935,993

The Accompanying Notes to the Financial Statements are an integral part of this statement

CITY OF EAST DUBLIN, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019

	Water and Sewer Fund
OPERATING ACTIVITIES	
Receipts from customers	$ 768,957
Payments to suppliers and service providers	(284,827)
Payments to employees	(238,788)
Net cash provided by operating activities	$ 245,342
NONCAPITAL FINANCING ACTIVITIES	
Transfers from (to) other funds	(729,953)
Intergovernmental contributions	111,920
Net cash used in noncapital financing activites	$ (618,033)
CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of property and equipment	(71,213)
Principal paid on notes and bonds payable	(89,018)
Interest paid	(115,043)
Transfer in from SPLOST fund	191,213
Net cash used in capital and related financing activities	(84,061)
INVESTING ACTIVITIES	
Interest on investments	155
Net cash provided by investing activities	155
NET DECREASE IN CASH AND CASH EQUIVALENTS	(456,597)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	667,664
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 211,067

The Accompanying Notes to the Financial Statements are an integral part of this statement

STATEMENT OF CASH FLOW
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019

	Water and Sewer Fund
Reconciliation of operating income (loss) to net cash provided by (used for) Operating Activities:	
Operating loss	$ (42,611)
Adjustments to reconcile operating income (loss) to net cash:	
provided by (used for) operating activities:	
Depreciation	305,831
Net changes in assets and liabilities attribituble to operations:	
Accounts receivable	(29,499)
Inventories	(2,057)
Debt issuance cost	
Accrued liabilities	1,994
Compensated absences	(699)
Accounts payable	(87)
Customer deposits	12,470
Net cash provided by operating activities	$ 245,342

The Accompanying Notes to the Financial Statements are an integral part of this statement

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of East Dublin, Georgia (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

Reporting Entity

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board SGAS 14 which defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of the component unit's board and either A) the ability to impose will by the primary government, or B) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Based upon the application of this criteria, the City of East Dublin reporting entity consists of the city itself consisting of five funds: the General Fund, Hotel/Motel Tax Fund, Water and Sewer Fund, TSPLOST Fund and the SPLOST Fund.

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 activities of the government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities,* which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Basis of Presentation

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

Governmental 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. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Property taxes, intergovernmental grants, and investment income 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. Revenues from charges for goods and services are recognized when the goods and/or services are provided. All other revenue items are considered to be measurable and available only when cash is received by the City.

The format of the fund financial statements have been modified by GASB Statement No. 34. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 also required, as required supplementary information, Management's Discussion and Analysis which includes an analytical overview of the City's financial activity.

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 *special purpose local option sales tax fund* accounts for the activities of the government's special purpose local option sales tax.

The City reports the following major proprietary fund:

> The *water and sewer fund* accounts for the operation of the water and sewerage system including all revenues from sources applicable to these operations and all expenses of the operation.

Additionally, the government reports the following fund types:

> The *special revenue funds* account for specific revenues that are legally restricted to expenditures for particular purposes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and the other functions of the government. Elimination of these charges would distort the direct costs reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Assets, Liabilities, and Net Position or Equity

1. Deposits and investments - The city's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. There are no investments other than cash and these are stated at cost.

2. Receivables and payables - Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

   Property tax receivables are shown net of an allowance for uncollectible accounts. As of June 30, 2019, the City has recorded an allowance of $14,215.

3. Inventories - Inventories are valued at cost, which approximates market, using the first in, first out (FIFO) method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used.

4. Debt issuance costs –The City capitalized $42,000 as debt issuance costs as these costs were directly associated with obtaining financing for the entity. The costs are being amortized over the term of the bonds. Annual amortization expense is $1,050. Accumulated amortization as of June 30, 2019 is $7,962.

5. Restricted assets - Certain proceeds of enterprise fund block grants, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited.

6. Capital assets - Capital assets, which include property, plant, equipment, and infrastructure assets, 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 of more than $500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value at the date of donation.

   The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized.

   Property, plant and equipment of the primary government are depreciated using the straight line method over the following useful lives:

Asset	Years
Land Improvements	30
Buildings	30-40
Public Domain Infrastructure	25
System Infrastructure	25-50
Vehicles & Equipment	3-20
Computer Equipment	5

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

7. Compensated absences – It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements.

8. 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.

   In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

9. Fund balance **-** Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the those funds can be spent. Fund balances are classified as follows:

   Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

   Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

   Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment.

   Assigned – Funds balances are reported as assigned when amounts are constrained by the City's intent (as determined by the mayor or city clerk) to be used for specific purposes, but are neither restricted nor committed.

   Unassigned – Fund balances are reported as unassigned when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General

   Fund. Negative unassigned fund balances may be reported in all funds.

   The City uses restricted amounts to be spent when both restricted and unrestricted fund balances are available, unless there are legal documents/contracts that prohibit the use of restricted fund balances, such as grant agreements that require a dollar match. Additionally, the City would then use committed, assigned and lastly, unassigned amounts from the unrestricted fund balances when expending funds.

   Net Position

   Net investment in capital assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction or improvement of the assets.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Restricted net position – This amount is restricted by external creditors, grantors, contributors or laws or regulations of other governments.

Unrestricted net position – This amount is all net position that do not meet the definition of "invested in capital assets, net of related debt" or "restricted net position."

Restricted, committed, and assigned fund balance on the governmental funds balance sheet as of June 30, 2019:

	General Fund	SPLOST Fund	Hotel/Motel Tax Fund	TSPLOST Fund
Restricted Fund Balance				
SPLOST Referendum Purchases	$ -	$ 129,678	$ -	$ -
Assigned Fund Balance				
Promotion of Tourism	$ -	$ -	$ 52,075	$ -
Public Works Expenditures	-	-	-	5,642

Non-spendable fund balance on the governmental funds balance sheet as of June 30, 2019

	General Fund
Inventory	$ 3,685

10. Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

11. Encumbrances - Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed. Actual expenditures and amounts payable are compared to budget at each meeting. The mayor and council feel that they have sufficient control in this manner, especially as this is a relatively small municipality.

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

13. Intergovernmental support- The City constructed and extended its water and sewer system to enable the system to provide adequate services to the Laurens County Board of Education (LCBOE). These improvements were funded by a note payable obtained from the Georgia Environmental Facilities Authority (see Note 3 D.) Accordingly, the City entered into an intergovernmental contract with the LCBOE, which among other things, includes provisions for the LCBOE to pay for the costs of the improvements including maintenance and installation incurred by the City. As a result the LCBOE remits an amount to the City annually to pay the quarterly payments due to GEFA plus another amount to cover maintenance costs and is recorded as intergovernmental revenue on the proprietary fund statement of revenues and expenses. The amount recorded for the year ended June 30, 2019 is $70,334.

14. Deferred outlows/inflows of resources- In addition to assets, the statement of financial position will sometimes report a separate section for deferred outlows 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 until then. The City has no items that fell under this financial statement element.

    In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports one of these items, unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information
On or before June 30 of each year, all departments of the government submit requests for appropriation to the government's mayor and council so that a budget may be prepared. The budget is prepared by fund, function, and department, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

Before June 30, the proposed budget is presented to the government's council for review. The government's council holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the mayor and council or the revenue estimates must be changed by an affirmative vote of a majority of the council.

The legal level of budgetary control is the departmental level within individual funds. The city clerk is authorized to transfer budgeted amounts within departments. Any revisions that alter total expenditures must be approved by the mayor and council. During the year, the budget may be amended by council if necessary.

Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and special revenue funds. Enterprise fund budgets are prepared and utilized as a management tool to assess the operations of the enterprise funds. All annual appropriations lapse at fiscal year-end.

Expenditures in Excess of Appropriations
There were no material expenditures in excess of appropriations during the year ended June 30, 2019.

NOTE 3 – DETAILED NOTES ON ALL FUNDS

Deposits and Investments

Custodial Credit Risk – Deposits - The custodial credit risk of deposits is the risk that in the event of failure of a bank the government will not be able to recover deposits. The City has a policy of only using FDIC insured banks and they require pledges on balances not covered by FDIC insurance. As of June 30, 2019, $0 of the government's bank balance was exposed to custodial credit risk.

NOTE 3 – DETAILED NOTES ON ALL FUNDS, continued

Investments – The City owns no investments as of June 30, 2019.

State statutes authorize the City to invest in obligations of the U.S.Treasury, other U.S. Government Agencies, State of Georgia, other states, prime banker's acceptances, repurchase agreements and other political subdivisions of Georgia.

Interest Rate Risk – The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – 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 U.S. government agency of the United States. Obligations of any corporation of the U.S. government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. As of June 30, 2019, the City had no investments in financial securities.

Property and Other Taxes

Property Taxes
Property taxes for 2019 are to be levied in November 2019 on property values assessed as of January 1, 2019. Bills for one-half of the estimated levy were sent out on March 15 and due by June 30. The final bills are sent out in November with taxes due on January 15, 2020. After this date, penalties and interest are assessed by the government with active pursuance of delinquent taxes early in the following year. Liens are placed on property when taxes are delinquent more than one year from the due date.

Hotel/Motel Taxes
The City has levied a 5% lodging tax. The Official Code of Georgia Annotated §48-13-50 requires that all lodging taxes levied of 5% or more be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. Management represents that $9,421 or 60% of the lodging tax received during the year ended June 30, 2019 was used or assigned for promoting tourism, conventions or trade shows and $6,679 or 40% was paid to the Dublin-Laurens County Recreation Department per intergovernmental agreement.

Accounts Receivable
Receivables at June 30, 2019:

	General	SPLOST	Water and Sewer Fund
Receivables:			
Taxes	$ 184,415	$ -	$ -
Accounts	50,526	-	117,826
Intergovernmental	113,657	61,830	-
Gross receivables	348,598	61,830	117,826
Less: allowance for uncollectibles	(29,443)	-	(1,203)
Total net receivables	$ 319,155	$ 61,830	$ 116,623

NOTE 3 – DETAILED NOTES ON ALL FUNDS, continued

Capital Assets

Capital asset activity for the fiscal year ended June 30, 2019:

	Beginning Balance	Increase	Decrease	Ending Balance
Business-type activites				
Capital assets, not being depreciated:				
Land	$ 73,480	-	-	73,480
Total	73,480	-	-	73,480
Capital assets, being depreciated				
Water plant and distribution system	3,171,495	-	-	3,171,495
Sewer plant and extensions	11,658,238	-	-	11,658,238
Equipment	377,389	71,215	-	448,604
Total	15,207,122	71,215	-	15,278,337
Less accumulated depreciation for:				
Water plant and distribution system	(1,185,668)	(62,766)	-	(1,248,434)
Sewer plant and extensions	(2,649,673)	(232,219)	-	(2,881,892)
Equipment	(356,742)	(10,846)	-	(367,588)
Total	(4,192,083)	(305,831)	-	(4,497,914)
Total assets, being depreciated, net	11,015,039	(234,616)	-	10,780,423
Business-type activities capital assets, net	$ 11,088,519	$ (234,616)	$ -	$ 10,853,903

NOTE 3 – DETAILED NOTES ON ALL FUNDS, continued

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental activities				
Capital assets, not being depreciated:				
Land	$ 289,153	$ -	$ -	$ 289,153
Construction in Progress	-	-	-	-
Total	289,153	-	-	289,153
Capital assets, being depreciated:				
Buildings	958,620	17,800	-	976,420
Infrastructure	1,400,046	-	-	1,400,046
Equipment	1,163,328	259,263	(61,880)	1,360,711
Total	3,521,994	277,063	(61,880)	3,737,177
Less accumulated depreciation for:				
Buildings	(250,190)	(26,319)	-	(276,509)
Infrastructure	(519,361)	(56,002)	-	(575,363)
Equipment	(965,206)	(61,842)	61,880	(965,168)
Total	(1,734,757)	(144,163)	61,880	(1,817,040)
Total assets, being depreciated	1,787,237	132,900	-	1,920,137
Governmental activities capital assets, net	$ 2,076,390	$ 132,900	$ -	$ 2,209,290

Capital Assets

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

Governmental activities:	
General Government	$ 30,956
Public safety	45,872
Public works	67,335
Total depreciation expense - governmental activities	$ 144,163
Business-type activities:	
Water and Sewer	$ 305,831
Total depreciation expense - business-type activities	$ 305,831

Short-term Debt

The City was not a party to a short-term debt agreement during the year ended June 30, 2019.

Capital Leases

The City was not a party to a capital lease agreement during the year ended June 30, 2019.

NOTE 3 – DETAILED NOTES ON ALL FUNDS, continued

Long-term Debt

Revenue Bonds - The government can also issue bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. In 2011, the City issued revenue bonds totaling $3,201,000 to help fund the city's portion of a United States Department of Agriculture project to upgrade the city's wastewater treatment plant. The bond consists of 468 monthly payments of $13,029 beginning in December 2012. The annual interest rate is 3.75%. The city has pledged future revenues of the water and sewer system to service the bonds. The City is also required to deposit $1,039 monthly into a sinking fund reserve account until the balance is $156,348. The balance in the sinking fund reserve account as of June 30, 2019 is $93,312. The city is in compliance with this requirement.

SPLOST proceeds are also available for use in the debt service.

Debt service requirements to maturity for the revenue bonds payable are:

	Business-Type Activities Revenue Bonds	
Fiscal Year	Principal	Interest
2020	47,267	109,081
2021	49,070	107,278
2022	50,943	105,405
2023	52,886	103,462
2024	54,904	101,444
2025-2029	307,583	474,157
2030-2034	370,908	410,722
2035-2039	447,271	334,469
2040-2044	539,352	242,388
2045-2049	650,393	131,347
2050-2054	359,763	17,066
	$ 2,930,340	$ 2,136,819

Notes Payable - In 2003, the City obtained a note payable in the amount of $788,476 from the Georgia Environmental Facilities Authority for an extension of the water and sewer system. The note consists of 80 quarterly payments in the amount of $11,982. The annual interest rate is 2.00%.

The annual debt service requirements to maturity for the notes payable are as follows:

	Business-Type Activities GEFA	
Fiscal Year	Principal	Interest
2020	$ 44,358	$ 3,574
2021	45,263	2,666
2022	46,170	1,761
2023	47,100	827
2024	11,922	59
	$ 194,813	$ 8,887

NOTE 3 – DETAILED NOTES ON ALL FUNDS, continued

Interest included in the direct expenses of the government-wide statement of activities for June 30, 2019 is $116,093.

Long-term liability activity for governmental activities and business-type activities for the year ended June 30, 2019 was as follows:

Governmental Activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due Within More Than One Year
Compensated absences	$ 23,829	$ 19,711	$ (23,829)	$ 19,711	$ 19,711	$ -
Governmental activities long-term liabilities	$ 23,829	$ 19,711	$ (23,829)	$ 19,711	$ 19,711	$ -

Business-Type Activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due Within More Than One Year
Compensated absences	$ 10,012	$ 9,313	$ (10,012)	$ 9,313	$ 9,313	$ -
Bonds payable	2,975,870	-	(45,530)	2,930,340	47,267	2,883,073
Notes payable	238,301	-	(43,488)	194,813	44,358	150,455
Business-type activity long-term payables	$ 3,224,183	$ 9,313	$ (99,030)	$ 3,134,466	$ 100,938	$ 3,033,528

Compensated absences are generally liquidated by the General Fund.

Risk Management

The City provides a fully insured employee health insurance plan for its employees. Commercial insurance is carried to cover risk of other claims or losses. These insured risks include workers' compensation, property damage and liability.

The City has joined together with other municipalities in the state as part of the Workers' Compensation Self-Insurance Fund (WCSIF), a public entity risk pool currently operating as a common risk management and insurance program for member local governments. The Georgia Municipal Association (GMA) administers the risk pool.

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

The fund is to defend and protect the members of the fund against liability or loss as prescribed in the member governments' contracts and in accordance with the workers' compensation laws of Georgia. The

NOTE 3 – DETAILED NOTES ON ALL FUNDS, continued

fund is to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

Commitments and Contingencies
Reservations of fund balances of Governmental funds are established to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify the portion of the fund balance that is not appropriable for future expenditures. Specific reservations of the fund balance accounts are summarized below.

Grants
The City has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

Litigation
During the course of normal operations of the City, various claims and lawsuits arise. The City attorney has advised that there are no potential liabilities that will impair the City's financial position as of the date of this audit report.

Tax Abatements
The City was not under a tax abatement agreement and property taxes were reduced for the year ended June 30, 2019.

Interfund Receivables, Payables, and Transfers

The city did not have any interfund receivables or payables as of June 30, 2019.

The composition of interfund transfers as of June 30, 2019, is as follows:

Transfer Out	Transfer In	Amount	Purpose
SPLOST Fund	Water/Sewer Fund	$ 191,213	Water and Sewer Capital Improvements
Water/Sewer Fimd	General Fund	729,953	General Government
TSPLOST Fund	SPLOST Fund	14,000	SPLOST Capital Improvements
General Fund	TSPLOST Fund	5,059	TSPLOST match

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and 2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 4 – OTHER INFORMATION

Joint Venture

Under Georgia law, the City, in conjunction with other cities and counties in the seventeen county central Georgia area, is a member of the Heart of Georgia Altamaha Regional Commission (RC) and is required to pay annual dues thereto. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organization structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGS 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Heart of Georgia Altamaha Regional Commission
501 Oak Street
Eastman, Georgia 31023

Defined Contribution Pension Plan

The City has a voluntary matching savings plan whereby the City will match employees; contributions to an IRA established and maintained by the employee. Contributions for the fiscal year by the City totaled $12,871 by the General Fund and $5,181 by the Water Fund. The employees' voluntary contributions may be 2%, 4%, or 6% of their salary. Plan provisions and contribution requirements are established and may be amended by the City. The plan conforms to Internal Revenue Code Section 408. At present the trustees of the accounts are the Capital City Bank, the Bank of Dudley, and the Citizens Bank of Laurens County.

The City is required by Georgia law to contribute a percentage of its fines collected to the Peace Officers Annuity and Benefit Fund. The General Fund contributed $5,488 during the fiscal year. Membership is limited to Peace Officers employed by the State of Georgia or any of its political subdivisions. Upon application and acceptance, a member must pay dues in the amount of $20.00 per month. None of the officers employed by the City are members. Benefits of membership include death payments and disability retirement income. Pension benefits with different payment options are also available to qualified members. The City has no liability or fiduciary responsibility beyond its contribution to the plan and no unfunded accrued liabilities.

Subsequent Events

The City performed an evaluation of subsequent events through December 18, 2019, the date upon which the City's financial statements were available for issue. The City has not evaluated subsequent events after this date. No subsequent events were identified that would have required a change to the financial statements or disclosure in the notes to the financial statements.

SUPPLEMENTARY INFORMATION

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 11

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

	TSPLOST Fund	Hotel/Motel Tax Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash	$ 2,899	$ 52,075	$ 54,974
Intergovernmental receivable	2,743	-	2,743
Total assets	$ 5,642	$ 52,075	$ 57,717
LIABILITIES AND FUNDS BALANCES			
Liabilities	$ -	$ -	$ -
Fund Balances			
Assigned			
Assigned for public works	5,642	-	5,642
Assigned for culture and recreation	-	52,075	52,075
Total fund balances	5,642	52,075	57,717
Total liabilities and fund balances	$ 5,642	$ 52,075	$ 57,717

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 12

COMBINING STATEMENT OF REVENEUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	TSPLOST Fund	Hotel/Motel Tax Fund	Total Nonmajor Governmental Funds
REVENUES			
Sales tax	$ 32,942	$ -	$ 32,942
Hotel/motel tax	-	16,787	16,787
Total revenues	32,942	16,787	49,729
EXPENDITURES			
Public works	37,232	-	37,232
Culture and recreation	-	8,957	8,957
Total expenditures	37,232	8,957	46,189
Excess (deficiency) of revenues over (under) expenditures	(4,290)	7,830	3,540
Other Financing Sources (Uses):			
Transfers in	5,059	-	5,059
Transfers out	(14,000)	-	(14,000)
Total other financing sources (uses)	(8,941)	-	(8,941)
Net Change in Fund Balances	(13,231)	7,830	(5,401)
Fund Balances, Beginning	18,873	44,245	63,118
Fund Balances, Ending	$ 5,642	$ 52,075	$ 57,717

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 13

TSPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2019

	TSPLOST Fund			
	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Sales tax	$ 31,000	$ 31,000	$ 32,942	$ 1,942
Total revenues	31,000	31,000	32,942	1,942
EXPENDITURES				
Public works	31,000	31,000	37,232	(6,232)
Total expenditures	31,000	31,000	37,232	(6,232)
Excess (deficiency) of revenues over (under) expenditures	-	-	(4,290)	8,174
Other Financing Sources (Uses):				
Transfers in	-	-	5,059	5,059
Transfers out	-	-	(14,000)	(14,000)
Total other financing sources (uses)	-	-	(8,941)	(8,941)
Net Change in Fund Balances	$ -	$ -	$ (13,231)	$ (767)
Fund Balances, Beginning			18,873	
Fund Balances, Ending			$ 5,642	

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 14

HOTEL/MOTEL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2019

	Hotel/Motel Tax Fund			
	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 16,000	$ 16,000	$ 16,787	$ 787
Total revenues	16,000	16,000	16,787	787
EXPENDITURES				
Culture and recreation	16,000	16,000	8,957	(7,043)
Total expenditures	16,000	16,000	8,957	(7,043)
Excess (deficiency) of revenues over expenditures	-	-	7,830	7,830
Net Change in Fund Balances	$ -	$ -	$ 7,830	$ 7,830
Fund Balances, Beginning			44,245	
Fund Balances, Ending			$ 52,075	

CITY OF EAST DUBLIN, GEORGIA

EXHIBIT 15

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
YEAR ENDED JUNE 30, 2019

SPLOST 2012	Original Estimated Cost	Revised Estimated Cost	Prior Year(s)	Current Year	Total	Estimated Percentage of Completion
City Hall and Associated Buildings	$ 172,000	$ 122,000	$ 92,635	$ 10,155	$ 102,790	84.25%
Previously Incurred General Obligation Debt	720,000	720,000	670,000	120,000	790,000	109.72%
Public Safety Equipment and Facilities	312,000	262,000	168,907	74,203	243,110	92.79%
Public Works Equipment and Facilities	86,000	86,000	57,543	132,694	190,237	221.21%
Recreation Equipment and Facilities	42,000	33,000	-	-	-	0.00%
Roads, Streets, Bridges, and Drainage	366,000	366,000	293,022	3,600	296,622	81.04%
Water and Sewer Improvements	552,000	661,000	778,793	98,367	877,160	132.70%
	$ 2,250,000	$ 2,250,000	$ 2,060,900	$ 439,019	$ 2,499,919	

STATISTICAL SECTION

STATISTICAL SECTION

The statistical section provides users with additional historical perspective, content, and detail to assist in understanding the information in the financial statements, notes to the financial statements, and for assessing the City's economic condition.

CONTENTS

Financial Trends *Page 44*

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

Revenue Capacity *Page 49*

These schedules contain information to help the reader assess the City's most significant local revenue sources, sales taxes and ad valorem taxes.

Debt Capacity *Page 57*

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the city's ability to issue additional debt in the future.

Demographic and Economic Information *Page 61*

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information *Page 64*

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

CITY OF EAST DUBLIN, GEORGIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	Fiscal Year										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities:											
Net investment in capital assets	$1,581,479	$1,752,850	$2,104,376	$2,266,206	$2,423,130	$ 2,499,871	$ 2,292,307	$ 2,165,312	$ 2,094,387	$ 2,076,390	$ 2,209,290
Restricted	111,704	127,275	351,320	636,741	344,488	56,553	69,664	69,664	117,469	-	129,678
Unrestricted	719,928	674,821	602,088	552,062	577,710	553,874	753,772	329,203	199,399	216,345	813,057
Total governmental activities net position	2,413,111	2,554,946	3,057,784	3,455,009	3,345,328	3,110,298	3,115,743	2,564,179	2,411,255	2,292,735	3,152,025
Business-Type Activities:											
Net investment in capital assets	3,270,535	3,655,144	3,293,188	3,901,890	5,828,974	7,512,075	7,377,125	7,711,399	7,687,109	7,874,348	7,728,747
Restricted	-	-	12,305	6,523	18,707	31,127	100	56,004	69,084	81,554	93,736
Unrestricted	215,251	423,468	554,468	558,290	663,175	422,250	256,813	327,662	272,817	565,460	113,510
Total business-type activities net position	3,485,786	4,078,612	3,859,961	4,466,703	6,510,856	7,965,452	7,634,038	8,095,065	8,029,010	8,521,362	7,935,993
Primary Government Total:											
Net investment in capital assets	4,852,014	5,407,994	5,397,564	6,168,096	8,252,104	10,011,946	9,669,432	9,876,711	9,781,496	9,950,738	9,938,037
Restricted	111,704	127,275	363,625	643,264	363,195	87,680	69,764	125,668	186,553	81,554	223,414
Unrestricted	935,179	1,098,289	1,156,556	1,110,352	1,240,885	976,124	1,010,585	656,865	472,216	781,805	926,567
Total primary government net position	$5,898,897	$6,633,558	$6,917,745	$7,921,712	$9,856,184	$11,075,750	$10,749,781	$10,659,244	$10,440,265	$10,814,097	$11,088,018

CITY OF EAST DUBLIN, GEORGIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses:											
Governmental Activities:											
General Government	$ 735,044	$ 712,315	$ 716,772	$ 772,536	$ 777,199	$ 800,163	$ 825,784	$ 908,395	$ 856,903	$ 822,561	$ 833,010
Public Safety	554,468	554,019	594,994	597,265	669,189	685,153	717,044	686,953	668,236	650,900	589,070
Public Works	457,041	458,346	465,052	469,312	480,997	520,504	508,678	518,548	555,613	511,059	565,105
Culture and Recreation	18,559	8,183	12,707	7,964	8,218	12,819	14,563	8,022	10,183	9,775	8,957
Total Governmental Activities Expenses	1,765,112	1,732,863	1,789,525	1,847,077	1,935,603	2,018,639	2,066,069	2,121,918	2,090,935	1,994,295	1,996,141
Business-Type Activities:											
Water and Sewer	565,655	538,869	557,990	771,970	896,841	1,064,783	1,091,522	1,154,016	1,086,685	898,117	944,690
Total Business-Type Activities Expenses	565,655	538,869	557,990	771,970	896,841	1,064,783	1,091,522	1,154,016	1,086,685	898,117	944,690
Total Primary Government Expenses	2,330,767	2,271,732	2,347,515	2,619,047	2,832,444	3,083,422	3,157,591	3,275,934	3,177,620	2,892,412	2,940,831
Program Revenues:											
Governmental Activities:											
Charges for Services:											
General Government	2,419	-	40,767	39,728	42,743	41,981	42,876	40,103	45,326	47,209	43,260
Public Safety	202,052	199,918	195,830	160,223	205,397	216,360	213,133	182,474	203,528	160,878	198,248
Public Works	270,886	293,761	279,147	274,796	250,432	271,963	281,723	282,428	279,602	304,384	303,547
Operating Grants and Contributions	-	16,264	31,359	32,408	39,639	-	-	-	-	47,289	83,920
Capital Grants and Contributions	155,541	-	419,228	550,641	390,086	522,854	367,661	370,558	378,864	59,048	454,634
Total Governmental Activities Program Revenues	630,898	509,943	966,331	1,057,796	928,297	1,053,158	905,393	875,563	907,320	618,808	1,083,609
Business-Type Activities:											
Charges for Services:											
Water and Sewer	694,082	673,292	643,626	767,399	702,246	786,993	740,442	748,488	875,842	765,081	722,781
Capital Grants and Contributions	199,980	279,946	-	767,562	2,067,631	1,333,962	-	431,409	68,591	303,683	-
Total Business-Type Activities Program Revenues	894,062	953,238	643,626	1,534,961	2,769,877	2,120,955	740,442	1,179,897	944,433	1,068,764	722,781
Total Primary Governmental Program Revenues	$ 1,524,960	$ 1,463,181	$1,609,957	$2,592,757	$ 3,698,174	$3,174,113	$ 1,645,835	$ 2,055,460	$ 1,851,753	$ 1,687,572	$1,806,390

CITY OF EAST DUBLIN, GEORGIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)

	Fiscal Year										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net (Expense)/Revenue:											
Governmental Activities	$(1,134,214)	$(1,222,920)	$ (823,194)	$ (789,281)	$(1,007,306)	$ (965,481)	$(1,160,676)	$(1,246,355)	$(1,183,615)	$(1,375,487)	$ (912,532)
Business-Type Activities	328,407	414,369	85,636	762,991	1,873,036	1,056,172	(351,080)	25,881	(142,252)	170,647	(221,909)
Total Primary Government Expense	(805,807)	(808,551)	(737,558)	(26,290)	865,730	90,691	(1,511,756)	(1,220,474)	(1,325,867)	(1,204,840)	(1,134,441)
General Revenues and Other Changes in Net Assets											
Governmental Activities:											
Taxes											
Property Taxes	202,498	173,591	179,782	177,935	211,522	224,513	231,888	231,493	228,657	228,939	241,496
Sales Taxes	912,897	906,484	380,442	410,239	408,574	397,332	404,437	407,743	404,198	780,002	451,498
Other Taxes and Licenses	449,557	447,689	426,400	421,616	409,086	416,868	432,742	436,434	438,447	434,224	467,784
Investment Earnings	4,271	3,637	2,492	1,976	918	870	599	650	278	315	547
Miscellaneous	2,778	8,982	25,264	17,109	36,247	83,353	116,083	26,029	27,831	41,482	71,757
Transfers	(98,051)	(175,628)	311,652	157,631	(168,722)	(392,485)	(19,628)	(407,558)	(68,720)	(227,995)	538,740
Total Governmental Activities	1,473,950	1,364,755	1,326,032	1,186,506	897,625	730,451	1,166,121	694,791	1,030,691	1,256,967	1,771,822
Business-Type Activities:											
Intergovernmental	-	-	-	-	-	-	-	-	-	-	111,920
Investment Earnings	3	482	296	120	12	25	38	450	130	145	155
Miscellaneous	-	2,347	7,069	1,262	2,383	5,914	-	27,138	7,347	93,565	63,205
Transfers	98,051	175,628	(311,652)	(157,631)	168,722	392,485	19,628	407,558	68,720	227,995	(538,740)
Total Business-Type Activities	98,054	178,457	(304,287)	(156,249)	171,117	398,424	19,666	435,146	76,197	321,705	(363,460)
Total Primary Government	1,572,004	1,543,212	1,021,745	1,030,257	1,068,742	1,128,875	1,185,787	1,129,937	1,106,888	1,578,672	1,408,362
Change in Net Position											
Governmental Activities	339,736	141,835	502,838	397,225	(109,681)	(235,030)	5,445	(551,564)	(152,924)	(118,520)	859,290
Business-Type Activities	426,461	592,826	(218,651)	606,742	2,044,153	1,454,596	(331,414)	461,027	(66,055)	492,352	(585,369)
Total Primary Government	$ 766,197	$ 734,661	$ 284,187	$1,003,967	$ 1,934,472	$1,219,566	$ (325,969)	$ (90,537)	$ (218,979)	$ 373,832	$ 273,921

CITY OF EAST DUBLIN, GEORGIA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year										
Prior to implementation of GASB 54	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
GENERAL FUND											
Reserved	$ 1,520	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	269,176	-	-	-	-	-	-	-	-	-	-
Total general fund	270,696	-	-	-	-	-	-	-	-	-	-
ALL OTHER GOVERNMENTAL FUNDS											
Reserved	-	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	-	-	-	-	-	-	-	-	-	-	-

After Implementation of GASB 54	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
GENERAL FUND											
Nonspendable	-	5,645	5,236	5,064	6,969	9,872	12,765	12,765	6,940	9,343	3,685
Restricted	-	-	10,000	-	7,244	-	-	-	-	-	-
Committed	-	-	8,000	8,000	-	-	-	-	-	-	-
Assigned	-	189,542	198,402	205,189	160,716	184,967	154,322	70,897	104,412	-	-
Unassigned	-	376,828	260,701	202,101	233,098	192,903	395,203	(15,376)	(113,627)	(137,757)	642,095
Total general fund	-	572,015	482,339	420,354	408,027	387,742	562,290	68,286	(2,275)	(128,414)	645,780
ALL OTHER GOVERNMENTAL FUNDS											
Nonspendable	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	127,275	341,320	636,741	337,244	56,553	114,075	182,629	175,117	189,261	129,678
Committed	-	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	5,754	23,710	36,620	52,943	56,288	61,627	63,118	57,717
Unassigned	-	(376,501)	-	-	-	-	-	-	-	-	-
Total all other governmental funds	$ -	$ (249,226)	$ 341,320	$ 642,495	$ 360,954	$ 93,173	$ 167,018	$ 238,917	$ 236,744	$ 252,379	$ 187,395

Note 1: Fund balances terminology changed in June 15, 2010 with the implementation of GASB statement 54

CITY OF EAST DUBLIN, GEORGIA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
REVENUES										
Taxes	$ 1,018,750	$ 961,351	$ 1,012,621	$ 1,002,691	$ 1,061,422	$ 1,098,609	$ 1,078,685	$ 1,082,383	$ 1,100,529	$ 1,147,716
Licenses and permits	41,904	40,767	39,728	42,743	41,981	42,876	40,103	45,326	47,209	43,260
Intergovernmental	452,957	450,255	582,296	429,246	522,707	367,620	370,558	378,757	458,942	538,410
Fines and forfeitures	162,104	195,830	160,223	205,397	216,360	213,133	182,474	203,528	160,878	198,248
Charges for services	331,575	279,147	274,796	250,432	271,963	281,723	282,428	279,602	304,384	303,547
Investment earnings	3,637	2,824	2,729	1,397	1,017	640	650	385	429	691
Other revenues	7,582	25,264	17,109	36,245	83,353	151,524	26,029	27,831	22,249	51,356
Total revenues	2,018,509	1,955,438	2,089,502	1,968,151	2,198,803	2,156,125	1,980,927	2,017,812	2,094,620	2,283,228
EXPENDITURES										
General Government	824,234	696,202	745,102	738,649	759,846	779,406	870,326	837,994	796,058	802,837
Public Safety	539,508	577,211	559,661	613,808	652,186	608,574	624,528	627,287	614,858	545,579
Public Works	412,957	432,964	485,025	427,632	511,560	442,509	455,879	490,952	455,254	498,724
Culture and Recreation	15,489	26,843	10,064	8,218	12,819	14,563	8,022	10,183	9,775	8,957
Capital Outlay	-	33,000	208,091	304,990	157,973	43,052	36,718	55,411	120,417	277,063
Total expenditures	1,792,188	1,766,220	2,007,943	2,093,297	2,094,384	1,888,104	1,995,473	2,021,827	1,996,362	2,133,159
Excess (Deficiency) of Revenues Over (Under) Expenditures	226,321	189,218	81,559	(125,146)	104,419	268,021	(14,546)	(4,015)	98,258	150,069
OTHER FINANCING SOURCES (USES)										
Sale of assets	1,400	-	-	-	-	-	-	-	19,233	749,012
Transfers in	2,689	764,831	269,773	201,989	506,743	256,442	33,750	272,984	-	(210,272)
Transfers out	(178,317)	(453,179)	(112,142)	(370,711)	(899,228)	(276,070)	(441,308)	(341,704)	(227,995)	20,401
Total other financing sources (uses)	(174,228)	311,652	157,631	(168,722)	(392,485)	(19,628)	(407,558)	(68,720)	(208,762)	559,141
Net Change in Fund Balances	$ 52,093	$ 500,870	$ 239,190	$ (293,868)	$ (288,066)	$ 248,393	$ (422,104)	$ (72,735)	$ (110,504)	$ 709,210

CITY OF EAST DUBLIN, GEORGIA
GENERAL GOVERNMENT EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS

Fiscal Year	General Government	Police	Fire Department	Streets and Sanitation	Total
6/30/2010	839,723	401,630	137,878	412,957	1,792,188
6/30/2011	699,666	427,307	147,612	432,964	1,707,549
6/30/2012	745,102	367,590	192,071	485,025	1,789,788
6/30/2013	738,649	447,897	183,480	427,632	1,797,658
6/30/2014	759,846	411,257	214,750	576,462	1,962,315
6/30/2015	840,347	509,231	207,813	508,678	2,066,069
6/30/2016	916,417	501,049	185,904	518,548	2,121,918
6/30/2017	837,215	455,693	171,594	513,795	1,978,297
6/30/2018	796,058	419,205	260,660	406,452	1,882,375
6/30/2019	815,472	455,412	190,931	429,618	1,891,433

Notes:

(1) Source is current and prior years' fund financial statements.

CITY OF EAST DUBLIN, GEORGIA
GENERAL GOVERNMENT REVENUES BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year	Inter-Government	Ad Valorem Taxes	Sales Taxes	Franchise Taxes Licenses & Permits	Charges for Services	Fines & Forfeits	Beer & Liquor Taxes	Insurance Premium Tax	Misc. & Interest	Total
6/30/2009	155,541	202,018	912,897	220,969	308,324	164,614	89,561	139,025	6,690	2,199,639
6/30/2010	452,957	143,174	469,791	221,149	331,575	162,104	88,819	137,721	11,219	2,018,509
6/30/2011	450,255	154,509	380,442	235,012	279,147	195,830	98,437	133,718	28,088	1,955,438
6/30/2012	582,296	180,766	410,239	238,129	274,796	160,223	108,722	114,493	19,838	2,089,502
6/30/2013	429,246	185,031	408,574	232,933	250,432	205,397	97,285	121,611	37,642	1,968,151
6/30/2014	188,781	202,047	397,332	209,269	271,963	216,360	123,664	125,916	84,223	1,819,555
6/30/2015	367,661	231,888	404,437	226,727	281,723	213,133	118,315	130,576	116,682	2,091,142
6/30/2016	370,558	231,493	407,743	236,869	282,428	182,474	84,191	140,652	41,505	1,977,913
6/30/2017	378,861	228,657	404,198	230,436	279,602	203,528	81,471	152,353	47,622	2,006,728
6/30/2018	106,337	239,022	395,080	226,188	304,384	160,878	77,313	162,231	22,564	1,693,997
6/30/2019	173,118	228,434	418,556	243,516	303,547	198,248	75,782	174,959	51,903	1,868,063

CITY OF EAST DUBLIN, GEORGIA
SALES TAX COLLECTIONS AND RATES
LAST TEN FISCAL YEARS

	Sales Tax Received by East Dublin			Individual Sales Tax Rates					
				State	Region	County		City	
Fiscal Year	Local Option Sales Tax	Special Purpose Local Option Sales Tax	Total Collected Sales Tax	Basic Rate	Transpotation Special Purpose Local Option Sales Tax	County Education Rate	Special Purpose Local Option Sales Tax	Local Option Sales Tax	Total Sales Tax Rate
6/30/2009	429,581	483,316	912,897	4%	0%	1%	1%	1%	7%
6/30/2010	469,791	436,693	906,484	4%	0%	1%	1%	1%	7%
6/30/2011	380,442	418,896	799,338	4%	0%	1%	1%	1%	7%
6/30/2012	410,239	496,801	907,040	4%	0%	1%	1%	1%	7%
6/30/2013	397,144	369,286	766,430	4%	1%	1%	1%	1%	8%
6/30/2014	371,707	359,551	731,258	4%	1%	1%	1%	1%	8%
6/30/2015	375,369	362,708	738,077	4%	1%	1%	1%	1%	8%
6/30/2016	376,331	336,895	713,226	4%	1%	1%	1%	1%	8%
6/30/2017	375,621	334,970	710,591	4%	1%	1%	1%	1%	8%
6/30/2018	395,080	352,719	747,799	4%	1%	1%	1%	1%	8%
6/30/2019	418,556	365,292	783,848	4%	1%	1%	1%	1%	8%

CITY OF EAST DUBLIN, GEORGIA
ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Calendar Year	Assessed Value of Taxable Property	Less Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2009	39,767,343	589,000	39,178,343	4.058	84,611,368	47%
2010	38,597,733	589,000	38,008,733	4.058	82,122,836	47%
2011	38,259,699	1,901,508	36,358,191	4.076	81,403,615	47%
2012	39,161,652	2,239,139	36,922,513	4.105	83,322,664	47%
2013	45,490,599	2,297,764	43,192,835	4.118	96,788,509	47%
2014	45,803,212	1,956,086	43,847,126	4.105	97,453,643	47%
2015	44,506,528	1,956,086	42,550,442	4.111	94,694,740	47%
2016	47,518,878	1,919,688	45,599,190	4.100	101,103,996	47%
2017	43,670,371	1,866,038	41,804,333	4.111	92,915,683	47%
2018	43,993,688	2,592,405	41,401,263	4.100	93,603,591	47%
2019	43,767,982	4,084,754	39,683,228	4.100	93,123,366	47%

Sources: Prior East Dublin Financial Statements, Georgia's Consolidated Tax Digest and East Dublin Tax Digest Reports

CITY OF EAST DUBLIN, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collection to Date		Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percentage of Current Levy
		Amount	Percentage of Levy		Amount	Percentage of Levy		
6/30/2009	151,191	124,025	82.03%	27,166	151,191	99.35%	-	0.60%
6/30/2010	151,159	126,654	83.79%	21,941	148,595	99.16%	2,564	0.78%
6/30/2011	149,977	40,324	26.89%	108,522	148,846	98.39%	1,131	1.48%
6/30/2012	148,022	35,104	23.72%	111,755	146,859	96.89%	1,163	2.81%
6/30/2013	156,901	39,312	25.06%	114,947	154,259	95.68%	2,642	4.13%
6/30/2014	152,898	25,983	16.99%	123,860	149,843	95.26%	3,055	4.42%
6/30/2015	160,489	36,909	23.00%	120,782	157,691	94.14%	2,798	5.74%
6/30/2016	163,498	42,167	25.79%	115,912	158,079	88.95%	5,419	11.03%
6/30/2017	163,845	45,765	27.93%	111,358	157,123	95.90%	6,722	4.10%
6/30/2018	167,538	48,335	28.85%	93,338	141,673	84.56%	25,865	15.44%
6/30/2019	168,051	35,996	21.42%	-	35,996	21.42%	132,055	78.58%

Notes: (1) 2009 and 2010 Final Tax Digests were delayed from mass appeals on property valuations.
(2) Tax levies for one calendar year are levied in two separate fiscal years.

Sources: Digest Reports of East Dublin, Property Tax Collection Reports,
Property Tax Delinquent Accounts Reports, Prior East Dublin Financial Reports

CITY OF EAST DUBLIN, GEORGIA
PROPERTY TAX RATES – DIRECT AND OVERLAPPING
(PER $1,000 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

Tax Levy Period Calendar Year	Direct	Overlapping			
	City of East Dublin	State of Georgia	Laurens County	County School System	Total
2009	4.060	0.25	6.3	16.000	26.608
2010	4.060	0.25	6.3	16.000	26.608
2011	4.076	0.25	6.3	16.000	26.626
2012	4.105	0.25	6.32	16.000	26.675
2013	4.118	0.25	6.27	16.000	26.638
2014	4.105	0.15	6.31	16.000	26.565
2015	4.096	0.05	7.15	14.683	25.979
2016	4.100	0.00	6.54	14.683	25.323
2017	4.100	0.00	7.19	14.663	25.948
2018	4.100	0.00	7.185	14.683	25.968
2019	4.100	0.00	7.185	14.683	25.968

Source: City of East Dublin, Georgia and Laurens County, Georgia tax records.
Note (1): Tax rates are expressed in rate per $1,000.

CITY OF EAST DUBLIN, GEORGIA
PRINCIPAL TAXPAYERS
JUNE 30, 2019

Taxpayer	Type of Business	Assessed Valuation	Percentage of Total Assessed Valuation
Georgia Power Co.	Utility	$ 1,405,381	1.50%
Complete Sitework Services LLC	Manufacturer	858,884	0.92%
Wild Bore Machine LLC	Manufacturer	563,618	0.60%
Shantee Hospitality LLC	Motel	486,169	0.52%
Vishal Cobb MarketFair LLC	Grocery	470,202	0.50%
Oconee Holding Company	Rental/Retail	447,916	0.48%
Holly Springs African Church	Church	416,689	0.45%
HAC Inc 5782	Grocery	389,744	0.42%
Fred's Store	Retail	388,354	0.41%
RX East Dublin Investors	Pharmacy	379,419	0.41%
		$ 5,806,376	6.21%

Source: Laurens County Tax Digest

CITY OF EAST DUBLIN, GEORGIA
PRINCIPAL TAXPAYERS
JUNE 30, 2009

Taxpayer	Type of Business	Assessed Valuation	Percentage of Total Assessed Valuation
Georgia Power Co.	Utility	$ 1,854,583	4.73%
East Dublin Concrete Products	Building Material	1,592,717	4.06%
East Dublin Associates	Rental	1,000,074	2.55%
Shantee Hospitality LLC	Motel	951,181	2.42%
Rite-Aid Pharmacy	Pharmacy	911,389	2.32%
Southern Family Markets	Grocery	847,937	2.16%
Oconee Bait & Tackle	Sporting Goods	883,215	2.25%
Rx East Dublin Investors	Commercial Building	849,142	2.16%
Mid State Investors	Rental	801,476	2.04%
Bellsouth	Public Utilities	634,346	1.61%
Satila Investments III, LLC	Fastfood & Convenience Store	619,503	1.58%
Capital City Bank	Bank	508,443	1.29%
		$ 11,454,006	29.17%

Source: Laurens County Tax Digest

CITY OF EAST DUBLIN, GEORGIA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities			Business-Type Activities				
Fiscal Year Ended	General Obligation Bonds	Revenue Bonds	Capital Leases	Notes Payable	Revenue Bonds	Total Primary Government	Percentage of Personal Inome	Per Capita
6/30/2009	-	-	-	593,017	-	593,017	0.61%	185
6/30/2010	-	-	-	556,676	-	556,676	0.54%	174
6/30/2011	-	-	-	2,540,339	-	2,540,339	3.21%	1041
6/30/2012	-	-	-	481,790	3,201,000	3,682,790	5.13%	1494
6/30/2013	-	-	-	443,189	3,179,314	3,622,503	4.75%	1484
6/30/2014	-	-	-	403,829	3,141,550	3,545,379	4.72%	1475
6/30/2015	-	-	-	363,678	3,102,665	3,466,343	4.53%	1442
6/30/2016	-	-	-	322,729	3,061,972	3,384,701	4.42%	1410
6/30/2017	-	-	-	280,930	3,019,727	3,300,657	4.31%	1386
6/30/2018	-	-	-	238,301	2,975,870	3,214,171	3.69%	1317
6/30/2019	-	-	-	194,813	2,930,340	3,125,153	3.58%	1280

Source: Current and prior years' financial statements.

CITY OF EAST DUBLIN, GEORGIA
DIRECT AND OVERLAPPING GOVERNMENTAL
ACTIVITIES DEBT
AS OF JUNE 30, 2019

	Total Amount of Debt Outstanding	Percentage Applicable to City of East Dublin	Amount Applicable to City of East Dublin
Direct Debt			
Notes Payable	$ -	100%	$ -
Revenue Bonds	-	100%	-
Total Direct & Overlapping Debt	$ -		$ -

Source: City of East Dublin

CITY OF EAST DUBLIN, GEORGIA
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2019

Assessed value of all taxable property	$ 43,767,982	
Plus Exempt Property	4,084,754	$ 47,852,736
Debt Limit-10% of assessed value		$ 4,785,274
Debt applicable to limitation:		
Total general bonded debt	$ -	
Less assets in debt service available for payment of principal	-	
Total amount of debt applicable to debt limit		-
Legal Debt Margin		$ 4,785,274

Source: City of East Dublin, Georgia tax records.

CITY OF EAST DUBLIN, GEORGIA
LONG-TERM DEBT BURDEN
WATER AND SEWER FUND
LAST TEN FISCAL YEARS

Fiscal Year Ended	Gross Revenue (1)	Direct Operating Expenses (2)	Available for Debt Service	Debt Service Requirements (3)			Total Debt Burden	Per Capita
				Principal	Interest	Total		
6/30/2009	694,082	436,368	257,714	35,623	12,307	47,930	-	-
6/30/2010	675,639	404,388	271,251	36,341	11,589	47,930	-	-
6/30/2011	650,695	399,912	250,783	37,799	10,131	47,930	-	-
6/30/2012	768,661	447,220	321,441	59,982	199,189	259,171	-	-
6/30/2013	704,629	569,472	135,157	77,116	127,162	204,278	69,121	28
6/30/2014	792,907	649,585	143,322	79,037	125,241	204,278	60,956	25
6/30/2015	740,895	677,987	62,908	81,953	122,325	204,278	141,370	59
6/30/2016	775,627	742,227	33,400	84,044	120,233	204,277	170,877	71
6/30/2017	883,189	664,922	218,267	86,486	117,792	204,278	-	-
6/30/2018	775,522	480,679	294,843	89,018	115,260	204,278	-	-
6/30/2019	826,034	522,767	303,267	91,625	115,043	204,278	-	-

(1) Total revenues exclusive of grants and interest.

(2) Total operating expenses exclusive of depreciation.

(3) Subsequent years's principal and interest requirements.

Souce: Current and prior years' financial statements.

CITY OF EAST DUBLIN, GEORGIA
DEMOGRAPHIC AND ECONOMIC INFORMATION
JUNE 30, 2019

Date of incorporation	February 12, 1952
Form of government	Mayor-City Council
Area	12.97 square miles
Miles of streets	32.79 miles
Miles of sanitary sewers	30.40 miles
Number of street lights	398
Number of fire stations	1
Number of police stations	1
Number of parks	2

Fiscal Year	Population (Est)	Personal Income	Per Capita Personal Income	Unemployment Rate (County)
2009	3,200	94,432,000	29,510	10.8%
2010	3,200	93,196,800	29,124	12.5%
2011	2,441	79,095,723	32,403	12.7%
2012	2,465	71,790,660	29,124	13.0%
2013	2,441	76,259,281	31,241	13.8%
2014	2,404	75,103,364	31,241	9.8%
2015	2,404	76,591,440	31,860	7.3%
2016	2,400	77,944,800	32,477	6.8%
2017	2,381	82,408,791	34,611	5.9%
2018	2,441	86,821,488	35,568	4.2%
2019	2,441	87,214,489	35,729	4.8%

Source: Records in City Hall files, Georgia Department of Labor, and Bureau of Economic Analysis

CITY OF EAST DUBLIN, GEORGIA
PRINCIPAL EMPLOYERS CURRENT YEAR AND TEN YEARS AGO

	2019			2010		
Employer	Employees	Rank	% of Total City Population	Employees	Rank	% of Total City Population
Complete Sitework Services, LLC	70	1	2.87%			
Wild Bore Machine	40	2	1.64%			
T Lake Environmental	25	3	1.02%			
HAC, Inc DBA Food World	21	4	0.86%			
Middle Georgia Mechanical	18	5	0.74%			
Mid-State Machine Shop	18	6	0.74%			
Middle Georgia Machine	16	7	0.66%			
Great American	16	8	0.66%			
Huddle House	14	9	0.57%	Information unavailable for 2010		
Ducts Unlimited	14	10	0.57%			
Complete Sitework Services, LLC						
Foodmax #65						
Dollar Tree						
Grosch Irrigation						
Cloverleaf Restaurant						
Taco Bell #9473						
Popeye's Chicken # 4455						
Cross Roofing						

Source: City of East Dublin, Occupation Licenses Reports, Bureau of Economic Analysis

CITY OF EAST DUBLIN, GEORGIA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30										
Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Administrative	4	4	4	4	3	3	3	3	3	3	2
Fire	3	3	3	3	3	3	3	3	3	3	3
Police	8	8	8	8	8	8	8	7	7	7	7
Public Works	3	3	3	3	3	3	3	3	3	3	3
Water and Sewer	5	4	4	4	5	5	5	5	5	5	5

CITY OF EAST DUBLIN, GEORGIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year										
Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
ADMINISTRATIVE											
Business licenses issued	345	259	296	267	333	355	394	362	380	385	309
Building permits issued	19	9	7	10	6	6	3	6	5	5	4
POLICE											
Citations	1,240	990	990	1,571	1,688	1,826	1,706	1,627	1,441	1,392	981
PUBLIC WORKS											
Garbage customers	941	941	916	931	992	933	905	910	1,318	1,368	1,396
CULTURE AND RECREATION											
Annual non-city sponsored events	1	1	1	1	1	-	-	-	-	-	-
WATER											
Average daily consumption in gallons	306,136	283,966	281,366	263,244	306,485	425,572	498,676	254,067	272,712	491,123	539,659

CITY OF EAST DUBLIN, GEORGIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year										
Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Administrative											
Vehicles	1	1	1	1	1	1	1	1	1	0	0
Police											
Patrol units	4	4	4	4	5	5	5	5	5	5	5
Fire											
Fire trucks	1	1	1	1	1	1	1	1	1	1	1
Public Works											
Vehicles	9	8	8	8	8	8	8	8	8	8	8
Street(miles)	32.79	32.79	32.79	32.79	32.79	32.79	32.79	32.79	32.79	32.79	32.79
Streetlights	398	398	398	398	398	398	398	398	398	398	398
Culture and Recreation											
Acreage	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00
Park sites	2	2	2	2	2	2	2	2	2	2	2
Water											
Water mains (miles)	36.74	36.74	36.74	36.74	36.74	36.74	36.74	36.74	36.74	36.74	36.74
Sewer											
Sanitary sewers (miles)	18.00	18.00	18.00	18.00	25.40	30.40	30.40	30.40	30.40	30.40	30.40

GOVERNMENT REPORTS

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

To the Honorable Mayor and
Members of City Council
City of East Dublin, 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 activity, each major fund, and the aggregate remaining fund information of the City of East Dublin, Georgia, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise City of East Dublin, Georgia's basic financial statements, and have issued our report thereon dated December 18, 2019.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that may be material weaknesses.

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. We consider the deficiencies described as 2019-01, 2019-02, and 2019-03 in the accompanying schedule of findings and responses to be material weaknesses.

Compliance and Other Matters

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

City of East Dublin's Response to Findings

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

Purpose of this Report

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

Very truly yours,

TJS Deemer Dana LLP

December 18, 2019
Dublin, Georgia

CITY OF EAST DUBLIN, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2019

SECTION I.
SUMMARY OF AUDITOR'S RESULTS:

Financial Statements

Type of Auditor's Report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	Yes
Significant deficiency identified not considered to be material weakness?	Yes
Noncompliance material to financial statement noted:	No

Federal Awards

There was not an audit of major federal award programs as of June 30, 2019 due to the City having not exceeded the single audit threshold.

SECTION II.
FINANCIAL STATEMENT FINDINGS

MATERIAL WEAKNESS:

2019-01 Control Environment/Management Override of Controls

Condition: The City lacks certain internal controls to reduce the risk of material misstatement or misappropriation of assets.

Criteria: Internal controls should be in place to reduce the risk of material misstatement and fraud and to provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business.

Cause: The City's limited size and staffing resources have resulted in a lack of internal controls adequately designed or implemented.

Effect or Potential Effect: Failure to fully implement adequate internal controls can lead to misappropriation of assets or misstatements that are not detected during the normal course of business.

Recommendation: Management should perform thorough review of the City's internal control processes.

Response: We concur with the recommendation and will review procedures to determine where modifications are needed to improve the system of internal controls.

2019-02 Proprietary Revenues are not Recorded on Accrual Basis

Condition: The City's water billing system is recording revenue on the cash basis. Revenue is not recorded on the general ledger until payment is received from the customer, rather than when the customer is billed for the services.

Criteria: Revenue and expenditures should be recorded on the accrual basis for proprietary funds. Revenue is recorded when earned and expenditures are recorded when incurred. When revenues and expenditures are not recorded on the accrual basis, the related receivables and payables are not recorded correctly.

Cause: The City's water billing system is not properly recording revenue when the customers are billed.

Effect or Potential Effect: Failure to fully implement accrual accounting leads to inaccurate financial reporting.

Recommendation: The City's water billing system should be updated to record revenue when the customers are billed.

Response: We concur with the recommendation and will evaluate the cost/benefit of recording the proprietary revenues on the accrual basis.

2019-03 Accounts and Transaction Recording

Condition: Certain audit adjustments were required to fairly state the balances on general ledger accounts at the end of the accounting period.

Criteria: Accounts should be properly adjusted and reconciled to ensure that the financial statements are presented fairly at the end of the accounting period.

Cause: The City's limited size and staffing resources have resulted in large number of adjusting entries.

Effect or Potential Effect: Failure to properly account for financial transactions could result in a material misstatement to the City's financial statements that would not be prevented or detected on a timely basis.

Recommendation: The City should consider additional training that would provide accounting personnel with the skills to detect and correct misstatements in the financial statements.

Response: We concur with the recommendation. We will review procedures in place to ensure that account balances are fairly stated at the end of the accounting period. We will also consider whether additional training for accounting personnel is necessary.

CITY OF EAST DUBLIN, GEORGIA

SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019

FINDINGS – FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS:

2018-01 Control Environment/Management Override of Controls

Condition: The City lacks certain internal controls to reduce the risk of material misstatement or misappropriation of assets. Immaterial fraud was discovered during fiscal year 2019.

Criteria: Internal controls should be in place to reduce the risk of material misstatement and fraud and to provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business.

Cause: The City's limited size and staffing resources have resulted in a lack of internal controls adequately designed or implemented.

Effect or Potential Effect: Failure to fully implement adequate internal controls can lead to misappropriation of assets or misstatements that are not detected during the normal course of business.

Recommendation: Management should perform thorough review of the City's internal control processes.

Response: We concur with the recommendation and will review procedures to determine where modifications are needed to improve the system of internal controls. Not corrected in the current year.

2018-02 Proprietary Revenues are not Recorded on Accrual Basis

Condition: The City's water billing system is recording revenue on the cash basis. Revenue is not recorded on the general ledger until payment is received from the customer, rather than when the customer is billed for the services.

Criteria: Revenue and expenditures should be recorded on the accrual basis for proprietary funds. Revenue is recorded when earned and expenditures are recorded when incurred. When revenues and expenditures are not recorded on the accrual basis, the related receivables and payables are not recorded correctly.

Cause: The City's water billing system is not properly recording revenue when the customers are billed.

Effect or Potential Effect: Failure to fully implement accrual accounting leads to inaccurate financial reporting.

Recommendation: The City's water billing system should be updated to record revenue when the customers are billed.

Response: We concur with the recommendation and will evaluate the cost/benefit of recording the proprietary revenues on the accrual basis. Not corrected in the current year.

2018-03 Accounts and Transaction Recording

Condition: Certain audit adjustments were required to fairly state the balances on general ledger accounts at the end of the accounting period.

Criteria: Accounts should be properly adjusted and reconciled to ensure that the financial statements are presented fairly at the end of the accounting period.

Cause: The City's limited size and staffing resources have resulted in large number of adjusting entries.

Effect or Potential Effect: Failure to properly account for financial transactions could result in a material misstatement to the City's financial statements that would not be prevented or detected on a timely basis.

Recommendation: The City should consider additional training that would provide accounting personnel with the skills to detect and correct misstatements in the financial statements.

Response: We concur with the recommendation. We will review procedures in place to ensure that account balances are fairly stated at the end of the accounting period. We will also consider whether additional training for accounting personnel is necessary. Not corrected in the current year.

SIGNIFICANT DEFIENCY NOT CONSIDERED A MATERIAL WEAKNESS

2018-04 Controls Over Financial Statement Reporting

Condition: City personnel do not currently possess the professional skills necessary to prepare or review the financial statements in sufficient detail to detect material misstatements in the financial statements and related footnotes.

Criteria: City personnel should possess professional skills sufficient to be able to perform an adequate review of the City's financial statements in order to determine that the statements are materially correct.

Cause: The City's limited size and staffing resources have resulted in large number of adjusting entries.

Effect or Potential Effect: Failure to properly account for financial transactions could result in a material misstatement to the City's financial statements that would not be prevented or detected on a timely basis.

Recommendation: The City should consider additional training that would provide accounting personnel with the skills to detect and correct misstatements in the financial statements.

Response: We concur with the recommendation. We will consider whether additional training for accounting personnel is necessary or if additional city personnel will review the financial statements in the future. Corrected in the current year.