

CITY OF GRIFFIN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2017

Prepared by:
Griffin Finance Department

CITY OF GRIFFIN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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INTRODUCTORY SECTION

Griffin
Office of the City Manager
100 S. Hill Street-P.O. Box T | Griffin, GA 30224
P 770.228.6408 F 678.692.0403 W cityofgriffin.com

October 20, 2017

Honorable Members of the Board of Commissioners
Citizens of the City of Griffin
City of Griffin, Georgia 30223

Ladies and Gentlemen:

The Comprehensive Annual Financial Report (CAFR) of the City of Griffin, Georgia for the fiscal year ended June 30, 2017, is submitted herewith. In doing so, the City complies with State of Georgia, O.C.G.A. § 36-81-7, that requires the governing authority of each unit of local government having a population in excess of 1,500 persons according to the latest estimate of population by the United States Bureau of the Census or its successor agency or expenditures of $300,000.00 or more shall provide for and cause to be made an annual audit of the financial affairs and transactions of all funds and activities of the local government for each fiscal year of the local government.

Responsibility for both the accuracy of the data and the completeness and fairness of presentation, including disclosures, rests with the City. We believe the data presented is accurate in all material respects and that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activities of its various funds. All disclosures necessary to enable interested citizens to gain a reasonable understanding of the City's financial activities have been included.

Mauldin & Jenkins, Certified Public Accountants, LLC, have issued an unmodified opinion on the City of Griffin's financial statements for the fiscal year ended June 30, 2017. The independent auditor's report is located at the front of the financial section of this report.

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

The City of Griffin receives financial assistance through various federal grant programs. As required by the Single Audit Act of 1984, P.L. 98-502 and amendments of 1996 and Office of Management and Budget (OMB) Circular A-133, audits of programs receiving federal grants have been performed for the fiscal year ended June 30, 2017. The required reports on supplementary information, compliance, internal controls, and various supplementary schedules are included under the Compliance Section.

The City of Griffin has prepared the financial statements to meet the current applicable requirements of the Governmental Accounting Standards Board (GASB), and in conformity with Generally Accepted Accounting Principles (GAAP).

Griffin

Formal Transmittal

This report consists of management's representations concerning the finances and policies of the City of Griffin. Consequently, management assumes full responsibility for the completeness and reliability of all of the information contained in this report. To provide a reasonable basis for making these representations, management of the City of Griffin has established a comprehensive internal control framework that is designed to protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City of Griffin's financial statements in conformity with GAAP.

Profile of the Government

- *Population* – The City of Griffin is a municipal corporation created and existing under the laws of the State of Georgia and has as its formal name the "City of Griffin". The City is located in the central portion of the State of Georgia approximately 40 miles south of the City of Atlanta. Griffin is centrally located in and is the county seat of Spalding County. The City was originally chartered in 1843. The City presently has a land area of approximately 14 square miles, is situated at approximately 943 feet above sea level, and has a population of 23,643.

- *General structure* – The City of Griffin is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by the State to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing Board.

  The City's form of government is commission-manager. In accordance with the City's Code of Ordinances, Part I, Article I. and II., and Charter, all legislative powers are vested in a Board of Commissioners composed of seven members. The City is divided into six single-member election districts and one at-large election district. Six commissioners are elected by the registered voters residing within each respective single-member district, and one commissioner is elected by all registered voters of the City. Each candidate for commissioner must be a citizen of the State of Georgia and a resident of the City for at least twelve months, must have attained the age of 18 years, must be a qualified elector, must be a resident of the election district from which he or she offers as a candidate on the date of qualifying, must not have been convicted of a felony involving moral turpitude (unless such person's civil rights have been restored and at least ten years have elapsed from the date of the completion of the sentence without a subsequent conviction of another felony involving moral turpitude), and must not be the holder of public funds illegally. Members of the Board of Commissioners serve four-year terms of office. The Board is elected on a non-partisan basis, and serves staggered terms. Elections are held every two years with three Commissioners on one cycle and four Commissioners on the next cycle.

  The Board of Commissioners elects one of their members to serve as Chairman of the Board of Commissioners for a term of office of one year. No Commissioner is eligible to succeed him/herself as Chairman. The Chairman holds the position of Honorary Mayor. The

Chairman presides at all meetings of the Board of Commissioners which he/she attends and is entitled to vote on all questions, motions, or matters brought to the Board of Commissioners for action.

Under the City's Charter, a full-time City Manager is employed by and serves at the pleasure of the Board of Commissioners. The City Manager is the Chief Operating Officer of the City government and is responsible for the efficient administration and day-to-day operations of all departments.

- *Types and levels of services* – The City of Griffin is a "full service" municipality that offers: water, wastewater, electricity, sanitation, public safety, and fiber technology. This includes police and fire protection; the construction and maintenance of streets, and other infrastructure; recreational and cultural activities including an eighteen-hole golf course. The City owns and operates approximately forty-one miles of dark fiber network providing the most advanced technology of fiber applications to the City of Griffin and Spalding County facilities. Having and owning a fiber network, the City has the opportunity to offer high-level, top performing network access to both large and small commercial businesses located within and around the City. Each service area mentioned, functions as a department of the City and, therefore, included as an integral part of the City's financial statements.

- *Component units* – Component units are functions of the City that are legally separate entities. These entities are in substance part of the City's operations and, therefore, financial data from these is present in the CAFR.

    - *City of Griffin Main Street Program* (Main Street): The Main Street program serves as a "community-driven" initiative focused on revitalizing older and more traditional business districts. The underlying premise of the Main Street concept is to encourage and foster economic development within the context of historic preservation in ways that are appropriate for today's marketplace.

    - *City of Griffin Downtown Development Authority* (DDA): The DDA is responsible for the revitalization strategy for Downtown Griffin. The DDA's mission is to encourage economic activity in Griffin's central business district by attracting businesses, residents, and visitors. The DDA works closely with the City's Planning and Development Department and Main Street program in assisting new businesses through the permitting process.

    - *Griffin-Spalding Business and Tourism Association* (Association): As of July 1, 2016, the Griffin Business and Tourism Association dissolved and reformed as Griffin-Spalding Business and Tourism Association (Association), a 501-(c)(6), business league organization. The Association's purpose is to promote business, tourism, trade and conventions for the City and Spalding County. The Association has provided tourism initiatives, brochures and other marketing materials and paid for training and conference registrations to increase awareness of the City of Griffin and Spalding County for both tourism and economic development purposes. The Association is solely devoted to economic development through business attraction and retention;

tourism; redevelopment; and other special events and projects to promote the City and the County.

- *City of Griffin – Spalding County Airport Authority*: The Airport Authority, formed in 2012 under an Intergovernmental Agreement (IGA) with the City of Griffin and Spalding County to provide financial support for airport operations. The City and County are working in partnership on a $60 million dollar economic development project to relocate and expand the existing Griffin-Spalding County Municipal Airport.

  The current airport, constructed in 1939, is landlocked and expansion at the existing location is cost prohibitive. In 2009 the City and County completed a Site Selection Study that selected a site north of Georgia Highway 16 near the new industrial park "The Lakes at Green Valley". Proximity to Interstate-75 is ideal to attract business and industry and to further enhance local economics with "halo" effects from supply chains for parts, manufacturing, consumer goods and services to hospitality, food and beverage, and professional services.

  The Federal Aviation Administration (FAA) will fund this project at 90 percent with FAA Airport Improvement Program (AIP) Trust Fund dollars and the City and County will jointly fund the remaining 10 percent in local matching funds, depending on the amount of Georgia Department of Transportation (GDOT) participation.

  Airports, roadways, railways and water ways, are gateways to the community. Communities that invest in their gateways are the communities on the forefront of growth and development when the opportunities present themselves. Private, non-commercial aviation is a growing industry in which flexibility, speed, and ease of access are the trends in which industrial/business entities are depending upon more and more as they become efficient and global. The project, already well underway, is estimated at 5 to 6 years until completion.

  Progress update (1): In 2012, the Airport Authority under FAA requirement, commenced an Environmental Assessment that concluded in March 2013 with no significant findings. In FAA official terms, Finding No Significant Impact (FONSI).

  Then, in 2014, in conjunction with GDOT, the Airport Authority submitted and received the defined airport property development area with final approval granted in 2015.

  Currently, the Airport Authority is in the process of producing a Supplemental Environmental Assessment (SEA) based on its Airport Land Acquisition Phasing Plan (ALAPP). Georgia Department of Transportation has accepted the Airport Layout Plan (ALP). The ALP is on its way through the multi-agency review process. We are expecting final approval before December 2017.

  Progress update (2): As part of the approximate 60 million dollar replacement Griffin-Spalding County Airport project, the airport authority is nearing completion of Phase-1 for Land Acquisition. Phase-1 is the GDOT/FAA approved purchase in accordance

with Federal Land Acquisition and Relocation Regulations, for the first set of 41 parcels of land out of approximately 55 to 60 parcels pending acquisition. To date, the Airport Authority acquired 39 of the 41 approved parcels. Following Land Acquisition, we will move into Phase-2 Land Acquisition and Phase-1 Demolition, followed by land clearing, grading and installation of drainage controls. Soon after, runway and taxiway construction.

- *Budget process* – In accordance with the State of Georgia, O.C.G.A. § 36-81-3, the City's annual budget serves as the foundation for the City of Griffin's financial planning, control and professional management of City resources. The budget provides for setting priorities, and an orderly means of controlling cash flows and disbursements. All departments of the City of Griffin are required to submit requests for appropriations to the City Manager on or about March 1. The City Manager uses these requests as a starting point for developing a proposed budget. The City Manager then presents the proposed budget to the Board of Commissioners for review, prior to May 15. The Board of Commissioners is required to hold public hearings on the proposed budget and to adopt a final budget no later than June 30; (the close of the City's fiscal year).

- *Governmental funds with an annual appropriated budget* – The annual budget is prepared by fund, function, and department; for example: General Fund, Public Safety, Police, etc... Budget to actual comparisons are provided in this report for each individual fund for which an appropriated budget has been adopted. For the general fund, this comparison extends to the department level. Budget and actual comparisons for all governmental funds are presented in the other Required Supplementary Information (RSI) section of the financial statements.

- *Legal level of budgetary control* – The legal level of budgetary control is at the fund and department level. Department directors are allowed to make transfers within appropriated categories within the operational division. The Board of Commissioners approves appropriations budget revisions between departments. Budgetary control is maintained with monthly reviews of actual results compared to budget and with budget confirmation prior to the issuance of a purchase order.

City of Griffin's Economic Condition

- *Local economy* – During the past seven years, the City experienced and withstood nominal fluctuations in the housing market, the shifting of businesses in and out of City limits, and transition toward more food and beverage establishments. The latest real estate gross tax digest shows slight increases in overall market value. Through conservative planning and foresight, the City's Board of Commissioners held the City's property tax rate at 7.771 mils.

  Diversified revenues come from two sources of activities: governmental and business-type activities. Governmental activities (or program revenues) include revenues from property taxes, sales taxes, charges for services, fines and forfeitures, and donations. Business-type activities (enterprise) are those functions that the City provides and operates for profit generation geared for reinvestment into infrastructure. Examples of infrastructure investment

are electrical supply (power lines), water distribution (underground pipes), solid waste services (environmental cleanup), and City-County municipal airport.

The City of Griffin has an historic downtown filled with architecture and hometown feel. Driven by the service industry, this area provides small town charm with contemporary amenities and services. The greater region has a varied manufacturing and industrial base. As a region, the area has seen a one-point drop in unemployment rate to 4.9 compared to 5.9 from the prior year (Three Rivers Region Unemployment Rate). Major industries with corporate headquarters or divisions located within or near the City include medical, manufacturing, automotive parts, materials and packaging, retail (with specialty shops), and real estate development.

To facilitate the relocation of businesses within the City of Griffin, the Board of Commissioners has adopted numerous incentive programs such as the Opportunity Zone, Enterprise Zone, Tax Allocation District, and Utility Incentive Program. Each of these programs would provide a business looking to expand or relocate job tax credit, property tax abatement, infrastructure bonding and utility rate reductions. The economic future in Griffin is bright and getting brighter.

- *Long-term financial planning* – The City, as of October 2014, updated and adopted the 2014-2034 Comprehensive Plan (PLAN). The PLAN can be found on the City's website at www.cityofgriffin.com under Planning & Development. For more information and assistance, please contact Mr. Toussaint Kirk, Department Director at 770-233-4130. The PLAN provides a rational basis for municipal decision-making on matters that relate to the City's future. Matters range from protecting community values and guiding growth to providing adequate community services. This document provides for economic development, land use, housing, and transportation. The intent of the PLAN is to guide and encourage the location, amount, type and timing of future development, supporting facilities, and securing the fiscal resources sufficient to address the needs.

- *Relevant financial policies* – In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived, and (2) the evaluation of costs and benefits require estimates and judgments by management.

  All internal control evaluations occur within the framework as mentioned above. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

  The City operates under and maintains its Financial Management Program (FMP) policies. The FMP sets fiscal policies and guidelines, for example: investments, such as income generation, target rate of return, time horizon, asset allocation, restrictions, and maximum

amounts per any one instrument. The Cash Receipts policy governs how the City receipts cash throughout operations and by what means.

The objective of the City's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Commissioners. Under State law, all expenditures are subject to an annual appropriation. Strict controls are in place to ensure that expenditures do not exceed appropriations at either the departmental or fund levels. Unutilized encumbrances (unexpended funds) lapse at the fiscal year end. Multi-year capital funds (or projects) may show a reservation of fund balance.

- *Defined Contribution Plan, Retirement Plan, and Other Post-Employment Benefits* – On August 10, 2010, the City adopted its current 457(B) defined contribution plan and 401(A) defined contribution matching, open to all regular and full-time employees. In addition the City is also a participant in the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The day-to-day management of those assets and activities is handled by internal staff and the Georgia Municipal Employees Benefits System. As a matter of policy, the City fully funds each year's annual required contribution to the pension plan as determined by the actuary.

  The City also provides Other Post-Employment Benefits (OPEB) for health care to retirees on a pay-as-you-go basis. The OPEB plan provides a subsidy for medical and dental insurance benefits to eligible retirees. Benefit provisions and contribution requirements are established and may be amended by the City Commission. Additional information on the City's pension plan and its funding progress can be found under note 16, in the notes to the financial statements.

- *Major initiatives* –

  - *Housing Revitalization* – Redevelopment/Revitalization is one of the most effective ways to breathe new life into deteriorated areas plagued by social, physical, environmental or economic conditions that act as a barrier to new investment by private enterprise. Through redevelopment, we use various catalysts to focus attention and financial investment to reverse deteriorating trends, create jobs, revitalize the business climate, rehabilitate and construct new homes that add to the City's housing stock. Meriwether Homes Redevelopment is a three-phase redevelopment of an existing public housing development known as Meriwether Homes in the City of Griffin, Spalding County, Georgia. The first phase of this project, for families consisting of 88 mixed income units, has the distinction for Low-Income Housing Tax Credits (LIHTC) as of 2013. Construction began in the fall of 2014 and was subsequently completed in the fall of 2015. The second phase of this redevelopment is on schedule for completion December 2017. The 85 units consist of housing for age 55 and older persons. The unit mix of Phase II will consist of one and two bedroom units. The 85 mixed income units will serve wide range of households ranging from zero to 60% of the Area Median Income. Phase III is a continuation of Phase II offering an additional 64 units to the mix. These units will overlook the Griffin Municipal Golf Course. Construction will begin first quarter 2018.

- *Blight Removal* – The goal is to enhance neighborhood vitality through removing debris and overgrown vegetation, securing structurally sound buildings, and demolishing those that are a blight to the neighborhood and community. Stable neighborhoods instill pride and foster reinvestment. We continue to work in an effort to address barriers to redevelopment using resources provided by the U.S. Housing and Urban Development through its Community Development Block Grant (CDBG) and Neighborhood Stabilization Program (NSP) and other program initiatives to ensure safe, quality, long-term affordable housing for all residents. Demolishing a minimum of thirty-five (35) houses per year through the City's Nuisance Abatement Program; the City has partnered with the Griffin Housing Authority and the Land Bank Authority to establish affordable housing opportunities for residents, and established a housing rehabilitation program that assists low-income homeowners with repairs and substandard housing conditions.

- *Community Development Block Grants* – The City received over $4.25 million in Community Development Block Grants (CDBG) in the past eight years. The purpose of these grants is to assist the City in accomplishing multi-infrastructure improvements. Specifically, CDBG funds helped replace or rehabilitate 6.14 miles of water mains, 1.9 miles of sewer lines, replace 108 sewer manholes, renew 663 water services lines, and install 63 new fire hydrants. For the ninth (9) consecutive year, the City of Griffin received these, and awarded another $750,000 dollars to help improve the water/wastewater infrastructure system.

- *Water and Wastewater Infrastructure* – The City is investing $8.275 million in upgrades to and replacement of the Flint River Pump Station that was originally installed in 1929. The Still Branch Reservoir Water Treatment Plant is receiving an upgrade to increase capacity to 12 million gallons per day (MGD) from 8 MGD. The Potato Creek Wastewater Treatment Plant is also receiving upgrades to remove nitrogen, phosphorus and copper. Expansion will increase capacity to 3 MGD, up from 2 MGD. Project cost estimates are $19.2 million with funding for the expansion coming from contributions from the Industrial Development Authority and from low interest financing available from the Georgia Environmental Finance Authority (GEFA) through Clean Water State Revolving Fund (CWSRF) for wastewater infrastructure and Drinking Water State Revolving Fund (DWSRF) for drinking water infrastructure. In addition, the City is investing $16 million in upgrades to the Cabin Creek Wastewater Treatment Plant (established in 1934) to remove ammonia and phosphorous compounds. Shoal Creek Wastewater Treatment Plant upgrade project will cost around $8 million in order to replace the headworks and dewater settling ponds. The City is working in partnership with Georgia Environmental Facilities Authority (GEFA) for financing.

- *Transportation Planning* – The City and County are working together on transportation projects and funding in the form of a Transportation Special Purpose Local Option Sales Tax (T-SPLOST). Over the next five years, the City will coordinate approximately $5 million for paving city streets and spend roughly $1.3 million on traffic signal upgrades throughout the City. Intersection and pedestrian crosswalk improvements will occur depending on available funding.

Griffin

- *Incentives* – The City offers numerous incentive programs, in addition to Opportunity and Enterprise Zones, such as Tax Allocation Districts (or Tax Increment Financing), property tax abatements, job tax credits, and infrastructure bonding.

Certificate of Achievement

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 Griffin, Georgia for its comprehensive annual financial report for the fiscal year ended June 30, 2016. This was the 13th consecutive year that the City of Griffin has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The timely preparation and publication of this Comprehensive Annual Financial Report represents significant effort of the Accounting and Finance Divisions of the Department of Administrative Services, as well as the excellent cooperation and assistance of City of Griffin employees and independent auditors, Mauldin & Jenkins, Certified Public Accountants, LLC, who contributed to its preparation. In particular, we wish to express our appreciation to the Accounting and Finance staff who were responsible for assimilating and compiling the data comprising this report.

Sincere appreciation is also expressed to the Commissioners, City Manager, and Department Directors for their assistance and leadership throughout the year in matters pertaining to the financial affairs of this great City.

Respectfully submitted,

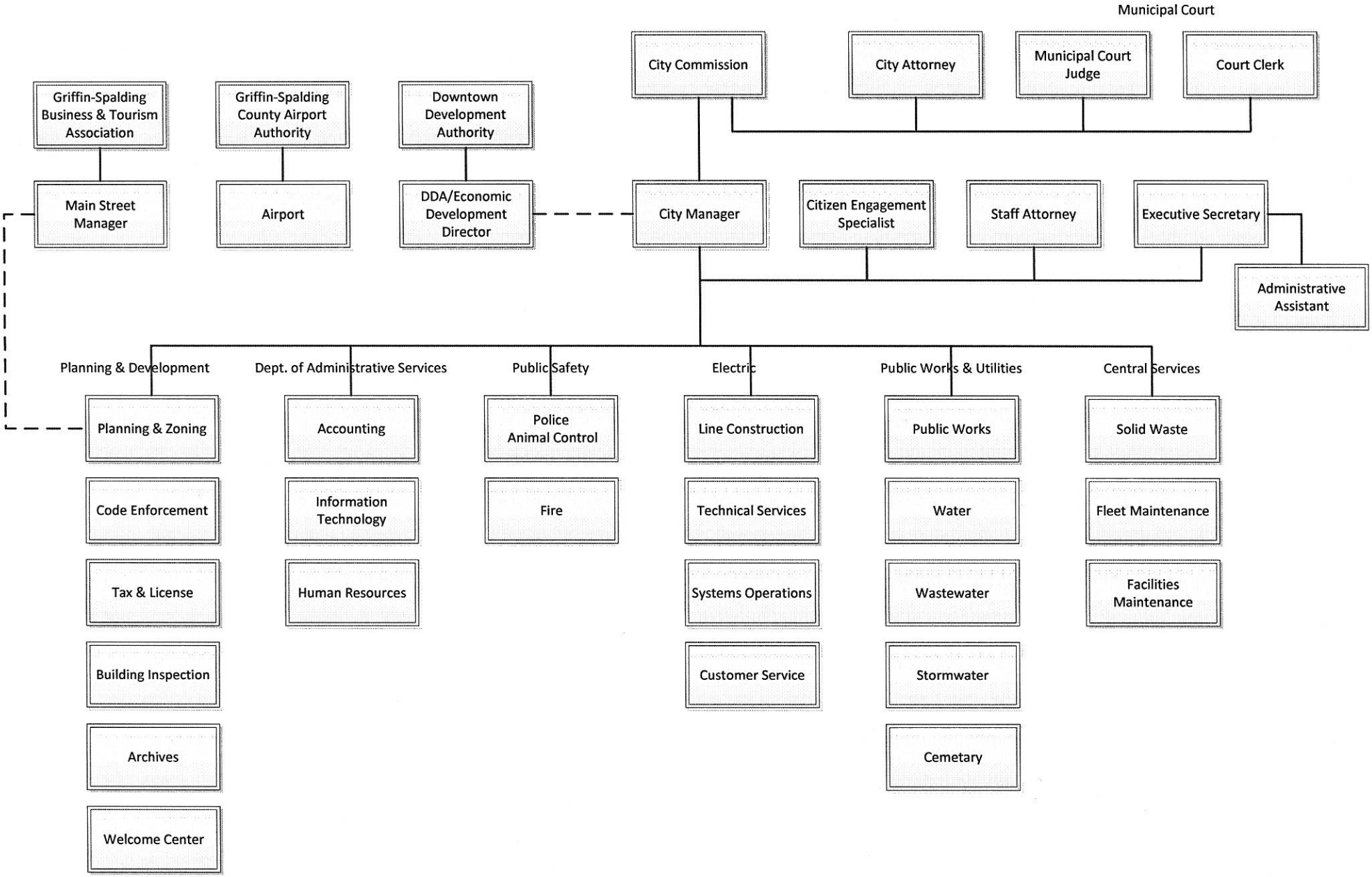
Kenny L. Smith,
City Manager

Rodney McCord,
Chairman

Markus Schwab,
CPA/CITP/CGMA,
Chief Financial Officer

CITY MANAGER

2016/2017



CITY OF GRIFFIN, GEORGIA

LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2017

Commission Chairman

Dick Morrow

Commissioners

District I	Cynthia Reid Ward
District II	Cora Flowers
District III	Ryan McLemore
District IV	David Brock
District V	Dick Morrow
District VI	Rodney McCord
At Large	Douglas S Hollberg

Appointed Officials

City Manager	Kenny Smith
City Attorney	Andrew Whalen, Esq.
Municipal Court Judge	William G Johnston, III
Municipal Court Solicitor	Jessica W. O'Connor

Directors

Administrative Services	Markus Schwab, CPA/CITP/CGMA
Central Services	Phill Francis
Planning and Development Services	Toussaint Kirk, MURP
Electric Director	Dan Thompson
Water/Wastewater	Brant Keller, PhD

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Griffin

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016



Executive Director/CEO

FINANCIAL SECTION

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members
of the City Commission
Griffin, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Griffin, Georgia** (the "City"), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund 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 through 12), the Schedule of Funding Progress (on page 75), the Schedule of Changes in the City's Net Pension Liability and Related Ratios (on page 73), and the Schedule of City Contributions (on page 74) 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's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City. The accompanying schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-121, and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements of the City.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
October 19, 2017

CITY OF GRIFFIN, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Griffin, Georgia (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Griffin, Georgia for the fiscal year ended June 30, 2017. We encourage readers to read the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The assets of the City including deferred outflows exceeded its liabilities at the close of the most recent fiscal year by $139,615,149 (*net position*). Of this amount, $36,284,930 (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by $8,120,186 during the year. This is due primarily to the increase in capital assets of $20,111,903. The majority of this relates to Water Wastewater capital improvements.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of $27,535,258, an increase of $1,594,810 in comparison with the prior year.
- At the end of the current fiscal year, fund balance for the General Fund was $11,657,072 or 5.2% of total General Fund expenditures.
- The City's total long term liabilities increased by $9,485,174 during the current fiscal year. This included the City's Net Pension Liability of $19,510,145.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Griffin's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, judicial, public safety, public works, parks and recreation, and housing and development. The business-type activities of the City include water and wastewater, electric, solid waste, stormwater, welcome center operations, and golf course operations.

The government-wide financial statements can be found on pages 13 and 14 of this report.

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

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

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

The City maintains 22 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund only, because it is considered to be a major fund. Data from the other 21 governmental funds (13 special revenue funds, six capital projects funds, and two permanent funds) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 15 - 19 of this report.

Proprietary funds. The City maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Water/Wastewater Utility Fund, Electric Utility Fund, Solid Waste Fund, Stormwater Utility Fund, Welcome Center Fund, and the Golf Course Fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally across the City's various functions. The City uses an internal service fund to account for its motor vehicle fleet. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water/Wastewater Utility Fund, Electric Utility Fund, and Solid Waste Fund, all of which are considered to be major funds of the City. Conversely, the nonmajor enterprise funds and the internal service funds are combined into single, aggregated presentations in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 20 - 27 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 28 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 – 72 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds and enterprise funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 76 – 101 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by $139,615,149 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (60.9%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Griffin's Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	**2017**	2016	**2017**	2016
Current and other assets	**$ 34,328,610**	$ 33,224,060	**$ 54,253,504**	$ 56,060,488	**$ 88,582,114**	$ 89,284,548
Capital assets	**32,638,363**	27,701,397	**137,467,926**	122,292,989	**170,106,289**	149,994,386
Total assets	**66,966,973**	60,925,457	**191,721,430**	178,353,477	**258,688,403**	239,278,934
Deferred outflows of resources	**2,321,093**	3,254,598	**2,998,718**	3,772,477	**5,319,811**	7,027,075
Other liabilities	**1,961,676**	2,258,834	**9,148,827**	11,429,029	**11,110,503**	13,687,863
Long-term liabilities outstanding	**26,860,097**	25,054,628	**86,325,621**	76,068,555	**113,185,718**	101,123,183
Total liabilities	**28,821,773**	27,313,462	**95,474,448**	87,497,584	**124,296,221**	114,811,046
Deferred inflows of resources	**56,237**	-	**40,607**	-	**96,844**	-
Net position:						
Net investment in capital assets	**21,045,080**	27,292,457	**64,495,240**	59,283,034	**85,540,320**	86,575,491
Restricted	**14,948,625**	11,415,432	**2,841,274**	4,068,183	**17,789,899**	15,483,615
Unrestricted	**4,416,351**	(1,841,296)	**31,868,579**	31,277,153	**36,284,930**	29,435,857
Total net position	**$ 40,410,056**	$ 36,866,593	**$ 99,205,093**	$ 94,628,370	**$ 139,615,149**	$ 131,494,963

A portion of the City's net position (12.7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($36,284,930) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities, with the exception of the 2012 CDBG Fund, the 2016 CDBG Fund, the General Capital Projects Fund and the Solid Waste Fund. The 2012 CDBG Fund's deficit fund balance of ($449), the 2016 CDBG Fund's deficit fund balance of ($13,966), and the General Capital Projects Fund's deficit of ($222,377) are the result of timing differences and will be reduced through intergovernmental revenues and general fund transfers. The Solid Waste Fund's deficit net position of ($3,112,541) is the result of the implementation of GASB 68 and 71, and will be reduced through charges for services.

Governmental activities. Governmental activities during the fiscal year ended June 30, 2017, increased the City of Griffin's net position by $3,543,463. Business-type activities during the same period increased net position by $4,576,723 for a total increase in net position of $8,120,186.

Key elements of this increase are as follows:

City of Griffin's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	**2017**	2016	**2017**	2016
Revenues:						
Program revenues						
Charges for services	**$ 6,842,004**	$ 6,794,503	**$ 78,016,977**	$ 80,557,596	**$ 84,858,981**	$ 87,352,099
Operating grants and contributions	**436,650**	573,546	**28,174**	355,826	**464,824**	929,372
Capital grants and contributions	**4,808,719**	2,698,218	**227,988**	272,912	**5,036,707**	2,971,130
General revenues:						
Property taxes	**4,385,425**	4,432,632	**-**	-	**4,385,425**	4,432,632
Sales taxes	**3,438,553**	3,554,330	**-**	-	**3,438,553**	3,554,330
Insurance premium tax	**1,492,683**	1,361,974	**-**	-	**1,492,683**	1,361,974
Other taxes	**1,636,212**	1,490,783	**-**	-	**1,636,212**	1,490,783
Franchise taxes	**523,462**	523,587	**-**	-	**523,462**	523,587
Unrestricted investment earnings	**248,710**	165,895	**249,563**	1,571,311	**498,273**	1,737,206
Gain on sale of capital assets	**14,252**	14,670	**-**	1,000	**14,252**	15,670
Total revenues	**23,826,670**	21,610,138	**78,522,702**	82,758,645	**102,349,372**	104,368,783
Expenses:						
General government	**8,607,024**	4,794,301	**-**	-	**8,607,024**	4,794,301
Judicial	**231,521**	299,837	**-**	-	**231,521**	299,837
Public safety	**13,723,855**	14,149,168	**-**	-	**13,723,855**	14,149,168
Public works	**4,648,252**	5,181,358	**-**	-	**4,648,252**	5,181,358
Parks and recreation	**390,878**	375,164	**-**	-	**390,878**	375,164
Housing and development	**1,423,875**	1,414,435	**-**	-	**1,423,875**	1,414,435
Interest on long-term debt	**150,998**	439,627	**-**	-	**150,998**	439,627
Water and wastewater	**-**	-	**16,394,635**	16,507,868	**16,394,635**	16,507,868
Electric	**-**	-	**38,308,938**	37,265,142	**38,308,938**	37,265,142
Solid Waste	**-**	-	**7,766,989**	6,865,956	**7,766,989**	6,865,956
Stormwater	**-**	-	**1,816,685**	1,639,352	**1,816,685**	1,639,352
Welcome Center	**-**	-	**109,020**	101,107	**109,020**	101,107
Golf Course	**-**	-	**656,516**	659,881	**656,516**	659,881
Total expenses	**29,176,403**	26,653,890	**65,052,783**	63,039,306	**94,229,186**	89,693,196
Change in net position before transfers	**(5,349,733)**	(5,043,752)	**13,469,919**	19,719,339	**8,120,186**	14,675,587
Transfers	**8,893,196**	8,650,614	**(8,893,196)**	(8,650,614)	**-**	-
Change in net position	**3,543,463**	3,606,862	**4,576,723**	11,068,725	**8,120,186**	14,675,587
Net position, beginning	**36,866,593**	33,259,731	**94,628,370**	83,559,645	**131,494,963**	116,819,376
Net position, ending	**$ 40,410,056**	$ 36,866,593	**$ 99,205,093**	$ 94,628,370	**$ 139,615,149**	$ 131,494,963

As can be seen above, the governmental activities show a deficit of revenues over expenses before transfers of $5,349,733 and $5,043,752 for 2017 and 2016, respectively. These deficiencies are normal and consistent throughout all fiscal years. This increase in revenues was primarily due to more capital grants in fiscal year 2017 as compared to fiscal year 2016. The City relies on the superior earnings of the enterprise funds (specifically the Water/Wastewater and Electric Funds) to subsidize the operations of the General Fund. The transfer from those funds can be thought of as dividends paid to stockholders or return of equity to the owners of a business, and they can be used for whatever purpose the City Commission decides is best for the City.

Traditionally, the City has relied upon those transfers to maintain the ad valorem tax rates at a reasonable level. In the absence of those transfers, the City would either have to raise the shortfall in revenues through increases in user fees or taxes, or to cut back the level of services it provides to the citizens.

Business-type activities. The City's business-type activities which include the Water/Wastewater Fund, Electric Utility Fund, Solid Waste Fund, and three non-major funds increased net position by $4,390,465 in 2017 and increased net position by $10,940,444 in 2016.

City of Griffin
Enterprise Net Operating Income (Loss)
Nonoperating Revenues (Expenses) and Transfers (Fund level)

	2017	2016
Net operating income (loss):		
Water/Wastewater Fund	**$ 7,092,251**	$ 10,846,031
Electric Utility Fund	**9,747,895**	9,412,773
Solid Waste Fund	**(1,321,246)**	(459,991)
Nonmajor Enterprise Funds	**59,281**	418,237
Total net operating income	**15,578,181**	20,217,050
Nonoperating expenses and capital contributions	**(1,689,832)**	(41,092)
Income before transfers	**13,888,349**	20,175,958
Net transfers out	**(9,497,884)**	(9,235,514)
Changes in net position	**$ 4,390,465**	$ 10,940,444

Financial Analysis of the City's Funds

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

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of 2017 and 2016, the combined ending fund balances of the City's governmental funds were a positive $27,535,258 and a positive $25,940,448, respectively. This increase was due to continued spending constraints and significant transfers in from the City's enterprise funds. At June 30, 2017, $11,069,767 of the ending fund balance consists of unassigned fund balance, which is available as working capital for current spending in accordance with the purposes of the specific funds. A portion of the fund balance at June 30, 2017, $4,018,809, is termed non-spendable to indicate that it is not available for new spending because it is not in spendable form (i.e., prepaid items, assets held for resale and permanent fund principle). The remainder of $12,446,682 is restricted for law enforcement needs, cemetery maintenance, and capital projects.

The City of Griffin has only one major governmental fund which is the General Fund. The General Fund is the primary operating fund of the City. It accounts for many of the City's core services such as law enforcement, fire protection, planning, roads and streets, and administration. At the end of 2017, the General Fund had a positive fund balance of $11,657,072. This is an increase of $576,243 from the beginning fund balance. This is primarily due to the expenditures in the General Fund coming in $1,995,565 under budget. Specifically, the category of administrative services and police came in under budget $521,008 and $605,088, respectively.

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

The net position of the City's enterprise funds increased by $4,576,723 in 2017, and by $10,940,444 in 2016. This increase is primarily a result of revenues exceeding expenses before transfers and capital contributions of $13,632,187 in 2017, and $19,903,046 in 2016.

Capital Asset and Debt Administration

Capital Assets. At the end of the fiscal year ending June 30, 2017, governmental activities and business-type activities had capital assets of $170,106,289 (net of accumulated depreciation) invested in land, buildings, system improvements, infrastructure, and machinery and equipment. The total increase in the City's investment in capital assets for the current fiscal year was 0.134% (a 0.178% increase for governmental activities and a 0.124% increase for business-type activities). The total increase in capital assets was due mostly to various construction projects in the SPLOST and improvements to Water/Waste Water fund infrastructure.

City of Griffin's Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2017	2016	**2017**	2016	**2017**	2016
Land	**$ 2,764,756**	$ 2,184,779	**$ 7,577,778**	$ 7,577,778	**$ 10,342,534**	$ 9,762,557
Land improvements	**-**	-	**618,433**	683,295	**618,433**	683,295
Buildings and improvements	**6,051,520**	5,385,424	**16,814,898**	17,648,583	**22,866,418**	23,034,007
Improvements other than buildings	**-**	-	**84,636,789**	78,577,786	**84,636,789**	78,577,786
Machinery and equipment	**2,774,275**	2,342,572	**4,190,226**	4,260,838	**6,964,501**	6,603,410
Infrastructure	**11,085,095**	10,928,375	**-**	-	**11,085,095**	10,928,375
Construction in progress	**9,962,717**	6,860,247	**23,629,802**	13,544,709	**33,592,519**	20,404,956
Total	**$ 32,638,363**	$ 27,701,397	**$ 137,467,926**	$ 122,292,989	**$ 170,106,289**	$ 149,994,386

Additional information on the City's capital assets can be found in Note 5 on pages 48 - 51 of this report.

Debt Administration. At the end of June 30, 2017, the City had $26,860,097 of outstanding long-term liabilities related to governmental activities and $86,253,987 of long-term liabilities related to business-type activities for a total of $113,114,084 compared to the previous year's total of $101,123,183. This is an increase of $11,990,901, the majority of which is the result of notes payable in the water fund for major capital improvements. At the end of 2017, the City had total revenue bonded debt outstanding of $54,192,457 as compared to $57,002,964 in 2016. The debt is secured solely by specified revenue sources (i.e., revenue bonds). The majority of the bonded debt outstanding is from the refunding of the issuance of $64,385,000 of Combined Public Utility Revenue Refunding and Improvement Bonds (Series 2002) in 2012. These bonds, along with other available funds were used to refund $6,210,000 of the Series 1993A bonds, initially fund approximately 33 months of interest on the Series 2002 bonds, and construct improvements and a new regional water supply system for the Water and Wastewater Fund. The issuance of the series 2012 refunding bonds allowed for a net savings to the City of approximately $8.2 million. The City received a rating from Moody's on this issuance of Aa3 and a rating from Standard & Poor's of AA-.

Additional information on the City's debt can be found in Note 6 on pages 51 - 59 of this report.

Currently Known Conditions Affecting Future Operations

We are expecting the tax digest to increase this year. The backlog of tax appeals in the appraisers' office have mostly cleared. The effect on the City is a reduction of approximately $200,000 of general fund tax revenue. This, along with the upturn in the economy, will affect the City's operations in the area of increased sales tax receipts and other general fund revenues. We will be monitoring this closely and amending our forecasts accordingly.

Factors Affecting the FY 2017-18 Budget

The Commission of the City of Griffin considered many factors when approving the City's 2017 budget and are very aware of present economic conditions and their effect on its citizens. The Commission chose to continue to use transfers from the business-type activities to the governmental activities instead of increasing taxes or rates within the governmental activities. There were no contemplated increases to the rates of the business-type activities.

Annually, the City Manager submits to the Commission a proposed operating budget for the coming fiscal year which is required to be approved prior to June 30. Public hearings are held prior to adoption to allow citizens the opportunity to comment on the proposed budget.

Budgets are adopted for the General Fund, all special revenue funds, all capital projects funds, and the City's enterprise funds. Budgets for the enterprise funds are prepared for planning and control purposes only. The legal level of budgetary control is the department level, with the Commissioners being the only body authorized to make amendments to the budget. During the year, there were no significant increases in appropriations between the original budget and the final amended budget for the City's General Fund.

Requests for Information

This financial report is designed to provide a general overview of the City of Griffin's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Mr. Kenny Smith, City Manager, at the City of Griffin, P.O. Box T, Griffin, Georgia 30224.

CITY OF GRIFFIN, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2017

ASSETS	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Griffin Main Street	Griffin Downtown Development	Business and Tourism Association	Griffin-Spalding County Airport Authority
Cash and cash equivalents	$ 16,125,978	$ 5,545,421	$ 21,671,399	$ 249,890	$ 90,927	$ 137,935	$ 1,342,938
Investments	6,819,205	30,260,597	37,079,802	-	-	-	-
Taxes receivable	759,407	-	759,407	-	-	-	-
Accounts receivable, net of allowances	175,884	10,728,184	10,904,068	-	-	-	245,391
Due from other governments	679,347	460,183	1,139,530	-	-	-	3,300,000
Due from component units	105,583	834,466	940,049	-	-	-	-
Due from primary government	-	-	-	-	5,176	19,914	3,300,000
Internal balances	7,968,023	(7,968,023)	-	-	-	-	-
Inventories	173,985	2,699,648	2,873,633	-	-	-	55,227
Prepaid expenses	1,315,363	583,721	1,899,084	-	141	281	10,077
Restricted assets:							
Cash and cash equivalents	-	4,204,996	4,204,996	-	-	-	-
Investments	-	6,904,311	6,904,311	-	-	-	-
Assets held for resale	205,835	-	205,835	-	-	-	-
Capital assets:							
Nondepreciable	12,727,473	31,207,580	43,935,053	-	11,885	-	6,567,201
Depreciable, net	19,910,890	106,260,346	126,171,236	-	-	-	2,650,623
Total assets	66,966,973	191,721,430	258,688,403	249,890	108,129	158,130	17,471,457
DEFERRED OUTFLOWS OF RESOURCES							
Pension	2,321,093	1,675,941	3,997,034	-	-	-	32,640
Deferred charges on refundings	-	1,322,777	1,322,777	-	-	-	-
Total deferred outflows or resources	2,321,093	2,998,718	5,319,811	-	-	-	32,640
LIABILITIES							
Accounts payable	1,559,360	5,348,956	6,908,316	840	-	-	108,096
Accrued liabilities	377,226	598,212	975,438	-	2,150	382	118,799
Due to primary government	-	-	-	136,317	-	80,758	722,974
Due to component unit	25,090	-	25,090	-	-	-	-
Unearned revenues	-	22,208	22,208	-	-	-	-
Customer deposits payable	-	3,179,451	3,179,451	-	-	-	-
Other noncurrent liability - OPEB	-	71,634	71,634	-	-	-	-
Capital leases due within one year	68,141	142,566	210,707	-	-	-	-
Capital leases due in more than one year	274,018	309,518	583,536	-	-	-	-
Notes payable due within one year	-	198,794	198,794	-	-	-	-
Notes payable due in more than one year	-	19,452,128	19,452,128	-	-	-	-
Bonds payable due within one year	917,886	2,570,000	3,487,886	-	-	-	30,000
Bonds payable due in more than one year	10,333,238	51,622,457	61,955,695	-	-	-	6,945,274
Compensated absences due within one year	541,993	333,420	875,413	-	-	-	10,691
Compensated absences due in more than one year	95,208	58,839	154,047	-	-	-	1,886
Net pension liability	11,329,613	8,180,532	19,510,145	-	-	-	159,323
Due to Griffin-Spalding County Airport Authority, due within one year	15,000	-	15,000	-	-	-	-
Due to Griffin-Spalding County Airport Authority, due in more than one year	3,285,000	-	3,285,000	-	-	-	-
Landfill postclosure care costs due within one year	-	98,210	98,210	-	-	-	-
Landfill postclosure care costs due in more than one year	-	3,287,523	3,287,523	-	-	-	-
Total liabilities	28,821,773	95,474,448	124,296,221	137,157	2,150	81,140	8,097,043
DEFERRED INFLOWS OF RESOURCES							
Pension	56,237	40,607	96,844	-	-	-	791
NET POSITION							
Net investment in capital assets	21,045,080	64,495,240	85,540,320	-	11,885	-	9,244,340
Restricted for:							
Debt service	-	1,602,805	1,602,805	-	-	-	-
Law enforcement	348,913	-	348,913	-	-	-	-
Cemetery maintenance:							
Expendable	1,148,730	-	1,148,730	-	-	-	-
Nonexpendable	2,501,943	-	2,501,943	-	-	-	-
Capital projects	10,949,039	1,238,469	12,187,508	-	-	-	-
Unrestricted	4,416,351	31,868,579	36,284,930	112,733	94,094	76,990	161,923
Total net position	$ 40,410,056	$ 99,205,093	$ 139,615,149	$ 112,733	$ 105,979	$ 76,990	$ 9,406,263

The accompanying notes are an integral part of these financial statements.

CITY OF GRIFFIN, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: Griffin Main Street	Component Units: Griffin Downtown Development	Component Units: Business and Tourism Association	Component Units: Griffin-Spalding County Airport Authority
Primary government:											
Governmental activities:											
General government	$ 8,607,024	$ 5,456,453	$ -	$ -	$ (3,150,571)	$ -	$ (3,150,571)	$ -	$ -	$ -	$ -
Judicial	231,521	-	-	-	(231,521)	-	(231,521)	-	-	-	-
Public safety	13,723,855	783,377	392,200	-	(12,548,278)	-	(12,548,278)	-	-	-	-
Public works	4,648,252	173,578	44,450	4,808,719	378,495	-	378,495	-	-	-	-
Parks and recreation	390,878	198,072	-	-	(192,806)	-	(192,806)	-	-	-	-
Housing and economic development	1,423,875	230,524	-	-	(1,193,351)	-	(1,193,351)	-	-	-	-
Interest on long-term debt	150,998	-	-	-	(150,998)	-	(150,998)	-	-	-	-
Total governmental activities	29,176,403	6,842,004	436,650	4,808,719	(17,089,030)	-	(17,089,030)	-	-	-	-
Business-type activities:											
Water and Wastewater	16,394,635	21,276,341	-	227,988	-	5,109,694	5,109,694	-	-	-	-
Electric	38,308,938	48,009,529	-	-	-	9,700,591	9,700,591	-	-	-	-
Solid Waste	7,766,989	6,164,237	-	-	-	(1,602,752)	(1,602,752)	-	-	-	-
Stormwater	1,816,685	2,373,383	28,174	-	-	584,872	584,872	-	-	-	-
Welcome Center	109,020	8,950	-	-	-	(100,070)	(100,070)	-	-	-	-
Golf Course	656,516	184,537	-	-	-	(471,979)	(471,979)	-	-	-	-
Total business-type activities	65,052,783	78,016,977	28,174	227,988	-	13,220,356	13,220,356	-	-	-	-
Total primary government	$ 94,229,186	$ 84,858,981	$ 464,824	$ 5,036,707	(17,089,030)	13,220,356	(3,868,674)	-	-	-	-
Component units:											
Griffin Main Street	$ 25,485	$ -	$ 135,079	$ -	-	-	-	109,594	-	-	-
Griffin Downtown Development Authority	137,632	-	142,372	-	-	-	-	-	4,740	-	-
Griffin Business and Tourism Association	175,465	-	227,474	-	-	-	-	-	-	52,009	-
Griffin-Spalding County Airport Authority	943,399	501,872	331,329	6,646,754	-	-	-	-	-	-	6,536,556
Total component units	$ 1,281,981	$ 501,872	$ 836,254	$ 6,646,754	-	-	-	109,594	4,740	52,009	6,536,556
General revenues:											
Property taxes					4,385,425	-	4,385,425	-	-	-	-
Sales taxes					3,438,553	-	3,438,553	-	-	-	-
Insurance premium tax					1,492,683	-	1,492,683	-	-	-	-
Alcoholic beverage taxes					663,403	-	663,403	-	-	-	-
Business occupational taxes					459,395	-	459,395	-	-	-	-
Franchise taxes					523,462	-	523,462	-	-	-	-
Other taxes					513,414	-	513,414	-	-	-	-
Unrestricted investment earnings					248,710	249,563	498,273	-	87	-	4,970
Gain on sale of capital assets					14,252	-	14,252	-	-	-	-
Transfers					8,893,196	(8,893,196)	-	-	-	-	-
Total general revenues and transfers					20,632,493	(8,643,633)	11,988,860	-	87	-	4,970
Change in net position					3,543,463	4,576,723	8,120,186	109,594	4,827	52,009	6,541,526
Net position, beginning of year					36,866,593	94,628,370	131,494,963	3,139	101,152	24,981	2,864,737
Net position, end of year					$ 40,410,056	$ 99,205,093	$ 139,615,149	$ 112,733	$ 105,979	$ 76,990	$ 9,406,263

The accompanying notes are an integral part of these financial statements.

CITY OF GRIFFIN, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017

ASSETS	General	Nonmajor Governmental Funds	Totals Governmental Funds
Cash and cash equivalents	$ 2,444,790	$ 12,511,075	$ 14,955,865
Investments	4,540,658	2,278,547	6,819,205
Taxes receivable, net	753,928	5,479	759,407
Accounts receivable, net	106,170	69,714	175,884
Due from other governments	24,800	654,547	679,347
Due from other funds	4,807,277	487,719	5,294,996
Due from component units	101,992	-	101,992
Inventories	1,615	-	1,615
Prepaid expenditures	239,541	1,069,875	1,309,416
Assets held for resale	-	205,835	205,835
Total assets	$ 13,020,771	$ 17,282,791	$ 30,303,562
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 500,496	$ 998,900	$ 1,499,396
Accrued liabilities	190,372	-	190,372
Due to other funds	395,284	402,923	798,207
Due to component units	22,308	2,782	25,090
Total liabilities	1,108,460	1,404,605	2,513,065
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	255,239	-	255,239
Total deferred inflows of resources	255,239	-	255,239
FUND BALANCES			
Nonspendable:			
Inventory	1,615	-	1,615
Prepaid expenditures	239,541	1,069,875	1,309,416
Assets held for resale	-	205,835	205,835
Permanent fund principal	-	2,501,943	2,501,943
Restricted for:			
Law enforcement	-	348,913	348,913
Cemetery maintenance	-	1,148,730	1,148,730
Capital projects	109,357	10,839,682	10,949,039
Unassigned	11,306,559	(236,792)	11,069,767
Total fund balances	11,657,072	15,878,186	27,535,258
Total liabilities, deferred inflows of resources, and fund balances	$ 13,020,771	$ 17,282,791	

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.	32,123,633
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	255,239
Deferred outflows of resources are not due and payable in the current period and therefore are not reported in the funds. These deferred outflows of resources consist of pension related experience differences, assumption changes and contributions.	2,321,093
Internal service funds are used by management to charge the costs of certain functions to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	5,260,590
Deferred inflows of resources are not available to pay for current expenditures and therefore are not reported in the funds. These deferred inflows of resources consist of pension related differences between projected and actual earnings on plan investments.	(56,237)
Certain liabilities are not due and payable in the current period and are therefore not reported in the funds.	(27,029,520)
Net position of governmental activities	$ 40,410,056

The accompanying notes are an integral part of these financial statements.

CITY OF GRIFFIN, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	General	Nonmajor Governmental Funds	Totals Governmental Funds
REVENUES			
Property taxes	$ 4,378,755	$ -	$ 4,378,755
Other taxes	6,203,782	363,666	6,567,448
Charges for services	5,401,416	41,820	5,443,236
Licenses and permits	363,442	-	363,442
Intergovernmental	392,200	4,851,964	5,244,164
Franchise taxes	523,462	-	523,462
Fines and forfeitures	587,471	151,225	738,696
Interest revenue	30,416	219,499	249,915
Rental income	186,979	-	186,979
Contributions and donations	3,403	7,024	10,427
Other revenues	62,404	36,820	99,224
Total revenues	18,133,730	5,672,018	23,805,748
EXPENDITURES			
Current:			
General government	5,785,473	-	5,785,473
Judicial	232,350	-	232,350
Public safety	13,772,917	187,011	13,959,928
Public works	4,277,315	635,376	4,912,691
Parks and recreation	361,581	-	361,581
Housing and economic development	1,399,365	20,019	1,419,384
Capital outlay	-	4,038,741	4,038,741
Debt service:			
Principal	66,781	12,390	79,171
Interest	7,529	321,538	329,067
Total expenditures	25,903,311	5,215,075	31,118,386
Excess (deficiency) of revenues over (under) expenditures	(7,769,581)	456,943	(7,312,638)
OTHER FINANCING SOURCES (USES)			
Transfers in	9,624,023	858,907	10,482,930
Transfers out	(1,292,451)	(297,283)	(1,589,734)
Proceeds from the sale of capital assets	14,252	-	14,252
Total other financing sources, net	8,345,824	561,624	8,907,448
Net change in fund balances	576,243	1,018,567	1,594,810
Fund balances, beginning of year	11,080,829	14,859,619	25,940,448
Fund balances, end of year	$ 11,657,072	$ 15,878,186	$ 27,535,258

The accompanying notes are an integral part of these financial statements.

CITY OF GRIFFIN, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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

Net change in fund balances - total governmental funds	$	1,594,810
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		5,000,436
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		6,670
Internal service funds are used by management to charge the costs of certain functions to individual funds. The net revenue of certain activities in the internal service funds is reported with governmental activities.		(220,082)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		299,961
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(3,138,332)
	$	3,543,463

The accompanying notes are an integral part of these financial statements.

CITY OF GRIFFIN, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES:				
Property taxes	$ 4,542,000	$ 4,542,000	$ 4,378,755	$ (163,245)
Other taxes	6,059,040	6,059,040	6,203,782	144,742
Charges for services	5,458,751	5,469,061	5,401,416	(67,645)
Licenses and permits	307,000	360,040	363,442	3,402
Intergovernmental	133,595	177,998	392,200	214,202
Franchise fees	551,000	551,000	523,462	(27,538)
Fines and forfeitures	698,000	698,000	587,471	(110,529)
Interest revenue	6,000	6,000	30,416	24,416
Rental income	175,420	175,420	186,979	11,559
Contributions and donations	-	10,266	3,403	(6,863)
Other revenues	4,000	34,030	62,404	28,374
Total revenues	17,934,806	18,082,855	18,133,730	50,875
EXPENDITURES:				
Current:				
General government:				
Legislative	519,356	419,356	385,654	33,702
Executive	342,936	340,936	377,820	(36,884)
Elections	250	250	-	250
Administrative services	4,243,900	3,824,621	3,303,613	521,008
Central services	503,992	1,601,432	1,596,280	5,152
Legal	124,000	124,000	122,106	1,894
Total general government	5,734,434	6,310,595	5,785,473	525,122
Judicial	261,748	368,078	232,350	135,728
Public safety:				
Police	9,273,543	9,144,810	8,539,722	605,088
Fire	5,247,396	5,317,250	5,102,259	214,991
Code enforcement	-	-	3,243	(3,243)
Other protection	143,838	144,725	127,693	17,032
Total public safety	14,664,777	14,606,785	13,772,917	833,868
Public works:				
Highways and streets	3,754,858	4,016,477	3,808,458	208,019
Cemetery	499,601	517,834	468,857	48,977
Total public works	4,254,459	4,534,311	4,277,315	256,996
Parks and recreation:				
Recreation	96,327	96,327	84,701	11,626
Parks	381,682	384,456	276,880	107,576
Total parks and recreation	478,009	480,783	361,581	119,202

(Continued)

CITY OF GRIFFIN, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Current: (Continued)				
Housing and economic development:				
Protective inspection	$ 701,281	$ 786,735	$ 747,257	$ 39,478
Griffin-Spalding County Airport Authority	331,329	331,847	331,329	518
Griffin Business and Tourism Association	37,455	37,453	45,559	(8,106)
Downtown development	225,659	255,549	257,470	(1,921)
Main Street	17,750	112,420	17,750	94,670
Total housing and economic development	1,313,474	1,524,004	1,399,365	124,639
Debt service	74,320	74,320	74,310	10
Total expenditures	26,781,221	27,898,876	25,903,311	1,995,565
Deficiency of revenues over expenditures	(8,846,415)	(9,816,021)	(7,769,581)	2,046,440
OTHER FINANCING SOURCES (USES)				
Transfers in	9,883,203	9,883,203	9,624,023	(259,180)
Transfers out	(1,036,788)	(1,240,788)	(1,292,451)	(51,663)
Proceeds from the sale of capital assets	-	-	14,252	14,252
Total other financing sources, net	8,846,415	8,642,415	8,345,824	(296,591)
Net change in fund balances	-	(1,173,606)	576,243	1,749,849
Fund balances, beginning of year	11,080,829	11,080,829	11,080,829	-
Fund balances, end of year	$ 11,080,829	$ 9,907,223	$ 11,657,072	$ 1,749,849

The accompanying notes are an integral part of these financial statements.

CITY OF GRIFFIN, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2017

	Water/ Wastewater Utility Fund	Electric Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ 477,277	$ 3,180,499	$ 796,877	$ 1,090,768
Investments	-	24,529,567	-	-
Restricted assets, cash	3,607,508	438,767	51,153	107,568
Accounts receivable, net of allowances	73,684	10,413,920	-	240,580
Due from other governments	432,009	-	-	28,174
Due from component units	10,423	799,698	-	24,345
Due from other funds	11,052,223	1,909,571	160,811	1,372,161
Inventories	889,821	1,775,081	-	34,746
Prepaid expenses	504,694	23,971	34,818	20,238
Total current assets	17,047,639	43,071,074	1,043,659	2,918,580
NONCURRENT ASSETS				
Investments	-	5,731,030	-	-
Restricted assets, investments	3,177,396	3,298,681	428,234	-
Capital assets:				
Nondepreciable	22,774,770	6,258,378	19,250	2,155,182
Depreciable, net of accumulated depreciation	75,688,834	21,145,996	1,596,860	7,828,656
Total noncurrent assets	101,641,000	36,434,085	2,044,344	9,983,838
Total assets	118,688,639	79,505,159	3,088,003	12,902,418
DEFERRED OUTFLOWS OF RESOURCES				
Pension	614,525	635,883	291,345	134,188
Deferred charges on refundings	1,322,777	-	-	-
Total deferred outflows of resources	1,937,302	635,883	291,345	134,188
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	1,803,816	3,351,628	158,547	34,965
Accrued liabilities	53,314	496,693	33,815	14,390
Unearned revenue	-	22,208	-	-
Current portion - compensated absences	159,005	97,808	55,719	20,888
Current portion - notes payable	-	-	-	198,794
Current portion - capital leases payable	-	-	62,411	80,155
Current portion - landfill closure/postclosure care costs	-	-	98,210	-
Customer deposits payable	30,947	3,148,504	-	-
Due to other funds	94,232	16,170,896	1,356,669	264,409
Payable from restricted assets:				
Revenue bonds payable, current portion	2,570,000	-	-	-
Total current liabilities	4,711,314	23,287,737	1,765,371	613,601
NONCURRENT LIABILITIES				
Compensated absences, net of current portion	28,060	17,260	9,833	3,686
Revenue bonds payable, net of current portion	51,622,457	-	-	-
Capital leases payable, net of current portion	-	-	-	309,518
Notes payable, net of current portion	18,335,036	-	-	1,117,092
Net pension liability	2,999,594	3,103,842	1,422,103	654,993
Net OPEB liability	-	71,634	-	-
Landfill closure/postclosure care costs	-	-	3,287,523	-
Total noncurrent liabilities	72,985,147	3,192,736	4,719,459	2,085,289
Total liabilities	77,696,461	26,480,473	6,484,830	2,698,890
DEFERRED INFLOWS OF RESOURCES				
Pension	14,889	15,407	7,059	3,252
NET POSITION				
Net investment in capital assets	27,258,888	27,404,374	1,553,699	8,278,279
Restricted for debt service	1,602,805	-	-	-
Restricted for capital outlay	1,238,469	-	-	-
Unrestricted	12,814,429	26,240,788	(4,666,240)	2,056,185
Total net position	$ 42,914,591	$ 53,645,162	$ (3,112,541)	$ 10,334,464
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				
Net position of business-type activities				

The accompanying notes are an integral part of these financial statements.

Totals	Governmental Activities Internal Service Fund - Motor Pool
$ 5,545,421	$ 1,170,113
24,529,567	-
4,204,996	-
10,728,184	-
460,183	-
834,466	3,591
14,494,766	208,997
2,699,648	172,370
583,721	5,947
64,080,952	1,561,018
5,731,030	-
6,904,311	-
31,207,580	-
106,260,346	514,730
150,103,267	514,730
214,184,219	2,075,748
1,675,941	-
1,322,777	-
2,998,718	-
5,348,956	59,964
598,212	3,658
22,208	-
333,420	12,079
198,794	-
142,566	-
98,210	-
3,179,451	-
17,886,206	1,314,346
2,570,000	-
30,378,023	1,390,047
58,839	1,694
51,622,457	-
309,518	-
19,452,128	-
8,180,532	-
71,634	-
3,287,523	-
82,982,631	1,694
113,360,654	1,391,741
40,607	-
64,495,240	514,730
1,602,805	-
1,238,469	-
36,445,162	169,277
103,781,676	$ 684,007
(4,576,583)	
$ 99,205,093	

CITY OF GRIFFIN, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Water/ Wastewater Utility Fund	Electric Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds
OPERATING REVENUES				
Charges for services	$ 20,987,938	$ 44,142,626	$ 6,163,138	$ 2,566,602
Tap and capacity recovery fees	148,709	-	-	-
Other services	139,694	3,866,903	1,099	268
Total operating revenues	21,276,341	48,009,529	6,164,237	2,566,870
OPERATING EXPENSES				
Personal services	4,268,101	4,047,493	2,018,277	969,190
Purchased or contracted services	5,043,047	2,260,968	4,456,672	687,088
Purchased power	-	30,430,121	-	-
Supplies	1,200,705	116,068	54,655	152,978
Miscellaneous	452,890	326,908	560,918	202,439
Depreciation	3,219,347	1,080,076	394,961	495,894
Total operating expenses	14,184,090	38,261,634	7,485,483	2,507,589
Operating income (loss)	7,092,251	9,747,895	(1,321,246)	59,281
NONOPERATING INCOME (EXPENSES)				
Interest income	15,400	199,360	32,081	2,722
Interest expense	(2,143,600)	-	(1,822)	(50,135)
Total nonoperating income (expenses)	(2,128,200)	199,360	30,259	(47,413)
Income (loss) before capital contributions and transfers	4,964,051	9,947,255	(1,290,987)	11,868
CAPITAL CONTRIBUTIONS	227,988	-	-	28,174
TRANSFERS				
Transfers out	(3,466,442)	(7,800,000)	(450,331)	(5,366,570)
Transfers in	-	7,133,340	-	452,119
Total transfers	(3,466,442)	(666,660)	(450,331)	(4,914,451)
Change in net position	1,725,597	9,280,595	(1,741,318)	(4,874,409)
Net position, beginning of year	41,188,994	44,364,567	(1,371,223)	15,208,873
Net position, end of year	$ 42,914,591	$ 53,645,162	$ (3,112,541)	$ 10,334,464

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.
Change in net position of business-type activities

The accompanying notes are an integral part of these financial statements.

Totals	Governmental Activities Internal Service Fund - Motor Pool
$ 73,860,304	$ 862,180
148,709	-
4,007,964	2,345
78,016,977	864,525
11,303,061	574,983
12,447,775	224,424
30,430,121	-
1,524,406	606,336
1,543,155	33,824
5,190,278	63,470
62,438,796	1,503,037
15,578,181	(638,512)
249,563	-
(2,195,557)	-
(1,945,994)	-
13,632,187	(638,512)
256,162	-
(17,083,343)	-
7,585,459	604,688
(9,497,884)	604,688
4,390,465	(33,824)
	717,831
	$ 684,007
186,258	
$ 4,576,723	

CITY OF GRIFFIN, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Water/ Wastewater Utility Fund	Electric Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 20,132,267	$ 48,645,251	$ 7,310,731	$ 1,772,464
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(8,425,543)	(33,549,579)	(4,397,298)	(1,051,999)
Payments to employees	(4,154,572)	(4,087,446)	(1,949,642)	(971,904)
Net cash provided by (used in) operating activities	7,552,152	11,008,226	963,791	(251,439)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers out	(2,150,003)	(7,800,000)	-	-
Transfers in	-	-	-	452,119
Net cash provided by (used in) noncapital financing activities	(2,150,003)	(7,800,000)	-	452,119
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(16,718,446)	(2,815,416)	(304,996)	(526,357)
Intergovernmental grant	227,988	-	-	-
Proceeds from notes payable and capital leases	12,692,412	-	-	416,000
Principal paid on bonds	(2,487,000)	-	-	-
Principal paid on notes payable and capital leases	(227,688)	-	(81,945)	(217,697)
Interest paid	(2,254,039)	-	(1,882)	(49,919)
Net cash used in capital and related financing activities	(8,766,773)	(2,815,416)	(388,823)	(377,973)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	-	(2,591,763)	-	-
Proceeds from the sale of investments	1,246,429	-	5,000	-
Interest and dividends received	205,516	692,913	21,729	2,722
Net cash provided by (used in) investing activities	1,451,945	(1,898,850)	26,729	2,722
Increase (decrease) in cash and cash equivalents	(1,912,679)	(1,506,040)	601,697	(174,571)
Cash and cash equivalents:				
Beginning of year	5,997,464	5,125,306	246,333	1,372,907
End of year	$ 4,084,785	$ 3,619,266	$ 848,030	$ 1,198,336
Classified as:				
Cash and cash equivalents	$ 477,277	$ 3,180,499	$ 796,877	$ 1,090,768
Restricted assets, cash	3,607,508	438,767	51,153	107,568
	$ 4,084,785	$ 3,619,266	$ 848,030	$ 1,198,336

(Continued)

Totals	Governmental Activities Internal Service Fund - Motor Pool
$ 77,860,713	$ -
-	1,071,260
(47,424,419)	(832,327)
(11,163,564)	(575,131)
19,272,730	(336,198)
(9,950,003)	-
452,119	604,688
(9,497,884)	604,688
(20,365,215)	-
227,988	-
13,108,412	-
(2,487,000)	-
(527,330)	-
(2,305,840)	-
(12,348,985)	-
(2,591,763)	-
1,251,429	-
922,880	-
(417,454)	-
(2,991,593)	268,490
12,742,010	901,623
$ 9,750,417	$ 1,170,113
$ 5,545,421	$ 1,170,113
4,204,996	-
$ 9,750,417	$ 1,170,113

CITY OF GRIFFIN, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Water/ Wastewater Utility Fund	Electric Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	$ 7,092,251	$ 9,747,895	$ (1,321,246)	$ 59,281
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	3,219,347	1,080,076	394,961	495,894
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(11,609)	(1,295,637)	200	10,229
Decrease in due from other governments	336,454	-	-	355,826
(Increase) decrease in inventories	(161,199)	45,450	-	(9,008)
(Increase) decrease in due from other funds	(1,460,414)	6,310,661	(47,392)	(1,172,631)
Increase in due from component units	(9,928)	(295,447)	-	-
(Increase) decrease in prepaids and other assets	10,039	112,539	(4,332)	(3,742)
Decrease in deferred outflows of resources	192,455	250,017	87,135	51,996
Increase (decrease) in accounts payable	(1,586,767)	(392,506)	(218,306)	(24,554)
Increase (decrease) in accrued liabilities	20,036	(182,197)	8,523	4,996
Increase in unearned revenue	-	22,208	-	-
Increase in customer deposits	-	69,196	-	-
Decrease in net pension liability	(104,825)	(304,177)	(33,895)	(61,247)
Increase in landfill closure/postclosure care costs	-	-	897,398	-
Increase in due to other funds	1,423	(4,175,259)	1,193,686	38,269
Increase in deferred inflows of resources	14,889	15,407	7,059	3,252
Net cash provided by (used in) operating activities	$ 7,552,152	$ 11,008,226	$ 963,791	$ (251,439)
Noncash investing, capital, and financing activities:				
Unrealized gain (loss) on investments	$ (190,116)	$ (493,553)	$ 10,352	$ -
Net noncash investing, capital, and financing activities	$ (190,116)	$ (493,553)	$ 10,352	$ -

The accompanying notes are an integral part of these financial statements.

Totals	Governmental Activities Internal Service Fund - Motor Pool
$ 15,578,181	$ (638,512)
5,190,278	63,470
(1,296,817)	-
692,280	-
(124,757)	18,741
3,630,224	64,690
(305,375)	-
114,504	(1,375)
581,603	-
(2,222,133)	14,891
(148,642)	(148)
22,208	-
69,196	-
(504,144)	-
897,398	-
(2,941,881)	142,045
40,607	-
$ 19,272,730	$ (336,198)
$ (673,317)	$ -
$ (673,317)	$ -

CITY OF GRIFFIN, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUND
JUNE 30, 2017

	Municipal Court
ASSETS	
Cash and cash equivalents	$ 86,544
Total assets	86,544
LIABILITIES	
Due to others	86,544
Total liabilities	$ 86,544

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Griffin, Georgia (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. 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.

A. The Financial Reporting Entity

The City was chartered in 1843 and operates under a Commission – City Manager form of government. The City Manager is the head of the administrative branch of government. As such, he is responsible for the day-to-day operations of city government. The legislative authority of the City is vested in a seven member Commission including an elected Chairperson and an appointed City Manager. The City provides the following services and operations as authorized by its charter: public safety (police and fire); public works; parks and recreation; housing and development; and public utilities (water, sewer, stormwater, electric, and solid waste). As required by accounting principles generally accepted in the United States of America, these financial statements include the accounts of all City operations and all activities of the City.

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational and financial relationship with the City.

In conformity with generally accepted accounting principles, as set forth in the Statement of Governmental Accounting Standards (the "GASB") No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, the component units' financial statements have been included as either blended or discretely presented. All of the City's component units have a June 30 year-end. As of June 30, 2017, the City does not have any blended component units.

Discretely Presented Component Units

The City of Griffin Main Street Association (the "Main Street") - The City Commission appoints several positions of Main Street's board with additional positions being appointed by various organizations. There are twelve members plus two ex-officio officers. Budget requests for Main Street are submitted to the City Commission for approval, with the City Commission possessing the authority to amend the budget. The City provides approximately 80% of Main Street's annual operating budget. Separate financial statements for Main Street are not prepared.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

The City of Griffin Downtown Development Authority (the "DDA") - The City Commission appoints all seven members of the DDA's board (one of which is an elected member of the City Commission). Budget requests for the DDA are submitted to the Commission for approval, with the City Commission possessing authority to revise the budget. The City also provides for a substantial portion of the DDA's annual budget. Separate financial statements for the DDA are not prepared.

The City of Griffin Business and Tourism Association (the "Association") - The City Commission appoints all of the members of the Association's board. The Board members consist of the City Commission Chairman, the City Manager, the City Attorney, and the City Finance Director. Budget requests for the Association are submitted to the Commission for approval, with the City Commission possessing authority to revise the budget. The City also provides for approximately 100% of the Association's annual budget. Separate financial statements for the Association are not prepared.

The Griffin-Spalding County Airport Authority (the "Airport Authority") - The Georgia General Assembly, via House Bill 1261 and Act 536, created the Griffin-Spalding County Airport Authority effective July 1, 2012. The City Commission appoints five of the nine member Airport Authority board. The City and the County have mutually agreed to fund one-half of the annual shortfall in revenues required to fund the Airport Authority's budget in future years. Due to these factors and due to the City maintaining the administrative functions of the Authority, the City has elected to include the Airport Authority operations as a component unit of the City. Separate financial statements for the Airport Authority are not prepared.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. *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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function 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, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. 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 are the proprietary fund and the fiduciary fund financial statements, although the agency funds have no measurement focus. 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 or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, 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. All other revenue items are considered to be measurable and available only when cash is received by the City.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The City reports the following major governmental fund:

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

The City reports the following major proprietary funds:

The ***Water/Wastewater Utility Fund*** accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The ***Electric Utility Fund*** accounts for the provision of electrical services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The ***Solid Waste Fund*** accounts for the activities of the City's solid waste management operations. All activities necessary to provide such services are accounted for in this fund.

Additionally, the City reports the following fund types:

The ***Special Revenue Funds*** account for revenue sources that are legally restricted to expenditure for specific purposes.

The ***Capital Projects Fund*** accounts for the acquisition of capital assets and construction or improvement of major capital projects such as construction of new roads.

The ***Permanent Funds*** are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting of the City's programs.

The ***Internal Service Fund*** is used to account for the rental of motor vehicles and equipment to other departments and related costs of the City, on a cost reimbursement basis.

The ***Agency Fund*** is used to account for the collection and disbursement of monies by the City's Municipal Court on behalf of other governments and individuals.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

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

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges 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 *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services provided. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

D. Budgets and Budgetary Accounting

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

1. Budget requests are completed in April.

2. Proposed budgets are reviewed and prepared by the City Manager for submission to the Mayor and the City Commission in May.

3. Public hearings on the proposed budget are held in May and June.

4. The budget is legally adopted by the Mayor and City Commission prior to June 30.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting (Continued)

5. All budget revisions or changes must be approved as required by Georgia law and administrative policy. Transfer of budgeted amounts in excess of $5,000 between departments requires the approval of the City Commission. This is consistent with the legal level of budgetary control as the budget is adopted at the department level. Revisions that alter the total expenditures of any department or fund must be approved by the City Commission. The City Commission made several immaterial supplemental budget appropriations during the year.

6. Legally adopted budgets and formal budgetary integration is employed as a management control device during the year for all the following funds: (General, all special revenue funds, and the enterprise funds). Budgets for the enterprise funds are prepared for planning and control purposes only.

7. Budgets for the governmental funds and the enterprise funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

8. Revenues and expenditures of the capital projects funds are budgeted on a project basis and are, therefore, excluded from presentation in the financial statements.

E. Cash and Cash Equivalents

Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less meet this definition.

F. 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Deposits and Investments (Continued)

State statutes authorize the City to invest in obligations of the U.S. Government and agencies of corporations of the U.S. Government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loans which have deposits insured by the FDIC or FSLIC; prime bankers' acceptances; repurchase agreements; and the Local Government Investment Pool of the State of Georgia ("Georgia Fund 1"). Georgia Fund 1 was created under OCGA 36-83-8 and is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on $1 per share. The pool also adjusts the value of its investments to fair market value as of year-end and the City's investment in the Georgia Fund 1 is reported at fair value. The City considers amounts held in Georgia Fund 1 as investments for financial statement presentation.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values. Increases or decreases in the fair value during the year are recognized as a component of interest income.

G. Inventory and Prepaid Items

Inventory in the proprietary funds is valued at the lower of cost or market using the weighted average method. The City accounts for inventory on the purchase basis. Prepaid expenses are accounted for using the consumption method. A prepaid item is recognized when a cash expenditure is made for goods or services that were purchased for consumption, but not consumed as of June 30.

H. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" in the fund financial statements. Short-term interfund loans are classified as "interfund receivables/payables". Long-term interfund loans are classified as "advances". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Grants from Other Governments

Federal and state governmental units represent an important source of supplementary funding used to finance housing, business development employment, construction programs, capital asset additions and other activities beneficial to the community. This funding, primarily in the form of grants, is recorded in both governmental and proprietary funds. Grant contributions in the proprietary funds, which are for the purpose of construction activities, land easement or capital asset acquisitions, are recorded as capital contributions within the statement of revenues and expenses. For all funds, a grant receivable is recorded when the City has a right to receive the related grant amounts.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through back trending. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the City values these capital assets at the estimated fair value of the item at the date of its donation.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. The amount of interest capitalized is calculated by offsetting interest expense incurred (from the date of borrowing until the date of completion of the project) with interest earned on investment proceeds over the same period. During the fiscal year ended June 30, 2017, no amounts were capitalized.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets (Continued)

Depreciation is provided on the straight-line method over the following estimated useful lives:

Governmental Assets	
Buildings and improvements	20 - 50 years
Machinery and equipment	3 - 10 years
Infrastructure	25 - 30 years
Business-type Assets	
Buildings and improvements	10 - 50 years
Utility system	5 - 50 years
Equipment	5 - 20 years

K. Long-Term Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as deferred charges, are deferred and amortized over the life of the bonds using the straight line method, which is not materially different than the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

L. Compensated Absences

All employees, except shift firefighters, accrue vacation as follows: 1.54 hours per week of vacation with under 10 years of service; 2.3 hours per week of vacation with greater than 10 years and less than 20 years of service; and 3.07 hours per week of vacation with greater than 20 years of service. Shift firefighters accrue vacation as follows: 3.23 hours per week of vacation with under 10 years of service; 4.62 hours per week of vacation with greater than 10 years and less than 20 years of service; and 6.46 hours per week of vacation with greater than 20 years of service. Vacation time must be taken as time off and will not be paid-out except that any unused vacation will be paid at an employee’s termination of employment.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Compensated Absences (Continued)

All City employees, except shift firefighters, accrue sick leave at 1.85 hours per week. Shift firefighters accrue sick leave at 5.54 hours per week. Sick leave, however, is not paid upon an employee's termination except to employees who were eligible to retire between January 2, 2005 and January 1, 2010. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

M. Defined Contribution Plan

The City offers its employees a defined contribution plan (the City of Griffin Deferred Compensation Plan) which is administered by MetLife Resources. The Plan is a combined 457 plan and 401A plan. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional and requires the City to match the employees' deferrals up to a maximum of 1% of annual compensation. Employer's contributions are fully vested at the time of contribution. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Benefit provisions and contributions are established and may be amended by the City Council. During the year ended June 30, 2017, the City contributed $193,641 and employees contributed $407,485.

Pursuant to the Statement No. 32 of the Governmental Accounting Standards Board, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the City does not have a fiduciary relationship with the plan. Accordingly, the balances and transactions of the City's plan are not reported in the City's financial statements.

N. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Fund Balance – Generally, fund balance represents the difference between the 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 those funds can be spent.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Equity (Continued)

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 Commission through the adoption of a resolution. Only the City Commission may modify or rescind the commitment.

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Commission has authorized the City's Chief Financial Officer, Finance Director, or Director of Administrative Services to assign fund balances.

- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount 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.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

Net Position – Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Restricted Assets

The Water/Wastewater Utility Fund, based on certain bond covenants, is required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt.

P. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has four items that qualify for reporting in this category. One item is the deferred charge on refunding, which is reported in the government-wide and proprietary fund Statements of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt. The other three items relate to the City's Retirement Plan and are reported in the government-wide and proprietary fund Statements of Net Position. Experience differences result from periodic studies by the City's actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience differences are recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of the plan members. Changes in actuarial assumptions, which adjust the net pension liability, are also recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Additionally, any contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category, one of which arises only under the modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The other item relates to the City's Retirement Plan and is reported in the government-wide and proprietary fund Statements of Net Position. The net difference between projected an actual earnings on pension plan investments is deferred and amortized against pension expense over a five year period, resulting in recognition as a deferred inflow of resources.

R. Pensions

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

S. Tax Abatement Agreements

During the year ended June 30, 2017, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures*. This statement requires the City to disclose information for any tax abatement agreements either entered into by the City, or agreements entered into by other governments that reduce the City's tax revenues. As of June 30, 2017, the City did not have any such agreements, either entered into by the City or by other governments that exceeded the quantitative threshold for disclosure.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position

The governmental funds balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "certain liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this difference are as follows:

Bonds payable	$	11,251,124
Net pension liability		11,329,613
Due to Griffin/Spalding County Airport Authority		3,300,000
Capital leases payable		342,159
Compensated absences		623,428
Accrued interest		183,196
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	27,029,520

B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	$	6,199,392
Depreciation expense		(1,198,956)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	5,000,436

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation explains that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this difference are as follows:

Intergovernmental agreement	$	(3,300,000)
Accrued interest		(42,721)
Compensated absences		3,445
Pension expense		200,944
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	(3,138,332)

Another element of that reconciliation explains that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position." The details of this difference are as follows:

Amortization of bond premiums	$	220,790
Principal retirement on long-term debt		79,171
Net adjustment to increase *net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities*	$	299,961

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2017, are summarized as follows:

Amounts as presented on the entity wide statement of net position:		
Cash and cash equivalents	$	21,671,399
Investments		37,079,802
Restricted cash and cash equivalents		4,204,996
Restricted investments		6,904,311
Amounts as presented on the fiduciary statement of net position:		
Cash and cash equivalents - Agency Fund		86,544
Component Units - cash and cash equivalents		1,821,690
Total	$	71,768,742
Cash deposited with financial institutions	$	27,784,629
Cash deposited with Georgia Fund 1		4,540,658
Certificates of deposit		1,244,249
Investments in the Municipal Competitive Trust		24,714,428
Investments in governmental bonds		11,836,610
Investments in corporate bonds		326,534
Investments in equities and various other securities		1,321,634
Total	$	71,768,742

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 the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. It is the City's policy to limit its investments to those allowed and authorized by state law. As of June 30, 2017, the City's investment in Georgia Fund 1 was rated AAAf by Standard & Poor's. The City's investment in the Municipal Competitive Trust was not rated. All other City investments were rated as noted in the table on the following page.

The reporting of investments at fair value in accordance with GASB Statement No. 31 resulted in an unrealized gain of $10,352 reflected as interest income in the Solid Waste Fund, an unrealized loss of $190,116 netted against interest income in the Water/Wastewater Utility Fund, an unrealized loss of $493,553 netted against interest income in the Electric Utility Fund, and an unrealized gain of $158,588 reflected as interest income in the Cemetery Trust Fund.

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.

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2017, the City had the following investments:

			Investment Maturities (in Years)					
Investment	**Rating**	**Fair Value**	**Less than 1**	**1 - 5**	**6 - 10**	**11 - 15**	**16 - 20**	**> 20**
Georgia Fund 1		$ 4,540,658	$ 4,540,658	$ -	$ -	$ -	$ -	$ -
Certificates of Deposit		1,244,249	711,598	288,422	244,229	-	-	-
Municipal Competitive Trust		24,714,428	24,714,428	-	-	-	-	-
Equities and various other non-maturing securities		1,321,634	NA	-	-	-	-	-
Governmental bonds	BBB-	15,778	-	15,778	-	-	-	-
Governmental bonds	BBB	50,071	-	-	-	-	50,071	-
Governmental bonds	BBB+	386,435	-	-	96,466	212,366	77,603	-
Governmental bonds	A-	185,094	-	26,762	132,853	-	25,479	-
Governmental bonds	A	391,951	5,000	150,256	236,695	-	-	-
Governmental bonds	A+	532,242	-	26,074	28,445	439,136	32,446	6,141
Governmental bonds	AA-	1,411,227	173,407	187,380	596,222	240,131	79,548	134,539
Governmental bonds	AA	4,608,233	179,228	706,501	1,319,842	1,274,824	1,127,838	-
Governmental bonds	AA+	2,336,093	100,269	427,826	621,174	769,655	356,055	61,114
Governmental bonds	AAA	1,919,486	-	521,414	666,528	484,816	246,728	-
Corporate bonds	AA-	98,184	-	-	98,184	-	-	-
Corporate bonds	BBB	228,350	-	-	-	-	228,350	-
Total		$ 43,984,113	$ 30,424,588	$ 2,350,413	$ 4,040,638	$ 3,420,928	$ 2,224,118	$ 201,794

Fair Value Measurements. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2017:

Investment	**Level 1**	**Level 2**	**Level 3**	**Fair Value**
Municipal Competitive Trust	$ 24,714,428	$ -	$ -	$ 24,714,428
Municipal bonds	1,025,695	10,810,915	-	11,836,610
Corporate bonds	326,534	-	-	326,534
Equity securities	1,321,634	-	-	1,321,634
Total investments measured at fair value	$ 27,388,291	$ 10,810,915	$ -	$ 38,199,206
Investments not subject to level disclosure:				
Georgia Fund 1				4,540,658
Certificates of deposit				1,244,249
Total investments				$ 43,984,113

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. Investments classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2017, the City did not have any deposits which were uninsured and under collateralized as defined by GASB pronouncements.

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

NOTE 4. RECEIVABLES

Accounts Receivable

Receivables as of June 30, 2017, including the applicable allowances for uncollectible accounts, are as follows:

	General	Nonmajor Governmental	Water/ Wastewater	Solid Waste
Receivables:				
Taxes	$ 973,396	$ 5,479	$ -	$ -
Accounts	106,170	69,714	79,523	-
Intergovernmental	24,800	654,547	432,009	-
Gross receivables	1,104,366	729,740	511,532	-
Less: allowance for uncollectibles	(219,468)	-	(5,839)	-
Net total receivables	$ 884,898	$ 729,740	$ 505,693	$ -

	Electric	Nonmajor Enterprise	Total
Receivables:			
Taxes	$ -	$ -	$ 978,875
Accounts	15,004,855	240,580	15,500,842
Intergovernmental	-	28,174	1,139,530
Gross receivables	15,004,855	268,754	17,619,247
Less: allowance for uncollectibles	(4,590,935)	-	(4,816,242)
Net total receivables	$ 10,413,920	$ 268,754	$ 12,803,005

Property Taxes

Property taxes were levied on behalf of the City by Spalding County on August 23, 2016, (Levy Date) based upon property values assessed as of January 1, 2016. The billings were mailed on September 12, 2016, and payable on or before November 15, 2016, for the calendar year 2016. Taxes not paid within 30 days of November 15, 2016, were subject to property tax liens on December 16, 2016. Property tax revenues are recognized when levied to the extent they result in current receivables. The City does maintain an allowance for uncollectible property taxes. At June 30, 2017, the allowance for uncollectible property taxes was $219,468.

The tax rate levied during calendar year 2016 for the City's operations was 7.771 mills (mill equals $1 per thousand dollars of assessed value).

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 2,184,779	$ 579,977	$ -	$ -	$ 2,764,756
Construction in progress	6,860,247	3,683,070	-	(580,600)	9,962,717
Total capital assets, not being depreciated	9,045,026	4,263,047	-	(580,600)	12,727,473
Capital assets, being depreciated:					
Buildings and improvements	9,352,102	1,011,367	-	-	10,363,469
Machinery and equipment	23,119,411	884,008	-	-	24,003,419
Infrastructure	35,497,755	40,970	-	580,600	36,119,325
Total capital assets, being depreciated	67,969,268	1,936,345	-	580,600	70,486,213
Less accumulated depreciation for:					
Buildings and improvements	(3,966,678)	(345,271)	-	-	(4,311,949)
Machinery and equipment	(20,776,839)	(452,305)	-	-	(21,229,144)
Infrastructure	(24,569,380)	(464,850)	-	-	(25,034,230)
Total accumulated depreciation	(49,312,897)	(1,262,426)	-	-	(50,575,323)
Total capital assets, being depreciated, net	18,656,371	673,919	-	580,600	19,910,890
Governmental activities capital assets, net	$ 27,701,397	$ 4,936,966	$ -	$ -	$ 32,638,363

Internal service funds predominantly serve the governmental funds. Accordingly, capital assets for them are included as part of the above totals for governmental activities. At year end, $514,730 of internal service fund's capital assets is included in the above amounts.

NOTE 5. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 7,577,778	$ -	$ -	$ -	$ 7,577,778
Construction in progress	13,544,709	19,106,241	-	(9,021,148)	23,629,802
Total capital assets, not being depreciated	21,122,487	19,106,241	-	(9,021,148)	31,207,580
Capital assets, being depreciated:					
Land improvements	1,785,291	-	-	-	1,785,291
Buildings	36,041,685	-	-	-	36,041,685
Improvements other than buildings	120,196,369	-	-	9,021,148	129,217,517
Machinery and equipment	28,609,153	1,258,974	-	-	29,868,127
Total capital assets, being depreciated	186,632,498	1,258,974	-	9,021,148	196,912,620
Less accumulated depreciation for:					
Land improvements	(1,101,996)	(64,862)	-	-	(1,166,858)
Buildings	(18,393,102)	(833,685)	-	-	(19,226,787)
Improvements other than buildings	(41,618,583)	(2,962,145)	-	-	(44,580,728)
Machinery and equipment	(24,348,315)	(1,329,586)	-	-	(25,677,901)
Total accumulated depreciation	(85,461,996)	(5,190,278)	-	-	(90,652,274)
Total capital assets, being depreciated, net	101,170,502	(3,931,304)	-	9,021,148	106,260,346
Business-type activities capital assets, net	$ 122,292,989	$ 15,174,937	$ -	$ -	$ 137,467,926

NOTE 5. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:		
General government	$	330,273
Public safety		333,484
Public works		480,922
Parks and recreation		47,242
Housing and economic development		7,035
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets		63,470
Total depreciation expense - governmental activities	$	1,262,426
Business-type activities:		
Water and wastewater	$	3,219,347
Electric		1,080,076
Solid waste		394,961
Stormwater		377,815
Welcome center		40,659
Golf course		77,420
Total depreciation expense - business-type activities	$	5,190,278

NOTE 5. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the Airport Authority for the year ended June 30, 2017, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	$ 75,000	$ -	$ -	$ -	$ 75,000
Construction in progress	1,274,146	5,646,017	-	(427,962)	6,492,201
Total capital assets, not being depreciated	1,349,146	5,646,017	-	(427,962)	6,567,201
Capital assets, being depreciated:					
Land improvements	3,614,410	-	-	-	3,614,410
Buildings	654,113	-	-	427,962	1,082,075
Machinery and equipment	676,985	-	-	-	676,985
Total capital assets, being depreciated	4,945,508	-	-	427,962	5,373,470
Less accumulated depreciation for:					
Land improvements	(1,507,006)	(107,502)	-	-	(1,614,508)
Buildings	(437,819)	(13,981)	-	-	(451,800)
Machinery and equipment	(650,060)	(6,479)	-	-	(656,539)
Total accumulated depreciation	(2,594,885)	(127,962)	-	-	(2,722,847)
Total capital assets, being depreciated, net	2,350,623	(127,962)	-	427,962	2,650,623
Airport Authority capital assets, net	$ 3,699,769	$ 5,518,055	$ -	$ -	$ 9,217,824

NOTE 6. LONG-TERM DEBT

Revenue Bonds

The City issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. The City's Water and Wastewater Utility Fund's revenue bonds outstanding at June 30, 2017, are as follows:

Description	Original Amount	Interest Rate	Due Date	Amount
Combined Utility, Series 2012	$ 57,500,000	2.00% - 5.00%	2032	$ 51,550,000
			Less current portion	(2,570,000)
				$ 48,980,000

NOTE 6. LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued)

Combined Public Utility Revenue Refunding Bonds, Series 2012

The City of Griffin Combined Public Utility Revenue Refunding Bonds, Series 2012, were issued in October 2012. The Series 2012 bonds were issued to provide funds to refund (advance refunding) all of the City's Revenue Refunding and Improvement Bonds, Series 2002. The net proceeds were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the Series 2002 bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. The City determined that advance refunding the Series 2002 bonds with the series 2012 bonds would reduce the City's total debt service payments by approximately $11.055 million on an aggregate basis.

The Series 2012 bonds are special limited obligations of the City, payable solely from and secured by a pledge of and lien on revenues derived by the City from the ownership and operation of its water, wastewater, and electric system, remaining after the payment of expenses of operating, maintaining, and repairing the system. The Series 2012 bonds do not constitute a debt or general obligation of the City or a pledge of the faith and credit or taxing power of the City. No governmental entity, including the City, is obligated to levy any tax for the payment of the Series 2012 bonds. No recourse may be had against the General Fund of the City for payment of the Series 2012 bonds.

Revenue bond debt service requirements to maturities, including interest, are as follows:

Fiscal Year Payable	Total	Principal	Interest
2018	$ 4,543,938	$ 2,570,000	$ 1,973,938
2019	4,546,138	2,675,000	1,871,138
2020	4,544,138	2,780,000	1,764,138
2021	4,542,938	2,890,000	1,652,938
2022	4,537,338	3,000,000	1,537,338
2023 - 2027	22,715,138	17,065,000	5,650,138
2028 - 2032	22,727,781	20,570,000	2,157,781
	$ 68,157,409	$ 51,550,000	$ 16,607,409

NOTE 6. LONG-TERM DEBT (CONTINUED)

Other Long-Term Debt

The Stormwater Utility Fund has incurred debt to the Georgia Environmental Facilities Authority for utility system improvements. These notes are as follows at June 30, 2017:

Description	Original Amount	Interest Rate	Due Date	Amount
Stormwater GEFA Loan	$ 2,691,113	3.75%	2022	$ 859,555
Stormwater GEFA Loan	487,247	2.31%	2037	456,331
				1,315,886
			Less current portion	(198,794)
				$ 1,117,092

The Stormwater Utility Fund's other long-term debt service requirements to maturity, including interest, are as follows:

Fiscal Year Payable	Total	Principal	Interest
2018	$ 238,295	$ 198,794	$ 39,501
2019	238,296	206,081	32,215
2020	238,295	213,615	24,680
2021	238,296	221,492	16,804
2022	134,008	124,500	9,508
2023 - 2027	152,224	118,275	33,949
2028 - 2032	152,223	132,741	19,482
2033 - 2037	104,479	100,388	4,091
	$ 1,496,116	$ 1,315,886	$ 180,230

NOTE 6. LONG-TERM DEBT (CONTINUED)

The Water/Wastewater Utility Fund has incurred debt to the Georgia Environmental Facilities Authority for utility system improvements. These notes are as follows at June 30, 2017:

Description	Original Amount	Interest Rate	Due Date	Amount
Water/Wastewater GEFA Loan	$ 6,002,688	1.03%	2038	$ 5,775,000
Water/Wastewater GEFA Loan	12,560,036	1.71%	2048	12,560,036
				18,335,036
			Less current portion	-
				$ 18,335,036

These note payables are in the draw down phase as of June 30, 2017, and repayment will be determined when construction is complete and all drawdowns have been made.

Bonds Payable

Tax Allocation Bonds

The City of Griffin Tax Allocation Bonds, Series 2012, were issued in October 2012 in the amount of $866,397. The Series 2012 bonds were issued to provide funds for construction related costs for the new Kroger Co. development within the City and to provide costs of issuance of the bonds. The Series 2012 bonds are limited obligations of the City payable solely from the revenues derived from the City's Tax Allocation District. The Series 2012 bonds do not constitute a debt or general obligation of the City or a pledge of the faith and credit or taxing power of the City. These bonds carry interest at 4% and are due on January 15, 2038.

Obligation Sales Tax Bonds

The City of Griffin Obligation Sales Tax Bond, Series 2016A and Series 2016B were issued in February 2016 in the amount of $8,990,000 and $725,000, respectively. The bonds were issued to provide funds to finance the cost of acquiring, constructing, and equipping certain capital outlay projects for the City. The bonds are general obligations of the City and constitute a pledge of the full faith, credit, and taxing power of the City. These bonds carry interest ranging from 1% to 4%. The Series 2016A bonds are due on July 1, 2022, and the Series 2016B bonds are due on July 1, 2017.

NOTE 6. LONG-TERM DEBT (CONTINUED)

Bonds Payable (Continued)

The bonds payable debt service requirements to maturity, including interest, are as follows:

Fiscal Year Payable	Total	Principal	Interest
2018	$ 1,275,430	$ 917,886	$ 357,544
2019	1,990,255	1,663,401	326,854
2020	1,994,155	1,718,087	276,068
2021	1,983,655	1,768,811	214,844
2022	1,982,255	1,839,563	142,692
2023 - 2027	2,210,394	2,033,534	176,860
2028 - 2032	321,590	216,600	104,990
2033 - 2037	364,147	309,780	54,367
2038	81,262	78,149	3,113
	$ 12,203,143	$ 10,545,811	$ 1,657,332

Capital Leases

The City has entered into several lease agreements as lessee for financing the acquisition of various equipment through the Georgia Municipal Association direct installment program. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease term) and have been recorded at the present values of the future minimum lease payment as of the date of their inceptions. These leases are being serviced by General Fund, Solid Waste Fund, and Stormwater Fund payments with annual interest rates varying from 1.76% to 2.21%.

The following is an analysis of equipment leased under capital leases as of June 30, 2017:

	Governmental Activities	Business-type Activities	Total
Equipment	$ 642,724	$ 837,352	$ 1,480,076
Less accumulated depreciation	(305,294)	(399,839)	(705,133)
Carrying value	$ 337,430	$ 437,513	$ 774,943

The above includes current year depreciation expense of assets under capital lease of $64,273 and $118,937 for the Governmental Activities and Business-type Activities, respectively.

NOTE 6. LONG-TERM DEBT (CONTINUED)

Capital Leases (Continued)

The following is a schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments at June 30, 2017:

Fiscal year ending	Governmental Activities	Business-type Activities	Total
2018	$ 74,333	$ 150,828	$ 225,161
2019	74,333	87,958	162,291
2020	74,333	87,958	162,291
2021	74,333	87,958	162,291
2022	61,837	58,639	120,476
Total minimum lease payments	359,169	473,341	832,510
Less amount representing interest	(17,010)	(21,257)	(38,267)
Present value of future minimum lease payments	342,159	452,084	794,243
Less current maturities	(68,141)	(142,566)	(210,707)
	$ 274,018	$ 309,518	$ 583,536

Closure/Postclosure Care Costs

Effective March 1994, the City of Griffin Shoal Creek Landfill Phase 1 was closed and no additional waste has been accepted. According to state and federal laws and regulations, the City must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. Engineering studies estimate postclosure costs of approximately $429,095 over the remaining six-year period. These costs are based on what it would cost to perform all postclosure care in 2001, adjusted annually for inflation. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this postclosure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

Effective December 2006, the City of Griffin Shoal Creek Landfill Phase 2 was closed and no additional waste has been accepted. According to state and federal laws and regulations, the City must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. Engineering studies estimate postclosure costs of approximately $613,951 over the remaining 23-year period. These costs are based on what it would cost to perform all postclosure care in 2007, adjusted annually for inflation. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this postclosure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

NOTE 6. LONG-TERM DEBT (CONTINUED)

Closure/Postclosure Care Costs (Continued)

State and federal laws and regulations require the City to place a final cover on its Shoal Creek Landfill Phase 3 site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, which is expected to occur in 2019, the City reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The amount noted as Phase 3 below reported as landfill closure and postclosure care liability at June 30, 2017, represents the cumulative amount reported to date based on the use of approximately 87% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and postclosure care of $363,645 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2007, adjusted annually for inflation. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Should any problems occur during the closure and postclosure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

Shoal Creek Road Landfill Phase 1 postclosure care costs	$	429,095
Shoal Creek Road Landfill Phase 2 postclosure care costs		613,951
Shoal Creek Road Landfill Phase 3 closure and postclosure care costs		2,342,687
Total closure and postclosure care costs recorded within the Solid Waste Fund		3,385,733
Less current portion		(98,210)
	$	3,287,523

Airport Authority Revenue Bonds

The Griffin-Spalding County Airport Authority Revenue Bonds, Series 2015, were issued on March 10, 2015. The Series 2015 bonds were issued to: a) provide funds to finance in part the acquisition of land and other real and personal property for the construction and equipping of a new airport and b) pay the costs of issuance of the Series 2015 bonds. The Series 2015 bonds are limited obligations of the Authority payable solely from certain amounts to be paid by the City and Spalding County to the Authority under the provisions of an Intergovernmental agreement by and between the Authority, the City, and Spalding County. The Series 2015 bonds are not deemed to constitute a debt or general obligation or pledge of the faith and credit of the State or any political subdivision thereof, including the City, Spalding County or the Authority, within the meaning of any constitutional or statutory debt limitation. The payments provided for under the Intergovernmental Agreement constitute general obligations of the City and Spalding County for which its full faith, credit and taxing powers are pledged.

NOTE 6. LONG-TERM DEBT (CONTINUED)

Airport Authority Revenue Bonds (Continued)

Revenue bond debt service requirements to maturities, including interest, are as follows:

Fiscal Year Payable	Total	Principal	Interest
2018	$ 247,700	$ 30,000	$ 217,700
2019	682,100	465,000	217,100
2020	682,800	475,000	207,800
2021	683,550	490,000	193,550
2022	678,850	500,000	178,850
2023 - 2027	3,386,750	2,750,000	636,750
2028 - 2030	2,043,200	1,890,000	153,200
	$ 8,404,950	$ 6,600,000	$ 1,804,950

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2017, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	$ 10,558,201	$ -	$ (12,390)	$ 10,545,811	$ 917,886
Bond premium	926,103	-	(220,790)	705,313	-
Net bonds payable	11,484,304	-	(233,180)	11,251,124	917,886
Intergovernmental payable	-	3,315,000	(15,000)	3,300,000	15,000
Capital leases	408,940	-	(66,781)	342,159	68,141
Net pension liability	12,520,299	3,959,552	(5,150,238)	11,329,613	-
Compensated absences	641,085	693,647	(697,531)	637,201	541,993
Governmental activity Long-term liabilities	$ 25,054,628	$ 7,968,199	$ (6,162,730)	$ 26,860,097	$ 1,543,020
Business-type activities:					
Revenue bonds	$ 54,037,000	$ -	$ (2,487,000)	$ 51,550,000	$ 2,570,000
Bond premium	2,965,964	-	(323,507)	2,642,457	-
Net revenue bonds	57,002,964	-	(2,810,507)	54,192,457	2,570,000
Notes payable	7,377,568	12,692,412	(419,058)	19,650,922	198,794
Compensated absences	370,656	428,601	(406,998)	392,259	333,420
Capital leases	144,356	416,000	(108,272)	452,084	142,566
Net pension liability	8,684,676	2,858,989	(3,363,133)	8,180,532	-
Landfill closure / postclosure	2,488,335	962,367	(64,969)	3,385,733	98,210
Business-type activity Long-term liabilities	$ 76,068,555	$ 17,358,369	$ (7,172,937)	$ 86,253,987	$ 3,342,990
Component Units - Airport Authority					
Revenue bonds	$ 6,630,000	$ -	$ (30,000)	$ 6,600,000	$ 30,000
Bond premium	422,953	-	(47,679)	375,274	-
Net revenue bonds	7,052,953	-	(77,679)	6,975,274	30,000
Net pension liability	175,318	55,681	(71,676)	159,323	-
Compensated absences	11,065	7,757	(6,245)	12,577	10,691
Airport Authority Long-term liabilities	$ 7,239,336	$ 63,438	$ (155,600)	$ 7,147,174	$ 40,691

NOTE 6. LONG-TERM DEBT (CONTINUED)

Changes in Long-Term Liabilities (Continued)

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, $13,773 of internal service fund's compensated absences is included in the above amounts. Also, for the governmental activities, compensated absences, and the net pension liability are substantially liquidated by the General Fund.

NOTE 7. PENSION PLAN

A. Plan Description

The City, as authorized by the City Commission, has established a non-contributory defined benefit pension plan (The City of Griffin Retirement Plan), covering substantially all of the City's employees. The City's pension plan is administered through the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Plan provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are provided by the Plan whereby retirees receive between 1% and 1.75% multiplied by the average of the five highest years of regular earnings multiplied by the total credited years of service. The City Commission, in its role as the Plan sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the City and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

Plan membership. As of January 1, 2017, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	228
Inactive plan members entitled to, but not receiving benefits	81
Active plan members	409
Total	718

NOTE 7. PENSION PLAN (CONTINUED)

A. Plan Description (Continued)

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the City Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by the City Commission. City contributions to the Plan were $2,961,576 for the year ended June 30, 2017.

B. Net Pension Liability of the City

The City's net pension liability was measured as of September 30, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016, with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2016.

Actuarial assumptions. The total pension liability in the January 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	3.25%, plus service based merit increases
Investment rate of return	7.75 %

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

The actuarial assumptions used in the January 1, 2016, valuation were based on the results of an actuarial experience study for the period January 1, 2010–June 30, 2014.

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Cost of living adjustments were assumed to be 3.00% although the Plan allowance for annual cost of living adjustment is variable, as established by the City Commission, in an amount not to exceed 4%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2016, are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.75%
International equity	20%	7.45
Domestic fixed income	20%	1.75
Real estate	10%	4.55
Global fixed income	5%	3.30
Cash	—%	
Total	100%	

* Rates shown are net of the 3.25% assumed rate of inflation

Discount rate. The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Changes in the Net Pension Liability of the City. The changes in the components of the net pension liability of the City for the year ended June 30, 2017, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Beginning Balance	$ 73,244,298	$ 51,864,005	$ 21,380,293
Changes for the year:			
Service cost	647,032	-	647,032
Interest	5,501,879	-	5,501,879
Differences between expected and actual experience	660,440	-	660,440
Contributions—employer	-	2,871,270	(2,871,270)
Net investment income	-	5,713,778	(5,713,778)
Benefit payments, including refunds of employee contributions	(4,504,617)	(4,504,617)	-
Administrative expense	-	(64,872)	64,872
Net changes	2,304,734	4,015,559	(1,710,825)
Ending Balance	$ 75,549,032	$ 55,879,564	$ 19,669,468

The required schedule of changes in the City's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
City's net pension liability	$ 28,403,154	$ 19,669,468	$ 12,353,934

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2016, and the current sharing pattern of costs between employer and employee.

C. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2017, the City recognized pension expense of $2,879,627. At June 30, 2017, the City reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resouces	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 97,635
Differences between expected and actual experience	1,791,546	-
Changes in actuarial assumptions	13,746	-
City contributions subsequent to the measurement date	2,224,382	-
Total	$ 4,029,674	$ 97,635

City contributions subsequent to the measurement date of $2,224,382 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2018	$ 619,497
2019	619,497
2020	688,600
2021	(219,937)
Total	$ 1,707,657

NOTE 8. BUDGET COMPLIANCE AND DEFICIT FUND EQUITY

A. Excess of Expenditures Over Appropriations

The following General Fund departments and special revenue funds had actual expenditures in excess of appropriations for the year ended June 30, 2017:

General Government - executive	$ 36,884
Public Safety - code enforcement	3,243
Housing and Economic Development - downtown development	1,921
Court Technology Fund	5,555
2015 CDBG Fund	79,128

These over expenditures were funded by greater than anticipated revenues.

B. Deficit Fund Balance and Net Position

The following funds had deficit fund balances/net position at June 30, 2017:

Solid Waste Fund	$ 3,112,541
General Capital Projects Fund	222,377
2012 CDBG Fund	449
2016 CDBG Fund	13,966

The fund deficit in the Solid Waste Fund will be reduced through charges for services. The fund deficits in the General Capital Projects Fund, the 2012 CDBG Fund, and the 2016 CDBG Fund will be reduced through intergovernmental revenues and General Fund transfers.

NOTE 9. INTERFUND BALANCES AND TRANSFERS

Interfund receivable and payable balances as of June 30, 2017, are as follows:

	Due To			
	General	Nonmajor Governmental	Electric	Water / Wastewater
Due From				
General Fund	$ -	$ 366,711	$ -	$ -
Nonmajor Governmental	277,994	121,008	901	-
Water/Wastewater	-	-	-	-
Electric	3,782,812	-	-	11,013,548
Solid Waste	740,781	-	492,686	-
Internal Service Fund	-	-	1,290,263	-
Nonmajor Enterprise	5,690	-	125,721	38,675
Total	$ 4,807,277	$ 487,719	$ 1,909,571	$ 11,052,223

	Solid Waste	Nonmajor Enterprise	Internal Service	Total
Due From				
General Fund	$ -	$ -	$ 28,573	$ 395,284
Nonmajor Governmental	-	3,020	-	402,923
Water/Wastewater	74,888	-	19,344	94,232
Electric	-	1,368,783	5,753	16,170,896
Solid Waste	-	-	123,202	1,356,669
Internal Service Fund	24,083	-	-	1,314,346
Nonmajor Enterprise	61,840	358	32,125	264,409
Total	$ 160,811	$ 1,372,161	$ 208,997	$ 19,998,759

Interfund receivables and payables result from timing differences related to payroll and other year-end transactions which normally clear within one to two months.

NOTE 9. INTERFUND BALANCES AND TRANSFERS (CONTINUED)

Interfund transfers for the year ended June 30, 2017, consisted of the following:

	Transfer To			
	General	Nonmajor Governmental	Water/ Wastewater	Electric
Transfer From				
General Fund	$ -	$ 253,163	$ -	$ -
Nonmajor Governmental	24,023	255,741	-	-
Water/Wastewater	1,800,000	350,003	-	1,316,439
Electric	7,800,000	-	-	-
Solid Waste	-	-	-	450,331
Nonmajor Enterprise	-	-	-	5,366,570
Total	$ 9,624,023	$ 858,907	$ -	$ 7,133,340

	Solid Waste	Internal Service	Nonmajor Enterprise	Total
Transfer From				
General Fund	$ -	$ 604,688	$ 434,600	$ 1,292,451
Nonmajor Governmental	-	-	17,519	297,283
Water/Wastewater	-	-	-	3,466,442
Electric	-	-	-	7,800,000
Solid Waste	-	-	-	450,331
Nonmajor Enterprise	-	-	-	5,366,570
Total	$ -	$ 604,688	$ 452,119	$ 18,673,077

Transfers are used to (1) move revenues from the fund that statute or budget requires collecting 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 10. RELATED ORGANIZATION

The City's governing body is responsible for all of the board appointments of the City of Griffin Housing Authority. However, the City has no further accountability for this organization.

NOTE 11. HOTEL/MOTEL LODGING TAX

The City has levied a 7% lodging tax. For the fiscal year ended June 30, 2017, $64,061 of hotel/motel tax was collected. Of the total collected, over 50% was used for the promotion of tourism within the City ($20,019 to the Griffin Business and Tourism Association and $20,019 to the City's Welcome Center).

NOTE 12. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities and counties in the 10-county west central Georgia area, is a member of the Three Rivers Regional Commission and is required to pay annual dues thereto. During its year ended June 30, 2017, the City paid $23,211 in such dues. Membership in a regional commission (RC) is required by the Official Code of Georgia Annotated (OCGA), Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from: Three Rivers Regional Commission; 120 North Hill Street, Griffin, Georgia 30224.

NOTE 13. JOINTLY GOVERNED ORGANIZATION

During the year ended June 30, 2010, the City Commission approved entering into an interlocal cooperation agreement for the purpose of establishing the Griffin/Spalding County Land Bank Authority (the “Authority”). The Authority was formally created in August 2008. The Authority’s purpose is to return land which is in a non-revenue generating, non-tax producing status to an effective utilization status in order to provide affordable housing, new trade, commerce, industry, and employment opportunities for the citizens of the City and Spalding County. The Authority is governed by a four-member board of directors appointed equally by the City and Spalding County. The City has no further accountability for this organization.

NOTE 14. COMMITMENTS AND CONTINGENCIES

Litigation

The City is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

NOTE 14. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Grants from Governments

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

Agreements with the Municipal Electric Authority of Georgia

The Municipal Electric Authority of Georgia (MEAG) is a public corporation and an instrumentality of the State of Georgia created to supply electricity to local government electric distribution systems. As provided by state law, MEAG establishes rates and charges so as to produce revenues sufficient to cover its costs, including debt service, but it may not operate any of its projects for profit unless any such profits inure to the benefit of the public.

As of June 30, 2017, the City is an electric utility participant in MEAG and obligated to purchase all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by the Authority. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each participating City has guaranteed a portion of the unpaid debt based on its individual entitlement shares of the output and services of generating units acquired or constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on KWH usage. The total payments under these contracts amounted to $32,177,648 in 2017.

At June 30, 2017, the outstanding debt of MEAG was approximately $6.01 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately $343.88 million at June 30, 2017.

NOTE 15. RISK MANAGEMENT

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

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds and to report as promptly as possible and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pools' 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 funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are 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.

Settled claims in the past three years have not exceeded the coverages.

NOTE 16. POST EMPLOYMENT HEALTH CARE PLAN

Plan Description

The City of Griffin OPEB Plan (the "OPEB Plan") is a single-employer defined benefit healthcare plan administered by the Georgia Municipal Association. The OPEB Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefit provisions and contribution requirements are established and may be amended by the Commission. The relevant information about the OPEB Plan is provided below. No other financial reports are issued by this sole employer plan.

Funding Policy

The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the OPEB Plan's actuary. For fiscal year 2017, the City contributed $181,331 to the plan. Plan members receiving benefits are not required to contribute to the plan.

NOTE 16. POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Plan Provisions

Eligible participants are assumed to be employees, and former employees of the City of Griffin who had health coverage as an active employee for at least the two consecutive years immediately preceding their termination and have satisfied the following requirements: 1) completed at least 10 years of consecutive service immediately preceding their termination date; and 2) is eligible and elects to receive normal retirement or disability benefits under a qualified defined benefit plan sponsored by the City. The OPEB Plan is closed to all employees hired after July 1, 2007. The Plan benefit provisions are fixed at: 1) $200 per month for retiree only coverage for employees less than age 65; 2) $400 per month for retirees and spouse (or family) coverage for employees less than age 65; 3) $100 per month for retiree only coverage for employees age 65 or older; and 4) $200 per month for retiree and spouse coverage for employees age 65 or older. Deferred retirements are not allowed to elect coverage at the time of retirement. Additionally, surviving spouses are not covered under the OPEB Plan.

Annual OPEB Cost and Net OPEB Obligation (Asset)

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the OPEB Plan:

Annual required contribution	$	296,000
Interest on net OPEB obligation (asset)		5,000
Adjustments to annual required contribution		(3,000)
Annual OPEB cost		298,000
Contributions made		181,331
Increase in net OPEB obligation		116,669
Net OPEB asset, beginning of year		(45,035)
Net OPEB obligation, end of year	$	71,634

NOTE 16. POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Annual OPEB Cost and Net OPEB Obligation (Continued)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the OPEB Plan, and the net OPEB obligation (asset) beginning in 2009 (the initial year of the OPEB Plan) were as follows:

Year Ending	Annual OPEB Cost	Actual City Contribution	Percentage Contributed	Net OPEB Obligation (Asset)
June 30, 2009	$ 1,021,000	$ 1,392,929	136%	$ (371,929)
June 30, 2010	1,021,000	861,515	84%	(212,444)
June 30, 2011	1,123,000	856,673	76%	53,883
June 30, 2012	1,123,000	872,385	78%	304,498
June 30, 2013	730,000	938,469	129%	96,029
June 30, 2014	739,000	664,069	90%	170,960
June 30, 2015	81,000	185,350	229%	66,610
June 30, 2016	65,000	176,645	272%	(45,035)
June 30, 2017	298,000	181,331	61%	71,634

Funded Status and Funding Progress

As of the most recent valuation date, July 1, 2016, the funded status of the Plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded / Surplus AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
07/01/16	$ 6,668,129	$ 7,399,000	$ 730,871	90.12 %	$ 17,365,012	4.21 %

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Calculations are based on the substantive plan in effect as of July 1, 2016.

NOTE 16. POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2016, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 7.00% investment rate of return and an annual healthcare cost trend rate of 7.5% initially, reduced by decrements to an ultimate rate of 4.0% in 2095. Both rates included a 4.0% inflation assumption. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at July 1, 2016, was 16 years.

NOTE 17. OPERATING LEASES

The City has entered into several operating leases of various land parcels and buildings where the City is the lessor. The original leases have terms ranging from one to five years. Each is accounted for as an operating lease. The minimum future rentals for non-cancelable leases as of June 30, 2017, are as follows:

2018	$	132,996
2019		110,846
2020		85,420
2021		66,320
2022		31,602
	$	427,184

The City has also entered into several operating leases of various office equipment where the City is the lessee. The original leases have terms ranging from four to five years. Each is accounted for as an operating lease. The minimum future rentals for non-cancelable leases as of June 30, 2017, are as follows:

2018	$	4,272

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GRIFFIN, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
FOR THE FISCAL YEARS ENDED JUNE 30,

	2017	2016	2015
Total pension liability			
Service cost	$ 647,032	$ 726,704	$ 727,554
Interest on total pension liability	5,501,879	5,281,509	5,032,771
Differences between expected and actual experience	660,440	1,166,560	1,408,147
Changes of assumptions	-	-	34,366
Benefit payments, including refunds of employee contributions	(4,504,617)	(4,157,966)	(3,828,652)
Net change in total pension liability	2,304,734	3,016,807	3,374,186
Total pension liability - beginning	73,244,298	70,227,491	66,853,305
Total pension liability - ending (a)	$ 75,549,032	$ 73,244,298	$ 70,227,491
Plan fiduciary net position			
Contributions - employer	$ 2,871,270	$ 2,709,329	$ 2,678,333
Net investment income	5,713,778	651,834	5,495,951
Benefit payments, including refunds of member contributions	(4,504,617)	(4,157,966)	(3,828,652)
Administrative expenses	(64,872)	(74,379)	(59,631)
Net change in plan fiduciary net position	4,015,559	(871,182)	4,286,001
Plan fiduciary net position - beginning	51,864,005	52,735,187	48,449,186
Plan fiduciary net position - ending (b)	$ 55,879,564	$ 51,864,005	$ 52,735,187
City's net pension liability (asset) - ending (a) - (b)	$ 19,669,468	$ 21,380,293	$ 17,492,304
Plan fiduciary net position as a percentage of the total pension liability	74.0%	70.8%	75.1%
Covered-employee payroll	$ 16,744,923	$ 15,560,315	$ 16,498,493
Net pension liability as a percentage of covered-employee payroll	117.5%	137.4%	106.0%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF GRIFFIN, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
FOR THE FISCAL YEARS ENDED JUNE 30,

	2017	2016	2015
Actuarially determined contribution	$ 2,961,576	$ 2,841,168	$ 2,665,382
Contributions in relation to the actuarially determined contribution	2,961,576	2,841,168	2,665,382
Contribution deficiency (excess)	$ -	$ -	$ -
Covered employee payroll	$ 16,744,923	$ 15,560,315	$ 16,498,493
Contributions as a percentage of covered-employee payroll	17.7%	18.3%	16.2%

Notes to the Schedule:

Valuation Date	January 1, 2017
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

CITY OF GRIFFIN, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

CITY OF GRIFFIN OPEB PLAN

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded / Surplus AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
07/01/08	$ -	$ 8,585,000	$ 8,585,000	- %	$ 14,827,023	57.90 %
07/01/09	1,022,465	8,851,000	7,828,535	11.55	17,313,780	45.22
07/01/10	1,785,088	10,746,646	8,961,558	16.61	16,747,151	53.51
07/01/11	2,155,000	10,980,000	8,825,000	19.63	16,495,560	53.50
07/01/12	3,463,306	8,440,000	4,976,694	41.03	16,387,668	30.37
07/01/13	3,795,000	8,635,000	4,840,000	43.95	16,837,911	28.74
07/01/14	6,114,999	5,339,000	(775,999)	114.53	16,498,493	(4.70)
07/01/15	6,543,000	5,477,000	(1,066,000)	119.46	17,250,196	(6.18)
07/01/16	6,668,129	7,399,000	730,871	90.12	17,365,012	4.21

The assumptions used in the preparation of the above schedule are disclosed in Note 16 to the financial statements.

COMBINING STATEMENTS AND SCHEDULES

CITY OF GRIFFIN, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

The **Hotel/Motel Tax Fund** accounts for the Hotel/Motel accommodation excise tax receipts and distributions to tourism promoting organizations as required by agreements with these organizations.

The **Multiple Grant Fund** accounts for grant revenues and expenditures relating to various short lived projects.

The **Confiscated Assets Fund** accounts for confiscated and condemned funds received and disbursed for law enforcement expenditures.

The **Police Technology Fund** accounts for monies received by the collection of an add-on fine as allowed by state law to be used for equipping and maintaining the City police department.

The **Court Technology Fund** accounts for monies received by the collection of an add-on fine as allowed by state law to be used for equipping and maintaining the City Court system.

The **Police Donations Fund** accounts for local donated revenues and expenditures for law enforcement expenditures.

The **2012 CDBG Fund** accounts for CDBG grant revenues and expenditures relating to public works projects.

The **2014 CDBG Fund** accounts for CDBG grant revenues and expenditures relating to public works projects.

The **2015 CDBG Fund** accounts for CDBG grant revenues and expenditures relating to public works projects.

The **2016 CDBG Fund** accounts for CDBG grant revenues and expenditures relating to public works projects.

The **2008 CHIP Fund** accounts for CHIP grant revenues and expenditures relating to public works projects.

The **Neighborhood Stabilization Fund** accounts for grant revenues and expenditures relating to the purchase of foreclosed and abandoned properties.

The **Neighborhood Stabilization 3 Fund** accounts for grant revenues and expenditures relating to the purchase of foreclosed and abandoned properties.

The **Tax Allocation Districts Fund** accounts for special assessed property tax revenues and expenditures relating to public works projects.

CITY OF GRIFFIN, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The **LCI Project Fund** accounts for various revenue sources and expenditures relating to public works projects.

The **Federal Stimulus Fund** accounts for capital projects of the City funded by the Federal Stimulus Grant Funds.

The **General Capital Projects Fund** accounts for capital projects of the City funded by the general revenues of the City.

The **SPLOST Fund** accounts for capital projects of the City from resources provided by the 2009 special Spalding County one percent sales and use tax.

The **2016 SPLOST Fund** accounts for capital projects of the City from resources provided by the 2016 special Spalding County one percent sales and use tax.

The **Georgia Transportation Infrastructure Fund** accounts for capital projects of the City funded by Georgia Transportation Grant Funds.

PERMANENT FUNDS

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting City's programs.

The **Cemetery Trust Fund** is used to account for principal trust amounts and the annual maintenance of the City's Cemetery.

The **Mausoleum Trust Fund** is used to account for principal trust amounts and the maintenance of the City's Mausoleum.

CITY OF GRIFFIN, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Special Revenue Funds						
ASSETS	**Hotel/ Motel Tax Fund**	**Multiple Grant Fund**	**Confiscated Assets Fund**	**Police Technology Fund**	**Court Technology Fund**	**Police Donations**	**2012 CDBG**
Cash and cash equivalents	$ -	$ 131,350	$ 109,268	$ 27,519	$ 107,614	$ 22,108	$ -
Investments	-	-	-	-	-	-	-
Taxes receivable	5,479	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Due from other funds	85	-	-	-	7,427	-	-
Prepaid expenditures	-	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	-	-
Total assets	$ 5,564	$ 131,350	$ 109,268	$ 27,519	$ 115,041	$ 22,108	$ -
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	2,782	44,451	16,388	5,974	-	3,438	449
Due to component unit	2,782	-	-	-	-	-	-
Total liabilities	5,564	44,451	16,388	5,974	-	3,438	449
FUND BALANCES (DEFICITS)							
Nonspendable:							
Prepaid expenditures	-	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	-	-
Permanent fund principal	-	-	-	-	-	-	-
Restricted for:							
Law enforcement	-	86,899	92,880	21,545	115,041	18,670	-
Cemetery maintenance (expendable)	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(449)
Total fund balances (deficits)	-	86,899	92,880	21,545	115,041	18,670	(449)
Total liabilities and fund balances	$ 5,564	$ 131,350	$ 109,268	$ 27,519	$ 115,041	$ 22,108	$ -

(Continued)

								Capital Project Funds	
2014 CDBG	2015 CDBG	2016 CDBG	2008 CHIP	Neighborhood Stabilization	Neighborhood Stabilization 3	Tax Allocation Districts	LCI Project Fund	Federal Stimulus
$ -	$ -	$ 900	$ 837	$ 129,544	$ 146,961	$ 399,128	$ -	$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	69,714	-	-	-	-	-	-
-	-	-	-	-	-	-	13,878	-
-	-	-	-	-	-	311,811	-	737
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
$ -	$ -	$ 70,614	$ 837	$ 129,544	$ 146,961	$ 710,939	$ 13,878	$ 737
$ -	$ -	$ 84,580	$ -	$ -	$ 16,030	$ -	$ -	$ -
-	-	-	-	37	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	84,580	-	37	16,030	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	13,878	-
-	-	-	-	-	-	-	-	-
-	-	-	837	129,507	130,931	710,939	-	737
-	-	(13,966)	-	-	-	-	-	-
-	-	(13,966)	837	129,507	130,931	710,939	13,878	737
$ -	$ -	$ 70,614	$ 837	$ 129,544	$ 146,961	$ 710,939	$ 13,878	$ 737

(Continued)

CITY OF GRIFFIN, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

ASSETS	Capital Project Funds: General Capital Projects Fund	Capital Project Funds: SPLOST Fund	Capital Project Funds: 2016 SPLOST Fund	Capital Project Funds: Georgia Transportation Infrastructure Fund	Permanent Funds: Cemetery Trust Fund	Permanent Funds: Mausoleum Trust Fund	Totals
Cash and cash equivalents	$ -	$ 2,035,375	$ 7,873,813	$ -	$ 1,109,981	$ 416,677	$ 12,511,075
Investments	-	-	-	-	1,941,223	337,324	2,278,547
Taxes receivable	-	-	-	-	-	-	5,479
Accounts receivable, net	-	-	-	-	-	-	69,714
Due from other governments	145,898	-	291,065	203,706	-	-	654,547
Due from other funds	1,849	-	-	-	165,810	-	487,719
Prepaid expenditures	-	-	1,069,875	-	-	-	1,069,875
Assets held for resale	-	-	-	-	205,835	-	205,835
Total assets	$ 147,747	$ 2,035,375	$ 9,234,753	$ 203,706	$ 3,422,849	$ 754,001	$ 17,282,791
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ 367,720	$ 11,834	$ 518,736	$ -	$ -	$ -	$ 998,900
Due to other funds	2,404	2,658	4,000	-	-	320,342	402,923
Due to component unit	-	-	-	-	-	-	2,782
Total liabilities	370,124	14,492	522,736	-	-	320,342	1,404,605
FUND BALANCES (DEFICITS)							
Nonspendable:							
Prepaid expenditures	-	-	1,069,875	-	-	-	1,069,875
Assets held for resale	-	-	-	-	205,835	-	205,835
Permanent fund principal	-	-	-	-	2,337,184	164,759	2,501,943
Restricted for:							
Law enforcement	-	-	-	-	-	-	348,913
Cemetery maintenance (expendable)	-	-	-	-	879,830	268,900	1,148,730
Capital projects	-	2,020,883	7,642,142	203,706	-	-	10,839,682
Unassigned	(222,377)	-	-	-	-	-	(236,792)
Total fund balances (deficits)	(222,377)	2,020,883	8,712,017	203,706	3,422,849	433,659	15,878,186
Total liabilities and fund balances	$ 147,747	$ 2,035,375	$ 9,234,753	$ 203,706	$ 3,422,849	$ 754,001	$ 17,282,791

(Concluded)

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Special Revenue Funds						
	Hotel/ Motel Tax Fund	Multiple Grant Fund	Confiscated Assets Fund	Police Technology Fund	Court Technology Fund	Police Donations	2012 CDBG
Revenues:							
Other taxes	$ 64,061	$ -	$ -	$ -	$ -	$ -	$ -
Charges for services	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Fines and forfeitures	-	-	133,146	616	17,463	-	-
Interest revenue	-	31	-	-	-	-	-
Contributions and donations	-	-	-	-	-	7,024	-
Other revenues	-	-	-	-	-	-	-
Total revenues	64,061	31	133,146	616	17,463	7,024	-
Expenditures:							
Current:							
Public safety	-	-	172,377	-	5,555	9,079	-
Public works	-	-	-	-	-	-	-
Housing and economic development	20,019	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Total expenditures	20,019	-	172,377	-	5,555	9,079	-
Excess (deficiency) of revenues over (under) expenditures	44,042	31	(39,231)	616	11,908	(2,055)	-
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	(44,042)	-	-	-	-	-	-
Total other financing sources (uses)	(44,042)	-	-	-	-	-	-
Net change in fund balances	-	31	(39,231)	616	11,908	(2,055)	-
Fund balances (deficits), beginning of year	-	86,868	132,111	20,929	103,133	20,725	(449)
Fund balances (deficits), end of year	$ -	$ 86,899	$ 92,880	$ 21,545	$ 115,041	$ 18,670	$ (449)

(Continued)

								Capital Project Funds	
2014 CDBG	2015 CDBG	2016 CDBG	2008 CHIP	Neighborhood Stabilization	Neighborhood Stabilization 3	Tax Allocation Districts	LCI Project Fund	Federal Stimulus
$ -	$ -	$ -	$ -	$ -	$ -	$ 299,605	$ -	$ -
-	-	-	-	-	-	-	-	-
-	250,982	78,714	-	44,450	-	-	13,878	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	250,982	78,714	-	44,450	-	299,605	13,878	-
-	-	-	-	-	-	-	-	-
799	341,156	174,117	3,000	-	96,395	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	46,105	-	-
799	341,156	174,117	3,000	-	96,395	46,105	-	-
(799)	(90,174)	(95,403)	(3,000)	44,450	(96,395)	253,500	13,878	-
70,618	197,948	81,437	-	-	-	-	-	-
-	-	-	-	-	-	-	(6,939)	-
70,618	197,948	81,437	-	-	-	-	(6,939)	-
69,819	107,774	(13,966)	(3,000)	44,450	(96,395)	253,500	6,939	-
(69,819)	(107,774)	-	3,837	85,057	227,326	457,439	6,939	737
$ -	$ -	$ (13,966)	$ 837	$ 129,507	$ 130,931	$ 710,939	$ 13,878	$ 737

(Continued)

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Capital Project Funds				Permanent Funds		
	General Capital Projects Fund	SPLOST Fund	2016 SPLOST Fund	Georgia Transportation Infrastructure Fund	Cemetery Trust Fund	Mausoleum Trust Fund	Totals
Revenues:							
Other taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ 363,666
Charges for services	-	-	-	-	41,820	-	41,820
Intergovernmental	-	396,702	3,863,532	203,706	-	-	4,851,964
Fines and forfeitures	-	-	-	-	-	-	151,225
Interest revenue	-	1,205	-	-	218,263	-	219,499
Contributions and donations	-	-	-	-	-	-	7,024
Other revenues	-	-	-	-	36,820	-	36,820
Total revenues	-	397,907	3,863,532	203,706	296,903	-	5,672,018
Expenditures:							
Current:							
Public safety	-	-	-	-	-	-	187,011
Public works	-	-	-	-	19,347	562	635,376
Housing and economic development	-	-	-	-	-	-	20,019
Capital outlay	-	1,000,681	3,038,060	-	-	-	4,038,741
Debt service	-	-	287,823	-	-	-	333,928
Total expenditures	-	1,000,681	3,325,883	-	19,347	562	5,215,075
Excess (deficiency) of revenues over (under) expenditures	-	(602,774)	537,649	203,706	277,556	(562)	456,943
Other financing sources (uses)							
Transfers in	6,939	246,302	255,663	-	-	-	858,907
Transfers out	(246,302)	-	-	-	-	-	(297,283)
Total other financing sources (uses)	(239,363)	246,302	255,663	-	-	-	561,624
Net change in fund balances	(239,363)	(356,472)	793,312	203,706	277,556	(562)	1,018,567
Fund balances (deficits), beginning of year	16,986	2,377,355	7,918,705	-	3,145,293	434,221	14,859,619
Fund balances (deficits), end of year	$ (222,377)	$ 2,020,883	$ 8,712,017	$ 203,706	$ 3,422,849	$ 433,659	$ 15,878,186

(Concluded)

CITY OF GRIFFIN, GEORGIA
HOTEL/MOTEL TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Other taxes	$ 75,000	$ 64,061	$ (10,939)
Total revenues	75,000	64,061	(10,939)
EXPENDITURES			
Housing and development	75,000	20,019	54,981
Total expenditures	75,000	20,019	54,981
Excess of revenues over expenditures	-	44,042	44,042
Other financing uses			
Transfers out	-	(44,042)	(44,042)
Total other financing uses	-	(44,042)	(44,042)
Net change in fund balance	-	-	-
FUND BALANCES, beginning of year	-	-	-
FUND BALANCES, end of year	$ -	$ -	$ -

CITY OF GRIFFIN, GEORGIA
MULTIPLE GRANT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Interest revenue	$ 31	$ 31	$ -
Total revenues	31	31	-
EXPENDITURES			
Public safety	-	-	-
Total expenditures	-	-	-
Net change in fund balance	31	31	-
FUND BALANCES, beginning of year	86,868	86,868	-
FUND BALANCES, end of year	$ 86,899	$ 86,899	$ -

CITY OF GRIFFIN, GEORGIA
CONFISCATED ASSETS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Fines and forfeitures	$ 133,140	$ 133,146	$ 6
Total revenues	133,140	133,146	6
EXPENDITURES			
Public safety	172,400	172,377	23
Total expenditures	172,400	172,377	23
Net change in fund balance	(39,260)	(39,231)	29
FUND BALANCES, beginning of year	132,111	132,111	-
FUND BALANCES, end of year	$ 92,851	$ 92,880	$ 29

CITY OF GRIFFIN, GEORGIA
POLICE TECHNOLOGY FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Fines and forfeitures	$ 2,000	$ 616	$ (1,384)
Total revenues	2,000	616	(1,384)
EXPENDITURES			
Public safety	-	-	-
Total expenditures	-	-	-
Net change in fund balance	2,000	616	(1,384)
FUND BALANCES, beginning of year	20,929	20,929	-
FUND BALANCES, end of year	$ 22,929	$ 21,545	$ (1,384)

CITY OF GRIFFIN, GEORGIA
COURT TECHNOLOGY FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Fines and forfeitures	$ 20,000	$ 17,463	$ (2,537)
Total revenues	20,000	17,463	(2,537)
EXPENDITURES			
Public safety	-	5,555	(5,555)
Total expenditures	-	5,555	(5,555)
Net change in fund balance	20,000	11,908	(8,092)
FUND BALANCES, beginning of year	103,133	103,133	-
FUND BALANCES, end of year	$ 123,133	$ 115,041	$ (8,092)

CITY OF GRIFFIN, GEORGIA
POLICE DONATIONS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Contributions and donations	$ 7,025	$ 7,024	$ (1)
Total revenues	7,025	7,024	(1)
EXPENDITURES			
Public safety	9,095	9,079	16
Total expenditures	9,095	9,079	16
Net change in fund balance	(2,070)	(2,055)	15
FUND BALANCES, beginning of year	20,725	20,725	-
FUND BALANCES, end of year	$ 18,655	$ 18,670	$ 15

CITY OF GRIFFIN, GEORGIA
2012 CDBG FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ -	$ -	$ -
Total revenues	-	-	-
EXPENDITURES			
Public works	-	-	-
Total expenditures	-	-	-
Net change in fund balance	-	-	-
FUND BALANCES (DEFICITS), beginning of year	(449)	(449)	-
FUND BALANCES (DEFICITS), end of year	$ (449)	$ (449)	$ -

CITY OF GRIFFIN, GEORGIA
2014 CDBG FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ -	$ -	$ -
Total revenues	-	-	-
EXPENDITURES			
Public works	36,108	799	35,309
Total expenditures	36,108	799	35,309
Deficiency of revenues under expenditures	(36,108)	(799)	35,309
Other financing sources			
Transfers in	103,429	70,618	(32,811)
Total other financing sources	103,429	70,618	(32,811)
Net change in fund balance	67,321	69,819	2,498
FUND BALANCES (DEFICITS), beginning of year	(69,819)	(69,819)	-
FUND BALANCES (DEFICITS), end of year	$ (2,498)	$ -	$ 2,498

CITY OF GRIFFIN, GEORGIA
2015 CDBG FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 250,982	$ 250,982	$ -
Total revenues	250,982	250,982	-
EXPENDITURES			
Public works	262,028	341,156	(79,128)
Total expenditures	262,028	341,156	(79,128)
Deficiency of revenues under expenditures	(11,046)	(90,174)	(79,128)
Other financing sources			
Transfers in	118,820	197,948	79,128
Total other financing sources	118,820	197,948	79,128
Net change in fund balance	107,774	107,774	-
FUND BALANCES (DEFICITS), beginning of year	(107,774)	(107,774)	-
FUND BALANCES, end of year	$ -	$ -	$ -

CITY OF GRIFFIN, GEORGIA
2016 CDBG FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 78,714	$ 78,714	$ -
Total revenues	78,714	78,714	-
EXPENDITURES			
Public works	174,117	174,117	-
Total expenditures	174,117	174,117	-
Deficiency of revenues under expenditures	(95,403)	(95,403)	-
Other financing sources			
Transfers in	81,437	81,437	-
Total other financing sources	81,437	81,437	-
Net change in fund balance	(13,966)	(13,966)	-
FUND BALANCES, beginning of year	-	-	-
FUND BALANCES (DEFICITS), end of year	$ (13,966)	$ (13,966)	$ -

CITY OF GRIFFIN, GEORGIA
2008 CHIP FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ -	$ -	$ -
Total revenues	-	-	-
EXPENDITURES			
Public works	3,000	3,000	-
Total expenditures	3,000	3,000	-
Net change in fund balance	(3,000)	(3,000)	-
FUND BALANCES, beginning of year	3,837	3,837	-
FUND BALANCES, end of year	$ 837	$ 837	$ -

CITY OF GRIFFIN, GEORGIA
NEIGHBORHOOD STABILIZATION FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 44,440	$ 44,450	$ 10
Total revenues	44,440	44,450	10
EXPENDITURES			
Public works	-	-	-
Total expenditures	-	-	-
Net change in fund balance	44,440	44,450	10
FUND BALANCES, beginning of year	85,057	85,057	-
FUND BALANCES, end of year	$ 129,497	$ 129,507	$ 10

CITY OF GRIFFIN, GEORGIA
NEIGHBORHOOD STABILIZATION 3 FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ -	$ -	$ -
Total revenues	-	-	-
EXPENDITURES			
Public works	96,400	96,395	5
Total expenditures	96,400	96,395	5
Net change in fund balance	(96,400)	(96,395)	5
FUND BALANCES, beginning of year	227,326	227,326	-
FUND BALANCES, end of year	$ 130,926	$ 130,931	$ 5

CITY OF GRIFFIN, GEORGIA
TAX ALLOCATION DISTRICTS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Other taxes	$ 278,500	$ 299,605	$ 21,105
Total revenues	278,500	299,605	21,105
EXPENDITURES			
Debt service	46,110	46,105	5
Total expenditures	46,110	46,105	5
Net change in fund balance	232,390	253,500	21,110
FUND BALANCES, beginning of year	457,439	457,439	-
FUND BALANCES, end of year	$ 689,829	$ 710,939	$ 21,110

CITY OF GRIFFIN, GEORGIA

SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2009 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
Roads, streets, bridges and transportation improvements and equipment:					
Airport Signals	$ 585,291	$ 585,291	$ 37,167	$ -	$ 37,167
Signals Phase I	487,893	487,893	99,351	-	99,351
Signals Phase II	182,013	182,013	48,217	-	48,217
Intersections	144,860	144,860	3,536,795	123,965	3,660,760
Airport Road Intersection	55,000	55,000	-	-	-
6th Street Bridge	643,340	643,340	882,071	-	882,071
Meriwether Street Bridge	275,000	275,000	-	-	-
Poplar Street Bridge	275,000	275,000	-	-	-
Street Resurfacing	1,800,000	1,800,000	2,116,122	-	2,116,122
Block Improvement	500,000	500,000	466,514	22,713	489,227
Sidewalks	490,728	490,728	400,090	-	400,090
North Hill Street LCI	3,000,000	3,000,000	794,016	843,483	1,637,499
Utilities/Engineering	2,435,465	2,435,465	326,921	10,520	337,441
	$ 10,874,590	$ 10,874,590	$ 8,707,264	$ 1,000,681	$ 9,707,945

Total per Combining Statement of Revenues, Expenditures and Changes in Fund Balance $ 1,000,681

CITY OF GRIFFIN, GEORGIA

SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2016 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
One Griffin Center	$ 3,038,510	$ 3,038,510	$ 2,737,480	$ 88,304	$ 2,825,784
Fire Headquarters	3,250,000	3,250,000	429,279	874,003	1,303,282
Aerial Truck	1,510,298	1,510,298	-	1,098,963	1,098,963
Historic City Hall	3,556,541	3,556,541	-	468,360	468,360
Substandard Abatement	3,000,000	3,000,000	-	160,606	160,606
Street Resurfacing	4,948,651	4,948,651	-	227,415	227,415
Intersection Improvements	2,200,000	2,200,000	-	117,709	117,709
Sidewalks	600,000	600,000	-	2,700	2,700
Right of Way Improvements	240,000	240,000	-	-	-
	$ 22,344,000	$ 22,344,000	$ 3,166,759	$ 3,038,060	$ 6,204,819

Total per Combining Statement of Revenues, Expenditures and Changes in Fund Balance $ 3,038,060

CITY OF GRIFFIN, GEORGIA

NONMAJOR ENTERPRISE FUNDS

Operations of enterprise funds are designed to be self-supporting.

The **Stormwater Utility Fund** accounts for revenues and expenses relating to the stormwater services provided to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The **Welcome Center Fund** accounts for revenues and expenses relating to the operation of the City's welcome center. Funding is provided by City appropriations and user fees.

The **Golf Course Fund** accounts for revenues and expenses relating to the operation of the City's municipal golf course. Funding is provided by City appropriations and user fees.

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS

JUNE 30, 2017

	Stormwater Utility Fund	Welcome Center Fund	Golf Course Fund	Totals
ASSETS				
CURRENT ASSETS				
Cash	$ 747,760	$ -	$ 343,008	$ 1,090,768
Restricted assets, cash	-	-	107,568	107,568
Accounts receivable, net of allowances	231,250	-	9,330	240,580
Due from other governments	28,174	-	-	28,174
Due from component units	-	-	24,345	24,345
Due from other funds	1,369,379	2,782	-	1,372,161
Inventories	-	-	34,746	34,746
Prepaid expenses	15,403	1,372	3,463	20,238
Total current assets	2,391,966	4,154	522,460	2,918,580
NONCURRENT ASSETS				
Capital assets:				
Nondepreciable	282,142	365,500	1,507,540	2,155,182
Depreciable, net of accumulated depreciation	6,202,751	1,382,395	243,510	7,828,656
Total noncurrent assets	6,484,893	1,747,895	1,751,050	9,983,838
Total assets	8,876,859	1,752,049	2,273,510	12,902,418
DEFERRED OUTFLOWS OF RESOURCES				
Pension	106,383	-	27,805	134,188
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	27,970	360	6,635	34,965
Accrued liabilities	10,421	-	3,969	14,390
Current portion - compensated absences	14,492	-	6,396	20,888
Current portion - notes payable	198,794	-	-	198,794
Current portion - capital leases payable	80,155	-	-	80,155
Due to other funds	58,483	15,658	190,268	264,409
Total current liabilities	390,315	16,018	207,268	613,601
NONCURRENT LIABILITIES				
Compensated absences, net of current portion	2,557	-	1,129	3,686
Net pension liability	519,274	-	135,719	654,993
Notes payable, net of current portion	1,117,092	-	-	1,117,092
Capital leases payable, net of current portion	309,518	-	-	309,518
Total noncurrent liabilities	1,948,441	-	136,848	2,085,289
Total liabilities	2,338,756	16,018	344,116	2,698,890
Current portion - landfill closure/postclosure care costs				
Pension	2,578	-	674	3,252
NET POSITION				
Net investment in capital assets	4,779,334	1,747,895	1,751,050	8,278,279
Unrestricted	1,862,574	(11,864)	205,475	2,056,185
Total net position	$ 6,641,908	$ 1,736,031	$ 1,956,525	$ 10,334,464

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Stormwater Utility Fund	Welcome Center Fund	Golf Course Fund	Totals
OPERATING REVENUES				
Charges for services	$ 2,373,115	$ 8,950	$ 184,537	$ 2,566,602
Other services	268	-	-	268
Total operating revenues	2,373,383	8,950	184,537	2,566,870
OPERATING EXPENSES				
Personal services	698,355	-	270,835	969,190
Purchased or contracted service	501,711	64,686	120,691	687,088
Supplies	116,560	3,675	32,743	152,978
Miscellaneous	47,612	-	154,827	202,439
Depreciation	377,815	40,659	77,420	495,894
Total operating expenses	1,742,053	109,020	656,516	2,507,589
Operating income (loss)	631,330	(100,070)	(471,979)	59,281
NONOPERATING REVENUES (EXPENSES)				
Interest revenue	2,722	-	-	2,722
Interest expense	(50,135)	-	-	(50,135)
Total nonoperating expenses, net	(47,413)	-	-	(47,413)
Income (loss) before transfers	583,917	(100,070)	(471,979)	11,868
CAPITAL CONTRIBUTIONS	28,174	-	-	28,174
TRANSFERS				
Transfers out	(5,366,570)	-	-	(5,366,570)
Transfers in	-	55,212	396,907	452,119
Total transfers	(5,366,570)	55,212	396,907	(4,914,451)
Change in net position	(4,754,479)	(44,858)	(75,072)	(4,874,409)
NET POSITION, beginning of year	11,396,387	1,780,889	2,031,597	15,208,873
NET POSITION, end of year	$ 6,641,908	$ 1,736,031	$ 1,956,525	$ 10,334,464

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Stormwater Utility Fund	Welcome Center Fund	Golf Course Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 1,575,558	$ 14,640	$ 182,266	$ 1,772,464
Payments to suppliers	(679,899)	(69,704)	(302,396)	(1,051,999)
Payments to employees	(705,032)	(148)	(266,724)	(971,904)
Net cash provided by (used in) operating activities	190,627	(55,212)	(386,854)	(251,439)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	-	55,212	396,907	452,119
Net cash provided by noncapital financing activities	-	55,212	396,907	452,119
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(498,957)	-	(27,400)	(526,357)
Proceeds from capital leases payable	416,000	-	-	416,000
Principal paid on notes payable and capital leases	(217,697)	-	-	(217,697)
Interest paid	(49,919)	-	-	(49,919)
Net cash used in capital and related financing activities	(350,573)	-	(27,400)	(377,973)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	2,722	-	-	2,722
Net cash provided by investing activities	2,722	-	-	2,722
Decrease in cash and cash equivalents	(157,224)	-	(17,347)	(174,571)
Cash and cash equivalents:				
Beginning of year	904,984	-	467,923	1,372,907
End of year	$ 747,760	$ -	$ 450,576	$ 1,198,336
Classified as:				
Cash	$ 747,760	$ -	$ 343,008	$ 1,090,768
Restricted assets, cash	-	-	107,568	107,568
	$ 747,760	$ -	$ 450,576	$ 1,198,336

(Continued)

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Stormwater Utility Fund	Welcome Center Fund	Golf Course Fund	Totals
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	$ 631,330	$ (100,070)	$ (471,979)	$ 59,281
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	377,815	40,659	77,420	495,894
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	12,500	-	(2,271)	10,229
Decrease in due from other governments	355,826	-	-	355,826
Increase in inventory	-	-	(9,008)	(9,008)
Increase in due from other funds	(1,171,775)	(856)	-	(1,172,631)
(Increase) decrease in prepaids and other assets	(3,999)	(635)	892	(3,742)
Decrease in deferred outflows of resources	42,564	-	9,432	51,996
Decrease in accounts payable	(11,580)	-	(12,974)	(24,554)
Increase in accrued liabilities	3,462	-	1,534	4,996
Increase in due to other funds	5,624	5,690	26,955	38,269
Decrease in net pension liability	(53,718)	-	(7,529)	(61,247)
Increase in deferred inflows of resources	2,578	-	674	3,252
Net cash provided by (used in) operating activities	$ 190,627	$ (55,212)	$ (386,854)	$ (251,439)

CITY OF GRIFFIN, GEORGIA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Municipal Court			
	Balance July 1, 2016	Increases	Decreases	Balance June 30, 2017
ASSETS				
Cash and cash equivalents	$ 43,054	$ 4,021,540	$ (3,978,050)	$ 86,544
Total assets	$ 43,054	$ 4,021,540	$ (3,978,050)	$ 86,544
LIABILITIES				
Due to others	$ 43,054	$ 4,021,540	$ (3,978,050)	$ 86,544
Total liabilities	$ 43,054	$ 4,021,540	$ (3,978,050)	$ 86,544

CITY OF GRIFFIN, GEORGIA

BALANCE SHEET
COMPONENT UNITS

JUNE 30, 2017

	Griffin Main Street	Griffin Downtown Development	Business and Tourism Association
ASSETS			
Cash and cash equivalents	$ 249,890	$ 90,927	$ 137,935
Due from primary government	-	5,176	19,914
Prepaid items	-	141	281
Total assets	249,890	96,244	158,130
LIABILITIES			
Accounts payable	840	-	-
Accrued liabilities	-	2,150	382
Due to primary government	136,317	-	80,758
Total liabilities	137,157	2,150	81,140
FUND BALANCES			
Nonspendable:			
Prepaid items	-	141	281
Unassigned	112,733	93,953	76,709
Total fund balance	$ 112,733	$ 94,094	$ 76,990

CITY OF GRIFFIN, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Griffin Main Street	Griffin Downtown Development	Business and Tourism Association
Revenues			
Intergovernmental	$ 135,079	$ 134,359	$ 227,474
Contributions	-	8,013	-
Interest	-	87	-
Miscellaneous	-	3,000	-
Total revenues	135,079	145,459	227,474
Expenditures			
Personal services	654	102,943	79,186
Purchased or contracted services	15,610	16,519	27,189
Supplies	578	1,204	793
Miscellaneous	7,993	21,063	68,297
Total expenditures	24,835	141,729	175,465
Net change in fund balance	110,244	3,730	52,009
Fund balances, beginning of year	2,489	90,364	24,981
Fund balances, end of year	$ 112,733	$ 94,094	$ 76,990

CITY OF GRIFFIN, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
AIRPORT AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

OPERATING REVENUES		
Charges for services	$	495,247
Other services		6,625
Total operating revenues		501,872
OPERATING EXPENSES		
Personal services		214,436
Purchased or contracted service		375,406
Supplies		7,764
Miscellaneous		47,510
Depreciation		127,962
Total operating expenses		773,078
Operating loss		(271,206)
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental		6,646,754
Intergovernmental - contributions from City		331,329
Interest revenue		4,970
Interest expense and fiscal charges		(170,321)
Total nonoperating revenues, net		6,812,732
Change in net position		6,541,526
Net position, beginning of year		2,864,737
Net position, end of year	$	9,406,263

CITY OF GRIFFIN, GEORGIA

STATEMENT OF CASH FLOWS
AIRPORT AUTHORITY

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	$	738,286
Payments to suppliers		(664,425)
Payments to employees		(215,195)
Net cash used in operating activities		(141,334)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Intergovernmental		3,678,083
Net cash provided by noncapital financing activities		3,678,083
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets		(5,646,017)
Payments on revenue bonds		(30,000)
Interest paid		(218,000)
Net cash used in capital and related financing activities		(5,894,017)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments		4,970
Net cash provided by investing activities		4,970
Decrease in cash and cash equivalents		(2,352,298)
Cash and cash equivalents:		
Beginning of year		6,995,236
End of year	$	4,642,938
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	$	(271,206)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation		127,962
Changes in assets and liaibilities:		
Decrease in accounts receivable		12,903
Increase in inventory		(3,528)
Decrease in prepaids and other assets		219
Decrease in deferred outflows of resources		12,933
Decrease in accounts payable		(231,776)
Increase in accrued liabilities		2,852
Increase in due to other funds		223,511
Decrease in net pension liability		(15,995)
Increase in deferred inflows of resources		791
Net cash used in operating activities	$	(141,334)

STATISTICAL SECTION

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

Contents **Page**

Financial Trends ..... **107 - 114**

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 ..... **115 - 122**

These schedules contain information to help the reader assess the City's most significant local revenue sources.

Debt Capacity ..... **123 - 126**

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 ..... **127 and 128**

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 ..... **129 - 131**

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 City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the City's financial reports for the relevant year.

CITY OF GRIFFIN, GEORGIA

NET POSITION BY ACTIVITY
LAST TEN FISCAL YEARS

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
Net investment in capital assets	$ 12,991,539	$ 12,975,572	$ 13,665,934	$ 15,867,708	$ 16,197,106	$ 17,649,753	$ 18,088,118	$ 19,658,120	$ 27,292,457	$ 21,045,080
Restricted	-	-	-	3,334,266	3,826,867	4,206,163	6,227,266	6,166,773	11,415,432	14,948,625
Unrestricted	7,662,397	7,673,140	12,015,787	12,677,719	15,725,008	15,001,410	15,748,511	7,434,838	(1,841,296)	4,416,351
Total governmental activities net position	$ 20,653,936	$ 20,648,712	$ 25,681,721	$ 31,879,693	$ 35,748,981	$ 36,857,326	$ 40,063,895	$ 33,259,731	$ 36,866,593	$ 40,410,056
Business-type activities										
Net investment in capital assets	$ 47,793,223	$ 46,056,274	$ 45,704,091	$ 47,893,557	$ 47,439,408	$ 45,543,491	$ 49,188,045	$ 55,349,624	$ 59,283,034	$ 64,495,240
Restricted	1,025,014	995,921	1,000,105	1,007,038	1,013,568	10,404,843	5,982,820	4,017,589	4,068,183	2,841,274
Unrestricted	9,623,571	13,111,169	18,756,262	20,897,027	25,185,368	27,140,869	31,291,021	24,192,432	31,277,153	31,868,579
Total business-type activities net position	$ 58,441,808	$ 60,163,364	$ 65,460,458	$ 69,797,622	$ 73,638,344	$ 83,089,203	$ 86,461,886	$ 83,559,645	$ 94,628,370	$ 99,205,093
Primary government										
Net investment in capital assets	$ 60,784,762	$ 59,031,846	$ 59,370,025	$ 63,761,265	$ 63,636,514	$ 63,193,244	$ 67,276,163	$ 75,007,744	$ 86,575,491	$ 85,540,320
Restricted	1,025,014	995,921	1,000,105	4,341,304	4,840,435	14,611,006	12,210,086	10,184,362	15,483,615	17,789,899
Unrestricted	17,285,968	20,784,309	30,772,049	33,574,746	40,910,376	42,142,279	47,039,532	31,627,270	29,435,857	36,284,930
Total primary government net position	$ 79,095,744	$ 80,812,076	$ 91,142,179	$ 101,677,315	$ 109,387,325	$ 119,946,529	$ 126,525,781	$ 116,819,376	$ 131,494,963	$ 139,615,149

Note: GASB 68 was implemented during fiscal year 2015.

CITY OF GRIFFIN, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Primary government:										
Governmental activities:										
General government	$ 4,651,126	$ 4,145,149	$ 3,847,393	$ 4,111,180	$ 4,149,134	$ 4,817,013	$ 5,019,496	$ 4,814,301	$ 4,794,301	$ 8,607,024
Judicial	155,443	154,801	166,044	168,762	251,537	163,995	187,201	220,967	299,837	231,521
Public safety	14,438,842	14,735,107	14,034,310	14,673,254	14,803,719	14,671,072	14,770,642	14,095,194	14,149,168	13,723,855
Public works	4,760,853	4,255,794	4,250,091	5,551,010	4,389,885	6,125,980	4,838,560	4,450,304	5,181,358	4,648,252
Parks and recreation	464,517	535,047	265,882	265,527	288,563	306,880	331,053	341,114	375,164	390,878
Housing and development	811,268	574,377	960,351	897,705	893,084	1,744,909	1,285,090	1,198,472	1,414,435	1,423,875
Interest and fiscal changes	254,579	232,108	218,882	206,442	192,630	315,732	206,286	194,435	439,627	150,998
Total governmental activities expenses	25,536,628	24,632,383	23,742,953	25,873,880	24,968,552	28,145,581	26,638,328	25,314,787	26,653,890	29,176,403
Business-type activities:										
Water and wastewater	15,366,591	15,291,525	15,439,483	15,633,302	16,324,849	16,452,354	15,142,670	15,250,310	16,507,868	16,394,635
Electric	34,439,453	34,862,574	31,929,195	34,885,002	35,759,349	36,908,037	37,555,182	38,889,023	37,265,142	38,308,938
Solid waste	6,786,941	6,321,731	5,972,508	6,219,035	5,990,274	6,259,574	6,460,663	6,869,383	6,865,956	7,766,989
Stormwater	1,602,906	1,754,685	1,882,797	1,555,172	1,634,492	1,607,053	1,765,224	1,981,286	1,639,352	1,816,685
Airport	974,200	911,534	806,985	928,157	780,458	1,014,246	-	-	-	-
Welcome center	103,441	101,039	108,418	107,105	106,178	115,656	122,901	106,913	101,107	109,020
Golf course	319,360	595,589	551,005	561,208	601,361	608,758	637,841	662,440	659,881	656,516
Total business-type activities expenses	59,592,892	59,838,677	56,690,391	59,888,981	61,196,961	62,965,678	61,684,481	63,759,355	63,039,306	65,052,783
Total primary government expenses	85,129,520	84,471,060	80,433,344	85,762,861	86,165,513	91,111,259	88,322,809	89,074,142	89,693,196	94,229,186
Program revenues										
Primary government:										
Governmental activities:										
Charges for services										
General government	4,976,327	5,053,915	4,485,957	4,918,449	4,745,905	5,241,268	5,716,553	5,559,215	5,380,984	5,456,453
Public safety	1,234,416	1,483,436	2,204,342	1,347,878	1,151,869	1,035,788	660,646	888,437	832,375	783,377
Public works	220,743	181,713	174,843	200,332	205,135	197,369	174,619	187,224	173,247	173,578
Parks and recreation	213,252	183,146	211,449	210,767	207,638	207,317	186,169	215,779	226,426	198,072
Housing and economic development	231,281	127,306	115,216	101,832	149,688	127,337	150,780	235,016	181,471	230,524
Operating grants and contributions	338,472	406,984	1,693,407	1,053,102	401,862	790,343	615,471	373,085	573,546	436,650
Capital grants and contributions	394,613	-	2,488,143	3,342,662	1,728,069	2,244,969	2,629,373	1,235,013	2,698,218	4,808,719
Total governmental activities program revenues	7,609,104	7,436,500	11,373,357	11,175,022	8,590,166	9,844,391	10,133,611	8,693,769	10,066,267	12,087,373

(Continued)

CITY OF GRIFFIN, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Business-type activities:										
Charges for services [a]										
Water and wastewater	$ 15,251,076	$ 15,916,076	$ 16,404,641	$ 18,655,002	$ 19,535,423	$ 19,281,293	$ 18,756,927	$ 19,028,788	$ 25,091,898	$ 21,276,341
Electric	39,249,939	42,584,904	42,538,662	46,041,080	44,721,076	44,114,775	47,080,348	48,554,415	46,628,975	48,009,529
Solid waste	5,158,117	5,294,230	5,330,980	5,602,104	5,899,648	5,958,989	6,176,975	6,454,229	6,097,257	6,164,237
Stormwater	1,657,443	1,845,721	2,036,829	2,038,860	2,164,061	2,219,025	2,207,951	2,147,621	2,501,751	2,373,383
Airport	650,450	486,881	478,507	427,705	522,811	683,920	-	-	-	-
Welcome center	-	-	5,300	10,325	10,825	11,524	8,075	11,575	5,240	8,950
Golf course	183,752	316,858	300,866	284,412	234,223	236,934	236,936	235,553	232,475	184,537
Operating grants and contributions	157,276	206,103	141,499	169,809	46,773	182,849	104,962	-	355,826	28,174
Capital grants and contributions	127,333	735,186	571,622	331,663	117,206	9,141,322	21,758	12,000	272,912	227,988
Total business-type activities program revenues	62,435,386	67,385,959	67,808,906	73,560,960	73,252,046	81,830,631	74,593,932	76,444,181	81,186,334	78,273,139
Total primary government program revenues	70,044,490	74,822,459	79,182,263	84,735,982	81,842,212	91,675,022	84,727,543	85,137,950	91,252,601	90,360,512
General revenues and other changes in net position										
Primary government:										
Governmental activities:										
Property taxes	4,843,964	4,721,865	4,823,429	4,752,266	4,575,821	4,562,903	4,986,729	4,412,356	4,432,632	4,385,425
Sales taxes	3,786,058	3,249,639	3,327,451	3,274,679	3,482,760	3,409,570	3,345,800	3,467,609	3,554,330	3,438,553
Insurance premium tax	1,281,805	1,312,511	1,300,347	1,262,410	1,108,956	1,177,972	1,219,600	1,274,964	1,361,974	1,492,683
Alcoholic beverage taxes	646,473	644,810	614,651	620,485	635,971	621,130	626,427	647,763	654,739	663,403
Business occupational taxes	442,655	384,289	415,842	404,400	421,639	416,930	441,938	431,498	457,755	459,395
Other taxes	181,316	166,668	179,848	196,315	196,560	253,890	257,431	399,177	523,587	523,462
Franchise fees	612,240	621,589	560,428	555,513	556,258	559,345	535,272	526,376	378,289	513,414
Unrestricted investment earnings	73,214	(158,665)	(81,675)	245,221	163,807	9,852	445,337	127,873	165,895	248,710
Gain on sale of assets	82,281	50,012	30,023	10,530	72,546	-	5,341	31,644	14,670	14,252
Transfers	4,825,307	6,197,941	6,231,802	9,575,011	9,033,356	8,397,943	7,847,411	9,530,554	8,650,614	8,893,196
Total governmental activities general revenues and changes in net position	16,775,313	17,190,659	17,402,146	20,896,830	20,247,674	19,409,535	19,711,286	20,849,814	20,194,485	20,632,493
Business-type activities:										
Unrestricted investment earnings	619,561	372,215	410,381	231,019	783,095	(373,183)	1,256,518	660,532	1,571,311	249,563
Gain on sale of assets	(4,567)	-	-	9,177	35,898	-	207,091	-	1,000	-
Special item	-	-	-	-	-	-	(3,152,966)	-	-	-
Transfers	(4,825,307)	(6,197,941)	(6,231,802)	(9,575,011)	(9,033,356)	(8,397,943)	(7,847,411)	(9,530,554)	(8,650,614)	(8,893,196)
Total business type activities general revenues and changes in net position	(4,210,313)	(5,825,726)	(5,821,421)	(9,334,815)	(8,214,363)	(8,771,126)	(9,536,768)	(8,870,022)	(7,078,303)	(8,643,633)

(Continued)

CITY OF GRIFFIN, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total primary government general revenues and other changes in net position	$ 12,565,000	$ 11,364,933	$ 11,580,725	$ 11,562,015	$ 12,033,311	$ 10,638,409	$ 10,174,518	$ 11,979,792	$ 13,116,182	$ 11,988,860
Change in net position										
Governmental activities	(1,152,211)	(5,224)	5,032,550	6,197,972	3,869,288	1,108,345	3,206,569	4,228,796	3,606,862	3,543,463
Business-type activities	(1,367,819)	1,721,556	5,297,094	4,337,164	3,840,722	10,093,827	3,372,683	3,814,804	11,068,725	4,576,723
Total primary government change in net position	$ (2,520,030)	$ 1,716,332	$ 10,329,644	$ 10,535,136	$ 7,710,010	$ 11,202,172	$ 6,579,252	$ 8,043,600	$ 14,675,587	$ 8,120,186

[(a)] Revenue growth from year to year due mostly to increased rates for services due to rising energy costs.

CITY OF GRIFFIN, GEORGIA

FUND BALANCES, GOVERNMENTAL FUNDS
2008 - 2010

	Fiscal Year		
	2008	2009	2010
General fund			
Reserved	$ 160,471	$ 180,051	$ 238,489
Unreserved	1,190,065	742,294	2,024,459
Total general fund	$ 1,350,536	$ 922,345	$ 2,262,948
All other governmental funds			
Reserved	$ 2,276,217	$ 2,148,241	$ 2,103,064
Unreserved, reported in:			
Special revenue funds	143,212	138,022	362,047
Capital projects funds	20,061	(83,019)	2,315,097
Total all other governmental funds	$ 2,439,490	$ 2,203,244	$ 4,780,208
Total all governmental funds	$ 3,790,026	$ 3,125,589	$ 7,043,156

CITY OF GRIFFIN, GEORGIA

FUND BALANCES, GOVERNMENTAL FUNDS
LAST SEVEN FISCAL YEARS

	Fiscal Year						
	2011	2012	2013	2014	2015	2016	2017
General fund							
Nonspendable	$ 211,407	$ 188,035	$ 217,727	$ 143,578	$ 187,974	$ 200,714	$ 241,156
Restricted	109,357	109,357	109,357	109,357	109,357	109,357	109,357
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	4,290,717	7,795,166	7,624,705	8,012,324	10,003,964	10,770,758	11,306,559
Total general fund	4,611,481	8,092,558	7,951,789	8,265,259	10,301,295	11,080,829	11,657,072
All other governmental funds							
Nonspendable, reported in:							
Special revenue funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital projects funds	-	-	-	-	-	1,098,963	1,069,875
Permanent funds	2,233,107	2,325,307	2,406,047	2,494,726	2,548,442	2,632,623	2,707,778
Restricted, reported in:							
Special revenue funds	355,797	410,412	576,388	669,104	781,473	1,137,425	1,307,249
Capital projects funds	2,698,470	3,016,291	3,264,096	4,784,160	4,473,499	9,221,759	9,881,346
Permanent funds	170,642	290,807	256,322	664,645	802,444	946,891	1,148,730
Unassigned	-	-	(65,152)	(10,087)	(2,947)	(178,042)	(236,792)
Total all other governmental funds	$ 5,458,016	$ 6,042,817	$ 6,437,701	$ 8,602,548	$ 8,602,911	$ 14,859,619	$ 15,878,186
Total all governmental funds	$ 10,069,497	$ 14,135,375	$ 14,389,490	$ 16,867,807	$ 18,904,206	$ 25,940,448	$ 27,535,258

Note: GASB 54 was implemented during fiscal year 2011.

CITY OF GRIFFIN, GEORGIA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues:										
Property taxes	$ 4,798,148	$ 4,682,938	$ 4,798,935	$ 4,662,904	$ 4,699,665	$ 4,451,514	$ 4,890,450	$ 4,576,229	$ 4,465,980	$ 4,378,755
Other taxes	6,338,307	5,672,072	5,836,489	5,845,784	5,845,886	5,879,492	5,891,196	6,221,011	6,407,087	6,567,448
Charges for services	5,271,919	5,075,420	4,491,210	4,954,638	4,795,078	5,251,331	5,656,674	5,558,446	5,405,502	5,443,236
Licenses and permits	396,528	300,540	284,588	285,302	319,097	312,916	319,997	388,918	289,954	363,442
Intergovernmental	397,585	406,984	4,162,422	4,286,767	2,243,559	3,031,251	3,244,735	1,608,021	3,271,697	5,244,164
Franchise fees	612,240	621,589	560,428	555,513	556,258	559,345	535,272	526,376	523,587	523,462
Fines and forfeitures	1,177,709	1,309,886	2,128,550	1,296,843	1,084,115	984,364	621,506	846,414	783,125	738,696
Interest revenues	68,533	(159,027)	(82,058)	244,569	162,991	9,936	445,446	127,950	165,962	249,915
Rental income	215,418	191,521	195,969	196,689	193,874	193,944	175,598	207,623	209,693	186,979
Contributions and donations	21,046	4,314	35,626	3,766	3,165	629	9,160	26,601	30,040	10,427
Other revenues	128,899	147,835	55,864	42,020	64,906	65,895	105,832	57,669	76,189	99,224
Total revenues	19,426,332	18,254,072	22,468,023	22,374,795	19,968,594	20,740,617	21,895,866	20,145,258	21,628,816	23,805,748
Expenditures:										
Current:										
General government	4,405,393	4,144,099	3,627,897	4,071,171	3,974,565	4,534,475	4,702,864	4,594,427	4,518,227	5,785,473
Judicial	154,045	154,315	165,023	168,195	251,021	163,570	185,970	221,222	299,708	232,350
Public safety	14,183,441	14,329,207	14,258,743	14,144,740	14,070,597	14,801,325	13,996,515	14,098,284	14,078,548	13,959,928
Public works	3,712,634	3,535,617	4,666,959	5,762,799	4,962,104	5,299,122	4,749,767	5,191,626	5,888,564	4,912,691
Parks and recreation	451,220	543,691	310,404	293,622	317,098	372,654	296,379	489,016	376,386	361,581
Housing and development	800,422	566,739	949,545	892,066	879,060	1,749,118	1,257,507	1,186,700	1,547,863	1,419,384
Capital outlay	258,331	300,440	88,322	1,675,504	577,948	1,579,640	933,531	752,512	3,841,861	4,038,741
Debt service:										
Principal	544,731	663,610	712,094	463,214	427,584	415,465	341,489	282,252	3,001,822	79,171
Interest and fiscal charges	353,919	235,199	220,395	208,474	191,383	299,941	207,492	194,578	427,877	329,067
Total expenditures	24,864,136	24,472,917	24,999,382	27,679,785	25,651,360	29,215,310	26,671,514	27,010,617	33,980,856	31,118,386
Deficiency of revenues over expenditures	(5,437,804)	(6,218,845)	(2,531,359)	(5,304,990)	(5,682,766)	(8,474,693)	(4,775,648)	(6,865,359)	(12,352,040)	(7,312,638)

(Continued)

CITY OF GRIFFIN, GEORGIA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Other financing sources (uses)										
Transfers in	$ 18,151,245	$ 18,079,107	$ 15,921,590	$ 10,443,647	$ 9,496,699	$ 9,198,968	$ 8,700,129	$ 10,267,148	$ 12,630,220	$ 10,482,930
Transfers out	(13,744,540)	(12,524,699)	(10,139,788)	(2,112,346)	(463,343)	(1,381,644)	(1,451,505)	(1,397,034)	(3,979,606)	(1,589,734)
Tax allocation bond issuance	-	-	-	-	-	866,397	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-	9,715,000	-
Premium on bond issuance	-	-	-	-	-	-	-	-	1,007,998	-
Capital leases	756,676	-	645,165	-	642,742	-	-	-	-	-
Proceeds from the sale of capital assets	-	-	21,500	30	72,546	45,087	5,341	31,644	14,670	14,252
Total other financing sources	5,163,381	5,554,408	6,448,467	8,331,331	9,748,644	8,728,808	7,253,965	8,901,758	19,388,282	8,907,448
Net change in fund balances	$ (274,423)	$ (664,437)	$ 3,917,108	$ 3,026,341	$ 4,065,878	$ 254,115	$ 2,478,317	$ 2,036,399	$ 7,036,242	$ 1,594,810
Debt service as a percentage of noncapital expenditures	3.78%	3.84%	4.04%	2.74%	2.63%	2.69%	2.20%	1.97%	12.26%	1.64%

CITY OF GRIFFIN, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(in thousands)

Fiscal Year	Property Tax	Sales and Use Tax	Business Tax	Other [1]	Total
2008	$ 4,798	$ 3,786	$ 443	$ 2,722	$ 11,749
2009	4,683	3,250	384	2,660	10,977
2010	4,799	3,327	416	2,654	11,196
2011	4,663	3,275	404	2,722	11,064
2012	4,700	3,483	422	2,498	11,103
2013	4,452	3,410	417	2,612	10,891
2014	4,890	3,346	442	2,639	11,317
2015	4,576	3,468	431	2,848	11,323
2016	4,466	3,554	458	2,919	11,397
2017	4,379	3,439	459	3,193	11,470

Notes: [1] - Includes alcohol business taxes, hotel/motel taxes, insurance premium taxes and franchise fees.

CITY OF GRIFFIN, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30th	Digest Tax Year	Residential Property	Commercial Property	Industrial Property	Other Property[a]	Less: Tax-Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a % of Actual Value
2008	2007	$ 254,831,321	$ 223,094,624	$ 104,413,194	$ 46,821,405	$ 45,219,895	$ 583,940,649	8.63	$ 1,459,851,623	40%
2009	2008	258,674,420	229,962,338	97,850,407	44,945,446	50,826,550	580,606,061	8.63	1,451,515,153	40%
2010	2009	262,354,439	227,025,817	71,024,533	46,486,097	40,876,237	566,014,649	8.63	1,415,036,623	40%
2011	2010	257,941,237	222,838,476	68,877,652	46,053,656	34,913,558	560,797,463	8.63	1,401,993,658	40%
2012	2011	250,589,805	217,247,424	70,044,477	38,851,735	36,982,207	539,751,234	8.64	1,349,378,085	40%
2013	2012	215,342,724	235,452,254	69,272,022	42,605,915	40,442,206	539,751,234	8.64	1,305,576,773	40%
2014	2013	205,946,035	231,703,614	69,346,736	36,366,027	45,781,832	497,580,580	8.64	1,243,951,450	40%
2015	2014	204,825,623	263,827,815	70,667,696	28,473,445	42,975,873	524,818,706	7.89	1,312,046,765	40%
2016	2015	203,841,147	277,916,108	76,877,775	22,710,031	39,768,220	541,576,841	7.89	1,353,942,103	40%
2017	2016	209,337,571	274,171,995	74,968,574	18,844,526	40,067,121	537,255,545	7.89	1,343,138,863	40%

Source: Spalding County Tax Commissioner

[a] Other property consists of agricultural, utilities, historic, mobile homes, etc.

CITY OF GRIFFIN, GEORGIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per $1,000 of assessed value)

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Municipal rates:										
City of Griffin:										
Maintenance and operations	15.18	14.95	14.95	14.95	14.95	15.19	14.97	14.37	14.37	14.37
Sales tax reduction	(6.55)	(6.32)	(6.32)	(6.32)	(6.32)	(6.58)	(7.64)	(6.48)	(6.48)	(6.60)
Total City of Griffin	8.63	8.63	8.63	8.63	8.63	8.61	7.33	7.89	7.89	7.77
City of Orchard Hill maintenance and operations	4.95	4.95	4.95	4.95	4.95	6.31	6.31	6.31	6.30	6.30
City of Sunny Side maintenance and operations	4.36	4.36	4.36	4.29	4.29	5.00	5.00	5.00	5.00	5.00
Spalding County rates:										
Unincorporated maintenance and operations	13.89	13.88	14.88	14.81	15.01	16.01	16.01	16.01	15.66	15.66
Fire protection [1]	4.83	4.82	5.04	5.98	5.98	5.98	4.17	5.93	3.61	3.61
Insurance premium rollback [1]	(1.79)	(1.79)	(1.81)	(1.81)	(1.81)	(1.81)	(1.76)	(1.76)	-	-
Board of Education	18.81	18.80	18.80	18.80	19.06	19.47	19.47	18.74	18.57	18.57
State of Georgia	0.25	0.25	0.25	0.25	0.25	0.25	0.15	0.05	0.05	-
Total unincorporated Spalding County	35.99	35.96	37.16	38.03	38.49	39.90	38.04	38.97	37.89	37.84
Total Municipalities:										
City of Griffin	41.58	41.56	42.56	42.49	42.95	44.34	42.96	42.69	42.17	42.00
City of Orchard Hill	37.90	37.88	38.88	38.81	39.27	42.04	41.94	41.11	40.58	40.53
City of Sunny Side	37.31	37.29	38.29	38.15	38.61	40.73	40.63	39.80	39.28	39.23

Source: Spalding County Tax Commissioner

[1] Fire protection and insurance premium rollback is applied only to unincorporated rates.

CITY OF GRIFFIN, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30th	Digest Tax Year	Taxes Levied for the Fiscal Year [a]	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Taxes Outstanding
			Amount	Percentage of Levy		Amount	Percentage of Levy	
2008	2007	$ 5,021,890	$ 4,843,578	96.45%	$ 166,732	$ 5,010,310	99.77%	$ 11,580
2009	2008	5,015,275	4,809,253	95.89%	201,034	5,010,287	99.90%	4,988
2010	2009	4,888,103	4,682,081	95.79%	196,247	4,878,328	99.80%	9,775
2011	2010	4,571,371	4,264,314	93.28%	295,183	4,559,497	99.74%	11,874
2012	2011	4,661,292	4,455,818	95.59%	187,360	4,643,178	99.61%	18,114
2013	2012	4,621,315	4,355,689	94.25%	226,211	4,581,900	99.15%	39,415
2014	2013	4,623,024	4,523,644	97.85%	70,862	4,594,506	99.38%	28,518
2015	2014	4,179,677	3,992,554	95.52%	148,152	4,140,706	99.07%	38,971
2016	2015	4,150,605	3,995,573	96.26%	93,950	4,089,523	98.53%	61,082
2017	2016	4,208,594	4,004,048	95.14%	-	4,004,048	95.14%	204,546

Sources: Spalding County Tax Commissioner's Office and City of Griffin Department of Finance.

[a] Digest tax year levied actually fund the following fiscal year (i.e., taxes levied for 2016 are used for fiscal year ending in 2017).

CITY OF GRIFFIN, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2017 Taxable Assessed Value (In thousands)	2017 Rank	2017 Percentage of Total City Taxable Assessed Value	2008 Taxable Assessed Value (In thousands)	2008 Rank	2008 Percentage of Total City Taxable Assessed Value
AMI Sub-Inc	$ 58,948	1	4.39%	$ -		-
Coveris Holding Corporation	32,119	2	2.39%	-		-
Wal-Mart Stores	22,377	3	1.67%	27,920	3	1.91%
1888 Mills Group, LLC	22,188	4	1.65%	-		-
Kroger	17,958	5	1.34%	-		-
North Griffin Square	21,232	6	1.34%	-		-
Bandag	28,614	7	1.58%	22,218	5	1.52%
International Paper	19,120	8	2.13%	-		-
Lowes	13,074	9	1.42%	11,783	8	0.81%
Home Depot	11,574	10	0.86%	11,180	9	0.77%
Tenet-Spalding Regional Hospital	-		-	37,298	2	2.55%
NACOM	-		-	69,150	1	4.74%
Weyerhaeuser Co.	-		-	20,185	6	1.38%
Halpem Enterprises, Inc.	-		-	14,845	7	1.02%
Exo-Tech Packaging, LLC	-		-	27,703	4	1.90%
Walden Point	-		-	9,293	10	0.64%
Total	$ 247,204		18.77%	$ 251,575		17.24%

Source: Spalding County Tax Assessor

CITY OF GRIFFIN, GEORGIA

TOP TEN SEWER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	2017				2008			
Customer	Usage (in gallons)	Charges	Rank	Percentage of Total Revenues	Usage (in gallons)	Charges	Rank	Percentage of Total Revenues
1888 Mills, Inc.	205,758,170	$ 1,955,158	1	24.53 %	-	$ -		- %
Spalding Co. Law Enforcement	34,788,400	611,491	2	7.67	-	-		-
Wellstar Spalding Regional Hospital	18,787,000	156,475	3	1.96	209,977	125,855	1	2.50
Spalding County C.I.	16,489,400	134,242	4	1.68	94,593	56,382	6	1.12
Otsuka Chemical America, Inc.	13,634,200	109,352	5	1.37				
Caterpillar, Inc.	13,615,800	116,026	6	1.46	120,490	31,269	10	0.62
Bandag, Inc.	12,688,800	109,387	7	1.37				-
Mister Car Wash	10,877,600	86,682	8	1.09				-
Housing Authority	9,042,800	75,021	9	0.94				-
Brightmoor Health	8,833,600	71,844	10	0.90	72,796	42,559	9	0.84
Southern Terry	-	-		-	213,807	124,744	2	2.48
Yazaki	-	-		-	146,867	88,803	3	1.76
Northside Griffin, LLC	-	-		-	127,900	74,231	4	1.47
Georgia Spalding Limited Partnership	-	-		-	105,977	61,398	5	1.22
Westside Freddie Properties, LLC	-	-		-	88,408	54,534	7	1.08
Riverside Uniform Rental	-	-		-	70,781	42,560	8	0.84
	344,515,770	$ 3,425,678		42.97 %	1,251,596	$ 702,335		13.93 %

Source: City of Griffin Utility Billing Department

CITY OF GRIFFIN, GEORGIA

TOP TEN WATER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	2017				2008			
Customer	Usage (in gallons)	Charges	Rank	Percentage of Total Revenues	Usage (in gallons)	Charges	Rank	Percentage of Total Revenues
Coweta County Water and Sewer	1,070,432,100	$ 3,028,819	1	23.96 %	5,756,455	$ 1,198,315	1	12.36 %
1888 Mills, Inc.	106,848,800	1,127,116	2	8.92	-	-		-
City of Zebulon	67,932,300	555,508	3	4.39	873,941	229,668	3	2.37
City of Griffin Wastewater Treatment Plant	59,642,000	1,797	4		-	-		-
Wellstar Spalding Regional Hospital	28,333,400	256,128	5	2.03	209,977	92,321	4	0.95
Butts County Water and Sewer	14,754,800	146,270	6	1.16	-	-		-
Otsuka Chemical America, Inc	13,634,200	82,062	7	0.65	-	-		-
Mister Car Wash	13,168,900	68,769	8	0.54	-	-		-
City of Williamson	13,166,200	107,663	9	0.85	-	-		-
Bandag, Inc.	12,688,800	81,850	10	0.65	-	-		-
Springs Ind., Inc.	-	-		-	2,764,816	768,867	2	7.93
Southern Terry	-	-		-	213,807	90,740	5	0.94
Del Webb's SCP HOA	-	-		-	148,113	84,776	6	0.87
Northside Grinnin, LLC	-	-		-	127,900	78,060	7	0.81
Yazaki	-	-		-	146,867	65,374	8	0.67
City of Williamson	-	-		-	216,289	58,875	9	0.59
Lamar County Water and Sewer					176,619	51,768	10	0.53
	1,400,601,500	$ 5,455,982		43.14 %	10,634,784	$ 2,718,764		28.02 %

Source: City of Griffin Utility Billing Department

CITY OF GRIFFIN, GEORGIA

TOP TEN ELECTRIC CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

Customer	2017 Usage (in kHz)	2017 Charges	2017 Rank	2017 Percentage of Total Revenues	2008 Usage (in kHz)	2008 Charges	2008 Rank	2008 Percentage of Total Revenues
Exopack	17,657,000	$ 1,414,023	1	3.22 %	18,803,962	$ 1,111,619	2	3.02 %
Bandag, Inc.	16,797,600	1,513,096	2	3.44	18,680,395	1,239,618	1	3.37
Caterpillar, Inc.	9,623,446	917,299	3	2.09	13,623,514	698,197	3	1.90
International Paper	8,725,800	725,693	4	1.65	-	-		-
Wellstar Spalding Regional Hospital	8,124,007	758,985	5	1.73	8,788,789	610,536	4	1.66
City of Griffin Wastewater Treatment Plant	7,164,000	717,898	6	1.63	7,217,884	578,992	6	1.57
Hoshizaki	6,960,600	482,180	7	1.10	-	-		-
Vernay Manufacturing Company	5,248,880	442,214	8	1.01	-	-		-
WAL-MART Store #01-932	4,968,749	487,334	9	1.11	7,079,828	530,207	7	1.44
Norcom	4,947,876	437,337	10	1.00	6,553,321	316,854	10	0.86
University of Georgia, Griffin Campus	-	-		-	7,617,261	605,374	5	1.64
Weyerhaeuser Co.	-	-		-	7,356,666	459,862	8	1.25
Southern Terry	-	-		-	5,658,442	386,727	9	1.05
	90,217,958	$ 7,896,059		17.98 %	101,380,062	$ 6,537,986		17.76 %

Source: City of Griffin Utility Billing Department

CITY OF GRIFFIN, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Estimated Actual Value of Taxable Property [1]	Percentage of Personal Income	Per Capita [1]
	Bonds	Capital Leases	Inter-governmental Agreement	Water Revenue Bonds	Notes Payable	Capital Leases	Inter-governmental Agreement				
2008	$ -	$ 5,405,367	$ -	$ 71,209,000	$ 2,294,762	$ 596,074	$ 269,464	$ 79,774,667	13.62%	$ 3,012.52	$ 3,401.76
2009	-	4,741,757	-	69,472,000	2,116,108	419,957	238,327	76,988,149	13.26%	2,868.20	3,282.94
2010	-	4,674,828	-	67,677,000	1,938,887	331,319	205,010	74,827,044	13.22%	2,668.11	3,132.54
2011	-	4,211,614	-	65,816,000	1,801,404	231,521	169,361	72,229,900	12.88%	2,400.62	3,027.11
2012	-	4,426,772	-	63,884,000	1,658,780	44,393	131,216	70,145,161	13.00%	2,165.38	2,966.85
2013	866,397	4,011,307	-	65,071,387	1,510,510	560,277	90,401	72,110,279	13.36%	2,374.78	3,083.09
2014	858,862	3,677,353	-	62,440,082	1,356,683	313,172	46,729	68,692,881	13.81%	2,271.82	2,905.42
2015	851,026	3,402,937	-	59,751,915	1,684,235	224,873	46,729	65,961,715	12.57%	2,000.36	2,789.90
2016	11,484,304	408,940	-	57,002,964	7,377,568	144,356	-	76,418,132	14.11%	2,624.34	3,293.89
2017	11,251,124	342,159	3,300,000	54,192,457	19,650,922	452,084	-	89,188,746	16.60%	2,909.72	3,889.95

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

[1] See Schedule 7, Assessed Value and Estimated Actual Value of Taxable Property for property values and Schedule 16, Demographic and Economic Statistics for population data.

CITY OF GRIFFIN, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(In thousands)

	Fiscal Year [a]									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	$ 58,394	$ 58,061	$ 56,601	$ 56,080	$ 53,975	$ 52,223	$ 49,758	$ 52,482	$ 54,158	$ 53,726
Total net debt applicable to limit	5,405	4,742	4,675	4,212	4,427	4,011	3,677	3,403	409	342
Legal debt margin	$ 52,989	$ 53,319	$ 51,926	$ 51,868	$ 49,548	$ 48,212	$ 46,081	$ 49,079	$ 53,749	$ 53,383
Total net debt applicable to the limit as a percentage of debt limit	9.26%	8.17%	9.26%	7.51%	8.20%	7.68%	7.39%	6.48%	0.76%	0.64%

Legal Debt Margin Calculation for Fiscal Year 2017	
Total assessed value	$ 577,323
Less Exempt:	40,067
Total taxable assessed value:	537,256
Debt limit (10% of total taxable assessed value)	53,726
Debt applicable to limit:	
Capital leases	342
Legal debt margin	$ 53,383

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

[a] Digest tax year levied actually fund the following fiscal year (i.e., taxes levied for 2016 are used for fiscal year ending in 2017).

CITY OF GRIFFIN, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2017
(in thousands)

Jurisdiction	Debt Outstanding	Percentage Applicable to City of Griffin [1]	Amount Applicable to City of Griffin
General Obligation			
Griffin-Spalding County Airport Authority	$ 6,600	50.00%	$ 3,300
Direct:			
City of Griffin tax allocation bonds	830	100.00%	830
City of Griffin special purpose local option sales tax bonds	10,421	100.00%	10,421
City of Griffin capital leases	342	100.00%	342
Total	$ 11,593		$ 11,593

Notes: [1] - The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the County's total taxable assessed value.

CITY OF GRIFFIN, GEORGIA

REVENUE BOND COVERAGE
COMBINED PUBLIC UTILITY REVENUE BONDS
LAST TEN FISCAL YEARS
(in thousands)

Fiscal Year	Operating Revenue [1]	Direct Operating Expenses [2]	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2008	$ 54,501	$ 42,491	$ 12,010	$ 1,678	$ 3,400	$ 5,078	$ 2.37
2009	58,501	42,597	15,904	1,737	3,342	5,079	3.13
2010	58,943	39,807	19,136	1,795	3,311	5,106	3.75
2011	64,696	43,117	21,579	1,861	3,212	5,073	4.25
2012	64,256	44,739	19,517	1,932	3,140	5,072	3.85
2013	63,396	45,769	17,627	2,006	2,508	4,514	3.90
2014	67,080	46,472	20,608	2,293	2,225	4,518	4.56
2015	68,236	47,775	20,461	2,354	2,194	4,548	4.50
2016	73,290	47,253	26,037	2,419	2,130	4,549	5.72
2017	69,501	48,146	21,355	2,487	2,092	4,579	4.66

Note: Amounts above are in thousands.

[1] Operating revenue includes operating revenue and interest of the Water / Wastewater fund and the Electric Fund.

[2] Direct operating expenses do not include depreciation.

CITY OF GRIFFIN, GEORGIA

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population	Personal Income (In thousands)	Per Capital Personal Income (In thousands)	Unemployment Rate [1]
2008	23,451	$ 26,481	0.89	5.40%
2009	23,451	26,842	0.87	8.50%
2010	23,887	28,045	0.85	10.00%
2011	23,861	30,088	0.79	13.09%
2012	23,643	32,394	0.73	11.30%
2013	23,389	30,365	0.77	11.30%
2014	23,643	30,237	0.78	12.70%
2015	23,643	32,975	0.72	8.60%
2016	23,200	29,119	0.80	7.60%
2017	22,928	30,652	0.75	6.00%

* Source - Georgia Department Of Labor

[1] Source - U.S. Bureau of Labor Statistics for all of Spalding County.

CITY OF GRIFFIN, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2017			2008		
Employer	**Employees**	**Rank**	**Percentage of Total Employment**	**Employees**	**Rank**	**Percentage of Total Employment**
Caterpillar, Inc.	900	1	4.06%	780	1	5.61%
CareMaster Medical	600	2	2.70%	-		-
Norcom	280	3	1.26%	-		-
AEP Industries	250	4	1.13%	250	5	1.80%
1888 Mills/Southern Terry	278	5	1.25%	350	4	2.52%
Supreme Corporation	200	6	0.90%	235	6	1.69%
Bandag, Inc.	170	7	0.77%	-		-
Vernay Manufacturing, Inc.	165	8	0.74%	149	10	1.07%
Coveris, LLC	160	9	0.72%	-		-
Perkins-Shibaura Engines	124	10	0.56%	-		-
Spring Industries	-		-	700	2	5.04%
Nacom	-		-	440	3	3.17%
Fashion Industries	-		-	200	7	1.44%
William Carter Co.	-		-	168	8	1.21%
Exopack	-		-	150	9	1.08%
Total	3,127		14.09%	3,422		24.63%

* Sources- Griffin-Spalding Chamber of Commerce/
Revenue bonds series 1997/GA Dept of Labor.

CITY OF GRIFFIN, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30th									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Function										
General government										
Administration	52	50	49	45	31	29	30	30	30	32
Judicial	1	1	1	1	1	2	2	3	3	2
Public safety	183	166	172	170	164	168	172	158	156	155
Public works	52	49	53	46	49	44	46	44	46	49
Development	7	6	6	6	7	9	6	6	6	6
Water/wastewater operations	69	53	70	68	64	74	73	67	53	78
Electric operations	55	45	45	64	64	60	64	61	59	59
Solid waste operations	54	45	47	45	42	40	40	38	36	41
Golf course operations	-	-	-	-	-	9	9	8	13	14
Airport operations	4	4	3	4	4	4	-	-	-	-
Welcome center	2	2	2	2	2	-	-	-	-	-
Stormwater	12	13	13	14	13	14	14	16	13	14
Motor pool	14	13	12	11	11	11	11	10	11	9
Total	505	447	473	476	452	461	466	441	426	459

Source: City Finance Department.

CITY OF GRIFFIN, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Function/Program										
Police										
Physical arrests	2,631	2,612	3,207	3,959	3,802	3,756	3,650	3,950	2,149	3,020
Parking violations	1,387	958	472	191	5	-	5	-	-	10
Traffic violations	9,856	9,231	11,126	11,862	11,062	8,928	9,439	10,891	7,803	6,997
Fire										
Emergency responses	1,210	1,121	1,212	1,405	1,515	1,645	1,770	1,566	2,089	2,147
Fires extinguished	192	173	175	202	167	81	166	139	59	113
Inspections	1,185	1,336	1,314	1,254	1,332	1,164	1,103	1,223	1,525	1,687
Refuse Collection										
Refuse collected (tons per day)	38	49	29	29	30	30	36	37	37	37
Other Public Works										
Street resurfacing (miles)	3	-	2	10	-	13	2	1	2	2
Potholes repaired	1,052	387	548	753	215	462	482	466	805	318
Parks and recreation										
Athletic field permits issued	361	350	-	-	-	145	115	-	-	-
Water										
New connections	122	63	31	20	16	14	13	13	7	18
Water main breaks	50	35	56	34	37	41	20	20	30	19
Average daily consumption (millions of gallor	8.94	9.11	8.92	8.98	8.95	8.97	9.14	9.14	9.00	9.86
Peak daily consumption (millions of gallons)	1.21	1.24	1.08	1.44	15.67	12.93	12.02	12.02	12.77	14.19
Wastewater										
Average daily sewage treatment (millions of gallons)	5.00	3.23	3.98	3.26	2.95	3.61	3.85	3.85	3.86	3.03

Sources: Various City departments.

CITY OF GRIFFIN, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Function/Program										
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Zone officers	99	56	60	54	56	56	56	52	45	87
Patrol units	102	102	70	104	105	55	74	70	66	100
Fire stations	3	3	3	3	3	3	3	3	3	3
Public works										
Streets (miles)	165	165	162	160	140	140	140	138	140	140
Streetlights	879	879	879	879	879	879	879	879	879	879
Traffic signals	913	913	913	913	58	58	76	58	69	65
Parks and recreation										
Acreage	207	207	207	207	212	210	210	210	194	200
Playgrounds	3	3	4	4	5	5	5	4	5	5
Water										
Water mains (miles)	700	700	700	623	200	212	212	212	213	213
Fire hydrants	7,392	7,392	7,392	7,392	1,240	1,240	1,426	1,130	1,130	1,130
Storage capacity (thousands of gallons)	500	500	500	500	700	700	750	500	500	500
Wastewater										
Sanitary sewers (miles)	213	243	223	225	232	232	233	234	231	254
Storm sewers (miles)	91	85	100	100	64	64	65	67	80	67
Treatment capacity (thousands of gallons)	6.00	5.75	5.75	5.75	5.75	5.75	5.75	6.00	6.00	6.00

Sources: Various City departments.
Note: No capital asset indicators are available for the general government functions.

COMPLIANCE SECTION

MAULDIN & JENKINS

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

To the Honorable Mayor and Members
of the City Commission
Griffin, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Griffin, Georgia (the City), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City of Griffin, Georgia's basic financial statements and have issued our report thereon dated October 19, 2017.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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.

Mauldin & Jenkins, LLC

Macon, Georgia
October 19, 2017

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members
of the City Commission
Griffin, Georgia

Report on Compliance for Each Major Federal Program

We have audited the City of Griffin, Georgia's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2017. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Macon, Georgia
October 19, 2017

CITY OF GRIFFIN, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Identification Number	Total Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development				
(Passed through Georgia Department of Community Affairs)				
State Administered CDBG Cluster				
Community Development Block Grant	14.228	15P-X-126-2-5742	$ 250,982	$ -
Community Development Block Grant	14.228	16P-X-126-2-5854	78,714	-
Community Development Block Grant	14.228	11-NS-6011	16,030	-
Total U.S. Department of Housing and Urban Development			345,726	-
U.S. Department of Justice				
(Passed through Criminal Justice Coordinating Council)				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DJ-BX-0866	15,175	-
Total U.S. Department of Justice			15,175	-
U.S. Department of Transportation				
(Passed through the Georgia Department of Transportation)				
Federal Highway Administration - Highway Planning and Construction	20.205	PI No 0010333	13,878	-
Federal Highway Administration - Highway Planning and Construction	20.205	CSSTP-0008-00(237)	396,702	-
Federal Highway Administration - Highway Planning and Construction	20.205	COG001-7308	38,427	-
Total U.S. Department of Transportation			449,007	-
National Endowment for the Arts				
(Passed through the Georgia Council for the Arts)				
Promotion of the Arts Partnership Agreements Grant Program	45.025	N/A	6,813	-
Total National Endowment for the Arts			6,813	-
U.S. Enviornmental Protection Agency				
(Passed through the Georgia Environmental Finance Authority)				
Capitalization Grants for Drinking Water State Revolving Funds	66.458	GEFA-CWSRF-14-013	13,402,486	-
(Passed through the Georgia Environmental Finance Authority)				
Capitalization Grants for Drinking Water State Revolving Funds	66.468	GEFA-DWSRF-14-014	1,044,420	-
(Passed through the Georgia Department of Natural Resources)				
Nonpoint Source Implementation Grant (319 Program)	66.460	751-160001	28,174	-
Total U.S. Environmental Protection Agency			14,475,080	-
Total Expenditures of Federal Awards			$ 15,291,801	$ -

CITY OF GRIFFIN, GEORGIA

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Griffin, Georgia (the "City"), and is presented on the modified accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.* Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The City chose not to use the ten percent de minimis cost rate for the year ended June 30, 2017.

NOTE 3. NON-CASH AWARDS

The City did not receive non-cash federal awards during the year ended June 30, 2017.

CITY OF GRIFFIN, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	___ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes __X__ None reported
Noncompliance material to financial statements noted?	___ Yes __X__ No

Federal Awards

Internal Control over major programs:	
Material weaknesses identified?	____ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes __X__ None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	____ Yes __X__ No

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
66.458	**U.S. Environmental Protection Agency** Capitalization Grants for Drinking Water State Revolving Funds

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	__X__ Yes _____ No

CITY OF GRIFFIN, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

CITY OF GRIFFIN, GEORGIA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

STATUS OF PRIOR YEAR AUDIT FINDINGS

None reported.