

CITY OF GRIFFIN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2018

Prepared by:
Griffin Finance Department

CITY OF GRIFFIN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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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 1, 2018

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, 2018, is submitted herewith. In doing so, the City complies with State of Georgia, O.C.G.A. § 36-81-7(a)(1), 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, has issued an unmodified opinion on the City of Griffin's financial statements for the fiscal year ended June 30, 2018. 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, 2018. 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 and Charter, specifically Article I and II, 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 that 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 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. The project, already well underway, and we estimate 5 years to 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.

  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 will follow.

- *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 7.639 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 3.7 compared to 5.0 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, is in the process of updating the 2018-2038 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 and quality 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 community 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.

- *Retirement Plan, Defined Contribution Plan, and Other Post-Employment Benefits* – The City is a participant in the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. On October 24, 2017, the City amended the GMEBS Retirement Plan to increase the multiplier to 2.0% from 1.5% effective, July 1, 2018, and added a retirement provision for City Commissioners, effective December 31, 2017. 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 offers a 457(B) Defined Contribution Plan, adopted August 10, 2010, and 401(A) defined contribution (2% employer match) open to all regular and full-time employees. Subsequently, on May 22, 2018, the City amended the 401(A) Defined Contribution Plan to eliminate the 2% match. See notes to financial statements, Note 7 for more detailed information about the Pension Plan.

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. See notes to financial statements, Note 16 for more detailed information about Other Post-Employment Benefits.

- *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. We completed Phase II of the redevelopment project in 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 a 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 conclude December 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), Neighborhood Stabilization Program (NSP) and other program initiatives to ensure safe, quality, long-term affordable housing for all residents. In conjunction with a program to demolish a minimum of thirty-five (35) houses per year through the City's Nuisance Abatement Program, the City formed a partnership with the Griffin Housing Authority and the Land Bank Authority. This alliance works to establish affordable housing opportunities for residents, and establish a housing rehabilitation program that assists low-income homeowners with repairs for substandard housing conditions.

- *Community Development Block Grants* – The City received over $5.0 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 6.68 miles of water mains, 2.3 miles of sewer lines, replace 109 sewer manholes, renew 700 water services lines, and install 69 new fire hydrants.

- *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 Special Purpose Local Option Sales Tax (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.

- *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, 2017. This was the 14th 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.

Griffin

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.

We express our sincere appreciation to the Board of 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.

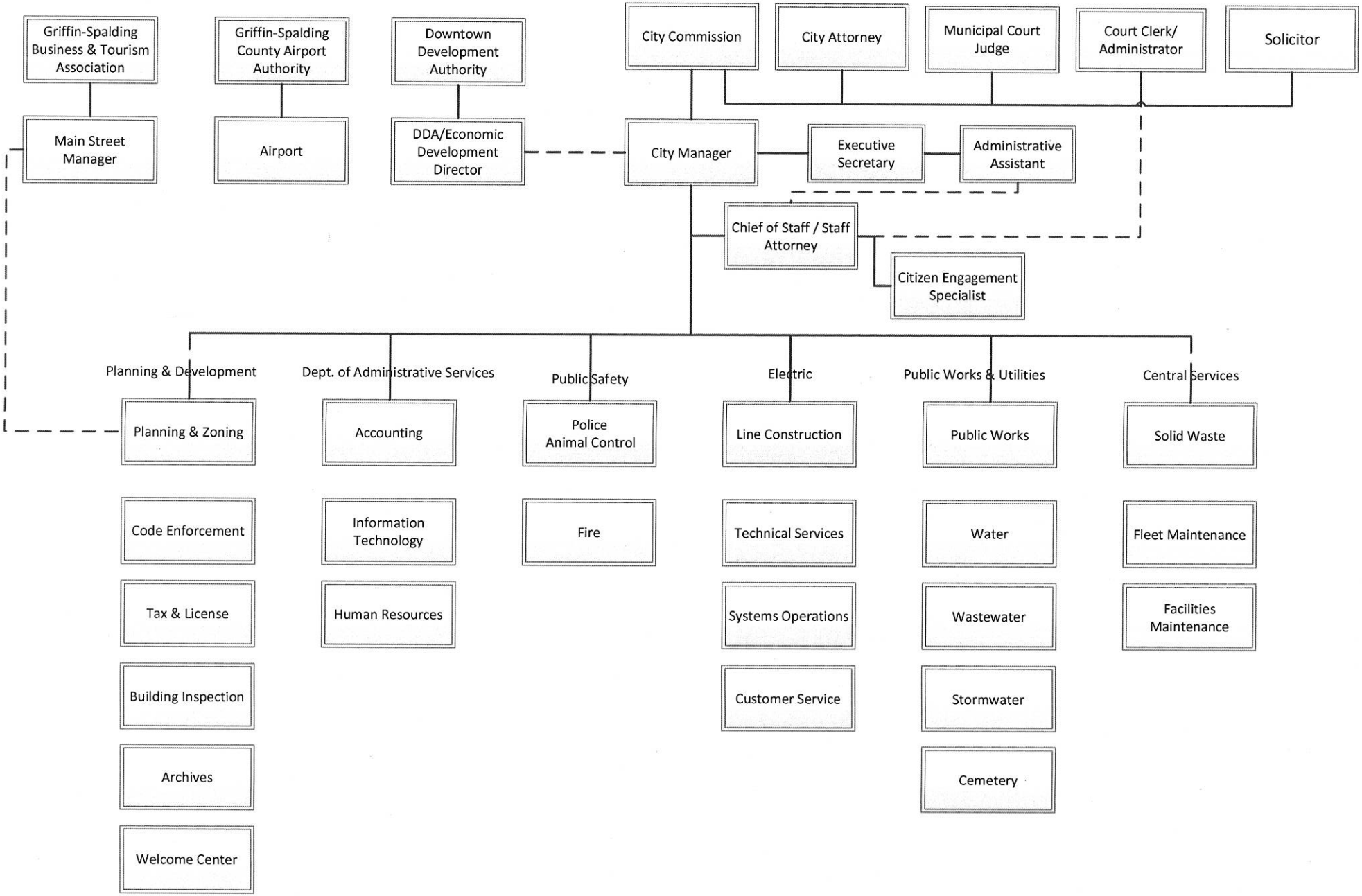
Respectfully submitted,

Kenny L. Smith,
City Manager

Douglas Hollberg,
Chairman

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

CITY MANAGER
2017/2018



CITY OF GRIFFIN, GEORGIA

LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2018

Commission Chairman

Douglas S. Hollberg

Commissioners

District I	Cynthia Reid Ward
District II	Cora Flowers
District III	Holly Murray
District IV	David Brock
District V	Truman L. Tinsley III
District VI	Rodney McCord
At Large	Douglas S. Hollberg

Appointed Officials

City Manager	Kenny Smith
City Attorney	Andrew Whalen, Esq.
Municipal Court Judge	J. Kristi Lovelace
Municipal Court Solicitor	L. Scott Mayfield

Directors

Chief of Staff	Jessica O'Connor, Esq.
Chief Financial Officer	Markus Schwab, CPA/CITP/CGMA
Central Services Director	Phil Francis
Developmental Services Director	Toussaint Kirk, MURP
Electric Director	Dan Thompson
Water/Wastewater Director	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, 2017

Christopher P. Morrill

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, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of June 30, 2018, 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.

Emphasis of Matter

As discussed in Notes 16 and 18, the City implemented Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, as of July 1, 2017. This standard significantly changed the accounting for the City's net other post-employment benefits (OPEB) liability and the related disclosures. Our opinions are not modified with respect to this matter.

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 Changes in the City's Net Pension Liability and Related Ratios (on page 77), the Schedule of City Contributions – Retirement Plan (on page 78), the Schedule of Changes in the City's Net OPEB Liability and Related Ratios (on page 79), and the Schedule of City Contributions – OPEB Plan (on page 80) 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 schedules 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 schedules 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 schedules 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 November 5, 2018, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
November 5, 2018

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, 2018. 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 $152,412,761 (*net position*). Of this amount, $37,766,386 (*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 $14,225,030 during the year. This is due primarily to the increase in capital assets of $13,032,514. 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 $27,358,990, a decrease of $176,268 in comparison with the prior year.
- At the end of the current fiscal year, fund balance for the General Fund was $11,813,287 or 45.7% of total General Fund expenditures.
- The City's total long-term liabilities increased by $277,789 during the current fiscal year. This included the City's Net Pension Liability of $16,879,579.

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, telecommunications, 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 23 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and 2016 SPLOST Fund only, because they are considered major funds. Data from the other 21 governmental funds (14 special revenue funds, five 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, Telecommunications 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 – 76 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 81 – 102 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 $152,412,761 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (63.4%) 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	
	2018	2017	**2018**	2017	**2018**	2017
Current and other assets	**$ 34,251,011**	$ 34,328,610	**$ 59,300,831**	$ 54,253,504	**$ 93,551,842**	$ 88,582,114
Capital assets	**37,861,365**	32,638,363	**145,277,438**	137,467,926	**183,138,803**	170,106,289
Total assets	**72,112,376**	66,966,973	**204,578,269**	191,721,430	**276,690,645**	258,688,403
Deferred outflows of resources	**3,054,334**	2,321,093	**3,353,138**	2,998,718	**6,407,472**	5,319,811
Other liabilities	**2,215,421**	1,961,676	**11,087,173**	9,148,827	**13,302,594**	11,110,503
Long-term liabilities outstanding	**24,955,511**	26,860,097	**88,492,996**	86,325,621	**113,448,507**	113,185,718
Total liabilities	**27,170,932**	28,821,773	**99,580,169**	95,474,448	**126,751,101**	124,296,221
Deferred inflows of resources	**2,312,689**	56,237	**1,621,566**	40,607	**3,934,255**	96,844
Net position:						
Net investment in capital assets	**27,223,308**	21,045,080	**69,396,942**	64,495,240	**96,620,250**	85,540,320
Restricted	**15,393,224**	14,948,625	**2,632,901**	2,841,274	**18,026,125**	17,789,899
Unrestricted	**3,066,557**	4,416,351	**34,699,829**	31,868,579	**37,766,386**	36,284,930
Total net position	**$ 45,683,089**	$ 40,410,056	**$ 106,729,672**	$ 99,205,093	**$ 152,412,761**	$ 139,615,149

A portion of the City's net position (11.8%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($37,766,386) 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 2017 CDBG Fund, the Police Technology Fund, the FEMA Fund and the Solid Waste Fund. The 2012 CDBG Fund's deficit fund balance of ($449), the 2017 CDBG Fund's deficit fund balance of ($22,516), the Police Technology Fund of ($5,894) and the FEMA fund deficit of ($11,535) 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 ($3,959,770) 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, 2018, increased the City of Griffin's net position by $6,205,734. Business-type activities during the same period increased net position by $8,019,296 for a total increase in net position of $14,225,030.

Key elements of this increase are as follows:

City of Griffin's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2018	2017	**2018**	2017	**2018**	2017
Revenues:						
Program revenues						
Charges for services	**$ 7,319,772**	$ 6,842,004	**$ 79,238,945**	$ 78,016,977	**$ 86,558,717**	$ 84,858,981
Operating grants and contributions	**310,585**	436,650	**28,925**	28,174	**339,510**	464,824
Capital grants and contributions	**6,282,899**	4,808,719	**564,670**	227,988	**6,847,569**	5,036,707
General revenues:						
Property taxes	**4,664,507**	4,385,425	**-**	-	**4,664,507**	4,385,425
Sales taxes	**3,622,779**	3,438,553	**-**	-	**3,622,779**	3,438,553
Insurance premium tax	**1,546,090**	1,492,683	**-**	-	**1,546,090**	1,492,683
Other taxes	**1,688,456**	1,636,212	**-**	-	**1,688,456**	1,636,212
Franchise taxes	**499,673**	523,462	**-**	-	**499,673**	523,462
Unrestricted investment earnings	**292,909**	248,710	**506,130**	249,563	**799,039**	498,273
Gain on sale of capital assets	**178,057**	14,252	**-**		**178,057**	14,252
Total revenues	**26,405,727**	23,826,670	**80,338,670**	78,522,702	**106,744,397**	102,349,372
Expenses:						
General government	**5,541,017**	8,607,024	**-**	-	**5,541,017**	8,607,024
Judicial	**312,526**	231,521	**-**	-	**312,526**	231,521
Public safety	**14,559,704**	13,723,855	**-**	-	**14,559,704**	13,723,855
Public works	**4,907,482**	4,648,252	**-**	-	**4,907,482**	4,648,252
Parks and recreation	**376,616**	390,878	**-**	-	**376,616**	390,878
Housing and development	**1,262,974**	1,423,875	**-**	-	**1,262,974**	1,423,875
Interest on long-term debt	**127,215**	150,998	**-**	-	**127,215**	150,998
Water and wastewater	**-**	-	**16,895,047**	16,394,635	**16,895,047**	16,394,635
Electric	**-**	-	**38,274,105**	38,308,938	**38,274,105**	38,308,938
Solid Waste	**-**	-	**7,442,498**	7,766,989	**7,442,498**	7,766,989
Stormwater	**-**	-	**1,919,628**	1,816,685	**1,919,628**	1,816,685
Welcome Center	**-**	-	**172,931**	109,020	**172,931**	109,020
Telecommunications	**-**	-	**70,754**	-	**70,754**	-
Golf Course	**-**	-	**656,870**	656,516	**656,870**	656,516
Total expenses	**27,087,534**	29,176,403	**65,431,833**	65,052,783	**92,519,367**	94,229,186
Change in net position before transfers	**(681,807)**	(5,349,733)	**14,906,837**	13,469,919	**14,225,030**	8,120,186
Transfers	**6,887,541**	8,893,196	**(6,887,541)**	(8,893,196)	**-**	-
Change in net position	**6,205,734**	3,543,463	**8,019,296**	4,576,723	**14,225,030**	8,120,186
OPEB prior period adjustment	**932,701**	-	**494,717**	-	**1,427,418**	-
Net position, beginning	**39,477,355**	36,866,593	**98,710,376**	94,628,370	**138,187,731**	131,494,963
Net position, ending	**$ 45,683,089**	$ 40,410,056	**$ 106,729,672**	$ 99,205,093	**$ 152,412,761**	$ 139,615,149

As can be seen above, the governmental activities show a deficit of revenues over expenses before transfers of $681,807 and $5,349,733 for 2018 and 2017, 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 2018 as compared to fiscal year 2017. 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 four non-major funds increased net position by $7,828,395 in 2018 and increased net position by $4,390,465 in 2017.

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

	2018	2017
Net operating income (loss):		
Water/Wastewater Fund	**$ 7,058,756**	$ 7,092,251
Electric Utility Fund	**9,956,596**	9,747,895
Solid Waste Fund	**(661,286)**	(1,321,246)
Nonmajor Enterprise Funds	**253,032**	59,281
Total net operating income	**16,607,098**	15,578,181
Nonoperating expenses and capital contributions	**(1,207,237)**	(1,689,832)
Income before transfers	**15,399,861**	13,888,349
Net transfers out	**(7,571,466)**	(9,497,884)
Changes in net position	**$ 7,828,395**	$ 4,390,465

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 2018 and 2017, the combined ending fund balances of the City's governmental funds were a positive $27,358,990 and a positive $27,535,258, respectively. This slight decrease was due to a variety of minimal changes from prior years. At June 30, 2018, $11,557,922 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, 2018, $4,814,085, 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 $10,986,983 is restricted for law enforcement needs, cemetery maintenance, and capital projects.

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 2018, the General Fund had a positive fund balance of $11,813,287. This is an increase of $156,215 from the beginning fund balance. This is primarily due to the expenditures in the General Fund coming in $2,199,859 under budget. Specifically, the category of administrative services and police came in under budget $610,333 and $589,392 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 $7,828,395 in 2018, and by $4,390,465 in 2017. This increase is primarily a result of revenues exceeding expenses before transfers and capital contributions of $14,806,266 in 2018, and $13,632,187 in 2017.

Capital Asset and Debt Administration

Capital Assets. At the end of the fiscal year ended June 30, 2018, governmental activities and business-type activities had capital assets of $183,138,803 (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 7.66% (a 16.00% increase for governmental activities and a 5.68% 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	
	2018	2017	**2018**	2017	**2018**	2017
Land	**$ 2,822,161**	$ 2,764,756	**$ 7,720,403**	$ 7,577,778	**$ 10,542,564**	$ 10,342,534
Land improvements	**-**	-	**578,238**	618,433	**578,238**	618,433
Buildings and improvements	**4,879,936**	6,051,520	**15,988,848**	16,814,898	**20,868,784**	22,866,418
Improvements other than buildings	**-**	-	**107,963,600**	84,636,789	**107,963,600**	84,636,789
Machinery and equipment	**5,236,267**	2,774,275	**5,624,170**	4,190,226	**10,860,437**	6,964,501
Infrastructure	**10,384,483**	11,085,095	**-**	-	**10,384,483**	11,085,095
Construction in progress	**14,538,518**	9,962,717	**7,402,179**	23,629,802	**21,940,697**	33,592,519
Total	**$ 37,861,365**	$ 32,638,363	**$ 145,277,438**	$ 137,467,926	**$ 183,138,803**	$ 170,106,289

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, 2018, the City had $24,955,511 of outstanding long-term liabilities related to governmental activities and $88,492,996 of long-term liabilities related to business-type activities for a total of $113,448,507 compared to the previous year's total of $113,185,718. This is an increase of $262,789, the majority of which is the result of notes payable in the water fund for major capital improvements. At the end of 2018, the City had total revenue bonded debt outstanding of $51,308,377 as compared to $54,192,457 in 2017. 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 2018-19 Budget

The Commission of the City of Griffin considered many factors when approving the City's 2018 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, 2018

	Primary Government			Component Units			
ASSETS	**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	$ 17,774,698	$ 3,122,681	$ 20,897,379	$ 63,194	$ 40,448	$ 164,484	$ 1,763,149
Investments	6,500,693	34,074,101	40,574,794	-	-	-	-
Taxes receivable	743,187	-	743,187	-	-	-	-
Accounts receivable, net of allowances	24,369	11,966,218	11,990,587	-	-	-	293,226
Due from other governments	1,545,844	858,252	2,404,096	-	-	-	3,285,000
Due from component units	112,769	997,739	1,110,508	-	-	-	-
Due from primary government	-	-	-	-	42,209	85,222	3,285,000
Internal balances	5,139,481	(5,139,481)	-	-	-	-	-
Inventories	188,435	2,377,160	2,565,595	-	-	-	85,912
Prepaid expenses	2,028,662	559,058	2,587,720	-	-	-	7,421
Restricted assets:							
Cash and cash equivalents	-	3,288,577	3,288,577	-	-	-	-
Investments	-	7,196,526	7,196,526	-	-	-	-
Assets held for resale	192,873	-	192,873	-	-	-	-
Capital assets:							
Nondepreciable	17,360,679	15,122,582	32,483,261	-	62,846	-	6,986,738
Depreciable, net	20,500,686	130,154,856	150,655,542	16,870	-	-	2,473,495
Total assets	72,112,376	204,578,269	276,690,645	80,064	145,503	249,706	18,179,941
DEFERRED OUTFLOWS OF RESOURCES							
Pension	2,898,256	2,092,812	4,991,068	-	-	-	40,757
Other post-employment benefits	156,078	94,773	250,851	-	-	-	248
Deferred charges on refundings	-	1,165,553	1,165,553	-	-	-	-
Total deferred outflows or resources	3,054,334	3,353,138	6,407,472	-	-	-	41,005
LIABILITIES							
Accounts payable	1,624,459	7,149,414	8,773,873	840	-	-	50,929
Accrued liabilities	463,531	705,287	1,168,818	-	3,006	-	115,896
Due to primary government	-	-	-	138,690	25	2,093	969,700
Due to component unit	127,431	-	127,431	-	-	-	-
Unearned revenues	-	22,208	22,208	137	-	-	-
Customer deposits payable	-	3,210,264	3,210,264	-	-	-	-
Capital leases due within one year	119,181	203,717	322,898	-	-	-	-
Capital leases due in more than one year	403,964	846,372	1,250,336	-	-	-	-
Notes payable due within one year	-	797,717	797,717	-	-	-	-
Notes payable due in more than one year	-	23,889,866	23,889,866	-	-	-	-
Bonds payable due within one year	1,662,886	2,675,000	4,337,886	-	-	-	465,000
Bonds payable due in more than one year	8,452,026	48,633,377	57,085,403	-	-	-	6,432,727
Compensated absences due within one year	557,858	355,516	913,374	-	-	-	7,763
Compensated absences due in more than one year	100,819	62,738	163,557	-	-	-	1,370
Net pension liability	9,801,779	7,077,800	16,879,579	-	-	-	137,838
Net other post-employment benefits liability	571,998	347,327	919,325	-	-	-	908
Due to Griffin-Spalding County Airport Authority, due within one year	232,500	-	232,500	-	-	-	-
Due to Griffin-Spalding County Airport Authority, due in more than one year	3,052,500	-	3,052,500	-	-	-	-
Landfill post-closure care costs due within one year	-	98,330	98,330	-	-	-	-
Landfill post-closure care costs due in more than one year	-	3,505,236	3,505,236	-	-	-	-
Total liabilities	27,170,932	99,580,169	126,751,101	139,667	3,031	2,093	8,182,131
DEFERRED INFLOWS OF RESOURCES							
Pension	1,891,262	1,365,669	3,256,931	-	-	-	26,596
Other post-employment benefits	421,427	255,897	677,324	-	-	-	670
Total deferred inflows of resources	2,312,689	1,621,566	3,934,255	-	-	-	27,266
NET POSITION							
Net investment in capital assets	27,223,308	69,396,942	96,620,250	16,870	62,846	-	9,852,270
Restricted for:							
Debt service	-	1,394,432	1,394,432	-	-	-	-
Law enforcement	309,065	-	309,065	-	-	-	-
Cemetery maintenance:							
Expendable	1,410,924	-	1,410,924	-	-	-	-
Nonexpendable	2,596,791	-	2,596,791	-	-	-	-
Capital projects	11,076,444	1,238,469	12,314,913	-	-	-	-
Unrestricted	3,066,557	34,699,829	37,766,386	(76,473)	79,626	247,613	159,279
Total net position	$ 45,683,089	$ 106,729,672	$ 152,412,761	$ (59,603)	$ 142,472	$ 247,613	$ 10,011,549

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, 2018

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	$ 5,541,017	$ 5,860,496	$ -	$ -	$ 319,479	$ -	$ 319,479	$ -	$ -	$ -	$ -
Judicial	312,526	-	-	-	(312,526)	-	(312,526)	-	-	-	-
Public safety	14,559,704	837,529	302,648	423,246	(12,996,281)	-	(12,996,281)	-	-	-	-
Public works	4,907,482	193,721	7,937	5,859,653	1,153,829	-	1,153,829	-	-	-	-
Parks and recreation	376,616	189,906	-	-	(186,710)	-	(186,710)	-	-	-	-
Housing and economic development	1,262,974	238,120	-	-	(1,024,854)	-	(1,024,854)	-	-	-	-
Interest on long-term debt	127,215	-	-	-	(127,215)	-	(127,215)	-	-	-	-
Total governmental activities	27,087,534	7,319,772	310,585	6,282,899	(13,174,278)	-	(13,174,278)	-	-	-	-
Business-type activities:											
Water and Wastewater	16,895,047	21,620,331	-	351,656	-	5,076,940	5,076,940	-	-	-	-
Electric	38,274,105	48,174,964	-	213,014	-	10,113,873	10,113,873	-	-	-	-
Solid Waste	7,442,498	6,448,130	-	-	-	(994,368)	(994,368)	-	-	-	-
Stormwater	1,919,628	2,393,280	6,000	-	-	479,652	479,652	-	-	-	-
Welcome Center	172,931	10,125	22,925	-	-	(139,881)	(139,881)	-	-	-	-
Telecommunications	70,754	378,339	-	-	-	307,585	307,585	-	-	-	-
Golf Course	656,870	213,776	-	-	-	(443,094)	(443,094)	-	-	-	-
Total business-type activities	65,431,833	79,238,945	28,925	564,670	-	14,400,707	14,400,707	-	-	-	-
Total primary government	$ 92,519,367	$ 86,558,717	$ 339,510	$ 6,847,569	(13,174,278)	14,400,707	1,226,429	-	-	-	-
Component units:											
Griffin Main Street	$ 191,206	$ -	$ 18,870	$ -	-	-	-	(172,336)	-	-	-
Griffin Downtown Development Authority	104,798	-	141,209	-	-	-	-	-	36,411	-	-
Griffin Business and Tourism Association	56,770	-	227,393	-	-	-	-	-	-	170,623	-
Griffin-Spalding County Airport Authority	916,213	523,467	349,502	643,925	-	-	-	-	-	-	600,681
Total component units	$ 1,268,987	$ 523,467	$ 736,974	$ 643,925	-	-	-	(172,336)	36,411	170,623	600,681
General revenues:											
Property taxes					4,664,507	-	4,664,507	-	-	-	-
Sales taxes					3,622,779	-	3,622,779	-	-	-	-
Insurance premium tax					1,546,090	-	1,546,090	-	-	-	-
Alcoholic beverage taxes					694,817	-	694,817	-	-	-	-
Business occupational taxes					432,276	-	432,276	-	-	-	-
Franchise taxes					499,673	-	499,673	-	-	-	-
Other taxes					561,363	-	561,363	-	-	-	-
Unrestricted investment earnings					292,909	506,130	799,039	-	82	-	6,087
Gain on sale of capital assets					178,057	-	178,057	-	-	-	-
Transfers					6,887,541	(6,887,541)	-	-	-	-	-
Total general revenues and transfers					19,380,012	(6,381,411)	12,998,601	-	82	-	6,087
Change in net position					6,205,734	8,019,296	14,225,030	(172,336)	36,493	170,623	606,768
Net position, beginning of year, as restated					39,477,355	98,710,376	138,187,731	112,733	105,979	76,990	9,404,781
Net position, end of year					$ 45,683,089	$ 106,729,672	$ 152,412,761	$ (59,603)	$ 142,472	$ 247,613	$ 10,011,549

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

CITY OF GRIFFIN, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

ASSETS	General	2016 SPLOST	Nonmajor Governmental Funds	Totals Governmental Funds
Cash and cash equivalents	$ 5,818,781	$ 6,142,223	$ 4,583,295	$ 16,544,299
Investments	3,450,229	-	3,050,464	6,500,693
Taxes receivable, net	737,051	-	6,136	743,187
Accounts receivable, net	21,869	-	2,500	24,369
Due from other governments	116,963	721,153	707,728	1,545,844
Due from other funds	2,699,444	32,513	324,922	3,056,879
Due from component units	109,178	-	-	109,178
Inventories	1,615	-	-	1,615
Prepaid expenditures	213,356	1,809,450	-	2,022,806
Assets held for resale	-	-	192,873	192,873
Total assets	$ 13,168,486	$ 8,705,339	$ 8,867,918	$ 30,741,743
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 639,020	$ 752,934	$ 181,163	$ 1,573,117
Accrued liabilities	282,685	-	-	282,685
Unearned revenues	-	-	135,184	135,184
Due to other funds	183,970	8,910	902,483	1,095,363
Due to component units	80,551	-	46,880	127,431
Total liabilities	1,186,226	761,844	1,265,710	3,213,780
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	168,973	-	-	168,973
Total deferred inflows of resources	168,973	-	-	168,973
FUND BALANCES				
Nonspendable:				
Inventories	1,615	-	-	1,615
Prepaid expenditures	213,356	1,809,450	-	2,022,806
Assets held for resale	-	-	192,873	192,873
Permanent fund principal	-	-	2,596,791	2,596,791
Restricted for:				
Law enforcement	-	-	309,065	309,065
Cemetery maintenance	-	-	1,410,924	1,410,924
Capital projects	-	6,134,045	3,132,949	9,266,994
Unassigned	11,598,316	-	(40,394)	11,557,922
Total fund balances	11,813,287	7,943,495	7,602,208	27,358,990
Total liabilities, deferred inflows of resources, and fund balances	$ 13,168,486	$ 8,705,339	$ 8,867,918	

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.	37,392,830
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	304,157
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 and other post-employment benefits related experience differences, assumption changes and contributions.	3,054,334
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.	5,001,245
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 and other post-employment benefits related differences between projected and actual earnings on plan investments.	(2,312,689)
Certain liabilities are not due and payable in the current period and are therefore not reported in the funds.	(25,115,778)
Net position of governmental activities	$ 45,683,089

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, 2018

	General	2016 SPLOST	Nonmajor Governmental Funds	Totals Governmental Funds
REVENUES				
Property taxes	$ 4,615,589	$ -	$ -	$ 4,615,589
Other taxes	6,437,654	-	419,671	6,857,325
Charges for services	5,795,886	-	50,659	5,846,545
Licenses and permits	373,166	-	-	373,166
Intergovernmental	597,262	4,247,073	1,745,903	6,590,238
Franchise taxes	499,673	-	-	499,673
Fines and forfeitures	714,705	-	53,860	768,565
Interest revenue	36,755	-	259,400	296,155
Rental income	175,162	-	-	175,162
Contributions and donations	3,446	-	8,784	12,230
Other revenues	85,124	-	58,980	144,104
Total revenues	19,334,422	4,247,073	2,597,257	26,178,752
EXPENDITURES				
Current:				
General government	5,400,732	-	-	5,400,732
Judicial	314,481	-	-	314,481
Public safety	14,463,525	-	501,829	14,965,354
Public works	4,002,704	-	804,249	4,806,953
Parks and recreation	372,177	-	-	372,177
Housing and economic development	1,220,723	-	44,097	1,264,820
Capital outlay	-	4,226,247	966,068	5,192,315
Debt service:				
Principal	80,225	905,000	12,390	997,615
Interest	8,217	325,449	33,715	367,381
Total expenditures	25,862,784	5,456,696	2,362,348	33,681,828
Excess (deficiency) of revenues over (under) expenditures	(6,528,362)	(1,209,623)	234,909	(7,503,076)
OTHER FINANCING SOURCES (USES)				
Transfers in	7,855,006	441,101	1,264,660	9,560,767
Transfers out	(1,609,696)	-	(1,063,530)	(2,673,226)
Capital leases	261,210	-	-	261,210
Proceeds from the sale of capital assets	178,057	-	-	178,057
Total other financing sources, net	6,684,577	441,101	201,130	7,326,808
Net change in fund balances	156,215	(768,522)	436,039	(176,268)
Fund balances, beginning of year	11,657,072	8,712,017	7,166,169	27,535,258
Fund balances, end of year	$ 11,813,287	$ 7,943,495	$ 7,602,208	$ 27,358,990

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, 2018

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds.	$	(176,268)
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.		5,269,197
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		48,918
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.		(259,345)
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.		970,226
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.		353,006
	$	6,205,734

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, 2018

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES:				
Property taxes	$ 4,236,000	$ 4,236,000	$ 4,615,589	$ 379,589
Other taxes	6,255,000	6,255,000	6,437,654	182,654
Charges for services	5,699,657	5,584,657	5,795,886	211,229
Licenses and permits	339,000	339,000	373,166	34,166
Intergovernmental	145,541	635,610	597,262	(38,348)
Franchise fees	529,000	529,000	499,673	(29,327)
Fines and forfeitures	728,700	641,000	714,705	73,705
Interest revenue	14,000	14,000	36,755	22,755
Rental income	221,800	221,800	175,162	(46,638)
Contributions and donations	-	1,910	3,446	1,536
Other revenues	2,700	159,864	85,124	(74,740)
Total revenues	18,171,398	18,617,841	19,334,422	716,581
EXPENDITURES:				
Current:				
General government:				
Legislative	519,902	421,902	417,612	4,290
Executive	371,635	361,635	345,969	15,666
Elections	20,250	20,250	10,190	10,060
Administrative services	4,486,503	4,162,335	3,552,002	610,333
Central services	496,806	969,450	953,166	16,284
Legal	124,000	124,000	121,793	2,207
Total general government	6,019,096	6,059,572	5,400,732	658,840
Judicial	363,074	363,074	314,481	48,593
Public safety:				
Police	9,350,169	9,488,416	8,899,024	589,392
Fire	5,353,446	5,639,421	5,411,294	228,127
Code enforcement	-	-	4,593	(4,593)
Other protection	143,981	144,021	148,614	(4,593)
Total public safety	14,847,596	15,271,858	14,463,525	808,333
Public works:				
Highways and streets	4,008,815	4,065,665	3,527,286	538,379
Cemetery	422,251	422,371	475,418	(53,047)
Total public works	4,431,066	4,488,036	4,002,704	485,332
Parks and recreation:				
Recreation	89,047	89,047	100,784	(11,737)
Parks	499,222	409,362	271,393	137,969
Total parks and recreation	588,269	498,409	372,177	126,232

(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, 2018

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
EXPENDITURES: (Continued)				
Current: (Continued)				
Housing and economic development:				
Protective inspection	$ 727,156	$ 735,961	$ 677,683	$ 58,278
Griffin-Spalding County Airport Authority	329,239	349,502	349,502	-
Griffin Business and Tourism Association	47,647	41,512	41,511	1
Downtown development	134,309	134,309	134,257	52
Main Street	17,770	17,770	17,770	-
Total housing and economic development	1,256,121	1,279,054	1,220,723	58,331
Debt service	102,640	102,640	88,442	14,198
Total expenditures	27,607,862	28,062,643	25,862,784	2,199,859
Deficiency of revenues under expenditures	(9,436,464)	(9,444,802)	(6,528,362)	2,916,440
OTHER FINANCING SOURCES (USES)				
Transfers in	10,340,059	10,318,696	7,855,006	(2,463,690)
Transfers out	(1,168,595)	(1,609,696)	(1,609,696)	-
Capital leases	265,000	265,000	261,210	(3,790)
Proceeds from the sale of capital assets	-	-	178,057	178,057
Total other financing sources, net	9,436,464	8,974,000	6,684,577	(2,289,423)
Net change in fund balances	-	(470,802)	156,215	627,017
Fund balances, beginning of year	11,657,072	11,657,072	11,657,072	-
Fund balances, end of year	$ 11,657,072	$ 11,186,270	$ 11,813,287	$ 627,017

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

CITY OF GRIFFIN, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

	Water/ Wastewater Utility Fund	Electric Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ 616,444	$ 1,404,648	$ 529,162	$ 572,427
Investments	-	28,289,650	-	-
Restricted assets, cash	2,938,262	258,206	64,448	27,661
Accounts receivable, net of allowances	67,563	11,640,479	-	258,176
Due from other governments	858,252	-	-	-
Due from component units	10,448	931,480	-	55,811
Due from other funds	12,288,318	2,723,771	302,064	2,681,533
Inventories	618,643	1,722,198	-	36,319
Prepaid expenses	480,292	25,686	32,846	20,234
Total current assets	17,878,222	46,996,118	928,520	3,652,161
NONCURRENT ASSETS				
Investments	-	5,784,451	-	-
Restricted assets, investments	3,174,534	3,521,353	500,639	-
Capital assets:				
Nondepreciable	12,558,590	163,918	84,725	2,315,349
Depreciable, net of accumulated depreciation	91,760,743	27,698,524	1,769,888	8,925,701
Total noncurrent assets	107,493,867	37,168,246	2,355,252	11,241,050
Total assets	125,372,089	84,164,364	3,283,772	14,893,211
DEFERRED OUTFLOWS OF RESOURCES				
Pension	767,228	794,280	363,815	167,489
Other post-employment benefits	36,080	27,845	30,848	-
Deferred charges on refundings	1,165,553	-	-	-
Total deferred outflows of resources	1,968,861	822,125	394,663	167,489
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	2,881,286	3,604,975	638,092	25,061
Accrued liabilities	78,334	575,135	35,743	16,075
Unearned revenue	-	22,208	-	-
Current portion - compensated absences	164,107	99,072	66,345	25,992
Current portion - notes payable	591,636	-	-	206,081
Current portion - capital leases payable	-	-	54,152	149,565
Current portion - landfill closure/post-closure care costs	-	-	98,330	-
Customer deposits payable	39,303	3,170,961	-	-
Due to other funds	107,838	15,933,267	1,219,517	1,488,863
Payable from restricted assets:				
Revenue bonds payable, current portion	2,675,000	-	-	-
Total current liabilities	6,537,504	23,405,618	2,112,179	1,911,637
NONCURRENT LIABILITIES				
Compensated absences, net of current portion	28,960	17,483	11,708	4,587
Revenue bonds payable, net of current portion	48,633,377	-	-	-
Capital leases payable, net of current portion	-	-	344,922	501,450
Notes payable, net of current portion	22,979,314	-	-	910,552
Net pension liability	2,594,732	2,686,220	1,230,406	566,442
Net other post-employment benefits liability	132,227	102,047	113,053	-
Landfill closure/post-closure care costs	-	-	3,505,236	-
Total noncurrent liabilities	74,368,610	2,805,750	5,205,325	1,983,031
Total liabilities	80,906,114	26,211,368	7,317,504	3,894,668
DEFERRED INFLOWS OF RESOURCES				
Pension	500,656	518,309	237,408	109,296
Other post-employment benefits	97,420	75,184	83,293	-
Total deferred inflows of resources	598,076	593,493	320,701	109,296
NET POSITION				
Net investment in capital assets	30,605,559	27,862,442	1,455,539	9,473,402
Restricted for debt service	1,394,432	-	-	-
Restricted for capital outlay	1,238,469	-	-	-
Unrestricted	12,598,300	30,319,186	(5,415,309)	1,583,334
Total net position	$ 45,836,760	$ 58,181,628	$ (3,959,770)	$ 11,056,736

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
$ 3,122,681	$ 1,230,399
28,289,650	-
3,288,577	-
11,966,218	-
858,252	-
997,739	3,591
17,995,686	110,799
2,377,160	186,820
559,058	5,856
69,455,021	1,537,465
5,784,451	-
7,196,526	-
15,122,582	-
130,154,856	468,535
158,258,415	468,535
227,713,436	2,006,000
2,092,812	-
94,773	-
1,165,553	-
3,353,138	-
7,149,414	51,342
705,287	3,995
22,208	-
355,516	12,079
797,717	-
203,717	-
98,330	-
3,210,264	-
18,749,485	1,318,516
2,675,000	-
33,966,938	1,385,932
62,738	4,505
48,633,377	-
846,372	-
23,889,866	-
7,077,800	-
347,327	-
3,505,236	-
84,362,716	4,505
118,329,654	1,390,437
1,365,669	-
255,897	-
1,621,566	-
69,396,942	468,535
1,394,432	-
1,238,469	-
39,085,511	147,028
111,115,354	$ 615,563
(4,385,682)	
$ 106,729,672	

CITY OF GRIFFIN, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Water/ Wastewater Utility Fund	Electric Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds
OPERATING REVENUES				
Charges for services	$ 21,155,604	$ 45,332,399	$ 6,442,738	$ 2,994,533
Tap and capacity recovery fees	329,510	-	-	-
Other services	135,217	2,842,565	5,392	987
Total operating revenues	21,620,331	48,174,964	6,448,130	2,995,520
OPERATING EXPENSES				
Personal services	4,210,290	3,622,819	1,858,370	1,016,697
Purchased or contracted services	4,930,403	2,402,843	4,130,761	715,126
Purchased power	-	30,571,819	-	-
Supplies	1,520,099	209,302	97,441	173,441
Miscellaneous	467,055	311,850	642,679	215,394
Depreciation	3,433,728	1,099,735	380,165	621,830
Total operating expenses	14,561,575	38,218,368	7,109,416	2,742,488
Operating income (loss)	7,058,756	9,956,596	(661,286)	253,032
NONOPERATING INCOME (EXPENSES)				
Interest income	39,848	461,620	1,940	2,722
Interest expense	(2,254,592)	-	(3,539)	(48,831)
Total nonoperating income (expenses)	(2,214,744)	461,620	(1,599)	(46,109)
Income (loss) before capital contributions and transfers	4,844,012	10,418,216	(662,885)	206,923
CAPITAL CONTRIBUTIONS	351,656	213,014	-	28,925
TRANSFERS				
Transfers out	(2,057,890)	(6,000,000)	-	-
Transfers in	-	-	-	486,424
Total transfers	(2,057,890)	(6,000,000)	-	486,424
Change in net position	3,137,778	4,631,230	(662,885)	722,272
Net position, beginning of year, as restated	42,698,982	53,550,398	(3,296,885)	10,334,464
Net position, end of year	$ 45,836,760	$ 58,181,628	$ (3,959,770)	$ 11,056,736

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
$ 75,925,274	$ 752,709
329,510	-
2,984,161	21,681
79,238,945	774,390
10,708,176	537,908
12,179,133	229,771
30,571,819	-
2,000,283	675,853
1,636,978	21,457
5,535,458	61,770
62,631,847	1,526,759
16,607,098	(752,369)
506,130	-
(2,306,962)	-
(1,800,832)	-
14,806,266	(752,369)
593,595	-
(8,057,890)	-
486,424	683,925
(7,571,466)	683,925
7,828,395	(68,444)
	684,007
	$ 615,563
190,901	
$ 8,019,296	

CITY OF GRIFFIN, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Water/ Wastewater Utility Fund	Electric Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 19,977,695	$ 45,787,251	$ 6,169,725	$ 1,721,136
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(5,549,706)	(33,112,857)	(4,169,624)	54,895
Payments to employees	(4,298,128)	(3,711,461)	(1,898,533)	(1,025,912)
Net cash provided by (used in) operating activities	10,129,861	8,962,933	101,568	750,119
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental grant	-	-	-	28,925
Transfers out	(2,057,890)	(6,000,000)	-	-
Transfers in	-	-	-	486,424
Net cash provided by (used in) noncapital financing activities	(2,057,890)	(6,000,000)	-	515,349
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(9,289,457)	(1,557,803)	(618,668)	(1,879,042)
Intergovernmental grant	351,656	213,014	-	-
Proceeds from the disposal of capital assets	-	-	-	-
Proceeds from notes payable and capital leases	5,703,355	-	-	358,228
Principal paid on bonds	(2,570,000)	-	-	-
Principal paid on notes payable and capital leases	(467,442)	-	336,663	(296,139)
Interest paid	(2,372,872)	-	(3,518)	(49,485)
Net cash provided by (used in) capital and related financing activities	(8,644,760)	(1,344,789)	(285,523)	(1,866,438)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(150,387)	(4,623,015)	(94,148)	-
Proceeds from the sale of investments	-	96,740	-	-
Interest and dividends received	193,097	951,719	23,683	2,722
Net cash provided by (used in) investing activities	42,710	(3,574,556)	(70,465)	2,722
Increase (decrease) in cash and cash equivalents	(530,079)	(1,956,412)	(254,420)	(598,248)
Cash and cash equivalents:				
Beginning of year	4,084,785	3,619,266	848,030	1,198,336
End of year	$ 3,554,706	$ 1,662,854	$ 593,610	$ 600,088
Classified as:				
Cash and cash equivalents	$ 616,444	$ 1,404,648	$ 529,162	$ 572,427
Restricted assets, cash	2,938,262	258,206	64,448	27,661
	$ 3,554,706	$ 1,662,854	$ 593,610	$ 600,088

(Continued)

Totals	Governmental Activities Internal Service Fund - Motor Pool
$ 73,655,807	$ -
-	1,083,493
(42,777,292)	(917,805)
(10,934,034)	(534,908)
19,944,481	(369,220)
28,925	-
(8,057,890)	-
486,424	683,925
(7,542,541)	683,925
(13,344,970)	(15,573)
564,670	-
-	29,644
6,061,583	-
(2,570,000)	-
(426,918)	-
(2,425,875)	-
(12,141,510)	14,071
(4,867,550)	-
96,740	-
1,171,221	-
(3,599,589)	-
(3,339,159)	328,776
9,750,417	901,623
$ 6,411,258	$ 1,230,399
$ 3,122,681	$ 1,230,399
3,288,577	-
$ 6,411,258	$ 1,230,399

CITY OF GRIFFIN, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	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)	$ 7,058,756	$ 9,956,596	$ (661,286)	$ 253,032
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	3,433,728	1,099,735	380,165	621,830
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	6,121	(1,226,559)	-	(17,596)
(Increase) decrease in due from other governments	(426,243)	-	-	28,174
(Increase) decrease in inventories	271,178	52,883	-	(1,573)
(Increase) decrease in due from other funds	(1,236,095)	(814,200)	(141,253)	(1,309,372)
Increase in due from component units	(25)	(131,782)	-	(31,466)
(Increase) decrease in prepaids and other assets	24,402	(1,715)	1,972	4
Increase in deferred outflows of resources - pension and OPEB	(162,728)	(166,134)	(81,041)	(33,301)
Increase (decrease) in accounts payable	1,077,470	253,347	479,545	(9,904)
Increase in accrued liabilities	803	79,929	14,408	8,344
Increase in customer deposits	-	22,457	-	-
Decrease in net pension liability	(404,862)	(417,622)	(191,697)	(88,551)
Decrease in net OPEB liability	(109,437)	(84,459)	(93,568)	-
Increase in landfill closure/post-closure care costs	-	-	217,833	-
Increase (decrease) in due to other funds	13,606	(237,629)	(137,152)	1,224,454
Increase in deferred inflows of resources - pension and OPEB	583,187	578,086	313,642	106,044
Net cash provided by (used in) operating activities	$ 10,129,861	$ 8,962,933	$ 101,568	$ 750,119
Noncash investing, capital, and financing activities:				
Unrealized loss on investments	$ (153,249)	$ (490,099)	$ (21,743)	$ -
Net noncash investing, capital, and financing activities	$ (153,249)	$ (490,099)	$ (21,743)	$ -

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

Totals	Governmental Activities Internal Service Fund - Motor Pool
$ 16,607,098	$ (752,369)
5,535,458	61,770
(1,238,034)	-
(398,069)	-
322,488	4,291
(3,500,920)	162,888
(163,273)	-
24,663	(1,284)
(443,204)	-
1,800,458	6,269
103,484	3,000
22,457	-
(1,102,732)	-
(287,464)	-
217,833	-
863,279	146,215
1,580,959	-
$ 19,944,481	$ (369,220)
$ (665,091)	$ -
$ (665,091)	$ -

CITY OF GRIFFIN, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUND
JUNE 30, 2018

	Municipal Court
ASSETS	
Cash and cash equivalents	$ 115,493
Total assets	115,493
LIABILITIES	
Due to others	115,493
Total liabilities	$ 115,493

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, 2018, 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 funds:

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

The **2016 SPLOST Fund** accounts for capital projects of the City from resources provided by the 2016 special Spalding County 1% sales and use tax.

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 Official Code of Georgia Annotated ("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 acquisition value.

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, 2018, 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, 2018, the City contributed $190,065 and employees contributed $422,985.

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 remaining items relate to the City's Retirement and OPEB Plans 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 and OPEB plan, before year end but subsequent to the measurement date of the City's net pension liability and net OPEB 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 three 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 two items relate to the City's Retirement and OPEB Plans and are reported in the government-wide and proprietary fund Statements of Net Position. The net difference between projected an actual earnings on pension and OPEB plan investments is deferred and amortized against pension expense over a five year period, resulting in recognition as deferred inflows of resources. In addition, the differences between expected and actual experience for the City's OPEB plan is deferred and amortized against pension expense over a four year period, resulting in recognition as a deferred inflow of resources.

R. Pensions and OPEB

For purposes of measuring the net pension liability, net OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, pension expense and OPEB expense, information about the fiduciary net position of the City of Griffin Retirement Plan (the "Retirement Plan") and City of Griffin Post-Employment Health Care Plan (the "OPEB Plan") and additions to/deductions from the Retirement and OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the respective plans. 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 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, 2018, 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	$	10,114,912
Net pension liability		9,801,779
Net OPEB liability		571,998
Due to Griffin/Spalding County Airport Authority		3,285,000
Capital leases payable		523,145
Compensated absences		642,093
Accrued interest		176,851
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	25,115,778

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	$	7,087,120
Depreciation expense		(1,817,923)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	5,269,197

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:

Accrued interest	$	6,345
Compensated absences		(18,665)
OPEB expense		95,354
Pension expense		269,972
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	353,006

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	$	233,821
Capital lease proceeds		(261,210)
Principal retirement on long-term debt		997,615
Net adjustment to increase *net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities*	$	970,226

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2018, are summarized as follows:

Amounts as presented on the entity wide statement of net position:		
Cash and cash equivalents	$	20,897,379
Investments		40,574,794
Restricted cash and cash equivalents		3,288,577
Restricted investments		7,196,526
Amounts as presented on the fiduciary statement of net position:		
Cash and cash equivalents - Agency Fund		115,493
Component Units - cash and cash equivalents		2,031,275
Total	$	74,104,044
Cash deposited with financial institutions	$	26,332,724
Cash deposited with Georgia Fund 1		3,450,229
Certificates of deposit		527,220
Investments in the Municipal Competitive Trust		28,525,966
Investments in governmental bonds		13,232,659
Investments in corporate bonds		309,996
Investments in equities and various other securities		1,725,250
Total	$	74,104,044

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, 2018, 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 loss of $21,743 netted against interest income in the Solid Waste Fund, an unrealized loss of $153,249 netted against interest income in the Water/Wastewater Utility Fund, an unrealized loss of $490,099 netted against interest income in the Electric Utility Fund, and an unrealized gain of $197,034 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, 2018, the City had the following investments:

Investment	Rating	Fair Value	Investment Maturities (in Years)					
			Less than 1	1 - 5	6 - 10	11 - 15	16 - 20	> 20
Georgia Fund 1		$ 3,450,229	$ 3,450,229	$ -	$ -	$ -	$ -	$ -
Certificates of Deposit		527,220	98,930	428,290	-	-	-	-
Municipal Competitive Trust		28,525,966	28,525,966	-	-	-	-	-
Equities and various other non-maturing securities		1,725,250	NA	-	-	-	-	-
Governmental bonds	BBB-	10,087	10,087	-	-	-	-	-
Governmental bonds	BBB	52,356	-	-	-	-	52,356	-
Governmental bonds	BBB+	582,266	161,159	-	96,485	222,118	102,504	-
Governmental bonds	A-	167,520	-	36,065	131,455	-	-	-
Governmental bonds	A	1,008,644	-	100,478	321,432	494,431	92,303	-
Governmental bonds	A+	630,435	-	248,180	136,840	187,916	57,499	-
Governmental bonds	AA-	1,233,739	133,779	169,040	375,030	372,115	183,775	-
Governmental bonds	AA	4,724,874	174,813	622,594	1,402,135	1,349,969	1,175,363	-
Governmental bonds	AA+	2,627,008	-	317,864	719,624	1,151,773	385,031	52,716
Governmental bonds	AAA	2,195,730	70,279	754,188	576,496	637,160	157,607	-
Corporate bonds	A-	96,394	-	-	96,394	-	-	-
Corporate bonds	BBB	106,000	-	-	-	-	-	106,000
Corporate bonds	BBB-	107,602	-	-	-	-	-	107,602
Total		$ 47,771,320	$ 32,625,242	$ 2,676,699	$ 3,855,891	$ 4,415,482	$ 2,206,438	$ 266,318

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, 2018:

Investment	Level 1	Level 2	Level 3	Fair Value
Municipal Competitive Trust	$ 28,525,966	$ -	$ -	$ 28,525,966
Municipal bonds	1,146,669	12,085,990	-	13,232,659
Corporate bonds	309,996	-	-	309,996
Equity securities	1,725,250	-	-	1,725,250
Total investments measured at fair value	$ 31,707,881	$ 12,085,990	$ -	$ 43,793,871
Investments not subject to level disclosure:				
Georgia Fund 1				3,450,229
Certificates of deposit				527,220
Total investments				$ 47,771,320

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, 2018, 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, 2018, including the applicable allowances for uncollectible accounts, are as follows:

	General	2016 SPLOST	Nonmajor Governmental	Water/ Wastewater
Receivables:				
Taxes	$ 829,595	$ -	$ 6,136	$ -
Accounts	21,869	-	2,500	73,402
Intergovernmental	116,963	721,153	707,728	858,252
Gross receivables	968,427	721,153	716,364	931,654
Less: allowance for uncollectibles	(92,544)	-	-	(5,839)
Net total receivables	$ 875,883	$ 721,153	$ 716,364	$ 925,815

	Electric	Nonmajor Enterprise	Total
Receivables:			
Taxes	$ -	$ -	$ 835,731
Accounts	16,934,549	258,176	17,290,496
Intergovernmental	-	-	2,404,096
Gross receivables	16,934,549	258,176	20,530,323
Less: allowance for uncollectibles	(5,294,070)	-	(5,392,453)
Net total receivables	$ 11,640,479	$ 258,176	$ 15,137,870

Property Taxes

Property taxes were levied on behalf of the City by Spalding County on August 31, 2017, (Levy Date) based upon property values assessed as of January 1, 2017. The billings were mailed on September 12, 2017, and payable on or before November 15, 2017, for the calendar year 2017. Taxes not paid within 30 days of November 15, 2017, were subject to property tax liens on December 16, 2017. 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, 2018, the allowance for uncollectible property taxes was $92,544.

The tax rate levied during calendar year 2017 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, 2018, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 2,764,756	$ 319,207	$ (35,000)	$ (226,802)	$ 2,822,161
Construction in progress	9,962,717	5,567,651	-	(991,850)	14,538,518
Total capital assets, not being depreciated	12,727,473	5,886,858	(35,000)	(1,218,652)	17,360,679
Capital assets, being depreciated:					
Buildings and improvements	10,363,469	33,483	(110,000)	(994,066)	9,292,886
Machinery and equipment	24,003,419	1,209,612	-	2,361,927	27,574,958
Infrastructure	36,119,325	7,742	-	(149,209)	35,977,858
Total capital assets, being depreciated	70,486,213	1,250,837	(110,000)	1,218,652	72,845,702
Less accumulated depreciation for:					
Buildings and improvements	(4,311,949)	(211,001)	110,000	-	(4,412,950)
Machinery and equipment	(21,229,144)	(1,109,547)	-	-	(22,338,691)
Infrastructure	(25,034,230)	(559,145)	-	-	(25,593,375)
Total accumulated depreciation	(50,575,323)	(1,879,693)	110,000	-	(52,345,016)
Total capital assets, being depreciated, net	19,910,890	(628,856)	-	1,218,652	20,500,686
Governmental activities capital assets, net	$ 32,638,363	$ 5,258,002	$ (35,000)	$ -	$ 37,861,365

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, $468,535 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	$ 142,625	$ -	$ -	$ 7,720,403
Construction in progress	23,629,802	10,348,585	-	(26,576,208)	7,402,179
Total capital assets, not being depreciated	31,207,580	10,491,210	-	(26,576,208)	15,122,582
Capital assets, being depreciated:					
Land improvements	1,785,291	7,630	-	-	1,792,921
Buildings	36,041,685	-	-	-	36,041,685
Improvements other than buildings	129,217,517	-	-	26,576,208	155,793,725
Machinery and equipment	29,868,127	2,846,130	-	-	32,714,257
Total capital assets, being depreciated	196,912,620	2,853,760	-	26,576,208	226,342,588
Less accumulated depreciation for:					
Land improvements	(1,166,858)	(47,825)	-	-	(1,214,683)
Buildings	(19,226,787)	(826,050)	-	-	(20,052,837)
Improvements other than buildings	(44,580,728)	(3,249,397)	-	-	(47,830,125)
Machinery and equipment	(25,677,901)	(1,412,186)	-	-	(27,090,087)
Total accumulated depreciation	(90,652,274)	(5,535,458)	-	-	(96,187,732)
Total capital assets, being depreciated, net	106,260,346	(2,681,698)	-	26,576,208	130,154,856
Business-type activities capital assets, net	$ 137,467,926	$ 7,809,512	$ -	$ -	$ 145,277,438

NOTE 5. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:		
General government	$	528,489
Public safety		581,499
Public works		676,361
Parks and recreation		28,060
Housing and economic development		3,514
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets		61,770
Total depreciation expense - governmental activities	$	1,879,693
Business-type activities:		
Water and wastewater	$	3,433,728
Electric		1,099,735
Solid waste		380,165
Stormwater		447,650
Welcome center		40,659
Telecommunications		70,278
Golf course		63,243
Total depreciation expense - business-type activities	$	5,535,458

NOTE 5. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the Airport Authority for the year ended June 30, 2018, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	$ 75,000	$ 396,441	$ -	$ -	$ 471,441
Construction in progress	6,492,201	-	(21,686)	44,782	6,515,297
Total capital assets, not being depreciated	6,567,201	396,441	(21,686)	44,782	6,986,738
Capital assets, being depreciated:					
Land improvements	3,614,410	-	-	-	3,614,410
Buildings	1,082,075	-	-	(44,782)	1,037,293
Machinery and equipment	676,985	-	-	-	676,985
Total capital assets, being depreciated	5,373,470	-	-	(44,782)	5,328,688
Less accumulated depreciation for:					
Land improvements	(1,614,508)	(107,502)	-	-	(1,722,010)
Buildings	(451,800)	(18,365)	-	-	(470,165)
Machinery and equipment	(656,539)	(6,479)	-	-	(663,018)
Total accumulated depreciation	(2,722,847)	(132,346)	-	-	(2,855,193)
Total capital assets, being depreciated, net	2,650,623	(132,346)	-	(44,782)	2,473,495
Airport Authority capital assets, net	$ 9,217,824	$ 264,095	$ (21,686)	$ -	$ 9,460,233

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, 2018, are as follows:

Description	Original Amount	Interest Rate	Due Date	Amount
Combined Utility, Series 2012	$ 57,500,000	2.00% - 5.00%	2032	$ 48,980,000
			Less current portion	(2,675,000)
				$ 46,305,000

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
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	4,542,338	3,125,000	1,417,338
2024 - 2028	22,713,638	17,740,000	4,973,638
2029 - 2032	18,186,944	16,770,000	1,416,944
	$ 63,613,472	$ 48,980,000	$ 14,633,472

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, 2018:

Description	Original Amount	Interest Rate	Due Date	Amount
Stormwater GEFA Loan	$ 2,691,113	3.75%	2022	$ 680,418
Stormwater GEFA Loan	487,247	2.31%	2037	436,215
				1,116,633
			Less current portion	(206,081)
				$ 910,552

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

Fiscal Year Payable	Total	Principal	Interest
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	30,445	22,576	7,869
2024 - 2028	152,225	121,037	31,188
2029 - 2033	152,224	135,840	16,384
2034 and 2035	73,574	71,492	2,082
	$ 1,257,363	$ 1,116,633	$ 140,730

NOTE 6. LONG-TERM DEBT (CONTINUED)

Other 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, 2018:

Description	Original Amount	Interest Rate	Due Date	Amount
Water/Wastewater GEFA Loan	$ 6,002,688	1.03%	2038	$ 5,535,501
Water/Wastewater GEFA Loan	12,700,000	1.71%	2048	12,645,914
Water/Wastewater GEFA Loan	5,389,535	0.89%	2039	5,389,535
				23,570,950
			Less current portion	(591,636)
				$ 22,979,314

The $5.4 million note payable is in the draw down phase as of June 30, 2018, and repayment will be determined when construction is complete and all drawdowns have been made. The Water/Wastewater Utility Fund's other long-term debt service requirements to maturity, including interest, are as follows:

Fiscal Year Payable	Total	Principal	Interest
2019	$ 861,092	$ 591,636	$ 269,456
2020	861,092	600,015	261,077
2021	861,092	608,521	252,571
2022	861,092	617,154	243,938
2023	861,092	625,916	235,176
2024 - 2028	4,305,460	3,265,698	1,039,762
2029 - 2033	4,305,460	3,505,409	800,051
2034 - 2038	4,012,462	3,469,517	542,945
2039 - 2043	2,707,285	2,387,454	319,831
2044 - 2048	2,617,040	2,510,095	106,945
	$ 22,253,167	$ 18,181,415	$ 4,071,752

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.

NOTE 6. LONG-TERM DEBT (CONTINUED)

Bonds Payable (Continued)

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.

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

Fiscal Year Payable	Total	Principal	Interest
2019	$ 1,989,740	$ 1,662,886	$ 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	2,056,654	1,914,744	141,910
2024 - 2028	287,256	153,938	133,318
2029 - 2033	331,771	235,445	96,326
2034 - 2038	376,427	334,451	41,976
	$ 11,001,913	$ 9,627,925	$ 1,373,988

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, 2018:

	Governmental Activities	Business-type Activities	Total
Equipment	$ 903,934	$ 1,607,941	$ 2,511,875
Less accumulated depreciation	(386,980)	(590,593)	(977,573)
Carrying value	$ 516,954	$ 1,017,348	$ 1,534,302

NOTE 6. LONG-TERM DEBT (CONTINUED)

Capital Leases (Continued)

The above includes current year depreciation expense of assets under capital lease of $81,686 and $190,754 for the Governmental Activities and Business-type Activities, respectively.

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, 2018:

Fiscal year ending	Governmental Activities	Business-type Activities	Total
2019	$ 130,433	$ 230,279	$ 360,712
2020	130,433	230,279	360,712
2021	130,433	230,279	360,712
2022	118,054	201,080	319,134
2023	42,075	123,087	165,162
2024 and 2025	-	114,301	114,301
Total minimum lease payments	551,428	1,129,305	1,680,733
Less amount representing interest	(28,283)	(79,216)	(107,499)
Present value of future minimum lease payments	523,145	1,050,089	1,573,234
Less current maturities	(119,181)	(203,717)	(322,898)
	$ 403,964	$ 846,372	$ 1,250,336

Closure/Post-closure 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 post-closure costs of approximately $358,007 over the remaining five year period. These costs are based on what it would cost to perform all post-closure 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 post-closure 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 post-closure costs of approximately $587,961 over the remaining 22-year period. These costs are based on what it would cost to perform all post-closure 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 post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

NOTE 6. LONG-TERM DEBT (CONTINUED)

Closure/Post-closure 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 post-closure 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 post-closure 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 post-closure care liability at June 30, 2018, represents the cumulative amount reported to date based on the use of approximately 98.1% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and post-closure care of $20,276 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure 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 post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

Shoal Creek Road Landfill Phase 1 post-closure care costs	$	358,007
Shoal Creek Road Landfill Phase 2 post-closure care costs		587,961
Shoal Creek Road Landfill Phase 3 closure and post-closure care costs		2,657,598
Total closure and post-closure care costs recorded within the Solid Waste Fund		3,603,566
Less current portion		(98,330)
	$	3,505,236

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
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	678,850	515,000	163,850
2024 - 2028	3,388,500	2,840,000	548,500
2029 - 2030	1,362,600	1,285,000	77,600
	$ 8,157,250	$ 6,570,000	$ 1,587,250

Changes in Long-Term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	$ 10,545,811	$ -	$ (917,886)	$ 9,627,925	$ 1,662,886
Bond premium	705,313	-	(218,326)	486,987	-
Net bonds payable	11,251,124	-	(1,136,212)	10,114,912	1,662,886
Intergovernmental payable	3,300,000	-	(15,000)	3,285,000	232,500
Capital leases	342,159	261,210	(80,224)	523,145	119,181
Net pension liability	11,329,613	4,938,304	(6,466,138)	9,801,779	-
Net OPEB liability	1,045,413	436,128	(909,543)	571,998	-
Compensated absences	637,201	652,071	(630,595)	658,677	557,858
Governmental activity Long-term liabilities	$ 27,905,510	$ 6,287,713	$ (9,237,712)	$ 24,955,511	$ 2,572,425
Business-type activities:					
Revenue bonds	$ 51,550,000	$ -	$ (2,570,000)	$ 48,980,000	$ 2,675,000
Bond premium	2,642,457	-	(314,080)	2,328,377	-
Net revenue bonds	54,192,457	-	(2,884,080)	51,308,377	2,675,000
Notes payable	19,650,922	5,703,355	(666,694)	24,687,583	797,717
Compensated absences	392,259	405,902	(379,907)	418,254	355,516
Capital leases	452,084	770,588	(172,583)	1,050,089	203,717
Net OPEB liability	634,791	266,601	(554,065)	347,327	-
Net pension liability	8,180,532	3,610,219	(4,712,951)	7,077,800	-
Landfill closure/post-closure	3,385,733	314,910	(97,077)	3,603,566	98,330
Business-type activity Long-term liabilities	$ 86,888,778	$ 11,071,575	$ (9,467,357)	$ 88,492,996	$ 4,130,280

NOTE 6. LONG-TERM DEBT (CONTINUED)

Changes in Long-Term Liabilities (Continued)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Component Units - Airport Authority					
Revenue bonds	$ 6,600,000	$ -	$ (30,000)	$ 6,570,000	$ 465,000
Bond premium	375,274	-	(47,547)	327,727	-
Net revenue bonds	6,975,274	-	(77,547)	6,897,727	465,000
Net pension liability	159,323	69,808	(91,293)	137,838	-
Net OPEB liability	1,661	703	(1,456)	908	-
Compensated absences	12,577	9,130	(12,574)	9,133	7,763
Airport Authority Long-term liabilities	$ 7,148,835	$ 79,641	$ (182,870)	$ 7,045,606	$ 472,763

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, $16,584 of internal service fund's compensated absences is included in the above amounts. Also, for the governmental activities, compensated absences, the total OPEB liability, 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.

NOTE 7. PENSION PLAN (CONTINUED)

A. Plan Description (Continued)

Plan membership. As of January 1, 2018, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	238
Inactive plan members entitled to, but not receiving benefits	88
Active plan members	409
Total	735

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 $3,065,676 for the year ended June 30, 2018.

B. Net Pension Liability of the City

The City's net pension liability was measured as of September 30, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017, with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2017.

Actuarial assumptions. The total pension liability in the January 1, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	2.75%, plus service based merit increases
Investment rate of return	7.50%

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

The actuarial assumptions used in the January 1, 2017, 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, 2017, are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.71%
International equity	20%	7.71
Domestic fixed income	20%	2.11
Real estate	10%	5.21
Global fixed income	5%	3.36
Cash	—%	
Total	100%	

* Rates shown are net of the 3.00% assumed rate of inflation.

Discount rate. The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that 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, 2018, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Beginning Balance	$ 75,549,032	$ 55,879,564	$ 19,669,468
Changes for the year:			
Service cost	734,961	-	734,961
Interest	5,667,365	-	5,667,365
Differences between expected and actual experience	597,386	-	597,386
Assumption changes	1,510,700	-	1,510,700
Contributions—employer	-	2,990,801	(2,990,801)
Net investment income	-	8,279,957	(8,279,957)
Benefit payments, including refunds of employee contributions	(4,843,493)	(4,843,493)	-
Administrative expense	-	(108,295)	108,295
Net changes	3,666,919	6,318,970	(2,652,051)
Ending Balance	$ 79,215,951	$ 62,198,534	$ 17,017,417

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 7.5%, 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 (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
City's net pension liability	$ 25,989,410	$ 17,017,417	$ 9,490,914

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, 2017, 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, 2018, the City recognized pension expense of $2,597,030. At June 30, 2018, the City reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 3,283,527
Differences between expected and actual experience	1,592,558	-
Changes in actuarial assumptions	1,140,010	-
City contributions subsequent to the measurement date	2,299,257	-
Total	$ 5,031,825	$ 3,283,527

City contributions subsequent to the measurement date of $2,299,257, 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, 2019. 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:	
2019	$ 26,424
2020	26,424
2021	26,424
2022	26,420
2023	(656,651)
Total	$ (550,959)

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, 2018:

General Fund	
Public safety - code enforcement	$ 4,593
Public safety - other protection	4,593
Public works - cemetery	53,047
Parks and recreation - recreation	11,737
Police Donations Fund	
Public safety	5,033

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, 2018:

Solid Waste Fund	$ 3,959,770
Police Technology Fund	5,894
2012 CDBG Fund	449
2017 CDBG Fund	22,516
FEMA Fund	11,535

The net position deficit in the Solid Waste Fund will be reduced through increased charges for services in future years. The fund deficits in the Police Technology Fund, 2012 CDBG Fund, the 2017 CDBG Fund, and the FEMA 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, 2018, are as follows:

	Due To				
	General	2016 SPLOST	Nonmajor Governmental	Electric	Water/ Wastewater
Due From					
General Fund	$ -	32,513	$ 137,934	$ -	$ -
2016 SPLOST		-	8,910	-	-
Nonmajor Governmental	405,412	-	178,078	197,140	575
Water/Wastewater	-	-	-	-	-
Electric	997,256	-	-	-	12,262,441
Solid Waste	1,195,701	-	-	-	-
Internal Service Fund	-	-	-	1,261,969	-
Nonmajor Enterprise	101,075	-	-	1,264,662	25,302
Total	$ 2,699,444	$ 32,513	$ 324,922	$ 2,723,771	$ 12,288,318

	Solid Waste	Nonmajor Enterprise	Internal Service	Total
Due From				
General Fund	$ -	$ -	$ 13,523	$ 183,970
2016 SPLOST	-	-	-	8,910
Nonmajor Governmental	109,985	11,293	-	902,483
Water/Wastewater	73,771	-	34,067	107,838
Electric	-	2,669,882	3,688	15,933,267
Solid Waste	-	-	23,816	1,219,517
Internal Service Fund	56,547	-	-	1,318,516
Nonmajor Enterprise	61,761	358	35,705	1,488,863
Total	$ 302,064	$ 2,681,533	$ 110,799	$ 21,163,364

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, 2018, consisted of the following:

	Transfer To			
Transfer From	General	2016 SPLOST	Nonmajor Governmental	Internal Service
General Fund	$ -	$ 441,101	$ -	$ 683,925
Nonmajor Governmental	55,006	-	1,006,770	-
Water/Wastewater	1,800,000	-	257,890	-
Electric	6,000,000	-	-	-
Total	$ 7,855,006	$ 441,101	$ 1,264,660	$ 683,925

Transfer From	Nonmajor Enterprise	Total
General Fund	$ 484,670	$ 1,609,696
Nonmajor Governmental	1,754	1,063,530
Water/Wastewater	-	2,057,890
Electric	-	6,000,000
Total	$ 486,424	$ 10,731,116

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, 2018, $73,360 of hotel/motel tax was collected. Of the total collected, 100% was used for the promotion of tourism within the City ($71,606 to the Griffin Business and Tourism Association and $1,754 to the Welcome Center Fund).

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, 2018, the City paid $22,928 in such dues. Membership in a regional commission (RC) is required by the OCGA §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.

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.

NOTE 14. COMMITMENTS AND CONTINGENCIES (CONTINUED)

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, 2018, 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 $33,198,817 in 2018.

At June 30, 2018, the outstanding debt of MEAG was approximately $5.94 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately $338.91 million at June 30, 2018.

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.

NOTE 15. RISK MANAGEMENT (CONTINUED)

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 Administration and Benefits

The City of Griffin Post Employment Health Care Plan (the “OPEB Plan”) is an agent multiple-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 agent multiple-employer plan.

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.

Plan Membership. Membership of the OPEB plan consisted of the following at June 30, 2018, the date of the latest actuarial valuation:

Inactive plan members or beneficiaries currently receiving benefits	84
Active plan members	183
Total	267

NOTE 16. POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Contributions

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 2018, the City contributed $251,099 to the plan. Plan members receiving benefits are not required to contribute to the plan.

Net OPEB Liability of the City

Effective July 1, 2017, the City implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions,* which significantly changed the City's accounting for OPEB amounts. The information disclosed below is presented in accordance with this new standard.

The City's net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017 with the actuary using standard techniques to roll forward the liability to the measurement date.

Actuarial assumptions. The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	7.00%
Long-term expected rate of return on OPEB investments:	7.00%, net of investment expenses, including inflation
Healthcare Cost Trend Rate:	4.00%
Inflation Rate:	2.30%
Participation rate:	95%

Mortality rates were based on the RP-2014 Mortality Table (adjusted to 2006), fully generational using scale MP-2016 for healthy retirees and the RP-2014 Disabled Retiree Mortality Table, Fully Generational using scale MP-2016 for disabled retirees.

NOTE 16. POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Net OPEB Liability of the City (Continued)

The long-term expected rate of return on OPEB 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 investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the major 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 OPEB plan's target asset allocation as of June 30, 2017 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 3.00% assumed rate of inflation.

Discount rate. The discount rate used to measure the total OPEB liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that the City will contribute in amounts consistent with its formal contribution policy. Based on those assumptions, the OPEB Trust Fund's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OEPB plan investments was applied to all of the projected benefit payments to determine the total OPEB liability.

NOTE 16. POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Net OPEB Liability of the City (Continued)

Changes in the Net OPEB Liability of the City. The changes in the components of the net OPEB liability of the City for the year ended June 30, 2018, were as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Beginning Balance	$ 8,234,312	$ 6,552,446	$ 1,681,866
Changes for the year:			
Service cost	144,367	-	144,367
Interest	559,065	-	559,065
Differences between expected and actual experience	(314,018)	-	(314,018)
Contributions - employer	-	181,331	(181,331)
Net investment income	-	969,716	(969,716)
Benefit payments, net of retiree contributions	(181,331)	(181,331)	-
Net changes	208,083	969,716	(761,633)
Ending Balance	$ 8,442,395	$ 7,522,162	$ 920,233

The required schedule of changes in the City's net OPEB 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 OPEB liability.

NOTE 16. POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Sensitivity Analysis

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current discount rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's net OPEB liability	$ 1,926,985	$ 920,233	$ 71,373

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.00%) or 1-percentage-point higher (5%) than the current healthcare cost trend rates:

	1% Decrease (3.00%)	Current Discount Rate (4.00%)	1% Increase (5.00%)
City's net OPEB liability	$ 333,548	$ 920,233	$ 1,640,633

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 revisions 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 June 30, 2018 and the current sharing pattern of costs between employer and inactive employees.

NOTE 16. POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the City recognized OPEB expense of $97,692. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 269,158
Net difference between projected and actual earnings on pension plan investments	-	408,836
City contributions subsequent to the measurement date	251,099	-
Total	$ 251,099	$ 677,994

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2019	$ (147,069)
2020	(147,069)
2021	(147,069)
2022	(147,069)
2023	(44,860)
Thereafter	(44,858)
Total	$ (677,994)

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, 2018, are as follows:

2019	$ 141,788
2020	114,823
2021	85,256
2022	46,775
2023	15,173
	$ 403,815

NOTE 17. OPERATING LEASES (CONTINUED)

The City has also entered into several operating leases of various 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, 2018, are as follows:

2019	$ 73,584
2020	73,584
2021	69,481
2022	28,587
2023	3,421
	$ 248,657

NOTE 18. CHANGE IN ACCOUNTING PRINCIPLE

The City determined that restatements to beginning net position of the governmental activities, business-type activities, Water and Sewer Fund, Electric Fund, Solid Waste Fund, and the Spalding-Griffin Airport Authority discretely presented component unit were required to recognize the change in accounting principle for the implementation of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, as of July 1, 2017. These restatements are as follows:

	Governmental Activities	Total Business-type Activities	Griffin-Spalding County Airport Authority
Net position, as previously reported	$ 40,410,056	$ 99,205,093	$ 9,406,263
Adjustment to remove the net OPEB obligation in accordance with GASB Statement No. 75	-	71,634	-
Adjustment needed to record the net OPEB liability in accordance with GASB Statement No. 75	(1,045,413)	(634,792)	(1,661)
Adjustment needed to record OPEB deferred outflows of resources for contributions made subsequent to the measurement date in accordance with GASB Statement No. 75	112,712	68,441	179
Net position, as restated	$ 39,477,355	$ 98,710,376	$ 9,404,781

NOTE 18. CHANGE IN ACCOUNTING PRINCIPLE (CONTINUED)

	Water/Wastewater Utility Fund	Electric Utility Fund	Solid Waste Fund
Net position, as previously reported	$ 42,914,591	$ 53,645,162	$ (3,112,541)
Adjustment to remove the net OPEB obligation in accordance with GASB Statement No. 75	-	71,634	-
Adjustment needed to record the net OPEB liability in accordance with GASB Statement No. 75	(241,665)	(186,506)	(206,621)
Adjustment needed to record OPEB deferred outflows of resources for contributions made subsequent to the measurement date in accordance with GASB Statement No. 75	26,056	20,108	22,277
Net position, as restated	$ 42,698,982	$ 53,550,398	$ (3,296,885)

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,

	2018	2017	2016
Total pension liability			
Service cost	**$ 734,961**	$ 647,032	$ 726,704
Interest on total pension liability	**5,667,365**	5,501,879	5,281,509
Differences between expected and actual experience	**597,386**	660,440	1,166,560
Changes of assumptions	**1,510,700**	-	-
Benefit payments, including refunds of employee contributions	**(4,843,493)**	(4,504,617)	(4,157,966)
Net change in total pension liability	**3,666,919**	2,304,734	3,016,807
Total pension liability - beginning	**75,549,032**	73,244,298	70,227,491
Total pension liability - ending (a)	**79,215,951**	75,549,032	73,244,298
Plan fiduciary net position			
Contributions - employer	**2,990,801**	2,871,270	2,709,329
Net investment income	**8,279,957**	5,713,778	651,834
Benefit payments, including refunds of member contributions	**(4,843,493)**	(4,504,617)	(4,157,966)
Administrative expenses	**(108,295)**	(64,872)	(74,379)
Net change in plan fiduciary net position	**6,318,970**	4,015,559	(871,182)
Plan fiduciary net position - beginning	**55,879,564**	51,864,005	52,735,187
Plan fiduciary net position - ending (b)	**62,198,534**	55,879,564	51,864,005
City's net pension liability (asset) - ending (a) - (b)	**$ 17,017,417**	$ 19,669,468	$ 21,380,293
Plan fiduciary net position as a percentage of the total pension liability	**78.5%**	74.0%	70.8%
Covered-employee payroll	**$ 16,434,882**	$ 16,744,923	$ 15,560,315
Net pension liability as a percentage of covered-employee payroll	**103.5%**	117.5%	137.4%

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 – RETIREMENT PLAN
FOR THE FISCAL YEARS ENDED JUNE 30,

	2018	2017	2016
Actuarially determined contribution	**$ 3,065,676**	$ 2,961,576	$ 2,841,168
Contributions in relation to the actuarially determined contribution	**3,065,676**	2,961,576	2,841,168
Contribution deficiency (excess)	**$ -**	$ -	$ -
Covered employee payroll	**$ 16,434,882**	$ 16,744,923	$ 15,560,315
Contributions as a percentage of covered-employee payroll	**18.7%**	17.7%	18.3%

Notes to the Schedule:

Valuation Date	January 1, 2018
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 CHANGES IN THE CITY'S NET OPEB LIABILITY
AND RELATED RATIOS
FOR THE FISCAL YEAR ENDED JUNE 30,

	2018
Total OPEB liability	
Service cost	$ 144,367
Interest on total pension liability	559,065
Differences between expected and actual experience	(314,018)
Benefit payments, including refunds of employee contributions	(181,331)
Net change in total pension liability	208,083
Total OPEB liability - beginning	8,234,312
Total OPEB liability - ending (a)	8,442,395
Plan fiduciary net position	
Contributions - employer	181,331
Net investment income	969,716
Benefit payments, including refunds of member contributions	(181,331)
Net change in plan fiduciary net position	969,716
Plan fiduciary net position - beginning	6,552,446
Plan fiduciary net position - ending (b)	7,522,162
City's net OPEB liability - ending (a) - (b)	$ 920,233
Plan fiduciary net position as a percentage of the total OPEB liability	89.1%

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 – OPEB PLAN
FOR THE FISCAL YEAR ENDED JUNE 30,

	2018
Actuarially determined contribution	$ 251,099
Contributions in relation to the actuarially determined contribution	251,099
Contribution deficiency (excess)	$ -
Covered payroll	$ 7,585,296
Contributions as a percentage of covered-employee payroll	3.3%

Notes to the Schedule:

Valuation Date	June 30, 2017
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Market Value of Assets
Assumed Rate of Return	
On Investments	7.00%
Inflation	2.30%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective amortization period of 20 years

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

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

The **2017 CDBG Fund** accounts for CDBG grant revenues and expenditures relating to public works projects.

The **FEMA Fund** accounts for the federal grant monies received from the Federal Emergency Management Association.

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 1% 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, 2018

	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	$ -	$ 131,386	$ 89,536	$ 80	$ 87,769	$ 28,479	$ -
Investments	-	-	-	-	-	-	-
Taxes receivable	6,136	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	2,500	-
Due from other governments	-	-	-	-	-	-	-
Due from other funds	45,280	-	-	-	46,127	-	-
Assets held for resale	-	-	-	-	-	-	-
Total assets	$ 51,416	$ 131,386	$ 89,536	$ 80	$ 133,896	$ 30,979	$ -
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	4,536	44,451	16,388	5,974	-	13,393	449
Due to component unit	46,880	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	2,500	-
Total liabilities	51,416	44,451	16,388	5,974	-	15,893	449
FUND BALANCES (DEFICITS)							
Nonspendable:							
Assets held for resale	-	-	-	-	-	-	-
Permanent fund principal	-	-	-	-	-	-	-
Restricted for:							
Law enforcement	-	86,935	73,148	-	133,896	15,086	-
Cemetery maintenance (expendable)	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-
Unassigned	-	-	-	(5,894)	-	-	(449)
Total fund balances (deficits)	-	86,935	73,148	(5,894)	133,896	15,086	(449)
Total liabilities and fund balances	$ 51,416	$ 131,386	$ 89,536	$ 80	$ 133,896	$ 30,979	$ -

(Continued)

Special Revenue Funds								Capital Project Funds	
2016 CDBG	2017 CDBG	FEMA	2008 CHIP	Neighborhood Stabilization	Neighborhood Stabilization 3	Tax Allocation Districts	LCI Project Fund	Federal Stimulus
$ -	$ -	$ -	$ 837	$ 129,544	$ 146,268	$ 1,007,325	$ -	$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	151,798	555,930	-	-	-	-	-	-
-	-	-	-	-	-	3,820	-	737
-	-	-	-	-	-	-	-	-
$ -	$ 151,798	$ 555,930	$ 837	$ 129,544	$ 146,268	$ 1,011,145	$ -	$ 737
$ -	$ 174,314	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	434,781	-	37	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	132,684	-	-	-	-	-	-
-	174,314	567,465	-	37	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	837	129,507	146,268	1,011,145	-	737
-	(22,516)	(11,535)	-	-	-	-	-	-
-	(22,516)	(11,535)	837	129,507	146,268	1,011,145	-	737
$ -	$ 151,798	$ 555,930	$ 837	$ 129,544	$ 146,268	$ 1,011,145	$ -	$ 737

CITY OF GRIFFIN, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Capital Project Funds			Permanent Funds		
ASSETS	**General Capital Projects Fund**	**SPLOST Fund**	**Georgia Transportation Infrastructure Fund**	**Cemetery Trust Fund**	**Mausoleum Trust Fund**	**Totals**
Cash and cash equivalents	$ 845,718	$ 999,888	$ -	$ 783,376	$ 333,089	$ 4,583,295
Investments	-	-	-	2,622,161	428,303	3,050,464
Taxes receivable	-	-	-	-	-	6,136
Accounts receivable, net	-	-	-	-	-	2,500
Due from other governments	-	-	-	-	-	707,728
Due from other funds	-	67,830	-	161,128	-	324,922
Assets held for resale	-	-	-	192,873	-	192,873
Total assets	$ 845,718	$ 1,067,718	$ -	$ 3,759,538	$ 761,392	$ 8,867,918
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ -	$ 6,849	$ -	$ -	$ -	$ 181,163
Due to other funds	61,324	808	-	-	320,342	902,483
Due to component unit	-	-	-	-	-	46,880
Unearned revenues	-	-	-	-	-	135,184
Total liabilities	61,324	7,657	-	-	320,342	1,265,710
FUND BALANCES (DEFICITS)						
Nonspendable:						
Assets held for resale	-	-	-	192,873	-	192,873
Permanent fund principal	-	-	-	2,432,032	164,759	2,596,791
Restricted for:						
Law enforcement	-	-	-	-	-	309,065
Cemetery maintenance (expendable)	-	-	-	1,134,633	276,291	1,410,924
Capital projects	784,394	1,060,061	-	-	-	3,132,949
Unassigned	-	-	-	-	-	(40,394)
Total fund balances (deficits)	784,394	1,060,061	-	3,759,538	441,050	7,602,208
Total liabilities and fund balances	$ 845,718	$ 1,067,718	$ -	$ 3,759,538	$ 761,392	$ 8,867,918

(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, 2018

	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	$ 73,360	$ -	$ -	$ -	$ -	$ -	$ -
Charges for services	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Fines and forfeitures	-	-	28,648	57	25,155	-	-
Interest revenue	-	36	-	-	-	-	-
Contributions and donations	-	-	-	-	-	8,784	-
Other revenues	-	-	-	-	-	-	-
Total revenues	73,360	36	28,648	57	25,155	8,784	-
Expenditures:							
Current:							
Public safety	-	-	48,380	-	6,300	12,368	-
Public works	-	-	-	-	-	-	-
Housing and economic development	44,097	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Total expenditures	44,097	-	48,380	-	6,300	12,368	-
Excess (deficiency) of revenues over (under) expenditures	29,263	36	(19,732)	57	18,855	(3,584)	-
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	(29,263)	-	-	(27,496)	-	-	-
Total other financing sources (uses)	(29,263)	-	-	(27,496)	-	-	-
Net change in fund balances	-	36	(19,732)	(27,439)	18,855	(3,584)	-
Fund balances (deficits), beginning of year	-	86,899	92,880	21,545	115,041	18,670	(449)
Fund balances (deficits), end of year	$ -	$ 86,935	$ 73,148	$ (5,894)	$ 133,896	$ 15,086	$ (449)

(Continued)

Special Revenue Funds							Capital Project Funds	
2016 CDBG	2017 CDBG	FEMA	2008 CHIP	Neighborhood Stabilization	Neighborhood Stabilization 3	Tax Allocation Districts	LCI Project Fund	Federal Stimulus
$ -	$ -	$ -	$ -	$ -	$ -	$ 346,311	$ -	$ -
-	-	-	-	-	-	-	-	-
371,735	151,798	423,246	-	-	7,937	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	7,400	-	-	-
371,735	151,798	423,246	-	-	15,337	346,311	-	-
-	-	434,781	-	-	-	-	-	-
506,550	283,422	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	46,105	-	-
506,550	283,422	434,781	-	-	-	46,105	-	-
(134,815)	(131,624)	(11,535)	-	-	15,337	300,206	-	-
148,781	109,108	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(13,878)	-
148,781	109,108	-	-	-	-	-	(13,878)	-
13,966	(22,516)	(11,535)	-	-	15,337	300,206	(13,878)	-
(13,966)	-	-	837	129,507	130,931	710,939	13,878	737
$ -	$ (22,516)	$ (11,535)	$ 837	$ 129,507	$ 146,268	$ 1,011,145	$ -	$ 737

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Capital Project Funds			Permanent Funds		
	General Capital Projects Fund	SPLOST Fund	Georgia Transportation Infrastructure Fund	Cemetery Trust Fund	Mausoleum Trust Fund	Totals
Revenues:						
Other taxes	$ -	$ -	$ -	$ -	$ -	$ 419,671
Charges for services	-	-	-	50,659	-	50,659
Intergovernmental	-	2,000	789,187	-	-	1,745,903
Fines and forfeitures	-	-	-	-	-	53,860
Interest revenue	-	3,246	-	256,118	-	259,400
Contributions and donations	-	-	-	-	-	8,784
Other revenues	-	-	-	44,189	7,391	58,980
Total revenues	-	5,246	789,187	350,966	7,391	2,597,257
Expenditures:						
Current:						
Public safety	-	-	-	-	-	501,829
Public works	-	-	-	14,277	-	804,249
Housing and economic development	-	-	-	-	-	44,097
Capital outlay	-	966,068	-	-	-	966,068
Debt service	-	-	-	-	-	46,105
Total expenditures	-	966,068	-	14,277	-	2,362,348
Excess (deficiency) of revenues over (under) expenditures	-	(960,822)	789,187	336,689	7,391	234,909
Other financing sources (uses)						
Transfers in	1,006,771	-	-	-	-	1,264,660
Transfers out	-	-	(992,893)	-	-	(1,063,530)
Total other financing sources (uses)	1,006,771	-	(992,893)	-	-	201,130
Net change in fund balances	1,006,771	(960,822)	(203,706)	336,689	7,391	436,039
Fund balances (deficits), beginning of year	(222,377)	2,020,883	203,706	3,422,849	433,659	7,166,169
Fund balances (deficits), end of year	$ 784,394	$ 1,060,061	$ -	$ 3,759,538	$ 441,050	$ 7,602,208

(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, 2018

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Other taxes	$ 73,360	$ 73,360	$ -
Total revenues	73,360	73,360	-
EXPENDITURES			
Housing and development	73,360	44,097	29,263
Total expenditures	73,360	44,097	29,263
Excess of revenues over expenditures	-	29,263	29,263
Other financing uses			
Transfers out	-	(29,263)	(29,263)
Total other financing uses	-	(29,263)	(29,263)
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, 2018

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Interest revenue	$ -	$ 36	$ 36
Total revenues	-	36	36
EXPENDITURES			
Public safety	-	-	-
Total expenditures	-	-	-
Net change in fund balance	-	36	36
FUND BALANCES, beginning of year	86,899	86,899	-
FUND BALANCES, end of year	$ 86,899	$ 86,935	$ 36

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, 2018

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Fines and forfeitures	$ 28,648	$ 28,648	$ -
Total revenues	28,648	28,648	-
EXPENDITURES			
Public safety	48,648	48,380	268
Total expenditures	48,648	48,380	268
Net change in fund balance	(20,000)	(19,732)	268
FUND BALANCES, beginning of year	92,880	92,880	-
FUND BALANCES, end of year	$ 72,880	$ 73,148	$ 268

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, 2018

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Fines and forfeitures	$ -	$ 57	$ 57
Total revenues	-	57	57
EXPENDITURES			
Public safety	-	-	-
Total expenditures	-	-	-
Excess of revenues over expenditures	-	57	57
Other financing uses			
Transfers out	(27,500)	(27,496)	4
Total other financing uses	(27,500)	(27,496)	4
Net change in fund balance	(27,500)	(27,439)	61
FUND BALANCES, beginning of year	21,545	21,545	-
FUND BALANCES (DEFICITS), end of year	$ (5,955)	$ (5,894)	$ 61

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, 2018

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Fines and forfeitures	$ 20,000	$ 25,155	$ 5,155
Total revenues	20,000	25,155	5,155
EXPENDITURES			
Public safety	6,300	6,300	-
Total expenditures	6,300	6,300	-
Net change in fund balance	13,700	18,855	5,155
FUND BALANCES, beginning of year	115,041	115,041	-
FUND BALANCES, end of year	$ 128,741	$ 133,896	$ 5,155

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, 2018

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Contributions and donations	$ 8,784	$ 8,784	$ -
Total revenues	8,784	8,784	-
EXPENDITURES			
Public safety	7,335	12,368	(5,033)
Total expenditures	7,335	12,368	(5,033)
Net change in fund balance	1,449	(3,584)	(5,033)
FUND BALANCES, beginning of year	18,670	18,670	-
FUND BALANCES, end of year	$ 20,119	$ 15,086	$ (5,033)

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, 2018

	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

2016 CDBG FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 371,735	$ 371,735	$ -
Total revenues	371,735	371,735	-
EXPENDITURES			
Public works	506,550	506,550	-
Total expenditures	506,550	506,550	-
Deficiency of revenues under expenditures	(134,815)	(134,815)	-
Other financing sources			
Transfers in	148,781	148,781	-
Total other financing sources	148,781	148,781	-
Net change in fund balance	13,966	13,966	-
FUND BALANCES (DEFICITS), beginning of year	(13,966)	(13,966)	-
FUND BALANCES, end of year	$ -	$ -	$ -

CITY OF GRIFFIN, GEORGIA

2017 CDBG FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 151,798	$ 151,798	$ -
Total revenues	151,798	151,798	-
EXPENDITURES			
Public works	283,422	283,422	-
Total expenditures	283,422	283,422	-
Deficiency of revenues under expenditures	(131,624)	(131,624)	-
Other financing sources			
Transfers in	109,108	109,108	-
Total other financing sources	109,108	109,108	-
Net change in fund balance	(22,516)	(22,516)	-
FUND BALANCES, beginning of year	-	-	-
FUND BALANCES (DEFICITS), end of year	$ (22,516)	$ (22,516)	$ -

CITY OF GRIFFIN, GEORGIA

FEMA FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 26,350	$ 423,246	$ 396,896
Total revenues	26,350	423,246	396,896
EXPENDITURES			
Public safety	26,350	434,781	(408,431)
Total expenditures	26,350	434,781	(408,431)
Deficiency of revenues under expenditures	-	(11,535)	(11,535)
Net change in fund balance	-	(11,535)	(11,535)
FUND BALANCES, beginning of year	-	-	-
FUND BALANCES (DEFICITS), end of year	$ -	$ (11,535)	$ (11,535)

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, 2018

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ -	$ -	$ -
Total revenues	-	-	-
EXPENDITURES			
Public works	-	-	-
Total expenditures	-	-	-
Net change in fund balance	-	-	-
FUND BALANCES, beginning of year	837	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, 2018

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

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, 2018

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ -	$ 7,937	$ 7,937
Other revenues	-	7,400	7,400
Total revenues	-	15,337	15,337
EXPENDITURES			
Public works	-	-	-
Total expenditures	-	-	-
Net change in fund balance	-	15,337	15,337
FUND BALANCES, beginning of year	130,931	130,931	-
FUND BALANCES, end of year	$ 130,931	$ 146,268	$ 15,337

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, 2018

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Other taxes	$ 433,500	$ 346,311	$ (87,189)
Total revenues	433,500	346,311	(87,189)
EXPENDITURES			
Debt service	46,110	46,105	5
Total expenditures	46,110	46,105	5
Net change in fund balance	387,390	300,206	(87,184)
FUND BALANCES, beginning of year	710,939	710,939	-
FUND BALANCES, end of year	$ 1,098,329	$ 1,011,145	$ (87,184)

CITY OF GRIFFIN, GEORGIA

SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2009 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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	3,660,760	55,266	3,716,026
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	489,227	201,670	690,897
Sidewalks	490,728	490,728	400,090	-	400,090
North Hill Street LCI	3,000,000	3,000,000	1,637,499	709,132	2,346,631
Utilities/Engineering	2,435,465	2,435,465	337,441	-	337,441
	$ 10,874,590	$ 10,874,590	$ 9,707,945	$ 966,068	$ 10,674,013

Total per Combining Statement of Revenues, Expenditures and Changes in Fund Balance $ 966,068

CITY OF GRIFFIN, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2016 ISSUE FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
One Griffin Center	$ 3,038,510	$ 3,038,510	$ 2,825,784	$ -	$ 2,825,784
Fire Headquarters	3,250,000	3,250,000	1,303,282	2,146,845	3,450,127
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	603,714	1,072,074
Substandard Abatement	3,000,000	3,000,000	160,606	507,827	668,433
Street Resurfacing	4,948,651	4,948,651	227,415	575,621	803,036
Intersection Improvements	2,200,000	2,200,000	117,709	216,565	334,274
Sidewalks	600,000	600,000	2,700	123,897	126,597
Right of Way Improvements	240,000	240,000	-	51,778	51,778
	$ 22,344,000	$ 22,344,000	$ 6,204,819	4,226,247	$ 10,431,066

Reconciliation to the Combining Statement of Revenues, Expenditures and Changes in Fund Balance:

Debt service principal expenditures already included in amounts above	905,000
Debt service interest expenditures already included in amounts above	325,449
Total per Combining Statement of Revenues, Expenditures and Changes in Fund Balance	$ 5,456,696

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 **Telecommunications Fund** accounts for revenues and expenses relating to the operation of the City's fiber services infrastructure. Funding is provided by City appropriations and user fees.

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, 2018

	Stormwater Utility Fund	Telecommunications Fund	Welcome Center Fund
ASSETS			
CURRENT ASSETS			
Cash	$ 262,753	$ -	$ -
Restricted assets, cash	-	-	-
Accounts receivable, net of allowances	218,831	26,886	-
Due from component units	31,466	-	-
Due from other funds	2,434,116	239,157	4,536
Inventories	-	-	-
Prepaid expenses	15,645	-	763
Total current assets	2,962,811	266,043	5,299
NONCURRENT ASSETS			
Capital assets:			
Nondepreciable	169,923	142,624	365,500
Depreciable, net of accumulated depreciation	6,290,956	1,079,752	1,341,736
Total noncurrent assets	6,460,879	1,222,376	1,707,236
Total assets	9,423,690	1,488,419	1,712,535
DEFERRED OUTFLOWS OF RESOURCES			
Pension	132,674	-	-
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	19,032	-	360
Accrued liabilities	11,370	-	-
Current portion - compensated absences	18,711	-	-
Current portion - notes payable	206,081	-	-
Current portion - capital leases payable	149,565	-	-
Due to other funds	47,879	1,180,834	80,384
Total current liabilities	452,638	1,180,834	80,744
NONCURRENT LIABILITIES			
Compensated absences, net of current portion	3,302	-	-
Net pension liability	448,699	-	-
Notes payable, net of current portion	910,552	-	-
Capital leases payable, net of current portion	501,450	-	-
Total noncurrent liabilities	1,864,003	-	-
Total liabilities	2,316,641	1,180,834	80,744
DEFERRED INFLOWS OF RESOURCES			
Pension	86,577	-	-
NET POSITION			
Net investment in capital assets	4,693,231	1,222,376	1,707,236
Unrestricted	2,459,915	(914,791)	(75,445)
Total net position	$ 7,153,146	$ 307,585	$ 1,631,791

Golf Course Fund	Totals
$ 309,674	$ 572,427
27,661	27,661
12,459	258,176
24,345	55,811
3,724	2,681,533
36,319	36,319
3,826	20,234
418,008	3,652,161
1,637,302	2,315,349
213,257	8,925,701
1,850,559	11,241,050
2,268,567	14,893,211
34,815	167,489
5,669	25,061
4,705	16,075
7,281	25,992
-	206,081
-	149,565
179,766	1,488,863
197,421	1,911,637
1,285	4,587
117,743	566,442
-	910,552
-	501,450
119,028	1,983,031
316,449	3,894,668
22,719	109,296
1,850,559	9,473,402
113,655	1,583,334
$ 1,964,214	$ 11,056,736

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Stormwater Utility Fund	Telecommunications Fund	Welcome Center Fund
OPERATING REVENUES			
Charges for services	$ 2,392,293	$ 378,339	$ 10,125
Other services	987	-	-
Total operating revenues	2,393,280	378,339	10,125
OPERATING EXPENSES			
Personal services	749,479	-	-
Purchased or contracted service	461,753	476	131,178
Supplies	130,247	-	1,094
Miscellaneous	52,804	-	-
Depreciation	447,650	70,278	40,659
Total operating expenses	1,841,933	70,754	172,931
Operating income (loss)	551,347	307,585	(162,806)
NONOPERATING REVENUES (EXPENSES)			
Interest revenue	2,722	-	-
Interest expense	(48,831)	-	-
Total nonoperating expenses, net	(46,109)	-	-
Income (loss) before capital contributions and transfers	505,238	307,585	(162,806)
CAPITAL CONTRIBUTIONS	6,000	-	22,925
TRANSFERS			
Transfers in	-	-	35,641
Total transfers	-	-	35,641
Change in net position	511,238	307,585	(104,240)
NET POSITION, beginning of year	6,641,908	-	1,736,031
NET POSITION, end of year	$ 7,153,146	$ 307,585	$ 1,631,791

Golf Course Fund	Totals
$ 213,776	$ 2,994,533
-	987
213,776	2,995,520
267,218	1,016,697
121,719	715,126
42,100	173,441
162,590	215,394
63,243	621,830
656,870	2,742,488
(443,094)	253,032
-	2,722
-	(48,831)
-	(46,109)
(443,094)	206,923
-	28,925
450,783	486,424
450,783	486,424
7,689	722,272
1,956,525	10,334,464
$ 1,964,214	$ 11,056,736

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Stormwater Utility Fund	Telecommunications Fund	Welcome Center Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 1,327,066	$ 112,296	$ 74,851
Payments to suppliers	(652,381)	1,180,358	(133,269)
Payments to employees	(757,382)	-	(148)
Net cash provided by (used in) operating activities	(82,697)	1,292,654	(58,566)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental	6,000	-	22,925
Transfers in	-	-	35,641
Net cash provided by noncapital financing activities	6,000	-	58,566
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(423,636)	(1,292,654)	-
Proceeds from capital leases payable	358,228	-	-
Principal paid on notes payable and capital leases	(296,139)	-	-
Interest paid	(49,485)	-	-
Net cash used in capital and related financing activities	(411,032)	(1,292,654)	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	2,722	-	-
Net cash provided by investing activities	2,722	-	-
Change in cash and cash equivalents	(485,007)	-	-
Cash and cash equivalents:			
Beginning of year	747,760	-	-
End of year	$ 262,753	$ -	$ -
Classified as:			
Cash	$ 262,753	$ -	$ -
Restricted assets, cash	-	-	-
	$ 262,753	$ -	$ -

(Continued)

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Stormwater Utility Fund	Telecommunications Fund	Welcome Center Fund
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	$ 551,347	$ 307,585	$ (162,806)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Depreciation	447,650	70,278	40,659
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	12,419	(26,886)	-
Decrease in due from other governments	28,174	-	-
Increase in inventory	-	-	-
Increase in due from component units	(31,466)	-	-
Increase in due from other funds	(1,064,737)	(239,157)	(1,754)
(Increase) decrease in prepaids and other assets	(242)	-	609
Increase in deferred outflows of resources	(26,291)	-	-
Decrease in accounts payable	(8,938)	-	-
Increase in accrued liabilities	6,567	-	-
Increase (decrease) in due to other funds	(10,604)	1,180,834	64,726
Decrease in net pension liability	(70,575)	-	-
Increase in deferred inflows of resources	83,999	-	-
Net cash provided by (used in) operating activities	$ (82,697)	$ 1,292,654	$ (58,566)

(Concluded)

Golf Course Fund	Totals
$ 206,923	$ 1,721,136
(339,813)	54,895
(268,382)	(1,025,912)
(401,272)	750,119
-	28,925
450,783	486,424
450,783	515,349
(162,752)	(1,879,042)
-	358,228
-	(296,139)
-	(49,485)
(162,752)	(1,866,438)
-	2,722
-	2,722
(113,241)	(598,248)
450,576	1,198,336
$ 337,335	$ 600,088
$ 309,674	$ 572,427
27,661	27,661
$ 337,335	$ 600,088

Golf Course Fund	Totals
$ (443,094)	$ 253,032
63,243	621,830
(3,129)	(17,596)
-	28,174
(1,573)	(1,573)
-	(31,466)
(3,724)	(1,309,372)
(363)	4
(7,010)	(33,301)
(966)	(9,904)
1,777	8,344
(10,502)	1,224,454
(17,976)	(88,551)
22,045	106,044
$ (401,272)	$ 750,119

CITY OF GRIFFIN, GEORGIA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Municipal Court			
	Balance July 1, 2017	Increases	Decreases	Balance June 30, 2018
ASSETS				
Cash and cash equivalents	$ 86,544	$ 2,414,281	$ (2,385,332)	$ 115,493
Total assets	$ 86,544	$ 2,414,281	$ (2,385,332)	$ 115,493
LIABILITIES				
Due to others	$ 86,544	$ 2,414,281	$ (2,385,332)	$ 115,493
Total liabilities	$ 86,544	$ 2,414,281	$ (2,385,332)	$ 115,493

CITY OF GRIFFIN, GEORGIA

BALANCE SHEET
COMPONENT UNITS
JUNE 30, 2018

	Griffin Main Street	Griffin Downtown Development	Business and Tourism Association
ASSETS			
Cash and cash equivalents	$ 63,194	$ 40,448	$ 164,484
Due from primary government	-	42,209	85,222
Total assets	63,194	82,657	249,706
LIABILITIES			
Accounts payable	840	-	-
Accrued liabilities	-	3,006	-
Deferred revenue	137	-	-
Due to primary government	138,690	25	2,093
Total liabilities	139,667	3,031	2,093
FUND BALANCES (DEFICIT)			
Unassigned	(76,473)	79,626	247,613
Total fund balance (deficit)	$ (76,473)	$ 79,626	$ 247,613

CITY OF GRIFFIN, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Griffin Main Street	Griffin Downtown Development	Business and Tourism Association
Revenues			
Intergovernmental	$ 18,870	$ 134,209	$ 227,393
Contributions	-	7,000	-
Interest	-	82	-
Total revenues	18,870	141,291	227,393
Expenditures			
Personal services	-	78,048	3,965
Purchased or contracted services	187,909	13,456	5,381
Supplies	1,273	588	159
Capital outlay	16,870	50,961	-
Miscellaneous	2,024	12,706	47,265
Total expenditures	208,076	155,759	56,770
Net change in fund balance	(189,206)	(14,468)	170,623
Fund balances, beginning of year	112,733	94,094	76,990
Fund balances (deficits), end of year	$ (76,473)	$ 79,626	$ 247,613

CITY OF GRIFFIN, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
AIRPORT AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

OPERATING REVENUES		
Charges for services	$	516,700
Other services		6,767
Total operating revenues		523,467
OPERATING EXPENSES		
Personal services		204,670
Purchased or contracted service		350,964
Supplies		8,246
Miscellaneous		49,134
Depreciation		132,346
Total operating expenses		745,360
Operating loss		(221,893)
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental		643,925
Intergovernmental - contributions from City		349,502
Interest revenue		6,087
Interest expense and fiscal charges		(170,853)
Total nonoperating revenues, net		828,661
Change in net position		606,768
Net position, beginning of year, as restated		9,404,781
Net position, end of year	$	10,011,549

CITY OF GRIFFIN, GEORGIA

STATEMENT OF CASH FLOWS
AIRPORT AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	$	752,358
Payments to suppliers		(496,443)
Payments to employees		(212,063)
Net cash provided by operating activities		43,852
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Intergovernmental		993,427
Net cash provided by noncapital financing activities		993,427
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets		(396,442)
Payments on revenue bonds		(30,000)
Proceeds from the sale of capital assets		21,687
Interest paid		(218,400)
Net cash used in capital and related financing activities		(623,155)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments		6,087
Net cash provided by investing activities		6,087
Change in cash and cash equivalents		420,211
Cash and cash equivalents:		
Beginning of year		1,342,938
End of year	$	1,763,149
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	$	(221,893)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation		132,346
Changes in assets and liaibilities:		
Increase in accounts receivable		(47,835)
Increase in inventory		(30,685)
Decrease in due from other funds		30,000
Decrease in prepaids and other assets		2,656
Increase in deferred outflows of resources - pension and other post-employment benefits		(8,186)
Decrease in accounts payable		(57,167)
Decrease in accrued liabilities		(6,347)
Increase in due to other funds		246,726
Decrease in net pension liability		(21,485)
Decrease in net other post-employment benefits liability		(753)
Increase in deferred inflows of resources - pension and other post-employment benefits		26,475
Net cash provided by operating activities	$	43,852

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 ..... **116 – 123**

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 ..... **124 – 131**

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

Debt Capacity ..... **132 – 136**

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 ..... **137 and 138**

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 ..... **139 – 141**

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets	$ 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	$ 27,223,308
Restricted	-	-	3,334,266	3,826,867	4,206,163	6,227,266	6,166,773	11,415,432	14,948,625	15,393,224
Unrestricted	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	3,066,557
Total governmental activities net position	$ 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	$ 45,683,089
Business-type activities										
Net investment in capital assets	$ 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	$ 69,396,942
Restricted	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	2,632,901
Unrestricted	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	34,699,829
Total business-type activities net position	$ 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	$ 106,729,672
Primary government										
Net investment in capital assets	$ 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	$ 96,620,250
Restricted	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	18,026,125
Unrestricted	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	37,766,386
Total primary government net position	$ 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	$ 152,412,761

Note: GASB 68 was implemented during fiscal year 2015.

CITY OF GRIFFIN, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Primary government:										
Governmental activities:										
General government	$ 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	$ 5,541,017
Judicial	154,801	166,044	168,762	251,537	163,995	187,201	220,967	299,837	231,521	312,526
Public safety	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	14,559,704
Public works	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	4,907,482
Parks and recreation	535,047	265,882	265,527	288,563	306,880	331,053	341,114	375,164	390,878	376,616
Housing and development	574,377	960,351	897,705	893,084	1,744,909	1,285,090	1,198,472	1,414,435	1,423,875	1,262,974
Interest and fiscal changes	232,108	218,882	206,442	192,630	315,732	206,286	194,435	439,627	150,998	127,215
Total governmental activities expenses	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	27,087,534
Business-type activities:										
Water and wastewater	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	16,895,047
Electric	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	38,274,105
Solid waste	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	7,442,498
Stormwater	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	1,919,628
Airport	911,534	806,985	928,157	780,458	1,014,246	-	-	-	-	-
Welcome center	101,039	108,418	107,105	106,178	115,656	122,901	106,913	101,107	109,020	172,931
Telecommunications	-	-	-	-	-	-	-	-	-	70,754
Golf course	595,589	551,005	561,208	601,361	608,758	637,841	662,440	659,881	656,516	656,870
Total business-type activities expenses	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	65,431,833
Total primary government expenses	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	92,519,367
Program revenues										
Primary government:										
Governmental activities:										
Charges for services										
General government	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	5,860,496
Judicial	-	-	-	-	-	-	-	-	-	-
Public safety	1,483,436	2,204,342	1,347,878	1,151,869	1,035,788	660,646	888,437	832,375	783,377	837,529
Public works	181,713	174,843	200,332	205,135	197,369	174,619	187,224	173,247	173,578	193,721
Parks and recreation	183,146	211,449	210,767	207,638	207,317	186,169	215,779	226,426	198,072	189,906
Housing and economic development	127,306	115,216	101,832	149,688	127,337	150,780	235,016	181,471	230,524	238,120
Operating grants and contributions	406,984	1,693,407	1,053,102	401,862	790,343	615,471	373,085	573,546	436,650	310,585
Capital grants and contributions	-	2,488,143	3,342,662	1,728,069	2,244,969	2,629,373	1,235,013	2,698,218	4,808,719	6,282,899
Total governmental activities program revenues	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	13,913,256

(Continued)

CITY OF GRIFFIN, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Business-type activities:										
Charges for services [(a)]										
Water and wastewater	$ 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	$ 21,620,331
Electric	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	48,174,964
Solid waste	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	6,448,130
Stormwater	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	2,393,280
Airport	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	10,125
Telecommunications	-	-	-	-	-	-	-	-	-	378,339
Golf course	316,858	300,866	284,412	234,223	236,934	236,936	235,553	232,475	184,537	213,776
Operating grants and contributions	206,103	141,499	169,809	46,773	182,849	104,962	-	355,826	28,174	28,925
Capital grants and contributions	735,186	571,622	331,663	117,206	9,141,322	21,758	12,000	272,912	227,988	564,670
Total business-type activities program revenues	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	79,832,540
Total primary government program revenues	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	93,745,796
General revenues and other changes in net position										
Primary government:										
Governmental activities:										
Property taxes	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	4,664,507
Sales taxes	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	3,622,779
Insurance premium tax	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	1,546,090
Alcoholic beverage taxes	644,810	614,651	620,485	635,971	621,130	626,427	647,763	654,739	663,403	694,817
Business occupational taxes	384,289	415,842	404,400	421,639	416,930	441,938	431,498	457,755	459,395	432,276
Other taxes	166,668	179,848	196,315	196,560	253,890	257,431	399,177	523,587	523,462	499,673
Franchise fees	621,589	560,428	555,513	556,258	559,345	535,272	526,376	378,289	513,414	561,363
Unrestricted investment earnings	(158,665)	(81,675)	245,221	163,807	9,852	445,337	127,873	165,895	248,710	292,909
Gain on sale of assets	50,012	30,023	10,530	72,546	-	5,341	31,644	14,670	14,252	178,057
Transfers	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	6,887,541
Total governmental activities general revenues and changes in net position	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	19,380,012
Business-type activities:										
Unrestricted investment earnings	372,215	410,381	231,019	783,095	(373,183)	1,256,518	660,532	1,571,311	249,563	506,130
Gain on sale of assets	-	-	9,177	35,898	-	207,091	-	1,000	-	-
Special item	-	-	-	-	-	(3,152,966)	-	-	-	-
Transfers	(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)	(6,887,541)
Total business type activities general revenues and changes in net position	(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)	(6,381,411)

(Continued)

CITY OF GRIFFIN, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total primary government general revenues and other changes in net position	$ 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	$ 12,998,601
Change in net position										
Governmental activities	(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	6,205,734
Business-type activities	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	8,019,296
Total primary government change in net position	$ 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	$ 14,225,030

[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
2009 AND 2010

	Fiscal Year	
	2009	2010
General fund		
Reserved	$ 180,051	$ 238,489
Unreserved	742,294	2,024,459
Total general fund	$ 922,345	$ 2,262,948
All other governmental funds		
Reserved	$ 2,148,241	$ 2,103,064
Unreserved, reported in:		
Special revenue funds	138,022	362,047
Capital projects funds	(83,019)	2,315,097
Total all other governmental funds	$ 2,203,244	$ 4,780,208
Total all governmental funds	$ 3,125,589	$ 7,043,156

CITY OF GRIFFIN, GEORGIA

FUND BALANCES, GOVERNMENTAL FUNDS
LAST EIGHT FISCAL YEARS

	Fiscal Year							
	2011	2012	2013	2014	2015	2016	2017	2018
General fund								
Nonspendable	$ 211,407	$ 188,035	$ 217,727	$ 143,578	$ 187,974	$ 200,714	$ 241,156	$ 214,971
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	11,598,316
Total general fund	$ 4,611,481	$ 8,092,558	$ 7,951,789	$ 8,265,259	$ 10,301,295	$ 11,080,829	$ 11,657,072	$ 11,813,287
All other governmental funds								
Nonspendable, reported in:								
Special revenue funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital projects funds	-	-	-	-	-	1,098,963	1,069,875	1,809,450
Permanent funds	2,233,107	2,325,307	2,406,047	2,494,726	2,548,442	2,632,623	2,707,778	2,789,664
Restricted, reported in:								
Special revenue funds	355,797	410,412	576,388	669,104	781,473	1,137,425	1,307,249	1,596,822
Capital projects funds	2,698,470	3,016,291	3,264,096	4,784,160	4,473,499	9,221,759	9,881,346	7,979,237
Permanent funds	170,642	290,807	256,322	664,645	802,444	946,891	1,148,730	1,410,924
Unassigned	-	-	(65,152)	(10,087)	(2,947)	(178,042)	(236,792)	(40,394)
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	$ 15,545,703
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	$ 27,358,990

Note: GASB 54 was implemented during fiscal year 2011.

CITY OF GRIFFIN, GEORGIA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Property taxes	$ 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	$ 4,615,589
Other taxes	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	6,857,325
Charges for services	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	5,846,545
Licenses and permits	300,540	284,588	285,302	319,097	312,916	319,997	388,918	289,954	363,442	373,166
Intergovernmental	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	6,590,238
Franchise fees	621,589	560,428	555,513	556,258	559,345	535,272	526,376	523,587	523,462	499,673
Fines and forfeitures	1,309,886	2,128,550	1,296,843	1,084,115	984,364	621,506	846,414	783,125	738,696	768,565
Interest revenues	(159,027)	(82,058)	244,569	162,991	9,936	445,446	127,950	165,962	249,915	296,155
Rental income	191,521	195,969	196,689	193,874	193,944	175,598	207,623	209,693	186,979	175,162
Contributions and donations	4,314	35,626	3,766	3,165	629	9,160	26,601	30,040	10,427	12,230
Other revenues	147,835	55,864	42,020	64,906	65,895	105,832	57,669	76,189	99,224	144,104
Total revenues	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	26,178,752
Expenditures:										
Current:										
General government	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	5,400,732
Judicial	154,315	165,023	168,195	251,021	163,570	185,970	221,222	299,708	232,350	314,481
Public safety	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	14,965,354
Public works	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	4,806,953
Parks and recreation	543,691	310,404	293,622	317,098	372,654	296,379	489,016	376,386	361,581	372,177
Housing and development	566,739	949,545	892,066	879,060	1,749,118	1,257,507	1,186,700	1,547,863	1,419,384	1,264,820
Capital outlay	300,440	88,322	1,675,504	577,948	1,579,640	933,531	752,512	3,841,861	4,038,741	5,192,315
Debt service:										
Principal	663,610	712,094	463,214	427,584	415,465	341,489	282,252	3,001,822	79,171	997,615
Interest and fiscal charges	235,199	220,395	208,474	191,383	299,941	207,492	194,578	427,877	329,067	367,381
Total expenditures	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	33,681,828
Deficiency of revenues over expenditures	(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)	(7,503,076)

(Continued)

CITY OF GRIFFIN, GEORGIA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Other financing sources (uses)										
Transfers in	$ 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	$ 9,560,767
Transfers out	(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)	(2,673,226)
Tax allocation bond issuance	-	-	-	-	866,397	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	9,715,000	-	-
Premium on bond issuance	-	-	-	-	-	-	-	1,007,998	-	-
Capital leases	-	645,165	-	642,742	-	-	-	-	-	261,210
Proceeds from the sale of capital assets	-	21,500	30	72,546	45,087	5,341	31,644	14,670	14,252	178,057
Total other financing sources	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	7,326,808
Net change in fund balances	$ (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	$ (176,268)
Debt service as a percentage of noncapital expenditures	3.84%	4.04%	2.74%	2.63%	2.69%	2.20%	1.97%	12.26%	1.64%	5.13%

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
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
2018	4,616	3,623	432	3,302	11,973

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
2009	2008	$ 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%
2010	2009	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%
2011	2010	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%
2012	2011	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%
2013	2012	250,589,805	217,247,424	70,044,477	38,851,735	36,982,207	539,751,234	8.61	1,349,378,085	40%
2014	2013	215,342,724	235,452,254	69,272,022	42,605,915	40,442,206	539,751,234	7.33	1,305,576,773	40%
2015	2014	205,946,035	231,703,614	69,346,736	36,366,027	45,781,832	497,580,580	7.89	1,243,951,450	40%
2016	2015	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%
2017	2016	203,841,147	277,916,108	76,877,775	22,710,031	39,768,220	541,576,841	7.77	1,353,942,103	40%
2018	2017	209,337,571	274,171,995	74,968,574	18,844,526	40,067,121	537,255,545	7.64	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)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Municipal rates:										
City of Griffin:										
Maintenance and operations	14.95	14.95	14.95	14.95	15.19	14.97	14.37	14.37	14.37	14.64
Sales tax reduction	(6.32)	(6.32)	(6.32)	(6.32)	(6.58)	(7.64)	(6.48)	(6.48)	(6.60)	(7.00)
Total City of Griffin	8.63	8.63	8.63	8.63	8.61	7.33	7.89	7.89	7.77	7.64
City of Orchard Hill maintenance and operations	4.95	4.95	4.95	4.95	6.31	6.31	6.31	6.30	6.30	5.94
City of Sunny Side maintenance and operations	4.36	4.36	4.29	4.29	5.00	5.00	5.00	5.00	5.00	5.00
Spalding County rates:										
Unincorporated maintenance and operations	13.88	14.88	14.81	15.01	16.01	16.01	16.01	15.66	15.66	16.53
Fire protection [1]	4.82	5.04	5.98	5.98	5.98	4.17	5.93	3.61	3.61	3.61
Insurance premium rollback [1]	(1.79)	(1.81)	(1.81)	(1.81)	(1.81)	(1.76)	(1.76)	-	-	-
Board of Education	18.80	18.80	18.80	19.06	19.47	19.47	18.74	18.57	18.57	18.06
State of Georgia	0.25	0.25	0.25	0.25	0.25	0.15	0.05	0.05	-	-
Total unincorporated Spalding County	35.96	37.16	38.03	38.49	39.90	38.04	38.97	37.89	37.84	38.20
Total Municipalities:										
City of Griffin	41.56	42.56	42.49	42.95	44.34	42.96	42.69	42.17	42.00	42.23
City of Orchard Hill	37.88	38.88	38.81	39.27	42.04	41.94	41.11	40.58	40.53	40.53
City of Sunny Side	37.29	38.29	38.15	38.61	40.73	40.63	39.80	39.28	39.23	39.59

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	
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%	186,531	4,190,579	99.57%	204,546
2018	2017	4,175,013	4,045,378	96.89%	-	4,045,378	96.89%	182,299

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 2017 are used for fiscal year ending in 2018).

CITY OF GRIFFIN, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2018			2009		
Taxpayer	**Taxable Assessed Value (In thousands)**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value (In thousands)**	**Rank**	**Percentage of Total City Taxable Assessed Value**
Wellstar Spalding	$ 112,800	1	21.00%	$ -		-
Coveris Holding Corporation	77,916	2	14.50%	-		-
Wal-Mart Stores	71,587	3	13.32%	27,920	3	1.92%
Bridgestone/Bandag	67,929	4	12.64%	22,218	5	1.53%
Kroger	52,279	5	9.73%	-		-
North Griffin Square	50,706	6	9.44%	-		-
International Paper	43,500	7	8.10%	-		-
Lowes	40,945	8	7.62%	11,783	8	0.81%
Griffin Crossroads	38,137	9	7.10%	-		-
Home Depot	34,088	10	6.34%	11,180	9	0.77%
NACOM	-		-	69,150	1	4.76%
Tenet-Spalding Regional Hospital	-		-	37,298	2	2.57%
Exo-Tech Packaging, LLC	-		-	27,703	4	1.91%
Weyerhaeuser Co.	-		-	20,185	6	1.39%
Halpem Enterprises, Inc.	-		-	14,845	7	1.02%
Walden Point	-		-	9,293	10	0.64%
Total	$ 589,887		109.80%	$ 251,575		17.32%

Source: Spalding County Tax Assessor

CITY OF GRIFFIN, GEORGIA

TOP TEN SEWER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	2018				2009			
Customer	Usage (in gallons)	Charges	Rank	Percentage of Total Revenues	Usage (in gallons)	Charges	Rank	Percentage of Total Revenues
1888 Mills, Inc.	1,692,692	$ 658,027	1	9.26 %	-	$ -		- %
Spalding Co. Law Enforcement	721,496	459,540	2	6.47	-	-		-
Wellstar Spalding Regional Hospital	171,680	160,128	3	2.25	160,958	104,968	2	1.97
Spalding County C.I.	159,878	129,608	4	1.82	89,779	57,326	6	1.08
Bandag, Inc.	139,700	112,842	5	1.59	-	-		-
Caterpillar, Inc.	133,493	109,826	6	1.55	-	-		-
Mister Car Wash	100,338	89,750	7	1.26	-	-		-
International Paper	71,521	79,790	8	1.12	-	-		-
Brightmoor Health	72,177	70,196	9	0.99	71,924	44,972	9	0.84
Wolf Creek Homeowners Association	76,080	60,708	10	0.85	-	-		-
Kennedy Road Middle School	-	-		-	482,432	82,705	1	1.55
Northside Griffin, LLC	-	-		-	154,163	97,967	3	1.84
Westside Freddie Properties, LLC	-	-		-	107,508	70,679	4	1.33
Southern Terry	-	-		-	104,469	66,460	5	1.25
Yazaki	-	-		-	82,883	53,913	7	1.01
Spalding High School	-	-		-	75,990	47,319	8	0.89
Riverside Uniform Rental	-	-		-	68,201	43,774	10	0.82
	3,339,055	$ 1,930,415		27.16 %	1,398,307	$ 670,083		12.58 %

Source: City of Griffin Utility Billing Department

CITY OF GRIFFIN, GEORGIA

TOP TEN WATER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	2018				2009			
Customer	Usage (in gallons)	Charges	Rank	Percentage of Total Revenues	Usage (in gallons)	Charges	Rank	Percentage of Total Revenues
Coweta County Water and Sewer	1,095,639,100	$ 2,786,616	1	24.15 %	7,779,407	$ 1,967,469	1	19.28 %
City of Zebulon	61,670,267	489,337	2	4.24	895,579	298,763	3	2.93
1888 Mills, Inc.	47,678,500	897,125	3	7.78	-	-		-
City of Griffin Wastewater Treatment Plant	33,425,200	1,051	4		-	-		-
Spalding County Law Enforcement	21,333,800	861,110	5	7.46	-	-		-
Wellstar Spalding Regional Hospital	14,353,200	276,238	6	2.39	160,958	77,421	5	0.76
City of Williamson	12,695,400	103,889	7	0.90	129,501	43,586	8	0.43
Mister Car Wash	11,864,700	96,066	8	0.83	-	-		-
Spalding Co C I	7,946,900	189,038	9	1.64	-	-		-
Bandag, Inc.	7,885,200	102,419	10	0.89	-	-		-
Springs Ind., Inc.	-	-		-	1,063,820	354,252	2	3.47
Kennedy Road Middle School	-	-		-	241,224	37,477	4	0.37
Northside Griffin, LLC	-	-		-	154,163	115,180	6	1.13
Del Webb's SCP HOA	-	-		-	141,566	104,375	7	1.02
Westside Freddie Properties, LLC	-	-		-	107,508	54,798	9	0.54
Southern Terry	-	-		-	104,469	48,610	10	0.48
	1,314,492,267	$ 5,802,889		50.28 %	10,778,195	$ 3,101,931		30.41 %

Source: City of Griffin Utility Billing Department

CITY OF GRIFFIN, GEORGIA

TOP TEN ELECTRIC CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	2018				2009			
Customer	Usage (in kHz)	Charges	Rank	Percentage of Total Revenues	Usage (in kHz)	Charges	Rank	Percentage of Total Revenues
Coveris	17,507,500	$ 980,819	1	2.16 %	17,802,018	$ 1,116,454	1	2.79 %
Bandag, Inc.	17,283,600	1,102,770	2	2.42	16,986,475	1,303,106	2	3.25
Wellstar Spalding Regional Hospital	8,506,000	596,278	3	1.31	8,764,857	677,513	4	1.69
Caterpillar, Inc.	8,440,823	575,847	4	1.27	13,345,174	812,339	3	2.03
International Paper	8,094,000	481,420	5	1.06	-	-		-
Toppan USA Inc	6,666,000	253,308	6	0.56	-	-		-
Hoshizaki	6,069,900	307,933	7	0.68	-	-		-
Vernay Manufacturing Company	6,010,800	322,187	8	0.71	-	-		-
Norcom	5,546,600	328,733	9	0.72	7,333,996	436,769	6	1.09
City of Griffin Wastewater Treatment Plant	5,263,200	406,060	10	0.89	6,870,704	586,521	7	1.46
University of Georgia, Griffin Campus	-	-		-	7,459,183	645,270	5	1.61
Walmart	-	-		-	6,836,552	555,333	8	1.39
Weyerhaeuser Co.	-	-		-	6,180,671	434,778	9	1.09
Southern Terry	-	-		-	4,920,208	384,227	10	0.96
	89,388,423	$ 5,355,355		11.78 %	96,499,838	$ 6,952,310		17.36 %

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				
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
2018	10,114,912	523,145	3,285,000	51,308,377	24,687,583	1,050,089	-	90,969,106	6.77%	2,963.94	3,847.61

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

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (1)
2009	$ -	$ -	$ -	0.00%	$ -
2010	-	-	-	0.00%	-
2011	-	-	-	0.00%	-
2012	-	-	-	0.00%	-
2013	866,397	-	866,397	0.06%	37.04
2014	858,862	-	858,862	0.07%	36.33
2015	851,026	-	851,026	0.07%	35.99
2016	11,484,304	-	11,484,304	0.88%	495.01
2017	11,251,124	-	11,251,124	0.83%	490.72
2018	10,114,912	-	10,114,912	0.75%	427.82

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

(1) See Page 125, Assessed Value and Estimated Actual Value of Taxable Property for property values and Page 137, Demographic and Economic Statistics for population data.

CITY OF GRIFFIN, GEORGIA

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

	Fiscal Year [a]									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
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	-	-	-	-	866	859	851	11,484	11,251	10,115
Legal debt margin	$ 58,394	$ 58,061	$ 56,601	$ 56,080	$ 53,109	$ 51,364	$ 48,907	$ 40,998	$ 42,907	$ 43,611
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	1.60%	1.64%	1.71%	21.88%	20.77%	18.83%

Legal Debt Margin Calculation for Fiscal Year 2018

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:	
	10,115
Legal debt margin	$ 43,611

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10% 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 2017 are used for fiscal year ending in 2018).

CITY OF GRIFFIN, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2018
(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	$ 6,570	50.00%	$ 3,285
Direct:			
City of Griffin tax allocation bonds	9,778	100.00%	9,778
City of Griffin special purpose local option sales tax bonds	337	100.00%	337
City of Griffin intergovernmental payable	3,285	100.00%	3,285
City of Griffin capital leases	523	100.00%	523
Total	$ 13,923		$ 13,923

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	
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
2018	70,297	48,246	22,051	2,570	1,974	4,544	4.85

(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]
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%
2018	23,643	30,692	0.77	5.60%

* 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

	2018			2009		
Employer	**Employees**	**Rank**	**Percentage of Total Employment**	**Employees**	**Rank**	**Percentage of Total Employment**
Caterpillar, Inc.	900	1	4.03%	780	1	5.91%
CareMaster Medical	600	2	2.69%	-		-
Norcom	280	3	1.25%	-		-
1888 Mills/Southern Terry	278	4	1.25%	400	2	3.03%
AEP Industries	250	5	1.12%	250	3	1.89%
Supreme Corporation	200	6	0.90%	235	4	1.78%
Bandag, Inc.	170	7	0.76%	-		-
Vernay Manufacturing, Inc.	165	8	0.74%	142	10	1.08%
Coveris, LLC	160	9	0.72%	-		-
Perkins-Shibaura Engines	124	10	0.56%	-		-
Nacom	-		-	220	5	1.67%
Fashion Industries	-		-	200	6	1.52%
Exopack	-		-	200	7	1.52%
William Carter Co.	-		-	168	8	1.27%
Weyerhauser	-		-	145	9	1.10%
Total	3,127		14.02%	2,740		20.77%

* 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

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government										
Administration	50	49	45	31	29	30	30	30	32	33
Judicial	1	1	1	1	2	2	3	3	2	4
Public safety	166	172	170	164	168	172	158	156	155	157
Public works	49	53	46	49	44	46	44	46	49	49
Development	6	6	6	7	9	6	6	6	6	5
Water/wastewater operations	53	70	68	64	74	73	67	53	78	69
Electric operations	45	45	64	64	60	64	61	59	59	58
Solid waste operations	45	47	45	42	40	40	38	36	41	39
Golf course operations	-	-	-	-	9	9	8	13	14	12
Airport operations	4	3	4	4	4	-	-	-	-	-
Welcome center	2	2	2	2	-	-	-	-	-	-
Stormwater	13	13	14	13	14	14	16	13	14	15
Motor pool	13	12	11	11	11	11	10	11	9	10
Total	447	473	476	452	461	466	441	426	459	451

Source: City Finance Department.

CITY OF GRIFFIN, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police										
Physical arrests	2,612	3,207	3,959	3,802	3,756	3,650	3,950	2,149	3,020	3,387
Parking violations	958	472	191	5	-	5	-	-	10	2
Traffic violations	9,231	11,126	11,862	11,062	8,928	9,439	10,891	7,803	6,997	8,560
Fire										
Emergency responses	1,121	1,212	1,405	1,515	1,645	1,770	1,566	2,089	2,147	2,254
Fires extinguished	173	175	202	167	81	166	139	59	113	136
Inspections	1,336	1,314	1,254	1,332	1,164	1,103	1,223	1,525	1,687	1,684
Refuse Collection										
Refuse collected (tons per day)	49	29	29	30	30	36	37	37	37	37
Other Public Works										
Street resurfacing (miles)	-	2	10	-	13	2	1	2	2	2
Potholes repaired	387	548	753	215	462	482	466	805	318	331
Parks and recreation										
Athletic field permits issued	350	-	-	-	145	115	-	-	-	-
Water										
New connections	63	31	20	16	14	13	13	7	18	52
Water main breaks	35	56	34	37	41	20	20	30	19	58
Average daily consumption (millions of gallon	9.11	8.92	8.98	8.95	8.97	9.14	9.14	9.00	9.86	31.00
Peak daily consumption (millions of gallons)	1.24	1.08	1.44	15.67	12.93	12.02	12.02	12.77	14.19	17.55
Wastewater										
Average daily sewage treatment (millions of gallons)	3.23	3.98	3.26	2.95	3.61	3.85	3.85	3.86	3.03	3.23

Sources: Various City departments.

CITY OF GRIFFIN, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Zone officers	56	60	54	56	56	56	52	45	87	80
Patrol units	102	70	104	105	55	74	70	66	100	100
Fire stations	3	3	3	3	3	3	3	3	3	4
Public works										
Streets (miles)	165	162	160	140	140	140	138	140	140	140
Streetlights	879	879	879	879	879	879	879	879	879	879
Traffic signals	913	913	913	58	58	76	58	69	65	65
Parks and recreation										
Acreage	207	207	207	212	210	210	210	194	200	200
Playgrounds	3	4	4	5	5	5	4	5	5	5
Water										
Water mains (miles)	700	700	623	200	212	212	212	213	213	213
Fire hydrants	7,392	7,392	7,392	1,240	1,240	1,426	1,130	1,130	1,130	1,130
Storage capacity (thousands of gallons)	500	500	500	700	700	750	500	500	500	500
Wastewater										
Sanitary sewers (miles)	243	223	225	232	232	233	234	231	254	254
Storm sewers (miles)	85	100	100	64	64	65	67	80	67	67
Treatment capacity (thousands of gallons)	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75

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, 2018, 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 November 5, 2018. The City implemented Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, as of July 1, 2017. Our opinions are not modified with respect to this matter.

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
November 5, 2018

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, 2018. 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, 2018.

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
November 5, 2018

CITY OF GRIFFIN, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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	16P-X-126-2-5938	$ 151,798	$ -
Community Development Block Grant	14.228	16P-X-126-2-5854	371,735	-
Total U.S. Department of Housing and Urban Development			523,533	-
U.S. Department of Transportation				
(Passed through the Georgia Department of Transportation)				
Highway Planning and Construction Cluster				
Federal Highway Administration - Highway Planning and Construction	20.205	COG001-7308	111,573	-
Airport Improvement Program	20.106	AP018-9031-32(255)	539,650	-
Total U.S. Department of Transportation			651,223	-
Department of Homeland Security				
Direct Award				
Assistance to Firefighters Grant Program	97.044	EMW-2016-FV-01359	195,455	-
(Passed through the Georgia Emergency Management Agency)				
Disaster Grants	97.036	FEMA-4338-DR-GA	488,083	-
Total Department of Homeland Security			683,538	-
U.S. Environmental Protection Agency				
(Passed through the Georgia Department of Natural Resources)				
Capitalization Grants for Drinking Water State Revolving Funds	66.458	GEFA-CWSRF-17-002	6,030,430	-
Total U.S. Environmental Protection Agency			6,030,430	-
Total Expenditures of Federal Awards			$ 7,888,724	$ -

CITY OF GRIFFIN, GEORGIA

NOTES 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 10% de minimis cost rate for the year ended June 30, 2018.

NOTE 3. NON-CASH AWARDS

The City did not receive non-cash federal awards during the year ended June 30, 2018.

CITY OF GRIFFIN, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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, 2018

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, 2018

STATUS OF PRIOR YEAR AUDIT FINDINGS

None reported.