CITY OF MANCHESTER, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended June 30, 2017

Prepared by:

Department of Finance and Administration

CITY OF MANCHESTER, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended June 30, 2017

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City of Manchester
P. O. BOX 366
MANCHESTER, GEORGIA 31816
(706) 846-3141 OR (706) 846-3142

December 14, 2017

TO: The Citizens of the City of Manchester, Georgia
The Honorable Mayor and Members of the City Council
of the City of Manchester, Georgia

The Comprehensive Annual Financial Report (CAFR) of the City of Manchester, Georgia (City) is submitted for the fiscal year ended June 30, 2017. Management of the City accepts all responsibility for the accuracy of the data and completeness and fairness of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Our goal has been to relate the City's financial position in a format that is informative for the general public.

Georgia law requires cities to perform an audit every two years by independent certified public accountants. The City chooses to have an annual audit and this year Council selected the firm of AJK, LLC to perform the audit. The independent auditor's report is included in the financial section of this report.

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

PROFILE OF THE GOVERNMENT

The City of Manchester is located in the west central part of Georgia approximately 65 miles southwest of Atlanta and 35 miles north of Georgia's second largest city, Columbus.

This report includes all funds of the City of Manchester. The City of Manchester, incorporated in 1909, operates under the council-manager form of government. The City is organized under the following departments: City Hall Administration, Police, Fire, Highways and Street, Health and Welfare, Culture and Recreation, Code Enforcement, Water and Sewerage, Gas System, and Solid Waste. These departments operate under the supervision of the City Manager, who is appointed by the Mayor and Council, and provide a full range of services for approximately 4,000 citizens. Included among these services are traditional city functions, such as police and fire protection, street construction and maintenance, parks and recreation services, building inspection, zoning enforcement and economic development, as well as gas, water and sewer utilities, and solid waste disposal.

The Housing Authority of the City of Manchester has not met the established criteria for inclusion in the reporting entity and is excluded from this report. The Manchester Development Authority and the Downtown Development Authority of the City of Manchester (the "DDA") have been included in these financial statements as discretely presented component units. The DDA was formed in 1997, but did not become financially active until the fall of 2009.

The City maintains budgetary controls, the purpose of which is to assure compliance with the legal provisions embodied in the annual appropriated budget approved by the City Council of Manchester. The level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is exercised by the City Council at the department level. Additional information on the budgetary process can be found in Note 1(D) in the Notes to the Basic Financial Statements.

FACTORS AFFECTING ECONOMIC CONDITION

The information provided in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Manchester operates.

Local Economy

The local economy for Manchester continues to experience improvement.

Initiatives supporting tourism have been significant. Projects including a wall mural and butterfly garden have been completed. In addition to continuing our regularly held community events, we have added events such as a downtown market being held each Saturday. For the past two years, a 3-day Veteran's Living History and Museum has prompted visits to our city.

Building permit fees reflect ongoing renovations to commercial property. The McDonald's restaurant is currently undergoing an $800,000 interior and exterior remodel which includes more seating capacity and a dual drive-through to accommodate additional customers. Global Track Warehouse continues to update the building purchased in 2016 with a goal to be fully operational by the summer of 2019.

Two fitness oriented businesses have opened, occupying space that had been vacant for years. A local furniture store expanded their floor space. Property for loft apartments downtown was upgraded. Four small businesses opened on Main Street occupying space previously vacant. A new funeral home opened.

Long-Term Financial Planning

The USDA awarded the City of Manchester a $1.8 million loan coupled with a $1.5 million grant for upgrades to the drinking water treatment facility. The project is to begin in January 2018.

Major Initiatives

The Lane Street Bridge is scheduled to be replaced beginning in 2018 by Georgia Department of Transportation.

The President Theatre restoration project continues to raise funds and complete work. The Presidential Pathways Travel Association held their November meeting at the facility.

The position of Finance Director created by the City Council has been proven to be successful. All aspects in the area of budgeting and finance have operated in an efficient and timely manner.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Manchester for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. This was the twenty fifth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The timely preparation of this report was possible because of the efficiency and dedicated service of the entire staff at City Hall. Each member of the department has our sincere appreciation for their contributions in the preparation of this report. We wish to thank the Mayor and Council Members for their continued support as we strive for excellence in financial reporting for the City of Manchester. We also wish to acknowledge the professional and dedicated services of the staff of AJK, LLC, Certified Public Accountants.

Respectfully submitted,

Doug Westberry, City Manager

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Manchester

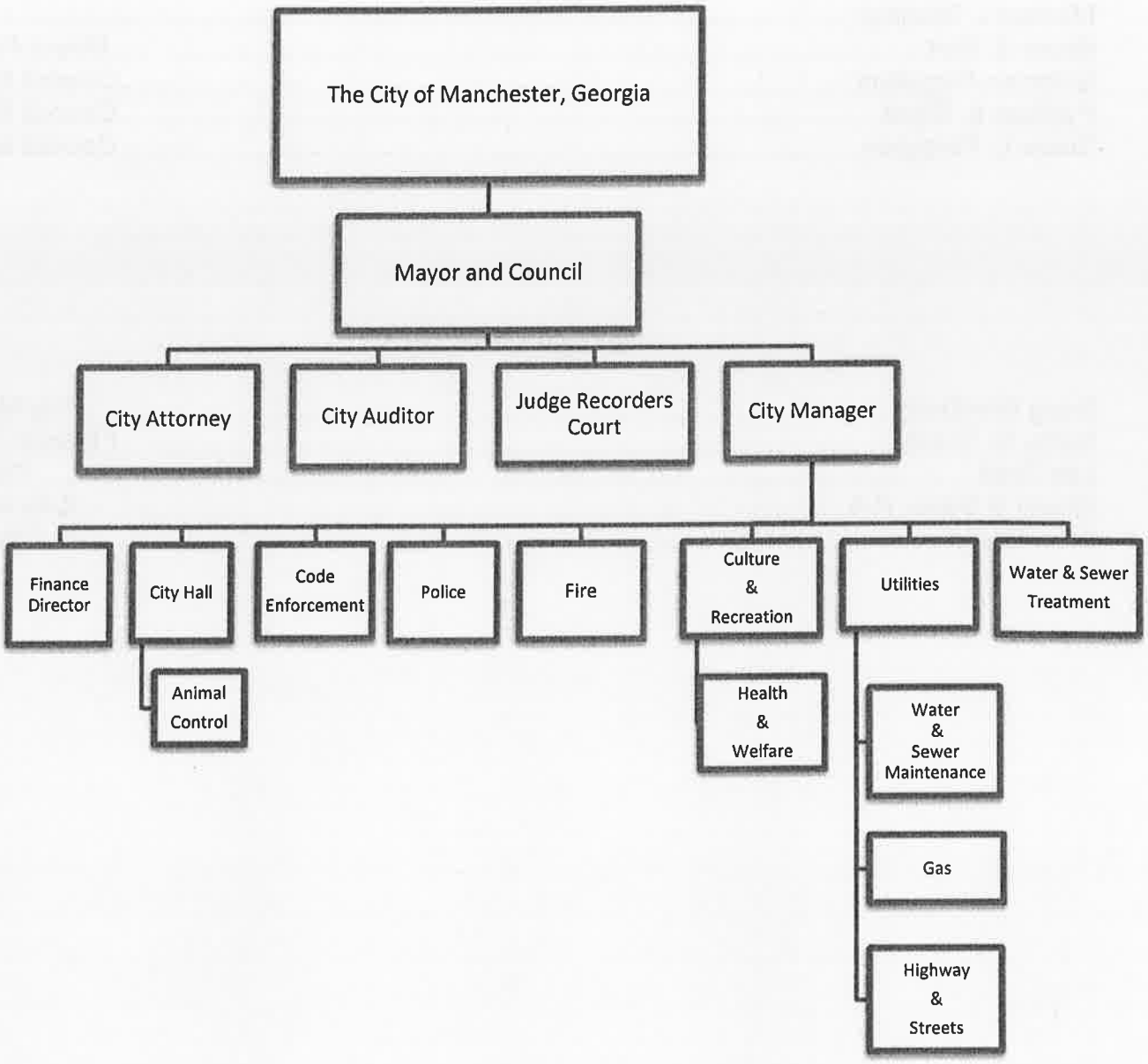
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

CITY OF MANCHESTER, GEORGIA
ORGANIZATION CHART
June 30, 2017



CITY OF MANCHESTER, GEORGIA
LIST OF PRINCIPAL OFFICIALS
June 30, 2017

ELECTED OFFICIALS

Michael J. Brening	Mayor
Bruce S. Burt	Mayor Pro-Tem
Solomon Ferguson	Council Member
Pattisue S. Elliott	Council Member
Travis L. Ferguson	Council Member

OTHER OFFICIALS

Doug Westberry	City Manager
Kathy M. Storey	Finance Director
Lea Spell	City Clerk
Glover & Davis, P.A.	City Attorney
John Gilson	City Judge

AJK

AJK, LLC
CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 609 ☐ 405 Second Street ☐ Manchester, GA 31816
(706) 846-8401 ☐ Fax (706) 846-3370

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Manchester, 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 Manchester, Georgia, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Manchester, Georgia, as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and for the Special Revenue Fund – CDBG Small Cities for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in the net pension liability and related ratios, and the schedule of contributions information on pages 4 through 9 and page 42 and 43 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Manchester, Georgia's basic financial statements. The introductory section, combining, comparative, budgetary comparison, and individual fund financial statements and schedules, other supplemental information, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining, comparative, budgetary comparison, and individual fund financial statements and schedules, and other supplemental information, 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, comparative, budgetary comparison, and individual fund financial statements and schedules, and other supplemental information 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.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City of Manchester, Georgia's basic financial statements for the year ended June 30, 2016, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective 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. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Manchester, Georgia's basic financial statements as a whole. The individual fund financial statements, as of and for the year ended June 30, 2016 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2016 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2016 individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2017, on our consideration of the City of Manchester, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Manchester, Georgia's internal control over financial reporting and compliance.

AJK, LLC

Manchester, Georgia
December 8, 2017

NOTICE

Certain pages of this report have been left blank intentionally.
These pages are identified as shown on this page.



Management's Discussion and Analysis

As management of the City of Manchester (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iii of this report.

FINANCIAL HIGHLIGHTS

- At June 30, 2017, the City's assets and deferred outflows exceeded its liabilities and deferred inflows by $11,069,075 (net position). Net position in governmental activities decreased $85,663 or 1.66 percent, and net position of our business-type activities decreased $349,007 or 5.49 percent.

- The City's total net position decreased $434,670 from the previous year. The majority of this decrease is attributable to extensive repairs and maintenance the City is doing at the water treatment facility.

- As of the close of 2017, the City's governmental funds reported combined ending fund balances of $1,799,888, an increase of $140,884 from the prior year. This increase is due to an increase in transfers in from proprietary funds to supplement operations.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the City's basic financial statements. These financial statements will present an overview of the City's financial activities and are presented in 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 statements are intended to present information about the City as a whole using accounting methods similar to the private sector.

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

The government-wide financial statements of the City are separated into three kinds of activities:

- Governmental activities: Most of the City's programs and services are reported here, including police, fire, senior center, recreation, highway and streets, and general administration. These governmental activities are funded primarily by property taxes and state and federal grants.

- Business-type activities: These activities include the business-like operations of the City which are intended to recover all or a significant portion of their costs through user fees and charges. These services include water, sewer, gas, and garbage.

- Component units: The Manchester Development Authority and the Downtown Development Authority (the "DDA") of the City of Manchester are included as discretely presented component units of the City. Although they are legally separate from the City, the City is financially accountable. Additional information can be found on the Manchester Development Authority in their separately issued financial statements and on the DDA in the supplemental information in these financial statements. The Manchester Public Utilities Authority, although also legally separate, functions for all practical purposes as part of the City's Water and Sewerage Fund; therefore, it has been included as part of the business-type activities.

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 two categories: governmental funds and proprietary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities on the government-wide financial statements. These funds are reported on the modified accrual basis of accounting that measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services being provided, along with the financial resources available.

By comparing the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements, 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.

The City maintains seven 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, CDBG Small Cities, and SPLOST Fund, which are the City's major governmental funds. Individual data from the remaining nonmajor governmental funds are combined into a single, aggregate column marked "Other Governmental Funds." Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements and other supplementary data provided within the financial section of the report.

Proprietary Funds - The City presents only enterprise funds for its proprietary fund type. Enterprise funds are used to report the same functions presented as business-type activities on the government-wide financial statements. The City utilizes enterprise funds to account for the Water & Sewer operations, Gas operations, and Solid Waste disposal activities. The Water & Sewer, Gas, and Solid Waste funds are all considered to be major enterprise funds.

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 & Sewer, Gas, and Solid Waste funds since all are considered to be major funds of the City.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided on the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following summarizes the components of the City's net position of the primary government at June 30, 2017 and 2016.

NET POSITION

	Governmental Activities		Business-type		Totals	
	2017	2016	2017	2016	2017	2016
Assets:						
Current & Other Assets	$ 2,106,924	$1,888,767	$ 1,918,948	$ 2,460,213	$ 4,025,872	$ 4,348,980
Capital Assets, Net	4,529,107	4,779,646	12,933,259	13,270,987	17,462,366	18,050,633
Total Assets	6,636,031	6,668,413	14,852,207	15,731,200	21,488,238	22,399,613
Deferred Outflows of Resources	221,046	316,808	50,344	157,269	271,390	474,077
Liabilities:						
Current & Other Liabilities	464,163	373,586	753,818	844,476	1,217,981	1,218,062
Long-term Liabilities	1,326,022	1,463,879	8,140,658	8,688,004	9,466,680	10,151,883
Total Liabilities	1,790,185	1,837,465	8,894,476	9,532,480	10,684,661	11,369,945
Deferred Inflows of Resources	4,799	0	1,093	0	5,892	0
Net Position:						
Net Investment in Capital Assets	4,228,586	4,414,285	6,705,159	6,750,474	10,933,745	11,164,759
Restricted	898,409	1,011,270	148,237	286,332	1,046,646	1,297,602
Unrestricted	(64,902)	(277,799)	(846,414)	(680,817)	(911,316)	(958,616)
Total Net Position	$ 5,062,093	$5,147,756	$ 6,006,982	$ 6,355,989	$11,069,075	$11,503,745

As noted earlier, changes in net position over time can be a useful indicator of a government's financial position. In the case of the City of Manchester, assets exceeded liabilities by $11,069,075 at June 30, 2017. The City's investment in capital assets (e.g. land, buildings, infrastructure, machinery, equipment and vehicles), less any outstanding related debt used to acquire the asset equals approximately 98.78% of net position. The City uses these capital assets to provide services to citizens and consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the assets themselves cannot be used to liquidate these liabilities.

The following shows the changes in net position for 2017 and 2016.

CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program Revenues:						
Charges for services	$ 667,683	$ 736,327	$ 2,968,476	$ 3,004,111	$ 3,636,159	$ 3,740,438
Operating grants and contributions	397,824	421,124	0	0	397,824	421,124
Capital grants and contributions	32,598	437,939	0	0	32,598	437,939
General Revenues:						
Property taxes	1,064,150	1,039,654	0	0	1,064,150	1,039,654
Franchise tax	222,887	233,682	0	0	222,887	233,682
Insurance premium tax	266,009	245,578	0	0	266,009	245,578
Motor vehicle and mobile home tax	113,628	132,792	0	0	113,628	132,792
Alcoholic beverage tax	74,792	74,421	0	0	74,792	74,421
Sales tax	351,201	342,834	0	0	351,201	342,834
Other taxes	21,563	22,360	0	0	21,563	22,360
Investment earnings	2,519	2,579	3,411	3,466	5,930	6,045
Total Revenues	3,214,854	3,689,290	2,971,887	3,007,577	6,186,741	6,696,867
Expenses:						
General government	612,706	814,405	0	0	612,706	814,405
Public safety	1,805,575	1,724,118	0	0	1,805,575	1,724,118
Health and welfare	172,636	153,338	0	0	172,636	153,338
Culture and recreation	499,642	467,949	0	0	499,642	467,949
Highways and streets	493,739	594,490	0	0	493,739	594,490
Community development	8,568	8,884	0	0	8,568	8,884
Interest on long-term debt	17,362	21,623	0	0	17,362	21,623
Water and sewer	0	0	1,950,054	2,034,863	1,950,054	2,034,863
Gas	0	0	800,305	669,864	800,305	669,864
Solid waste	0	0	260,824	267,010	260,824	267,010
Total Expenses	3,610,228	3,784,807	3,011,183	2,971,737	6,621,411	6,756,544
Increase (decrease) in net position before transfers	(395,374)	(95,517)	(39,296)	35,840	(434,670)	(59,677)
Transfers	309,711	(391,183)	(309,711)	391,183	0	0
Increase (decrease) in net position	(85,663)	(486,700)	(349,007)	427,023	(434,670)	(59,677)
Net Position, beginning of year	5,147,756	5,634,456	6,355,989	5,928,966	11,503,745	11,563,422
Net Position, end of year	$ 5,062,093	$ 5,147,756	$ 6,006,982	$ 6,355,989	$ 11,069,075	$ 11,503,745

Governmental Activities

Governmental activities decreased the City's net position by $85,663. Key elements of this decrease are shown in the preceding table *Changes in Net Position*. Noteworthy variances are:

- Capital grants and contributions decreased $405,341. The majority of this decrease is from a decrease in the amount of Community Development Block Grants received during the year.
- Highways and streets expenditures decreased $100,751. This was mainly due to road projects being completed in the prior year.

Business-Type Activities

Business-type activities decreased the City's net position by $349,007. The majority of this decrease is attributable to the City's ongoing project to repair the City's water treatment facility.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

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

As of June 30, 2017, the City's governmental funds reported a combined ending fund balance of $1,799,888, an increase of $140,884 in comparison with the prior year. The fund balance is classified as nonspendable ($69,947), restricted ($898,409), committed ($257,627) and unassigned ($573,905) to indicate the purpose for which the resources can be used. The restricted fund balance (amounts constrained to specific purposes by their providers) represents approximately 49.91% of the fund balance. The unassigned fund balance, which represents approximately 31.89% of the total fund balance, is available for any purpose.

The General Fund is the City's chief operating fund. The fund balance of the City's General Fund increased by $253,745 during year ended 2017. This increase is due to transfers in from the proprietary funds to supplement operations.

The Special Revenue Fund, CDBG Small Cities, is a major governmental fund type of the City. The fund balance of this fund decreased by $68 during the year ended 2017. This fund received Community Development Block Grant funds and spent the funds on water and sewerage projects.

The SPLOST Fund, a Capital Projects Fund, is another major governmental fund of the City. The fund balance of this fund decreased by $114,317 during the year ended 2017 mainly because the SPLOST fund transferred out $112,155 to the Water and Sewerage fund for SPLOST approved projects.

None of the City's nonmajor governmental funds had a significant change in fund balance.

Proprietary Funds

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

The change for net position in the Proprietary Funds for the year ended June 30, 2017 was a decrease of $349,007. The factors concerning this decrease have already been addressed in the discussion of the City's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City of Manchester City Council adopts the annual operating budgets for the City on or about May 1 each year for the fiscal year commencing July 1. The most significant budgeted fund of the City is the General Fund.

During the year, amendments to the budget are adopted as needed. The only significant amendment during the year was:

- Salaries were adjusted in most departments to reflect actual amounts paid. The net adjustment to salaries was approximately a $44,000 decrease.

The City's revenue received and expenditures incurred were less than budgeted. The significant variances from final budget to actual results were:

- Fine and forfeiture revenue collected was approximately $58,000 less than budgeted.
- Administrative charges that the General Fund charges the business-type activities was approximately $184,000 less than budgeted.
- General government expenditures were approximately $95,000 less than budgeted.
- Highway and streets expenditures were approximately $42,000 less than budgeted due to a road project that was budgeted, but not completed during the year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2017 was $10,933,745, net of accumulated depreciation and related debt. This investment in capital assets includes land, buildings, improvements, machinery, equipment, vehicles, infrastructure, and construction in progress.

Long-Term Debt

As of June 30, 2017 the City had total bonded outstanding debt of $7,665,000.

More detailed information about the City's capital assets and long-term debt is presented in the notes to the basic financial statements in Note 4 and Note 5, respectively.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the following:

Doug Westberry, City Manager
Department of Financial Administration
P.O. Box 366
Manchester, Georgia 31816
706-846-3141

BASIC FINANCIAL STATEMENTS

CITY OF MANCHESTER, GEORGIA
STATEMENT OF NET POSITION
June 30, 2017

	Primary Government			Component Units	
	Governmental Activities	Business Type Activities	Total	Manchester Development Authority	Downtown Development Authority
ASSETS					
Cash and cash equivalents	$ 1,897,925	$ 984,444	$ 2,882,369	$ 793,147	$ 22,074
Receivables (net, where applicable, of allowance for uncollectibles):					
Property tax and tax liens	7,096		7,096		
Accounts		368,160	368,160		
Fines and forfeitures	12,398		12,398		
Nutrition program	22,714		22,714		
Sales tax	59,221		59,221		
Loans	37,623		37,623	484,742	7,337
Inventory, at cost	38,577	1,302	39,879		
Prepaid items	31,370		31,370		
Restricted assets:					
Temporarily restricted:					
Cash		505,709	505,709		
Prepaid bond insurance, net of accumulated amortization		59,333	59,333		
Capital assets not being depreciated	289,733	537,065	826,798	134,433	20,400
Capital assets being depreciated, net of accumulated depreciation	4,239,374	12,396,194	16,635,568	1,193,206	
Total assets	6,636,031	14,852,207	21,488,238	2,605,528	49,811
DEFERRED OUTFLOWS OF RESOURCES					
Pension:					
Difference between expected and actual experience	92,693	21,111	113,804		
Changes of assumptions	1,221	278	1,499		
Contributions after measurement date	127,132	28,955	156,087		
Total deferred outflows of resources	221,046	50,344	271,390	-	-

Continued...

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

CITY OF MANCHESTER, GEORGIA
STATEMENT OF NET POSITION
June 30, 2017
(Continued)

	Primary Government			Component Units	
	Governmental Activities	Business Type Activities	Total	Manchester Development Authority	Downtown Development Authority
LIABILITIES					
Accounts payable and other current liabilities	185,401	16,527	201,928	1,227	493
Accrued payroll	54,068		54,068		
Accrued interest on bonds	5,700	58,243	63,943		
Customer deposits		93,147	93,147		
Customer overpayments		12,842	12,842		
Unearned revenue	67,567	24,600	92,167		8,500
Noncurrent liabilities:					
Due within one year	151,427	548,459	699,886	21,057	
Due in more than one year	274,374	7,901,148	8,175,522	396,192	
Net pension liability	1,051,648	239,510	1,291,158		
Total liabilities	1,790,185	8,894,476	10,684,661	418,476	8,993
DEFERRED INFLOWS OF RESOURCES					
Pension:					
Difference between projected and actual earnings on plan investments	4,799	1,093	5,892		
Total deferred inflows of resources	4,799	1,093	5,892	-	-
NET POSITION					
Net investment in capital assets	4,228,586	6,705,159	10,933,745	1,327,639	20,400
Restricted for:					
Construction		148,237	148,237		
Economic development activities	228,473		228,473		
Capital projects	669,936		669,936		
Debt service			-	431,658	
Unrestricted	(64,902)	(846,414)	(911,316)	427,755	20,418
Total net position	$ 5,062,093	$ 6,006,982	$ 11,069,075	$ 2,187,052	$ 40,818

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

CITY OF MANCHESTER, GEORGIA
STATEMENT OF ACTIVITIES
Year Ended June 30, 2017

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services, Fees, Fines, and Forfeitures	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: Manchester Development Authority	Component Units: Downtown Development Authority
Primary government:									
Governmental activities:									
General government	$ 612,706	$ 468,389	$ 147,148		$ 2,831		$ 2,831		
Public safety	1,805,575	133,206	12,545		(1,659,824)		(1,659,824)		
Health and welfare	172,636	13,185	93,665		(65,786)		(65,786)		
Culture and recreation	499,642	52,903	144,466		(302,273)		(302,273)		
Highways and streets	493,739			$ 32,598	(461,141)		(461,141)		
Community development	8,568				(8,568)		(8,568)		
Interest on long-term debt	17,362				(17,362)		(17,362)		
Total governmental activities	3,610,228	667,683	397,824	32,598	(2,512,123)		(2,512,123)		
Business-type activities:									
Water and sewerage	1,950,054	1,744,933				$ (205,121)	(205,121)		
Gas	800,305	805,381				5,076	5,076		
Solid Waste	260,824	418,162				157,338	157,338		
Total business-type activities	3,011,183	2,968,476	-	-		(42,707)	(42,707)		
Total primary government	$ 6,621,411	$ 3,636,159	$ 397,824	$ 32,598	(2,512,123)	(42,707)	(2,554,830)		
Component units:									
Manchester Development Authority	$ 201,833	$ 150,000						$ (51,833)	
Downtown Development Authority	10,190	2,550							$ (7,640)
Total component units	$ 212,023	$ 152,550	$ -	$ -				(51,833)	(7,640)
General revenues:									
Taxes:									
Property taxes					1,064,150		1,064,150		
Sales tax					351,201		351,201		
Franchise tax					222,887		222,887		
Insurance premium tax					266,009		266,009		
Motor vehicle and mobile home tax					113,628		113,628		
Alcoholic beverage tax					74,792		74,792		
Other					21,563		21,563		
Investment earnings					2,519	3,411	5,930	18,837	
Gain on sale of capital assets							-	14,870	
Transfers					309,711	(309,711)	-		
Total general revenues and transfers					2,426,460	(306,300)	2,120,160	33,707	-
Change in net position					(85,663)	(349,007)	(434,670)	(18,126)	(7,640)
Net position, beginning of year					5,147,756	6,355,989	11,503,745	2,205,178	48,458
Net position, end of year					$ 5,062,093	$ 6,006,982	$ 11,069,075	$ 2,187,052	$ 40,818

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

CITY OF MANCHESTER, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2017

	Major Governmental Fund Types			Nonmajor Governmental Fund Types	
	General Fund	CDBG Small Cities	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 1,037,139		$ 669,936	$ 190,850	$ 1,897,925
Receivables (net, where applicable, of allowances for uncollectibles):					
Property taxes and tax liens	7,096				7,096
Fines and forfeitures	12,398				12,398
Nutrition program	22,714				22,714
Sales tax	59,221				59,221
Loans				37,623	37,623
Inventory, at cost	38,577				38,577
Prepaid items	31,370				31,370
Total assets	$ 1,208,515	$ -	$ 669,936	$ 228,473	$ 2,106,924
LIABILITIES					
Accounts payable	$ 185,401				$ 185,401
Accrued payroll	54,068				54,068
Unearned revenue	67,567				67,567
Total liabilities	307,036	$ -	$ -	$ -	307,036
FUND BALANCES					
Fund balances:					
Nonspendable for:					
Inventory	38,577				38,577
Prepaids	31,370				31,370
Restricted for:					
Economic development activities				228,473	228,473
Capital projects			669,936		669,936
Committed:					
Infrastructure	240,664				240,664
Special incentives	16,963				16,963
Unassigned	573,905				573,905
Total fund balances	901,479	-	669,936	228,473	1,799,888
Total liabilities and fund balances	$ 1,208,515	$ -	$ 669,936	$ 228,473	$ 2,106,924

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

CITY OF MANCHESTER, GEORGIA
RECONCILIATION OF FUND BALANCES ON THE BALANCE SHEET FOR GOVERNMENTAL FUNDS
TO NET POSITION OF GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET POSITION
June 30, 2017

Fund balances - Total governmental funds		$ 1,799,888
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:		
Add - Capital assets		8,981,892
Deduct - Accumulated depreciation		(4,452,785)
The deferred outflows below are not current assets or financial resources and the deferred inflows are not due and payable in the current period and therefore are not reported in the governmental funds. Balances at June 30, 2017 are:		
Deferred outflows		221,046
Deferred inflows		(4,799)
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position. Balances at June 30, 2017 are:		
Accrued interest payable on bonds		(5,700)
Bonds payable	$ (285,000)	
Notes payable	(15,521)	
Compensated absences	(125,280)	
Net pension liability	(1,051,648)	(1,477,449)
Net position of governmental activities		$ 5,062,093

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

CITY OF MANCHESTER, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2017

	Major Governmental Fund Types			Nonmajor Governmental Fund Types	
	General Fund	CDBG Small Cities	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes:					
Property	$ 986,325			$ 77,825	$ 1,064,150
Sales	350,368			833	351,201
Franchise	222,887				222,887
Insurance premium	266,009				266,009
Motor vehicle and mobile home	113,628				113,628
Alcoholic beverage	74,792				74,792
Other	12,995			8,568	21,563
Licenses and permits	76,456				76,456
Grants and subsidies	245,811	$ 30,860			276,671
Charges for services	53,457				53,457
Fines and forfeitures	133,206				133,206
Interest revenue	995		$ 1,738	1,524	4,257
Other revenue	556,577				556,577
Total revenues	3,093,506	30,860	1,738	88,750	3,214,854
Expenditures:					
Current:					
General government	734,713				734,713
Public safety	1,578,288				1,578,288
Health and welfare	163,594				163,594
Culture and recreation	407,401				407,401
Highway and streets	402,982			833	403,815
Community development				8,568	8,568
Debt service:					
Principal retirement	4,840			60,000	64,840
Interest and fees	737			17,825	18,562
Capital outlay:					
General government					-
Public safety			3,900		3,900
Highway and streets					-
Culture and recreation					-
Total expenditures	3,292,555	-	3,900	87,226	3,383,681
Excess of revenues over (under) expenditures	(199,049)	30,860	(2,162)	1,524	(168,827)
Other financing sources (uses):					
Transfers in	3,662,664			77,825	3,740,489
Transfers out	(3,209,870)	(30,928)	(112,155)	(77,825)	(3,430,778)
Total other financing sources (uses)	452,794	(30,928)	(112,155)	-	309,711
Net change in fund balances	253,745	(68)	(114,317)	1,524	140,884
Fund balances, beginning of year	647,734	68	784,253	226,949	1,659,004
Fund balances, end of year	$ 901,479	$ -	$ 669,936	$ 228,473	$ 1,799,888

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

CITY OF MANCHESTER, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2017

Net change in fund balances - Total governmental funds	$ 140,884
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays. 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 depreciation expense ($250,539) exceeded capital outlay ($0) in the current period.	(250,539)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is represented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This amount consists of the change in the following balances:	
Compensated absences	(14,384)
Accrued interest payable	1,200
Pension expense	(27,664)
Capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:	
Principal retirements	64,840
Change in net position of governmental activities	$ (85,663)

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

CITY OF MANCHESTER, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes:				
Property	$ 977,275	$ 977,275	$ 986,325	$ 9,050
Sales	360,000	360,000	350,368	(9,632)
Franchise	234,800	234,800	222,887	(11,913)
Insurance premium	260,313	260,313	266,009	5,696
Motor vehicle and mobile home	145,999	145,999	113,628	(32,371)
Alcoholic beverage	80,957	80,957	74,792	(6,165)
Other	19,000	19,000	12,995	(6,005)
Licenses and permits	61,050	61,050	76,456	15,406
Grants and subsidies	277,300	277,300	245,811	(31,489)
Charges for services	76,000	76,000	53,457	(22,543)
Fines and forfeitures	191,219	191,219	133,206	(58,013)
Interest revenue	450	450	995	545
Other revenue	706,023	706,023	556,577	(149,446)
Total revenues	3,390,386	3,390,386	3,093,506	(296,880)
Expenditures:				
General government:				
Elected officials	96,578	96,578	51,621	44,957
City manager	95,457	95,457	96,199	(742)
Finance director	64,680	67,421	70,583	(3,162)
General administration	526,545	570,272	516,310	53,962
Total general government	783,260	829,728	734,713	95,015
Public safety:				
Police	1,153,433	1,089,243	1,094,773	(5,530)
Fire	463,961	475,245	483,515	(8,270)
Total public safety	1,617,394	1,564,488	1,578,288	(13,800)
Highway and streets:				
Streets	446,103	445,430	402,982	42,448
Total highway and streets	446,103	445,430	402,982	42,448
Health and welfare:				
Senior center	125,482	127,628	134,546	(6,918)
Animal control	26,728	28,703	29,048	(345)
Total health and welfare	152,210	156,331	163,594	(7,263)
Culture and recreation:				
Recreation	330,842	333,832	352,401	(18,569)
Library	55,000	55,000	55,000	-
Total culture and recreation	385,842	388,832	407,401	(18,569)

Continued...

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

CITY OF MANCHESTER, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year Ended June 30, 2017
(Continued)

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Debt service:				
Principal retirement	4,840	4,840	4,840	-
Interest	737	737	737	-
Total expenditures	3,390,386	3,390,386	3,292,555	97,831
Excess (deficiency) of revenues over (under) expenditures	-	-	(199,049)	(199,049)
Other financing sources (uses):				
Transfers in			3,662,664	3,662,664
Transfers out			(3,209,870)	(3,209,870)
Total other financing sources (uses)	-	-	452,794	452,794
Net change in fund balances	-	-	253,745	253,745
Fund balances, beginning of year	647,734	647,734	647,734	-
Fund balances, end of year	$ 647,734	$ 647,734	$ 901,479	$ 253,745

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

CITY OF MANCHESTER, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SPECIAL REVENUE FUND-CDBG SMALL CITIES
Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Grant income	$ 450,000	$ 30,860	$ (419,140)
Total revenues	450,000	30,860	(419,140)
Expenditures:			
Current:			
Community development	450,000		450,000
Total expenditures	450,000	-	450,000
Excess of revenue over (under) expenditures	-	30,860	30,860
Other financing sources (uses):			
Transfers out		(30,928)	(30,928)
Total other financing sources (uses)	-	(30,928)	(30,928)
Net change in fund balances	-	(68)	(68)
Fund balance, beginning of year	68	68	-
Fund balance, end of year	$ 68	$ -	$ (68)

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

CITY OF MANCHESTER, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2017

	Business-Type Activities Major Fund Types			
	Water and Sewerage	Gas System	Solid Waste	Total
ASSETS				
Current assets:				
Cash	$ 984,444			$ 984,444
Receivables (net, where applicable, of allowance for uncollectibles):				
Accounts	252,765	$ 61,669	$ 53,726	368,160
Inventories	703	599		1,302
Total unrestricted current assets	1,237,912	62,268	53,726	1,353,906
Restricted cash	505,709			505,709
Total restricted cash	505,709	-	-	505,709
Total current assets	1,743,621	62,268	53,726	1,859,615
Noncurrent assets:				
Prepaid bond insurance, net of accumulated amortization	59,333	-	-	59,333
Capital assets:				
Land and land improvements	537,065			537,065
Buildings and systems	9,883,369	10,088		9,893,457
Improvements other than buildings	8,102,235	2,408,781		10,511,016
Machinery and equipment	929,289	56,726	21,060	1,007,075
Less, accumulated depreciation	(8,381,977)	(612,317)	(21,060)	(9,015,354)
Total capital assets, net of accumulated depreciation	11,069,981	1,863,278	-	12,933,259
Total noncurrent assets	11,129,314	1,863,278	-	12,992,592
Total assets	12,872,935	1,925,546	53,726	14,852,207
DEFERRED OUTFLOWS OF RESOURCES				
Pensions:				
Differences between expected and actual experience	14,931	6,180		21,111
Changes of assumptions	197	81		278
Contributions after measurement date	20,479	8,476		28,955
Total deferred outflows of resources	35,607	14,737	-	50,344

(Continued...)

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

CITY OF MANCHESTER, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2017
(Continued)

	Business-Type Activities Major Fund Types			
	Water and Sewerage	Gas System	Solid Waste	Total
LIABILITIES				
Current liabilities:				
Accounts payable	10,703	5,824		16,527
Customer deposits	75,997	17,150		93,147
Customer overpayments	12,842			12,842
Accrued compensated absences	6,607	6,492		13,099
Unearned revenue	24,600			24,600
Obligations under capital leases, current portion		85,360		85,360
Current liabilities payable from restricted assets:				
Accrued interest	58,243			58,243
Revenue bonds, current portion	450,000			450,000
Total current liabilities	638,992	114,826	-	753,818
Noncurrent liabilities:				
Compensated absences	3,558	3,495		7,053
Unearned revenues	643,700			643,700
Revenue bonds payable	6,891,191			6,891,191
Obligations under capital leases		359,204		359,204
Net pension liability	169,400	70,110		239,510
Total noncurrent liabilities	7,707,849	432,809	-	8,140,658
Total liabilities	8,346,841	547,635	-	8,894,476
DEFERRED INFLOWS OF RESOURCES				
Pension:				
Difference between projected and actual earnings on plan investments	773	320		1,093
Total deferred inflows of resources	773	320	-	1,093
NET POSITION				
Net investment in capital assets	5,286,445	1,418,714		6,705,159
Restricted for construction	148,237			148,237
Unrestricted	(873,754)	(26,386)	53,726	(846,414)
Total net position	$ 4,560,928	$ 1,392,328	$ 53,726	$ 6,006,982

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

CITY OF MANCHESTER, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2017

	Business-Type Activities Major Fund Types			
	Water and Sewerage	Gas System	Solid Waste	Total
Operating revenues:				
Charges for services:				
Sales	$ 1,634,010	$ 755,834	$ 418,162	$ 2,808,006
Other fees	110,923	49,547		160,470
Total operating revenues	1,744,933	805,381	418,162	2,968,476
Operating expenses:				
Salaries and wages	238,444	112,033		350,477
Payroll taxes and employee benefits	105,260	54,384		159,644
Gas purchased for resale		406,848		406,848
Sales tax expense		27,464		27,464
Utilities	182,948	5,451		188,399
Repairs and maintenance	340,491	4,949		345,440
Materials, supplies, and chemicals	96,299	1,862		98,161
Office supplies and postage	7,432	2,324		9,756
Engineering and other professional services	16,283	7,613		23,896
Depreciation and amortization	425,289	48,515		473,804
Administrative charges	219,554	117,096	36,592	373,242
Sanitation expense			224,232	224,232
Miscellaneous	29,879	1,868		31,747
Total operating expenses	1,661,879	790,407	260,824	2,713,110
Operating income (loss)	83,054	14,974	157,338	255,366
Nonoperating revenues (expenses):				
Interest income	3,411			3,411
Interest expenses	(288,175)	(9,898)		(298,073)
Total nonoperating revenues (expenses)	(284,764)	(9,898)	-	(294,662)
Income (loss) before transfers	(201,710)	5,076	157,338	(39,296)
Transfers in	1,948,371	911,290	416,082	3,275,743
Transfers out	(2,122,258)	(895,414)	(567,782)	(3,585,454)
Changes in net position	(375,597)	20,952	5,638	(349,007)
Net position, beginning of year	4,936,525	1,371,376	48,088	6,355,989
Net position, end of year	$ 4,560,928	$ 1,392,328	$ 53,726	$ 6,006,982

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

CITY OF MANCHESTER, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2017

	Business-Type Activities Major Fund Types			
	Water and Sewerage	Gas System	Solid Waste	Total
Cash flows from operating activities:				
Receipts from customers	$ 1,694,684	$ 804,221	$ 412,524	$ 2,911,429
Receipts from (refund of) customer overpayments	(235)			(235)
Receipts from (refund of) customer deposits	1,046	(1,780)		(734)
Payments to employees	(339,850)	(149,379)		(489,229)
Payments to vendors	(673,978)	(458,289)	(224,232)	(1,356,499)
Payments to other funds for services provided	(219,554)	(117,096)	(36,592)	(373,242)
Net cash provided (used) by operating activities	462,113	77,677	151,700	691,490
Cash flows from noncapital financing activities:				
Transfers in	1,805,288	911,290	416,082	3,132,660
Transfers out	(2,122,258)	(895,414)	(567,782)	(3,585,454)
Principal paid on noncapital debt	(110,745)			(110,745)
Interest paid on noncapital debt	(38,604)			(38,604)
Net cash provided (used) by noncapital financial activities	(466,319)	15,876	(151,700)	(602,143)
Cash flows from capital and related financing activities:				
Transfers in	143,083			143,083
Acquisition of capital assets	(136,076)			(136,076)
Principal paid on capital debt	(424,255)			(424,255)
Capital lease payments		(83,655)		(83,655)
Interest paid on capital debt	(147,890)	(9,898)		(157,788)
Net cash provided (used) by capital and related financing activities	(565,138)	(93,553)	-	(658,691)
Cash flows from investing activities:				
Interest income	3,411			3,411
Net cash provided (used) by investing activities	3,411	-	-	3,411
Net increase (decrease) in cash	(565,933)	-	-	(565,933)
Cash, beginning of year	2,056,086			2,056,086
Cash, end of year	$ 1,490,153	$ -	$ -	$ 1,490,153
Reported on statement of net position:				
Cash	$ 984,444			$ 984,444
Restricted cash	505,709			505,709
Total cash per statement of net position	$ 1,490,153	$ -	$ -	$ 1,490,153
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	$ 83,054	$ 14,974	$ 157,338	$ 255,366
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	425,289	48,515		473,804
(Increase) decrease in:				
Accounts receivable	(25,649)	(1,160)	(5,638)	(32,447)
Increase (decrease) in:				
Accounts payable	(283)	531		248
Customer deposits	1,046	(1,780)		(734)
Customer overpayments	(235)			(235)
Accrued compensated absences	(5,730)	998		(4,732)
Unearned revenue	(24,600)			(24,600)
Net pension liability	9,221	15,599		24,820
Net cash provided (used) by operating activities	$ 462,113	$ 77,677	$ 151,700	$ 691,490

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Manchester, Georgia (the "City") was incorporated on August 16, 1909, under the provisions of the State of Georgia. The City operates under an elected Mayor-Council form of government and provides the following services: public safety (police and fire), highway and street, sanitation, health and welfare services, culture and recreation, public utilities, code enforcement, community development, and general administrative services.

The accounting policies of the City of Manchester, Georgia conform to generally accepted accounting principles applicable to governments. The following is a summary of the City's more significant accounting policies used in the preparation of the accompanying financial statements.

A. The Reporting Entity

The City of Manchester, Georgia is a municipal corporation governed by an elected Mayor and four member Council. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

- **Blended Component Units** - The Manchester Public Utilities Authority (the "PUA") serves all the citizens of the City and is governed by a board comprised of the City's elected council. The rates for any user charges and bond issuance authorizations are approved by the City's council and the legal liability for the general obligation portion of any PUA's debt remains with the City. The PUA is combined with the Water and Sewerage Fund in these financial statements and does not issue separate financial statements.

- **Discretely Presented Component Units** - The Manchester Development Authority (the "Authority") was created to attract new industry and promote existing industry in the City. The board members of the Manchester Development Authority are appointed by the Mayor and City Council of the City. The Authority's bonded debt must be approved by the City Council and the City provides significant financial support to the Authority. The Manchester Development Authority is presented as a governmental fund type. Complete financial statements can be obtained from the Manchester Development Authority, P.O. Box 583, Manchester, Georgia 31816.

  The Downtown Development Authority of the City of Manchester, Georgia (the "DDA") was created to revitalize and redevelop the central business district of the City. The DDA's board members are appointed by the Mayor and City Council of the City. The City possesses the authority to review, approve, and revise the budget and governs collection and disbursement of funds. The DDA is presented as a governmental fund type. Fund financial statements for the DDA are included in supplemental information.

- **Related Organization** - The City Council is responsible for appointing the members of the Manchester Housing Authority board, but the City's accountability for this organization does not extend beyond making the appointments.

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

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* includes 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 and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column on the governmental and proprietary fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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, including property taxes, 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, grants from other governments, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

- The ***General Fund*** is the government'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 ***SPLOST Fund*** is established as a capital project fund to account for the City's portion of SPLOST funds received from the County for the purpose of improvement or acquisition of assets and infrastructure.
- The ***CDBG Small Cities Fund*** is used to account for the City's multi-activity community development block grants that are funding the street paving, drainage, and housing activities for the small cities program.

The City reports the following major proprietary funds:

- The ***Water and Sewerage Fund*** accounts for the activities of the government's water and sewerage activities.
- The ***Gas Fund*** accounts for the activities of the government's gas system activities.
- The ***Solid Waste Fund*** accounts for the activities of the government's waste disposal activities.

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 government's water and sewer 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, including special assessments. 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 enterprise funds are charges to customers for sales and services. Operating expenses for enterprise 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.

The City's net position are reported in three parts - 1) net investment in capital assets; 2) restricted net position; and 3) unrestricted net position. 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 prepares and adopts its budget and complies with the auditing requirements for local governments so as to provide local taxpayers with an opportunity to gain information concerning the purposes for which local revenues are proposed to be spent and are actually spent and to assist local governments in generally improving local financial management practices while maintaining, preserving, and encouraging the principle of home rule over local matters. The procedures are as follows:

1. On or about May 1 of each year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted to obtain taxpayer comments.

3. The budget is legally enacted through passage of a resolution. The General Fund, the Special Revenue Funds, and the Debt Service Fund have legally adopted budgets that are prepared by fund, function, and department. Any revisions that alter the total expenditures of any fund or any transfers between departments must be approved by the City Council. All appropriations lapse at year end. The legal level of control (level at which expenditures may not legally exceed the budget) is exercised by the City Council at the department level.

4. The budgets for the General Fund, Special Revenue Funds, and Debt Service Fund are adopted on a basis consistent with generally accepted accounting principles.

The capital project fund representing the Special Purpose Local Option Sales Tax adopts its budget on a project-length basis instead of an annual basis.

The budget amounts shown in these financial statements include any amendments approved by the City Council during the year. The Council made several amendments during the year with no changes to revenue. For expenditures, the only significant amendment recorded a net decrease in salaries of approximately $44,000 that affected most departments in the General Fund.

E. Deposits and Investments

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

The statutes of the State of Georgia authorize the City to invest in U.S. government obligations; U.S. governmental agency obligation; State of Georgia obligations; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia which are rated "A" or better by Moody's Investors Service Inc.; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association; repurchase agreements when collateralized by U.S. government or agency obligations; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

Investments for the City, as well as for its component units, are reported at fair value. Neither the City, nor its component units, have any investments.

F. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

G. Revenue Recognition - Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are normally levied on October 20, and are due and payable on December 20. All unpaid taxes levied October 20 become delinquent December 21 of that year, at which time the applicable property is subject to lien, and penalties and interest are assessed.

H. Inventory

Inventory is valued at cost using the first-in, first-out (FIFO) method and consists of expendable supplies. The City uses the consumption method to record inventory, which means that inventory acquisitions are recorded in inventory accounts when purchased and charged as expenditures or expenses when used.

I. Prepaid Items

The City uses the consumption method to record prepaid items. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements when paid and charged to expenditures or expenses when used.

J. Restricted Cash

Certain cash in the Proprietary Funds of the City is restricted for the debt service and construction.

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $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 at the date of donation plus any ancillary charges incurred to put the asset into service. Infrastructure assets acquired subsequent to July 1, 1980 are reported at historical cost.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government, as well as the component unit is depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	20-40
Improvements	20-30
Public domain infrastructure	40
System infrastructure	20-50
Machinery and equipment	5-20

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The differences between expected and actual experience related to pensions, the changes in assumptions, and the contributions made to the pension plan after the measurement date qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The differences between projected and actual earnings on pension plan investments qualifies for reporting in this category.

M. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Manchester's Georgia Municipal Employees Benefit System (GMEBS) plans and additions to/deductions from the Plans' fiduciary net pension have been determined on the same basis as they are reported by GMEBS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Compensated Absences

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

O. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

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. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

P. Fund Equity

Beginning with the year ended June 30, 2011, the City implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength to the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable Fund Balance** - Amounts that are not in a spendable form (such as inventory or prepaid items) or are required to be maintained intact;
- **Restricted Fund Balance** - Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- **Committed Fund Balance** - Amounts constrained to specific purposes by the City Council through an ordinance;
- **Assigned Fund Balance** - Amounts are constrained by an intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by the City manager based on the City Council direction;
- **Unassigned Fund Balance** - Amounts that are available for any purpose; positive amounts are reported only in the general fund.

City Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance. It is the City's policy to use restricted fund balances first, followed by committed, assigned, and then unassigned amounts, respectively.

Q. Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

R. Allocation of Administrative Expenses

The City does not allocate indirect costs. It is the City's policy to allocate to the proprietary funds overhead administrative expenses that are paid by and expended in the General Fund. This allocation is to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, etc.). These expenses allocated to the proprietary funds are presented in these financial statements as "administrative charges" on the proprietary funds financial statement and are included in "other revenue" on the General Fund financial statements.

S. Use of Estimates to Prepare Financial Statements

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

T. Subsequent Events

Subsequent events have been evaluated by management through December 8, 2017, which is the date the financial statements were available to be issued.

2. DEPOSITS AND INVESTMENTS

At year end, the City had $1,430 in petty cash, $669,936 in short-term investments (cash equivalents), and the carrying amount of the City's deposits (checking, savings, and certificates of deposit) was $2,716,712. The short-term investments were invested 100% in a U.S. Treasury portfolio. For the City's deposits, the bank balance was $2,732,157 of which $690,851 was covered by federal depository insurance and $2,041,306 was covered by collateral held in the pledging bank's trust department or by its agent in the City's name. The City does not have a deposit policy for custodial credit risk.

At year end, the Manchester Development Authority, a discretely presented component unit, did not have any investments and the carrying amount of the Authority's deposits (checking and savings accounts) was $793,147 and the bank balance was $793,147. Of the bank balance, $480,481 was covered by federal depository insurance and $312,666 was covered by collateral held in the pledging bank's trust department or by its agent in the Authority's name.

At year end, the Downtown Development Authority, the other discretely presented component unit, did not have any investments and the carrying amount of the DDA deposits (checking and savings accounts) was $22,074 and the bank balance was $24,211. Of the bank balance, $24,211 was covered by federal depository insurance.

Neither of the discretely presented component units have a deposit policy for custodial credit risk.

3. LOANS RECEIVABLE

Primary government

Approximately $24,299 of the outstanding balance of $37,623 of loans receivable are not anticipated to be collected within one year.

Component units

Approximately $458,052 of the outstanding balance of $484,742 of Manchester Development Authority's loans receivable are not anticipated to be collected within one year.

Approximately $2,727 of the outstanding balance of $7,337 of Downtown Development Authority's loans receivable are not anticipated to be collected within one year.

4. CAPITAL ASSETS

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

Primary Government	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 289,733			$ 289,733
Total capital assets, not being depreciated	289,733	$ -	$ -	289,733
Capital assets, being depreciated:				
Land improvements	23,160			23,160
Buildings and improvements	3,839,670			3,839,670
Machinery and equipment	1,899,310		(147,434)	1,751,876
Infrastructure	3,077,453			3,077,453
Total capital assets being depreciated	8,839,593	-	(147,434)	8,692,159
Less, accumulated depreciation for:				
Land improvements	(5,501)	(579)		(6,080)
Buildings	(2,135,260)	(76,058)		(2,211,318)
Machinery and equipment	(1,445,189)	(96,966)	147,434	(1,394,721)
Infrastructure	(763,730)	(76,936)		(840,666)
Total accumulated depreciation	(4,349,680)	(250,539)	147,434	(4,452,785)
Total capital assets, being depreciated, net	4,489,913	(250,539)	-	4,239,374
Governmental activities capital assets, net	$ 4,779,646	$(250,539)	$ -	$ 4,529,107
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 537,065			$ 537,065
Construction in progress	476,322	$ 117,431	$(593,753)	-
Total capital assets, not being depreciated	1,013,387	117,431	(593,753)	537,065
Capital assets, being depreciated:				
Buildings	9,893,457			9,893,457
Improvements other than buildings	9,917,263	593,753		10,511,016
Machinery and equipment	1,124,140	18,645	(135,710)	1,007,075
Total capital assets being depreciated	20,934,860	612,398	(135,710)	21,411,548
Less, accumulated depreciation for:				
Buildings	(4,087,592)	(200,848)		(4,288,440)
Improvements other than buildings	(3,730,196)	(203,779)		(3,933,975)
Machinery and equipment	(859,472)	(69,177)	135,710	(792,939)
Total accumulated depreciation	(8,677,260)	(473,804)	135,710	(9,015,354)
Total capital assets, being depreciated, net	12,257,600	138,594	-	12,396,194
Business-type activities capital assets, net	$ 13,270,987	$ 256,025	$(593,753)	$ 12,933,259

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

Governmental activities:	
General government	$ 12,431
Public safety	83,247
Highways and streets, including depreciation of general infrastructure assets	88,642
Health and welfare	485
Culture and recreation	65,734
Total depreciation expense - Governmental activities	$ 250,539
Business-type activities:	
Water and sewerage	$ 425,289
Gas	48,515
Total depreciation expense - Business-type activities	$ 473,804

Component Units

Activity for the Manchester Development Authority for the year ended June 30, 2017, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 134,433			$ 134,433
Total capital assets not being depreciated	134,433	$ -	$ -	134,433
Capital assets being depreciated:				
Infrastructure	287,076			287,076
Buildings and improvements	2,079,278	77,335	(68,982)	2,087,631
Furniture and equipment	35,573			35,573
Total capital assets being depreciated	2,401,927	77,335	(68,982)	2,410,280
Less, accumulated depreciation for:				
Infrastructure	(235,000)	(5,779)		(240,779)
Building and improvements	(889,011)	(54,152)	2,352	(940,811)
Furniture and equipment	(34,659)	(825)		(35,484)
Total accumulated depreciation	(1,158,670)	(60,756)	2,352	(1,217,074)
Total capital assets being depreciated, net	1,243,257	16,579	(66,630)	1,193,206
Development Authority capital assets, net	$ 1,377,690	$ 16,579	$(66,630)	$ 1,327,639

Depreciation expense for the Authority was charged to functions as follows:

Business promotion and tourism	$ 59,931
General and administrative	825
	$ 60,756

Activity for the Downtown Development Authority for the year ended June 30, 2017 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 20,400			$ 20,400
Total capital assets not being depreciated	$ 20,400	$ -	$ -	$ 20,400

5. UNEARNED REVENUE

On August 4, 1992, the City entered into a joint services contract with Talbot County, Georgia regarding the City's water treatment facility. The contract entitles Talbot county to 29% of the City's total water treatment plant capacity, 29% of the total reservoir capacity, and 29% of total water line capacity for the sum of $1,230,000. This amount was received by the City during the year ended June 30, 1995, and has been recorded as unearned revenue, to be recognized into income over the life of the contract, which is 50 years. The balance of unearned revenue at June 30, 2017 was $668,300 and is shown as unearned revenue in the business-type activities, Water and Sewerage Fund, in these financial statements as current liability ($24,600) and noncurrent liabilities ($643,700).

6. LONG-TERM DEBT

A. General Obligation Bonds

Primary Government

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities and are paid from the debt service fund. The original amount of general obligations bonds issued in prior years was $1,400,000.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 20-year serial bonds. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rate	Amount
Governmental activities	4.8 - 5%	$ 285,000

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

	Governmental Activities	
	Principal	Interest
Year ending June 30:		
2018	$ 65,000	$ 14,120
2019	70,000	11,000
2020	75,000	7,500
2021	75,000	3,750
	$ 285,000	$ 36,370

B. Revenue Bonds

Primary Government

The City also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. The business-type activities currently have revenue bonds outstanding to be paid from the Water and Sewerage Fund. The original amount of revenue bonds issued in prior years is $9,460,000.

Revenue bonds outstanding at year end are as follows:

Purpose	Interest Rates	Amount
Water & Sewer	Variable, 2.0% to 2.75%	$ 7,380,000

Revenue bond debt service requirements to maturity are as follows:

	Business-Type Activities	
	Principal	Interest
Year ending June 30:		
2018	$ 450,000	$ 174,728
2019	460,000	165,728
2020	470,000	156,527
2021	480,000	145,953
2022	445,000	133,952
2023-2027	2,390,000	523,042
2028-2032	2,685,000	219,535
	$ 7,380,000	$ 1,519,465

C. Notes Payable

Primary Government

The City has entered into a note payable with the U.S. Department of Agriculture (USDA) for financing the purchase of communications equipment for public safety. The total amount of the loan is $25,000. This note payable will be repaid through the General Fund.

Notes payable are direct obligations of the City and pledge the full faith and credit of the City. Notes payable currently outstanding are as follows:

Purpose	Interest Rate	Amount
Purchase of equipment	3.75%	$ 15,521

Notes payable debt service requirements to maturity are as follows:

	Governmental Activities	
	Principal	Interest
Year ending June 30:		
2018	$ 4,995	$ 582
2019	5,183	395
2020	5,343	234
	$ 15,521	$ 1,211

Component Unit

The Authority has issued a note payable to assist with machinery and equipment cost of a business in the industrial park. The original amount of the note payable issued is $500,000 and will be repaid through the Debt Service fund. This note payable is secured by a $500,000 promissory note given by the business to the Authority. The note is due in quarterly payments of $8,335, including interest at 3%. The balance at June 30, 2017 was $417,249.

Notes payable are direct obligations of the component unit and pledge the full faith and credit of the component unit. Notes payable currently outstanding are as follows:

Purpose	Interest Rates	Amounts
Assists with cost of machinery and equipment for business in industrial park	3%	$ 417,249

Note payable debt service requirements to maturity are as follows:

	Principal	Interest
Year ending June 30:		
2018	$ 21,057	$ 12,282
2019	21,696	11,643
2020	22,354	10,985
2021	23,033	10,307
2022	23,731	9,608
2023-2027	129,903	36,793
2028-2032	150,842	15,854
2033-2034	24,633	370
	$ 417,249	$ 107,842

D. Capital Leases

Primary Government

The gas fund of the business activities has entered into lease agreements for the expansion and improvements to the gas distribution system. These leases are being repaid from revenues earned by the gas fund. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded as capital assets at the present value of their future minimum lease payments as of the inception date. The expense resulting from amortization of assets recorded under capital leases is included in depreciation expense.

The assets acquired through capital leases are as follows:

	Gas Fund
Asset	
Improvements other than buildings	$ 2,000,000
Less, accumulated depreciation	(456,080)
Total	$ 1,543,920

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2017, were as follows:

	Gas Fund
Year ending June 30:	
2018	$ 93,553
2019	93,553
2020	93,553
2021	93,553
2022	93,554
Total minimum lease payments	467,766
Less, amount representing interest	(23,202)
Present value of minimum lease payments	$ 444,564

E. Accrued Compensated Absences

Primary Government

The government accrues compensated absences for their employees. Both governmental activities and business-type activities have accrued compensated absences at June 30, 2017. Accrued compensated absences from governmental activities are repaid through the general fund. Business-type activities accrued compensated absences are repaid through the water & sewerage and gas funds.

F. Changes in Long-Term Liabilities

Primary Government

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bond payable:					
General obligation bonds	$ 345,000		$(60,000)	$ 285,000	$ 65,000
Note payable	20,361		(4,840)	15,521	4,995
Accrued compensated absences	110,896	$ 70,242	(55,858)	125,280	81,432
Governmental activity long-term liabilities	$ 476,257	$ 70,242	$(120,698)	$ 425,801	$ 151,427
Business-type activities:					
Bonds payable:					
Revenue bonds	$ 7,915,000		$(535,000)	$ 7,380,000	$ 450,000
Less, unamortized discount	(43,897)		5,088	(38,809)	
Total bonds payable	7,871,103		(529,912)	7,341,191	450,000
Capital leases	528,219		(83,655)	444,564	85,360
Accrued compensated absences	24,884	$ 11,314	(16,046)	20,152	13,099
Business-type activities long-term liabilities	$ 8,424,206	$ 11,314	$(629,613)	$ 7,805,907	$ 548,459

The government-wide statement of net position noncurrent liabilities due in more than one year for business-type activities of $7,901,148 includes $643,700 of unearned revenue which is not reported in the business-type activities in the schedule above.

Component Unit

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Notes payable	$ 437,686	$ -	$(20,437)	$ 417,249	$ 21,057
Component unit long-term liabilities	$ 437,686	$ -	$(20,437)	$ 417,249	$ 21,057

7. INTERFUND TRANSFERS AND BALANCES

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

	Transfers In					
Transfers Out	General Fund	Nonmajor Govern-mental	Water and Sewerage Fund	Gas Fund	Solid Waste Fund	Total
General Fund		$ 77,825	$1,804,673	$ 911,290	$ 416,082	$3,209,870
CDBG Small Cities			30,928			30,928
SPLOST Fund			112,155			112,155
Nonmajor Governmental Fund	$ 77,825					77,825
Water and Sewerage Fund	2,122,258					2,122,258
Gas Fund	894,799		615			895,414
Solid Waste Fund	567,782					567,782
Total	$3,662,664	$ 77,825	$1,948,371	$ 911,290	$ 416,082	$7,016,232

Transfers are primarily used to (1) move funds from the proprietary funds to the General Fund for the allocated amount of administrative expense, (2) move funds between all funds and the General Fund for expenses paid through the accounts payable system, and (3) to supplement operations. The $112,155 transferred out of SPLOST Fund to the Water and Sewerage Fund was transferred to fund SPLOST approved projects.

At June 30, 2017, there were no interfund balances owed between funds.

8. DEFINED BENEFIT PENSION PLAN

A. General Information About the Pension Plan

Plan Description – All full-time City employees and all City officials are eligible to participate in the Georgia Municipal Employees Benefit System (GMEBS) which is an agent multiple employer defined benefit pension plan administered by the Georgia Municipal Association which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the plan are established by state statute and city ordinance. The Georgia Municipal Association issues a publicly available annual report that includes financial statements and required supplementary information for the Georgia Municipal Employees Benefit System Retirement Trust. That report may be obtained by writing to Georgia Municipal Association, 201 Pryor Street, SW, Atlanta, Georgia 30303 or by calling 404/688-0472.

Benefits Provided – GMEBS provides service retirement, disability benefits, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 65 and with ten years of total service are eligible to retire at age 55 with full retirement benefits.

Employees Covered – At June 30, 2017 the following employees were covered by the benefit terms for the plan:

Inactive employees or beneficiaries currently receiving benefits	48
Inactive employees entitled to but not yet receiving benefits	25
Active employees	50
Total	123

Contributions – The City's employee's participation is noncontributory. The City is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). Policy set by the City for contributing the annual pension expense exceeds the minimum requirements. Employer contribution rates are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate.

The annual minimum contribution is the sum of (1) the normal cost (including administrative expenses); (2) the closed level dollar amortization of the unfunded actuarial accrued liability over a period that ranges from 10 to 30 years based on the funding policy adopted by the GMEBS Board of Trustees; and (3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The total recommended contribution as a percentage of expected payroll is 13.36% for June 30, 2017.

B. Net Pension Liability

The City's net pension liability for the plan is measured as the total pension liability (TPL), less the pension plan's fiduciary net position (FNP). The net pension liability of the plan is measured as of September 30, 2016, using an annual actuarial valuation as of January 1, 2017. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Valuation Date	January 1, 2017
Measurement Date	September 30, 2016

Actuarial Cost Method	Entry age normal
Amortization Method	Closed level dollar for remaining unfunded liability.
Remaining Amortization Period	Remaining amortization period varies for the bases, with a net effective amortization period of ten years.
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Discount Rate	7.75%
Inflation Rate	3.25%
Net investment rate of return	7.75%
Projected salary increase	3.25% plus service based merit increases
Cost of living adjustments	Not applicable
Postretirement benefit increase	Not applicable

The underlying mortality assumptions and all other 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 through June 30, 2014. Further details of the experience study can be obtained by contacting The Georgia Municipal Association. The General Fund has been used in prior years to liquidate the pension liabilities for the governmental funds.

Discount Rate – The discount rate used to measure the total pension liability was 7.75%. The discount rate did not change since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2016 (see the discussion of the pension plan's investment policy) 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%
Real estate	10%	4.55%
Global fixed income	5%	3.30%
Domestic fixed income	20%	1.75%
Cash	0%	
Total	**100%**	

C. Changes in the Net Pension Liability

The changes in the Net Pension Liability for the plan are as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability/Asset
Balances at September 30, 2015	$ 4,761,403	$ 3,406,530	$ 1,354,873
Changes for the year:			
Service cost	90,536		90,536
Interest	359,331		359,331
Differences between expected and actual experience	51,329		51,329
Contributions - employer		198,575	(198,575)
Contributions - employee			-
Net investment income		377,224	(377,224)
Benefit payments, including refunds of employee contributions	(249,740)	(249,740)	-
Administrative expense		(10,888)	10,888
Other			-
Net changes	251,456	315,171	(63,715)
Balances at September 30, 2016	$ 5,012,859	$ 3,721,701	$ 1,291,158

Sensitivity of the Net Pension Liability to changes in the discount rate is as follows:

1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
$ 1,891,281	$ 1,291,158	$ 780,394

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2017, the City recognized pension expense of $196,827. At June 30, 2017 the City reported deferred outflows of resources and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 113,804	
Pension contributions subsequent to measurement date	156,087	
Changes of assumption	1,499	
Net difference between projected and actual earnings on pension plan investments		$ (5,892)
Total	$ 271,390	$ (5,892)

$156,087 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2018	$ 61,448
2019	36,993
2020	34,094
2021	(23,124)
	$ 109,411

9. OTHER POST EMPLOYMENT BENEFITS

The City provides post retirement life insurance benefits, as per the requirements of a local ordinance for certain retirees. The policy provides $10,000 in benefits payable to a designated beneficiary upon the death of the retiree. The City will pay 100 percent of the premiums when the employee retires. The General Fund has been used in prior years to fund these obligations. This benefit is available to retirees who terminate employment for the purpose of immediate retirement and will be receiving a monthly benefit over their lifetime from the GMA Retirement Fund. This excludes vested terminations, disability retirements, and those who receive lump sum distributions.

As of year end, there were eleven employees which had retired and were receiving the 100 percent premium coverage benefit. The City finances the plan on a pay-as-you-go basis. For the year ended June 30, 2017, the City paid $3,723 in premiums.

10. RISK MANAGEMENT

The City is exposed to various risks of loss for claims associated with torts, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the City carries commercial insurance.

There were no significant reductions of insurance coverage from coverage in the prior year. Management believes that the coverage is adequate to preclude any significant uninsured risk exposure to the City. Settled claims have not exceeded the commercial excess coverage in any of the past three fiscal years.

Self Insurance - The City pays unemployment claims to the state department of labor on a reimbursement basis. Liabilities for such claims are immaterial and are not accrued.

11. COMMITMENTS AND CONTINGENT LIABILITIES

The activities of the City include revenues received from Federal and State governments and expenditures related to Federal and State funded grant programs. These programs are subject to program compliance audits by the grantors or their representative. The amount, if any, of expenditures which may be disallowed by the granting agencies' audits cannot be determined at this time, although the City believes any such amounts to be immaterial.

Various claims and lawsuits are pending against the City. Although the outcome of these lawsuits is not presently determinable, in the opinion of City management, after consultation with legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

12. INTERGOVERNMENTAL AGREEMENTS

On March 1, 2014, Meriwether County (the "County") entered into a Sales and Use Tax Intergovernmental Agreement with the various municipalities in the County, including the City of Manchester (the "City"), relating to the imposition of a one percent county special purpose local option sales and use tax (SPLOST) for the purpose of financing capital outlay projects. The County issued General Obligation Sales Tax Bonds, Series 2014 for $9,000,000 in February 2014. The cities were advanced their pro rata share of the net bond proceeds. The Bonds are secured first by the proceeds of the SPLOST received by the County, then from general funds of the County as well as the municipalities. Each city is responsible for the payment of that portion of the Bonds allocable to its projects, should the SPLOST receipts be inadequate to service the debt. The City of Manchester's share is 19.6175%. The amount, if any, required to be funded by the City cannot be determined at this time.

13. HOTEL-MOTEL TAX

The City of Manchester has levied a 5% hotel-motel tax. A summary of the transactions for the year ended June 30, 2017 follows:

Balance of hotel-motel tax funds on hand at beginning of year	$ 0
Hotel-motel tax receipts	8,568
Disbursements for tourism and promotion	(8,568)
Balance of hotel-motel tax funds on hand at end of year	$ 0

The activity for hotel-motel tax receipts and related expenditures is shown in the Hotel-Motel Tax Fund, a Special Revenue Fund. The expenditures were for promotion of tourism as required by OCGA 48-13-51.

14. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the ten county west Georgia area, is a member of the Three Rivers Regional Commission (RC) and is required to pay annual dues thereto. During its year ended June 30, 2017, the City paid $4,095 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes three members from each county of the area and five at-large members. 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:

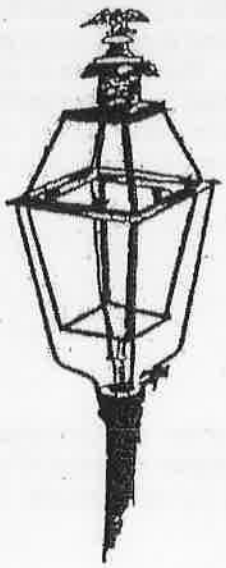
Three Rivers Regional Commission
P.O. Box 1600
Franklin, Georgia 30217

15. EXCESS OF EXPENDITURES OVERAPPROPRIATIONS

The General Fund reported material budget violations when expenditures of the primary government exceeded budgeted appropriations in some of the departments, as shown on page 17 and 18 of these financial statements. In future years, the City will analyze the budget periodically for deficiencies. All deficiencies will be investigated and budget amendments will be adopted when appropriate.

16. SUBSEQUENT EVENT

At June 30, 2017, the City had applied for a combination grant/loan program with the United States Department of Agriculture. In November 2016, the City was approved for a grant for $1,514,000 and a loan for $1,880,000. The proceeds will be used for repair and maintenance expenses of the City's water treatment plant. No funds had been drawn from the grant or the loan at June 30, 2017.



REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

Schedule of changes in the net pension liability and related ratios- Defined Benefit Pension Plan

Schedule of contributions – Defined Benefit Pension Plan

CITY OF MANCHESTER, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
DEFINED BENEFIT PENSION PLAN
Year Ended June 30, 2017

	2017	2016	2015
Total pension liability			
Service cost	$ 90,536	$ 100,935	$ 102,334
Interest	359,331	337,069	316,553
Changes of benefit terms	-	-	-
Difference between expected and actual experience	51,329	104,702	91,822
Change in assumptions	-	-	5,996
Benefit payments, including refunds	(249,740)	(261,164)	(242,786)
Net change in total pension liability	251,456	281,542	273,919
Total pension liability - beginning	4,761,403	4,479,861	4,205,942
Total pension liability - ending	5,012,859	4,761,403	4,479,861
Plan fiduciary net position			
Contributions:			
Employer	198,575	189,930	189,445
Employee	-	-	-
Net investment income	377,224	42,053	358,291
Benefit payments, including refunds	(249,740)	(261,164)	(242,786)
Administrative expense	(10,888)	(12,269)	(9,966)
Other	-	-	-
Net change in plan fiduciary net position	315,171	(41,450)	294,984
Plan fiduciary net position - beginning	3,406,530	3,447,980	3,152,996
Plan fiduciary net position - ending	3,721,701	3,406,530	3,447,980
Net pension liability - ending	$ 1,291,158	$ 1,354,873	$ 1,031,881
Plan fiduciary net position as a % of total pension liability	74.24%	71.54%	76.97%
Covered-employee payroll	$ 1,638,604	$ 1,488,304	$ 1,427,951
Net pension liability as a % of covered-employee payroll	78.80%	91.03%	72.26%

Changes in assumptions

In 2015, amounts reported as changes in assumptions resulted primarily from adjustments made based on an actuarial experience study covering the period January 1, 2010 to June 30, 2014. The City implemented GASB 68 for the fiscal year ended June 30, 2015. In time this schedule will present the required ten years of data.

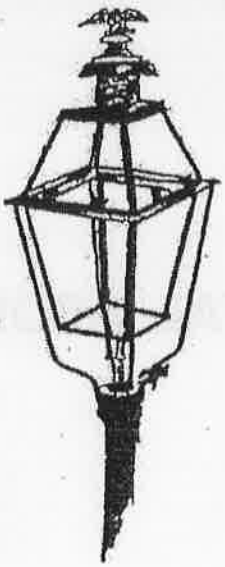
CITY OF MANCHESTER, GEORGIA
SCHEDULE OF CONTRIBUTIONS
DEFINED BENEFIT PENSION PLAN
Year Ended June 30, 2017

	2017	2016	2015
Actuarially determined contribution	$ 208,116	$ 195,395	$ 188,108
Contributions in relation to actuarially determined contribution	$ 208,116	$ 195,395	$ 188,108
Contribution deficiency (excess)	$ -	$ -	$ -
Covered-employee payroll	$ 1,638,604	$ 1,488,304	$ 1,427,951
Contributions as a percentage of covered-employee payroll	12.70%	13.13%	13.17%

The City implemented GASB 68 for the fiscal year ended June 30, 2015. In time this schedule will present the required ten years of data.



SUPPLEMENTAL INFORMATION



NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUND

This fund accounts for the accumulation of resources and the subsequent disbursement of such resources to pay principal and interest on long-term debt of the City (other than debt of Proprietary Fund Types).

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

CDBG Revolving Loan Fund - This fund is used to account for the community development block grants that are funding the revolving loan fund for economic development activities.

Hotel-Motel Tax Fund - This fund is used to account for the City's share of hotel-motel tax revenues that are legally restricted to promote tourism, conventions, and trade shows.

TIA Fund - This fund is used to account for the City's share of Transportation Investment Act sales tax.

CITY OF MANCHESTER, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2017

	Special Revenue Funds				
	Debt Service Fund	CDBG Revolving Loan Fund	Hotel-Motel	TIA	Total Nonmajor Governmental Funds
ASSETS					
Cash		$ 190,850			$ 190,850
Loans receivable		37,623			37,623
Total assets	$ -	$ 228,473	$ -	$ -	$ 228,473
FUND BALANCE					
Restricted for:					
Economic development activities		$ 228,473			$ 228,473
Total fund balances	$ -	$ 228,473	$ -	$ -	$ 228,473

CITY OF MANCHESTER, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2017

	Special Revenue Funds				
	Debt Service Fund	CDBG Revolving Loan Fund	Hotel-Motel	TIA	Total Nonmajor Governmental Funds
Revenues:					
Taxes:					
Property	$ 77,825				$ 77,825
Sales				$ 833	833
Hotel and motel			$ 8,568		8,568
Interest revenue		$ 1,524			1,524
Total revenues	77,825	1,524	8,568	833	88,750
Expenditures:					
Current:					
Community development			8,568		8,568
Streets				833	833
Debt service:					
Principal retirement	60,000				60,000
Interest and fees	17,825				17,825
Total expenditures	77,825	-	8,568	833	87,226
Excess of revenues over (under) expenditures	-	1,524	-	-	1,524
Other financing sources (uses):					
Transfers in	77,825				77,825
Transfers out	(77,825)				(77,825)
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	-	1,524	-	-	1,524
Fund balance, beginning of year		226,949			226,949
Fund balance, end of year	$ -	$ 228,473	$ -	$ -	$ 228,473

CITY OF MANCHESTER, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property taxes	$ 77,825	$ 77,825	$ -
Total revenues	77,825	77,825	-
Expenditures:			
Debt service:			
Principal retirement	60,000	60,000	-
Interest and fees	17,825	17,825	-
Total expenditures	77,825	77,825	-
Excess of revenue over (under) expenditures	-	-	-
Other financing sources (uses):			
Transfers in		77,825	77,825
Transfers out		(77,825)	(77,825)
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	-	-
Fund balance, beginning of year			
Fund balance, end of year	$ -	$ -	$ -

CITY OF MANCHESTER, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SPECIAL REVENUE FUND-CDBG REVOLVING LOAN FUND
Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
2013 EIP Grant	$ 12,486		$ (12,486)
Interest revenue	100	$ 1,524	1,424
Total revenues	12,586	1,524	(11,062)
Expenditures:			
Current:			
Community development			-
Total expenditures	-	-	-
Excess of revenue over (under) expenditures	12,586	1,524	(11,062)
Net change in fund balances	12,586	1,524	(11,062)
Fund balance, beginning of year	226,949	226,949	-
Fund balance, end of year	$ 239,535	$ 228,473	$ (11,062)

CITY OF MANCHESTER, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SPECIAL REVENUE FUND-HOTEL/MOTEL TAX FUND
Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes:			
Hotel/motel tax	$ 9,000	$ 8,568	$ (432)
Total revenues	9,000	8,568	(432)
Expenditures:			
Current:			
Community development:			
Tourism and promotion	9,000	8,568	432
Total expenditures	9,000	8,568	432
Excess of revenue over (under) expenditures	-	-	-
Net change in fund balances	-	-	-
Fund balance, beginning of year	-	-	-
Fund balance, end of year	$ -	$ -	$ -

CITY OF MANCHESTER, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SPECIAL REVENUE FUND-TIA FUND
Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Sales tax	$ 960	$ 833	$ (127)
Total revenues	960	833	(127)
Expenditures:			
Current:			
Highway and streets:			
Streets	960	833	127
Total expenditures	960	833	127
Excess of revenue over (under) expenditures	-	-	-
Net change in fund balances	-	-	-
Fund balance, beginning of year	-	-	-
Fund balance, end of year	$ -	$ -	$ -

CITY OF MANCHESTER, GEORGIA
COMPARATIVE BALANCE SHEETS
DEBT SERVICE FUND
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash	$ -	$ -
Total assets	$ -	$ -
FUND BALANCE		
Restricted for debt service	$ -	$ -
Total fund balances	$ -	$ -

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND
Years Ended June 30, 2017 and 2016

	2017	2016
Revenues:		
Taxes:		
Property	$ 77,825	$ 80,705
Total revenues	77,825	80,705
Expenditures:		
Debt service:		
Principal retirement	60,000	60,000
Interest and fees	17,825	20,705
Total expenditures	77,825	80,705
Excess of revenue over (under) expenditures	-	-
Other financing sources (uses):		
Transfers in	77,825	80,705
Transfers out	(77,825)	(80,705)
Total other financing sources (uses)	-	-
Net change in fund balances	-	-
Fund balances, beginning of year	-	
Fund balances, end of year	$ -	$ -

CITY OF MANCHESTER, GEORGIA
COMPARATIVE BALANCE SHEETS
SPECIAL REVENUE FUND-CDBG REVOLVING LOAN FUND
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash	$ 190,850	$ 176,396
Loans receivable	37,623	50,553
Total assets	$ 228,473	$ 226,949
FUND BALANCE		
Restricted for economic development activities	$ 228,473	$ 226,949
Total fund balances	$ 228,473	$ 226,949

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND-CDBG REVOLVING LOAN FUND
Years Ended June 30, 2017 and 2016

	2017	2016
Revenues:		
Interest revenue	$ 1,524	$ 2,051
Total revenue	1,524	2,051
Expenditures:		
Current:		
Community development	-	-
Total expenditures	-	-
Excess of revenue over (under) expenditures	1,524	2,051
Net change in fund balances	1,524	2,051
Fund balances, beginning of year	226,949	224,898
Fund balances, end of year	$ 228,473	$ 226,949

CITY OF MANCHESTER, GEORGIA
COMPARATIVE BALANCE SHEETS
SPECIAL REVENUE FUND-HOTEL/MOTEL TAX FUND
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash	$ -	$ -
Total assets	$ -	$ -
FUND BALANCE		
Restricted for community development	$ -	$ -
Total fund balances	$ -	$ -

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND-HOTEL/MOTEL TAX FUND
Years Ended June 30, 2017 and 2016

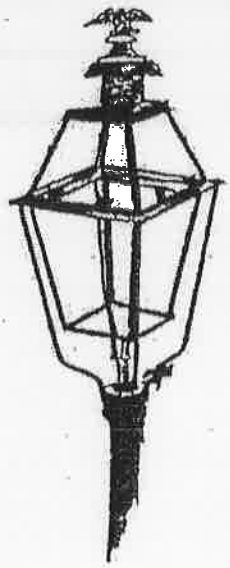
	2017	2016
Revenues:		
Taxes:		
Hotel and motel	$ 8,568	$ 8,884
Total revenue	8,568	8,884
Expenditures:		
Current:		
Community development	8,568	8,884
Total expenditures	8,568	8,884
Excess of revenue over (under) expenditures	-	-
Net change in fund balances	-	-
Fund balances, beginning of year	-	-
Fund balances, end of year	$ -	$ -

CITY OF MANCHESTER, GEORGIA
COMPARATIVE BALANCE SHEETS
SPECIAL REVENUE FUND-TIA FUND
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash	$ -	$ -
Total assets	$ -	$ -
FUND BALANCE		
Restricted for highways and streets	$ -	$ -
Total fund balances	$ -	$ -

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND-TIA FUND
Years Ended June 30, 2017 and 2016

	2017	2016
Revenues:		
Sales tax	$ 833	$ 898
Total revenue	833	898
Expenditures:		
Highway and streets:		
Streets	833	898
Total expenditures	833	898
Excess of revenue over (under) expenditures	-	-
Net change in fund balances	-	-
Fund balances, beginning of year	-	-
Fund balances, end of year	$ -	$ -



MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

This fund accounts for resources traditionally associated with governments which are not required to be accounted for in another fund.

SPECIAL REVENUE FUND

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

CDBG Small Cities Fund – This fund is used to account for the City's multi-activity community development block grants that are funding the street paving, drainage, and housing activities for the small cities program.

CAPITAL PROJECTS FUND

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

SPLOST Fund - This fund is used to account for the City's portion of SPLOST funds received from the County for the purpose of improvement or acquisition of assets and infrastructure.

CITY OF MANCHESTER, GEORGIA
COMPARATIVE BALANCE SHEETS
GENERAL FUND
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash	$ 1,037,139	$ 638,211
Receivables (net where applicable, of allowances for uncollectibles):		
Property taxes and tax liens	7,096	14,555
Fines and forfeitures	12,398	28,957
Nutrition program	22,714	13,611
Sales tax	59,221	78,167
Inventory at cost	38,577	43,453
Prepaid items	31,370	60,543
Total assets	$ 1,208,515	$ 877,497
LIABILITIES		
Accounts payable	$ 185,401	$ 173,336
Accrued payroll	54,068	51,233
Unearned revenue	67,567	5,194
Total liabilities	307,036	229,763
FUND BALANCES		
Nonspendable for:		
Inventory	38,577	43,453
Prepaids	31,370	60,543
Committed:		
Infrastructure	240,664	240,424
Special incentives	16,963	7,306
Unassigned	573,905	296,008
Total fund balances	901,479	647,734
Total liabilities and fund balances	$ 1,208,515	$ 877,497

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND
Years Ended June 30, 2017 and 2016

	2017	2016
Revenues:		
Taxes:		
Property	$ 986,325	$ 958,949
Sales	350,368	341,936
Franchise	222,887	233,682
Insurance premium	266,009	245,578
Motor vehicle/mobile home	113,628	132,792
Alcoholic beverage	74,792	74,421
Other	12,995	13,476
Licenses and permits	76,456	63,269
Grants and subsidies	245,811	308,758
Charges for services	53,457	98,503
Fines and forfeitures	133,206	166,478
Interest revenue	995	528
Other revenue	556,577	534,382
Total revenues	3,093,506	3,172,752
Expenditures:		
Current:		
General government	734,713	787,579
Public safety	1,578,288	1,586,347
Health and welfare	163,594	157,645
Culture and recreation	407,401	395,842
Highway and streets	402,982	506,489
Debt service:		
Principal retirement	4,840	32,872
Interest and fees	737	2,118
Capital outlay:		
Public safety		15,500
Culture and recreation		10,923
Total expenditures	3,292,555	3,495,315
Excess of revenue over (under) expenditures	(199,049)	(322,563)
Other financing sources (uses):		
Transfers in	3,662,664	3,491,329
Transfers out	(3,209,870)	(3,446,725)
Total other financing sources (uses)	452,794	44,604
Net change in fund balances	253,745	(277,959)
Fund balances, beginning of year	647,734	925,693
Fund balances, end of year	$ 901,479	$ 647,734

CITY OF MANCHESTER, GEORGIA
COMPARATIVE BALANCE SHEETS
SPECIAL REVENUE FUND-CDBG SMALL CITIES
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash		$ 68
Grant receivables		
Total assets	$ -	$ 68
LIABILITIES		
Accounts payable	$ -	
Total liabilities	-	-
FUND BALANCE		
Restricted for small cities program		68
Total fund balances	-	68
Total liabilities and fund balance	$ -	$ 68

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND-CDBG SMALL CITIES
Years Ended June 30, 2017 and 2016

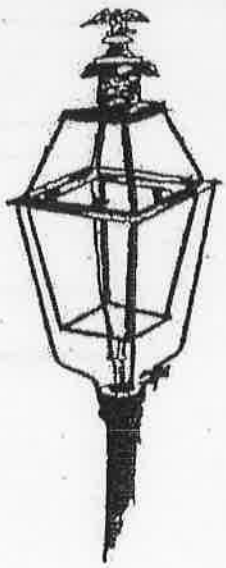
	2017	2016
Revenues:		
Grant income	$ 30,860	$ 423,640
Total revenue	30,860	423,640
Expenditures:		
Current:		
Community development		
Total expenditures	-	-
Excess of revenue over (under) expenditures	30,860	423,640
Other financing sources (uses):		
Transfers out	(30,928)	(424,072)
Total other financing sources (uses)	(30,928)	(424,072)
Net change in fund balances	(68)	(432)
Fund balances, beginning of year	68	500
Fund balances, end of year	$ -	$ 68

CITY OF MANCHESTER, GEORGIA
COMPARATIVE BALANCE SHEETS
SPLOST FUND
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash and cash equivalents	$ 669,936	$ 784,253
Total assets	$ 669,936	$ 784,253
LIABILITIES		
Accounts payable	$ -	$ -
Total liabilities	-	-
FUND BALANCE		
Restricted for capital projects	669,936	784,253
Total fund balances	669,936	784,253
Total liabilities and fund balance	$ 669,936	$ 784,253

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPLOST FUND
Years Ended June 30, 2017 and 2016

	2017	2016
Revenues:		
Interest revenue	$ 1,738	$ 360
Total revenue	1,738	360
Expenditures:		
Capital outlay:		
General government		3,213
Public safety	3,900	22,018
Highway and streets		34,745
Culture and recreation		37,994
Total expenditures	3,900	97,970
Excess of revenue over (under) expenditures	(2,162)	(97,610)
Other financing sources (uses):		
Transfers out	(112,155)	(11,715)
Total other financing sources (uses)	(112,155)	(11,715)
Net change in fund balances	(114,317)	(109,325)
Fund balances, beginning of year	784,253	893,578
Fund balances, end of year	$ 669,936	$ 784,253



PROPRIETARY FUNDS

These funds account for the provision of utility service to the residents of the City. All activities necessary to provide such services are accounted for in these funds, including, but not limited to administration, financing and related debt service, and billing and collection.

Water and Sewerage - This fund accounts for the operations of the City's water and sewerage activities.

Gas System - This fund accounts for the operations of the City's gas system activities.

Solid Waste - This fund accounts for the operations of the City's waste disposal activity.

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF NET POSITION
WATER AND SEWERAGE FUND
June 30, 2017 and 2016

	2017	2016
ASSETS		
Current assets:		
Cash	$ 984,444	$ 1,328,432
Receivables (net, where applicable, of allowances for uncollectibles):		
Accounts	252,765	227,116
Inventories	703	703
Total unrestricted current assets	1,237,912	1,556,251
Restricted cash	505,709	727,654
Total current assets	1,743,621	2,283,905
Noncurrent assets:		
Prepaid bond insurance, net of accumulated amortization	59,333	67,112
Capital assets:		
Land and land improvements	537,065	537,065
Construction in progress		476,322
Buildings and systems	9,883,369	9,883,369
Improvements other than buildings	8,102,235	7,508,482
Machinery and equipment	929,289	1,039,679
Less, accumulated depreciation	(8,381,977)	(8,085,723)
Total capital assets (net of accumulated depreciation)	11,069,981	11,359,194
Total noncurrent assets	11,129,314	11,426,306
Total assets	12,872,935	13,710,211
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges on refunding		92,380
Pensions:		
Differences between expected and actual experience	14,931	16,028
Difference between projected and actual earnings on plan investments		13,874
Changes of assumptions	197	386
Contributions after measurement date	20,479	18,875
Total deferred outflows of resources	35,607	141,543

Continued...

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF NET POSITION
WATER AND SEWERAGE FUND
June 30, 2017 and 2016
(Continued)

	2017	2016
LIABILITIES		
Current liabilities:		
Accounts payable	10,703	10,986
Customer deposits	75,997	74,951
Customer overpayments	12,842	13,077
Accrued compensated absences	6,607	10,332
Unearned revenue	24,600	24,600
Total current liabilities	130,749	133,946
Current liabilities payable from restricted assets:		
Accrued interest	58,243	61,809
Revenue bonds, current portion	450,000	535,000
Total current liabilities payable from restricted assets	508,243	596,809
Noncurrent liabilities:		
Compensated absences	3,558	5,563
Unearned revenue	643,700	668,300
Revenue bonds payable	6,891,191	7,336,103
Net pension liability	169,400	174,508
Total noncurrent liabilities	7,707,849	8,184,474
Total liabilities	8,346,841	8,915,229
DEFERRED INFLOWS OF RESOURCES		
Pensions:		
Difference between projected and actual earnings on investments	773	
Total deferred inflows of resources	773	-
NET POSITION		
Net investment in capital assets	5,286,445	5,366,900
Restricted for construction	148,237	286,332
Unrestricted	(873,754)	(716,707)
Total net position	$ 4,560,928	$ 4,936,525

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
WATER AND SEWERAGE FUND
Years Ended June 30, 2017 and 2016

	2017	2016
Operating revenues:		
Charges for services:		
Sales	$ 1,634,010	$ 1,638,538
Other fees	110,923	222,039
Total operating revenues	1,744,933	1,860,577
Operating expenses:		
Salaries and wages	238,444	270,668
Payroll taxes and employee benefits	105,260	90,575
Utilities	182,948	207,310
Repairs and maintenance	340,491	303,305
Materials, supplies, and chemicals	96,299	150,851
Office supplies and postage	7,432	7,343
Engineering and other professional services	16,283	36,706
Depreciation and amortization	425,289	415,635
Administrative charges	219,554	222,158
Miscellaneous	29,879	31,438
Total operating expenses	1,661,879	1,735,989
Operating income (loss)	83,054	124,588
Nonoperating revenues (expenses):		
Interest income	3,411	3,466
Interest expense	(288,175)	(298,874)
Total nonoperating revenues (expenses)	(284,764)	(295,408)
Income (loss) before transfers	(201,710)	(170,820)
Transfers in	1,948,371	2,640,553
Transfers out	(2,122,258)	(2,069,192)
Changes in net position	(375,597)	400,541
Net position, beginning of year	4,936,525	4,535,984
Net position, end of year	$ 4,560,928	$ 4,936,525

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF CASH FLOWS
WATER AND SEWERAGE FUND
Years Ended June 30, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Receipts from customers	$ 1,694,684	$ 2,165,068
Receipts from (refund of) customer overpayments	(235)	(3,842)
Receipts from (refund of) customer deposits	1,046	2,620
Payments to employees	(339,850)	(357,005)
Payments to vendors	(673,978)	(762,638)
Payments to other funds for services provided	(219,554)	(222,158)
Net cash provided (used) by operating activities	462,113	822,045
Cash flows from noncapital financing activities:		
Transfers in	1,805,288	2,204,766
Transfers out	(2,122,258)	(2,069,192)
Principal paid on noncapital debt	(110,745)	(108,675)
Interest paid on noncapital debt	(38,604)	(40,805)
Net cash provided (used) by noncapital financing activities	(466,319)	(13,906)
Cash flows from capital and related financial activities:		
Transfers in	143,083	435,787
Acquisition of capital assets	(136,076)	(431,322)
Principal paid on capital debt	(424,255)	(416,325)
Interest paid on capital debt	(147,890)	(156,322)
Net cash provided (used) by capital and related financing activities	(565,138)	(568,182)
Cash flows from investing activities:		
Interest income	3,411	3,466
Net increase (decrease) in cash	(565,933)	243,423
Cash, beginning of year	2,056,086	1,812,663
Cash, end of year	$ 1,490,153	$ 2,056,086
Reconciliation of operating income to net cash provided (used) by operating activities:		
Operating income (loss)	$ 83,054	$ 124,588
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	425,289	415,635
(Increase) decrease in:		
Accounts receivable	(25,649)	329,091
Inventory		(240)
Increase (decrease) in:		
Accounts payable	(283)	(24,580)
Customer deposits	1,046	2,620
Customer overpayments	(235)	(3,842)
Accrued compensated absences	(5,730)	5,231
Unearned revenue	(24,600)	(24,600)
Net pension liability	9,221	(1,858)
Net cash provided by operating activities	$ 462,113	$ 822,045

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF NET POSITION
GAS SYSTEM FUND
June 30, 2017 and 2016

	2017	2016
ASSETS		
Current assets:		
Receivables (net, where applicable, of allowances for uncollectibles):		
Accounts	$ 61,669	$ 60,509
Inventories	599	599
Total current assets	62,268	61,108
Noncurrent assets:		
Capital assets:		
Buildings	10,088	10,088
Improvements other than buildings	2,408,781	2,408,781
Machinery and equipment	56,726	63,401
Less, accumulated depreciation	(612,317)	(570,477)
Total capital assets (net of accumulated depreciation)	1,863,278	1,911,793
Total noncurrent assets	1,863,278	1,911,793
Total assets	1,925,546	1,972,901
DEFERRED OUTFLOWS OF RESOURCES		
Pensions:		
Differences between expected and actual experience	6,180	5,127
Difference between projected and actual earnings on plan investments		4,437
Changes of assumptions	81	124
Contributions after measurement date	8,476	6,038
Total deferred outflows of resources	14,737	15,726

Continued...

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF NET POSITION
GAS SYSTEM FUND
June 30, 2017 and 2016
(Continued)

	2017	2016
LIABILITIES		
Current liabilities:		
Accounts payable	5,824	5,293
Customer deposits	17,150	18,930
Accrued compensated absences	6,492	5,843
Obligations under capital leases, current portion	85,360	83,655
Total current liabilities	114,826	113,721
Noncurrent liabilities:		
Compensated absences	3,495	3,146
Obligations under capital leases	359,204	444,564
Net pension liability	70,110	55,820
Total noncurrent liabilities	432,809	503,530
Total liabilities	547,635	617,251
DEFERRED INFLOWS OF RESOURCES		
Pensions:		
Difference between projected and actual earnings on plan investments	320	
Total deferred inflows of resources	320	-
NET POSITION		
Net investment in capital assets	1,418,714	1,383,574
Unrestricted	(26,386)	(12,198)
Total net position	$ 1,392,328	$ 1,371,376

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
GAS SYSTEM FUND
Years Ended June 30, 2017 and 2016

	2017	2016
Operating revenues:		
Charges for services:		
Sales	$ 755,834	$ 675,644
Other fees	49,547	47,804
Total operating revenues	805,381	723,448
Operating expenses:		
Salaries and wages	112,033	104,625
Payroll taxes and employee benefits	54,384	40,868
Gas purchased for resale	406,848	277,275
Sales tax expense	27,464	31,477
Utilities	5,451	5,456
Repairs and maintenance	4,949	4,779
Materials, supplies, and chemicals	1,862	3,084
Office supplies and postage	2,324	2,138
Engineering and other professional services	7,613	7,200
Depreciation and amortization	48,515	48,767
Administrative charges	117,096	118,484
Miscellaneous	1,868	14,141
Total operating expenses	790,407	658,294
Operating income (loss)	14,974	65,154
Nonoperating revenues (expenses):		
Interest expense	(9,898)	(11,570)
Total nonoperating revenues (expenses)	(9,898)	(11,570)
Income (loss) before transfers	5,076	53,584
Transfers in	911,290	749,008
Transfers out	(895,414)	(773,312)
Changes in net position	20,952	29,280
Net position, beginning of year	1,371,376	1,342,096
Net position, end of year	$ 1,392,328	$ 1,371,376

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF CASH FLOWS
GAS SYSTEM FUND
Years Ended June 30, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Receipts from customers	$ 804,221	$ 721,473
Receipts from (refund of) customer deposits	(1,780)	(2,105)
Payments to employees	(149,379)	(136,543)
Payments to vendors	(458,289)	(346,508)
Payments to other funds for services provided	(117,096)	(118,484)
Net cash provided (used) by operating activities	77,677	117,833
Cash flows from noncapital financing activities:		
Transfers in	911,290	749,008
Transfers out	(895,414)	(773,312)
Net cash provided (used) by noncapital financing activities	15,876	(24,304)
Cash flows from capital and related financial activities:		
Capital lease payments	(83,655)	(81,984)
Interest paid on capital debt	(9,898)	(11,570)
Net cash provided (used) by capital and related financing activities	(93,553)	(93,554)
Net increase (decrease) in cash	-	(25)
Cash, beginning of year		25
Cash, end of year	$ -	$ -
Reconciliation of operating income to net cash provided (used) by operating activities:		
Operating income (loss)	$ 14,974	$ 65,154
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	48,515	48,767
(Increase) decrease in:		
Accounts receivable	(1,160)	(1,975)
Increase (decrease) in:		
Accounts payable	531	60
Customer deposits	(1,780)	(2,105)
Accrued compensated absences	998	1,892
Net pension liability	15,599	6,040
Net cash provided (used) by operating activities	$ 77,677	$ 117,833

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF NET POSITION
SOLID WASTE FUND
June 30, 2017 and 2016

	2017	2016
ASSETS		
Current assets:		
Receivables (net, where applicable, of allowances for uncollectibles):		
Accounts	$ 53,726	$ 48,088
Total current assets	53,726	48,088
Noncurrent assets:		
Capital assets:		
Machinery and equipment	21,060	21,060
Less, accumulated depreciation	(21,060)	(21,060)
Total capital assets (net of accumulated depreciation)	-	-
Total noncurrent assets	-	-
Total assets	53,726	48,088
NET POSITION		
Unrestricted	53,726	48,088
Total net position	$ 53,726	$ 48,088

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
SOLID WASTE FUND
Years Ended June 30, 2017 and 2016

	2017	2016
Operating revenues:		
Charges for services:		
Sales	$ 418,162	$ 420,086
Total operating revenues	418,162	420,086
Operating expenses:		
Administrative charges	36,592	37,026
Sanitation expense	224,232	229,984
Total operating expenses	260,824	267,010
Operating income (loss)	157,338	153,076
Income (loss) before transfers	157,338	153,076
Transfers in	416,082	442,483
Transfers out	(567,782)	(598,357)
Changes in net position	5,638	(2,798)
Net position, beginning of year	48,088	50,886
Net position, end of year	$ 53,726	$ 48,088

CITY OF MANCHESTER, GEORGIA
COMPARATIVE STATEMENTS OF CASH FLOWS
SOLID WASTE FUND
Years Ended June 30, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Receipts from customers	$ 412,524	$ 422,884
Payments to vendors	(224,232)	(229,984)
Payments to other funds for services provided	(36,592)	(37,026)
Net cash provided (used) by operating activities	151,700	155,874
Cash flows from noncapital financing activities:		
Transfers in	416,082	442,483
Transfers out	(567,782)	(598,357)
Net cash provided (used) by noncapital financing activities	(151,700)	(155,874)
Net increase (decrease) in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	$ -	$ -
Reconciliation of operating income to net cash provided (used) by operating activities:		
Operating income (loss)	$ 157,338	$ 153,076
Adjustments to reconcile operating income to net cash provided by operating activities:		
(Increase) decrease in:		
Accounts receivable	(5,638)	2,798
Net cash provided by operating activities	$ 151,700	$ 155,874

DOWNTOWN DEVELOPMENT AUTHORITY

The Downtown Development Authority is a discretely presented component unit of the City.

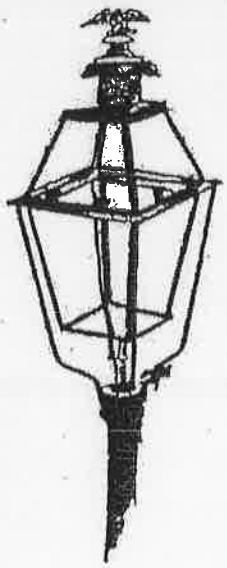
DOWNTOWN DEVELOPMENT AUTHORITY
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash	$ 22,074	$ 19,580
Notes receivable	7,337	9,028
Total assets	$ 29,411	$ 28,608
LIABILITIES		
Accounts payable	$ 493	$ 50
Unearned revenue	8,500	500
Total liabilities	8,993	550
FUND BALANCE		
Unassigned	20,418	28,058
Total fund balance	20,418	28,058
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 fund statements.	20,400	20,400
Net position of governmental activities	$ 40,818	$ 48,458

DOWNTOWN DEVELOPMENT AUTHORITY
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Years Ended June 30, 2017 and 2016

	2017	2016
Revenue:		
Special events	$ 2,410	$ 4,197
Interest revenue	90	347
Other fees	50	20
Total revenue	2,550	4,564
Expenditures:		
Community development	10,190	9,486
Total expenditures	10,190	9,486
Excess of revenues over (under) expenditures	(7,640)	(4,922)
Net change in fund balance	(7,640)	(4,922)
Fund balance, beginning of year	28,058	32,980
Fund balance, end of year	$ 20,418	$ 28,058

There are no differences in amounts reported for changes in net position of governmental activities in the statement of activities.



CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

CITY OF MANCHESTER, GEORGIA
COMPARATIVE SCHEDULES BY SOURCE *
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
Years Ended June 30, 2017 and 2016

	2017	2016
Governmental funds capital assets:		
Land and land improvements	$ 312,893	$ 312,893
Buildings and improvements	3,839,670	3,839,670
Machinery and equipment	1,751,876	1,899,310
Infrastructure	3,077,453	3,077,453
Total governmental funds capital assets	$ 8,981,892	$ 9,129,326
Investment in governmental funds capital assets by source:		
General fund	$ 3,464,450	$ 3,611,884
SPLOST funds	1,580,835	1,580,835
Gifts	659,618	659,618
General obligation bonds	1,228,608	1,228,608
Federal grants	1,725,590	1,725,590
State grants	295,791	295,791
County grants	27,000	27,000
Total governmental funds capital assets	$ 8,981,892	$ 9,129,326

* This schedule presents only the capital asset balances related to governmental funds.

CITY OF MANCHESTER, GEORGIA
SCHEDULE BY FUNCTION AND ACTIVITY *
CAPITAL ASSETS USED IN OPERATION OF GOVERNMENTAL FUNDS
June 30, 2017

Function and Activity	Total	Land and Land Improvements	Buildings and Improvements	Machinery and Equipment	Infrastructure
General government	$ 962,126	$ 262,733	$ 585,544	$ 113,849	
Public safety	1,710,263		585,183	1,125,080	
Health and welfare	56,895		45,395	11,500	
Culture and recreation	2,904,112	27,000	2,536,774	340,338	
Highways and streets	3,348,496	23,160	86,774	161,109	$ 3,077,453
Total governmental funds capital assets	$ 8,981,892	$ 312,893	$ 3,839,670	$ 1,751,876	$ 3,077,453

* This schedule presents only capital asset balances related to governmental funds.

CITY OF MANCHESTER, GEORGIA
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY *
CAPITAL ASSETS USED IN OPERATION OF GOVERNMENTAL FUNDS
June 30, 2017

Function and Activity	Balance June 30, 2016	Additions	Deletions	Transfers	Balance June 30, 2017
General government	$ 962,126				$ 962,126
Public safety	1,750,313		$ (40,050)		1,710,263
Health and welfare	56,895				56,895
Culture and recreation	2,992,113		(80,577)	$ (7,424)	2,904,112
Highways and streets	3,367,879		(26,807)	7,424	3,348,496
Total governmental funds capital assets	$ 9,129,326	$ -	$ (147,434)	$ -	$ 8,981,892

* This schedule presents only the capital assets balances related to governmental funds.

ADDITIONAL DATA

The following data is required by either state statute, specific grant audit requirements, or auditing standards:

Community Development Block Grant - Disclosure required by specific grant audit requirements.

SPLOST - Disclosure required by state requirements.

CITY OF MANCHESTER, GEORGIA
SOURCE AND APPLICATION OF FUNDS STATUS REPORT
COMMUNITY DEVELOPMENT BLOCK GRANT
Year Ended June 30, 2017

CDBG 14p-x-099-2-5684:

Total grant	$	500,000
Less, total program funds drawn down by recipient for the year ended:		
June 30, 2017		(30,860)
June 30, 2016		(423,640)
June 30, 2015		(45,500)
Program funds available for future draw down	$	-
Total program funds drawn down by recipient for the year ended June 30, 2017	$	30,860
Add, program income applicable to the year ended June 30, 2017		-
Total program funds drawn by recipient and program income for the year ended June 30, 2017	$	30,860

CITY OF MANCHESTER, GEORGIA
PROJECT COST SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
Year Ended June 30, 2017

Activity	Budgeted Expenditures	Actual Expenditures Year Ended June 30, 2017	Actual Expenditures Prior Years	Questioned Cost
CDBG 14p-x-099-2-5684:				
P-03J-02	$ 397,583	$ 25,428	$ 397,091	None
T-03J-00	47,550		47,981	
A-21A-00	30,000	5,500	24,000	None
C-022-00	22,117			
P-001-01	2,750			
	$ 500,000	$ 30,928	$ 469,072	

CITY OF MANCHESTER, GEORGIA
SCHEDULE OF SPECIAL PURPOSE SALES AND USE TAX
June 30, 2017

Project	Estimated Project Amount	Estimated Percentage of Completion	Amount of Receipts to Date	Amount Expended	
				Prior Years	Current Year
Resolution #030114:					
Buildings	$ 268,101	34.44%		$ 88,847	$ 3,500
Recreation	102,039	100.00%		102,039	
Streets and sidewalks	357,135	21.63%		77,233	
Public safety	258,098	100.00%		258,098	
Equipment	290,109	53.46%		154,690	400
Water, Sewer, & Gas Projects	453,670	83.03%		264,518	112,155
	$ 1,729,152		$ 1,729,152	* $ 945,425	$ 116,055

* Receipts are not designated by project.

STATISTICAL SECTION

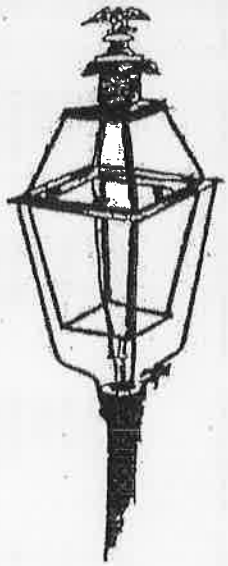
This part of the City of Manchester's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

CONTENTS	PAGE
Financial Trends - These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	83
Revenue Capacity - These schedules present information to help the reader assess the City's most significant local revenue sources.	88
Debt Capacity - 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.	95
Demographic and Economic Information - These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	100
Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.	102

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

CITY OF MANCHESTER, GEORGIA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
Net investment in capital assets	$ 3,722,007	$ 5,713,711	$ 5,924,123	$ 5,899,570	$ 4,268,924	$ 4,229,346	$ 4,236,911	$ 4,482,775	$ 4,414,285	$ 4,228,586
Restricted	1,738,873	963,410	830,029	771,920	408,008	222,804	1,742,690	1,118,976	1,011,270	898,409
Unrestricted	(511,763)	(800,824)	(30,449)	(56,374)	68,474	351,608	678,760	32,705	(277,799)	(64,902)
Total governmental activities net position	$ 4,949,117	$ 5,876,297	$ 6,723,703	$ 6,615,116	$ 4,745,406	$ 4,803,758	$ 6,658,361	$ 5,634,456	$ 5,147,756	$ 5,062,093
Business-type activities										
Net investment in capital assets	$ 7,102,166	$ 7,273,454	$ 7,363,268	$ 7,182,172	$ 7,102,398	$ 6,892,270	$ 8,115,278	$ 6,456,886	$ 6,750,474	$ 6,705,159
Restricted						3,031,484	1,697,345	380,617	286,332	148,237
Unrestricted	(374,323)	(272,714)	(890,561)	(408,624)	(365,174)	(3,404,787)	(2,804,179)	(908,537)	(680,817)	(846,414)
Total business-type activities net position	$ 6,727,843	$ 7,000,740	$ 6,472,707	$ 6,773,548	$ 6,737,224	$ 6,518,967	$ 7,008,444	$ 5,928,966	$ 6,355,989	$ 6,006,982
Primary government										
Net investment in capital assets	$ 10,824,173	$ 12,987,165	$ 13,287,391	$ 13,081,742	$ 11,371,322	$ 11,121,616	$ 12,352,189	$ 10,939,661	$ 11,164,759	$ 10,933,745
Restricted	1,738,873	963,410	830,029	771,920	408,008	3,254,288	3,440,035	1,499,593	1,297,602	1,046,646
Unrestricted	(886,086)	(1,073,538)	(921,010)	(464,998)	(296,700)	(3,053,179)	(2,125,419)	(875,832)	(958,616)	(911,316)
Total primary government net position	$ 11,676,960	$ 12,877,037	$ 13,196,410	$ 13,388,664	$ 11,482,630	$ 11,322,725	$ 13,666,805	$ 11,563,422	$ 11,503,745	$ 11,069,075



CITY OF MANCHESTER, GEORGIA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30									
Expenses	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities:										
General government	$ 1,147,257	$ 999,930	$ 1,115,872	$ 963,147	$ 875,283	$ 851,282	$ 691,609	$ 758,893	$ 814,405	$ 612,706
Public safety	1,480,934	1,463,794	1,491,837	1,425,739	1,461,400	1,526,212	1,559,309	1,706,052	1,724,118	1,805,575
Health and welfare	159,624	147,547	164,498	129,721	151,054	155,931	166,324	152,969	153,338	172,636
Culture and recreation	477,367	397,162	410,603	447,241	479,144	506,659	466,802	441,135	467,949	499,642
Streets and highways	459,326	710,416	680,166	587,832	556,214	489,636	502,479	598,737	594,490	493,739
Other governmental services										
Community development	281,637	121,927	12,883	159,378	2,218,377	104,379	108,801	9,576	8,884	8,568
Interest on long-term debt	75,693	65,901	106,183	44,254	36,721	31,754	28,027	24,557	21,623	17,362
Total governmental activities expenses	4,081,838	3,906,677	3,982,042	3,757,312	5,778,193	3,665,853	3,523,351	3,691,919	3,784,807	3,610,228
Business-type activities:										
Water and sewerage	1,525,784	1,344,528	1,354,612	1,599,354	1,593,314	2,061,417	1,743,175	2,676,364	2,034,863	1,950,054
Gas	1,345,341	948,163	848,029	797,554	702,362	659,844	771,321	755,385	669,864	800,305
Solid waste	271,229	301,947	296,420	281,548	271,683	267,034	263,547	264,099	267,010	260,824
Broadband	31,056	376,228	322,163	342,506	18,822	3,705				
Total business-type activities expenses	3,173,410	2,970,866	2,821,224	3,020,962	2,586,181	2,992,000	2,778,043	3,695,848	2,971,737	3,011,183
Total primary government expenses	$ 7,255,248	$ 6,877,543	$ 6,803,266	$ 6,778,274	$ 8,364,374	$ 6,657,853	$ 6,301,394	$ 7,387,767	$ 6,756,544	$ 6,621,411
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 442,328	$ 473,763	$ 473,058	$ 484,127	$ 452,979	$ 431,163	$ 431,327	$ 460,497	$ 464,406	$ 468,389
Public safety	124,526	130,675	143,143	129,646	166,785	192,472	195,597	208,510	166,478	133,206
Culture and recreation	54,165	71,879	56,200	58,800	68,936	61,230	58,776	55,152	92,985	52,903
Other activities	16,322	12,410	8,223	7,347	9,505	2,080	8,399	13,106	12,458	13,185
Operating grants and contributions	537,316	347,765	155,292	333,270	408,311	509,996	900,555	298,747	421,124	397,824
Capital grants and contributions	2,987,196	1,690,720	586,406	143,722	117,471	140,440	1,729,191	120,626	437,939	32,598
Total governmental activities program revenues	4,161,853	2,727,212	1,422,322	1,156,912	1,223,987	1,337,381	3,323,845	1,156,638	1,595,390	1,098,105
Business-type activities:										
Charges for services:										
Water and sewerage	1,835,877	1,818,181	1,894,847	2,108,600	1,970,781	1,856,517	1,909,741	1,721,914	1,860,577	1,744,933
Gas	1,528,805	891,819	964,698	949,673	756,450	765,116	900,497	803,820	723,448	805,381
Solid waste	342,416	339,140	419,367	446,503	437,134	443,380	425,453	421,906	420,086	418,162
Broadband	37,578	335,769	280,041	180,290	4,940					
Operating grants and contributions										
Total business-type activities program revenues	3,744,676	3,384,909	3,558,953	3,685,066	3,169,305	3,065,013	3,235,691	2,947,640	3,004,111	2,968,476
Total primary government program revenues	$ 7,906,529	$ 6,112,121	$ 4,981,275	$ 4,841,978	$ 4,393,292	$ 4,402,394	$ 6,559,536	$ 4,104,278	$ 4,599,501	$ 4,066,581
Net (expense)/revenue										
Governmental activities	$ 80,015	$ (1,179,465)	$ (2,559,720)	$ (2,600,400)	$ (4,554,206)	$ (2,328,472)	$ (199,506)	$ (2,535,281)	$ (2,189,417)	$ (2,512,123)
Business-type activities	571,266	414,043	737,729	664,104	583,124	73,013	457,648	(748,208)	32,374	(42,707)
Total primary government net expense	$ 651,281	$ (765,422)	$ (1,821,991)	$ (1,936,296)	$ (3,971,082)	$ (2,255,459)	$ 258,142	$ (3,283,489)	$ (2,157,043)	$ (2,554,830)

General Revenues and Other Changes Net Position	Fiscal Year Ended June 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities:										
Taxes										
Property taxes	$ 909,773	$ 920,746	$ 1,127,332	$ 1,094,171	$ 1,034,166	$ 1,063,897	$ 1,036,188	$ 1,041,462	$ 1,039,654	$ 1,064,150
Sales tax	406,851	376,908	395,807	395,138	392,921	380,696	361,302	357,636	342,834	351,201
Franchise tax	186,793	217,618	194,708	210,722	229,997	221,189	217,697	230,140	233,682	222,887
Insurance premium tax	217,980	223,201	221,107	214,681	198,405	210,739	218,200	229,870	245,578	266,009
Motor vehicle and mobile home tax	96,423	96,551	86,774	98,654	97,088	113,568	144,361	140,862	132,792	113,628
Alcoholic beverage taxes	88,949	90,289	89,694	92,336	90,480	85,990	79,749	77,247	74,421	74,792
Other	22,879	18,306	17,242	20,804	19,586	16,024	22,819	28,657	22,360	21,563
Investment earnings	38,287	21,194	8,163	1,098	823	1,228	2,827	2,470	2,579	2,519
Transfers	184,699	141,832	1,266,299	364,209	621,030	293,493	(29,034)	168,685	(391,183)	309,711
Total governmental activities	2,152,634	2,106,645	3,407,126	2,491,813	2,684,496	2,386,824	2,054,109	2,277,029	1,702,717	2,426,460
Business-type activities:										
Gain on sale of assets	37,120									
Investment earnings	11,961	686	537	946	1,582	2,223	2,795	2,196	3,466	3,411
Transfers	(184,699)	(141,832)	(1,266,299)	(364,209)	(621,030)	(293,493)	29,034	(168,685)	391,183	(309,711)
Total business-type activities	(135,618)	(141,146)	(1,265,762)	(363,263)	(619,448)	(291,270)	31,829	(166,489)	394,649	(306,300)
Total primary government	$ 2,017,016	$ 1,965,499	$ 2,141,364	$ 2,128,550	$ 2,065,048	$ 2,095,554	$ 2,085,938	$ 2,110,540	$ 2,097,366	$ 2,120,160
Change in Net Position										
Governmental activities	$ 2,232,649	$ 927,180	$ 847,406	$ (108,587)	$ (1,869,710)	$ 58,352	$ 1,854,603	$ (258,252)	$ (486,700)	$ (85,663)
Business-type activities	435,648	272,897	(528,033)	300,841	(36,324)	(218,257)	489,477	(914,697)	427,023	(349,007)
Total primary government	$ 2,668,297	$ 1,200,077	$ 319,373	$ 192,254	$ (1,906,034)	$ (159,905)	$ 2,344,080	$ (1,172,949)	$ (59,677)	$ (434,670)

CITY OF MANCHESTER, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General fund										
Nonspendable	$ 75,226	$ 75,632	$ 64,138	$ 38,002	$ 64,268	$ 46,447	$ 76,205	$ 71,776	$ 103,996	$ 69,947
Restricted				44,911	75,802					
Committed				12,502	21,760	253,000	248,687	259,784	247,730	257,627
Unassigned	(460,501)	(737,723)	119,291	7,182	108,968	180,137	479,155	594,133	296,008	573,905
Total general fund	$ (385,275)	$ (662,091)	$ 183,429	$ 102,597	$ 270,798	$ 479,584	$ 804,047	$ 925,693	$ 647,734	$ 901,479
Other governmental funds										
Restricted, reported in:										
Debt service fund	$ 197	$ 197	$ 197	$ 198	$ 198					
Special revenue funds	696,971	712,595	719,288	715,501	223,178	$ 222,803	$ 222,807	$ 225,398	$ 227,017	$ 228,473
Capital project fund	1,041,705	250,618	110,544	11,310	108,830	1	1,519,883	893,578	784,253	669,936
Total other governmental funds	$ 1,738,873	$ 963,410	$ 830,029	$ 727,009	$ 332,206	$ 222,804	$ 1,742,690	$ 1,118,976	$ 1,011,270	$ 898,409

CITY OF MANCHESTER, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues:										
Taxes	$ 1,929,648	$ 1,943,619	$ 2,132,664	$ 2,126,506	$ 2,062,643	$ 2,092,103	$ 2,080,316	$ 2,105,874	$ 2,091,321	$ 2,114,230
Licenses and permits	74,247	72,089	70,492	79,535	80,570	85,470	83,145	71,825	63,269	76,456
Intergovernmental	2,197,555			29,668			1,729,152			
Grants and subsidies	1,261,127	347,765	724,577	344,708	445,942	508,620	782,705	250,689	732,398	276,671
Charges for services	54,516	70,643	56,276	58,800	65,837	60,757	63,493	59,194	98,503	53,457
Fines and forfeitures	115,377	125,087	142,425	129,646	166,291	192,472	195,597	208,480	166,478	133,206
Interest revenue	38,287	21,194	8,163	2,137	1,409	1,663	2,866	2,596	2,939	4,257
Miscellaneous	459,031	420,908	440,701	493,100	464,761	479,627	469,714	491,324	534,382	556,577
Total revenues	6,129,788	3,001,305	3,575,298	3,264,100	3,287,453	3,420,712	8,596,970	10,094,126	6,904,144	3,214,854
Expenditures:										
General government	1,068,742	934,268	922,739	913,022	834,472	834,570	678,763	725,261	787,579	734,713
Public safety	1,333,508	1,390,208	1,386,289	1,373,271	1,378,111	1,448,479	1,487,937	1,578,793	1,586,347	1,578,288
Health and welfare	151,554	144,915	143,637	146,660	150,722	155,599	165,334	153,412	157,645	163,594
Culture and recreation	326,695	325,326	319,063	389,168	441,243	445,918	396,157	364,385	395,842	407,401
Highway and streets	424,777	557,515	576,763	415,793	417,056	393,371	419,999	482,947	507,387	403,815
Community development	281,637	121,927	12,883	159,378	715,049	104,379	108,801	9,576	8,884	8,568
Other governmental services	11,687	5,719	34,940	31,130						
Debt service:										
Principal	106,045	96,015	97,083	103,006	103,968	74,969	81,013	82,101	92,872	64,840
Interest	76,980	67,189	107,570	45,723	38,190	32,754	29,310	25,657	22,823	18,562
Capital outlay	1,409,640	552,334	528,491	235,010	56,274	124,782	166,291	463,603	124,393	3,900
Total expenditures	5,191,265	4,195,416	4,129,458	3,812,161	4,135,085	3,614,821	3,533,605	3,885,735	3,683,772	3,383,681
Excess of revenues over (under) expenditures	938,523	(1,194,111)	(554,160)	(548,061)	(847,632)	(194,109)	5,063,365	6,208,391	3,220,372	(168,827)
Other financing sources (uses):										
Transfers in	5,003,182	4,496,671	5,015,481	5,303,747	4,555,880	4,288,833	5,062,540	3,977,194	3,572,034	3,740,489
Transfers out	(4,818,483)	(4,354,839)	(3,749,182)	(4,939,538)	(3,934,850)	(3,995,340)	(5,091,574)	(3,808,509)	(3,963,217)	(3,430,778)
Capital leases								25,000		
Total other financing sources (uses)	184,699	141,832	1,266,299	364,209	621,030	293,493	(29,034)	193,685	(391,183)	309,711
Net change in fund balances	$ 1,123,222	$ (1,052,279)	$ 712,139	$ (183,852)	$ (226,602)	$ 99,384	$ 5,034,331	$ 6,402,076	$ 2,829,189	$ 140,884
Debt service as a percentage of noncapital expenditures	4.63%	4.36%	5.62%	4.04%	3.46%	3.07%	3.27%	3.06%	3.23%	2.46%

CITY OF MANCHESTER, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY
Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property		Personal Property	Utilities and Other Property	Total Taxable Assessed Value	Total Direct Tax Rate (1)	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property						
2008	$ 31,008,986	$ 16,854,217	$ 13,115,910	$ 3,331,190	$ 64,310,303	16.15	$ 160,775,758	40%
2009	28,498,307	18,696,169	14,968,995	8,382,359	70,545,830	16.15	176,364,575	40%
2010	32,206,279	20,351,383	15,927,525	3,126,102	71,611,289	17.15	179,028,223	40%
2011	33,394,954	17,938,189	11,319,108	3,126,064	65,778,315	17.242	164,445,788	40%
2012	33,339,197	17,865,342	9,667,910	3,126,064	63,998,513	17.242	159,996,283	40%
2013	32,052,831	18,179,965	13,131,113	2,881,761	66,245,670	17.704	165,614,175	40%
2014	30,412,353	18,449,189	12,488,038	3,237,486	64,587,066	17.704	161,467,665	40%
2015	29,294,546	18,862,901	12,491,042	3,223,486	63,871,975	17.704	159,679,938	40%
2016	28,526,378	19,514,008	13,476,510	3,131,931	64,648,827	17.667	161,622,068	40%
2017	28,496,581	19,196,120	13,835,819	3,293,679	64,822,199	17.667	162,054,998	40%

Data Source: Meriwether and Talbot County Tax Digest
(1) Per $1,000 of assessed value

CITY OF MANCHESTER, GEORGIA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
(PER $1,000 OF ASSESSED VALUE)
Last Ten Fiscal Years

Fiscal Year Ended June 30	City of Manchester (Direct Rates)			Overlapping Rates	
	Operating Millage	Debt Service Millage *	Total City Millage	Total County Millage (1)	Total School Millage (2)
2008	14.360	1.790	16.150	12.220	18.000
2009	14.400	1.750	16.150	12.270	18.000
2010	15.510	1.640	17.150	13.567	16.900
2011	15.572	1.670	17.242	13.650	16.998
2012	15.542	1.700	17.242	12.417	18.830
2013	15.984	1.720	17.704	13.740	19.010
2014	16.444	1.260	17.704	13.540	19.019
2015	16.443	1.261	17.704	13.644	19.230
2016	16.469	1.198	17.667	13.661	19.305
2017	16.512	1.155	17.667	13.669	19.255

Data Sources:
(1) Meriwether County Tax Commissioner
(2) Meriwether County Board of Education

* General Obligation Debt

CITY OF MANCHESTER, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
Current year and Nine Years Ago

Taxpayer	2017 (1) Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	2008 (2) Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Angio Dynamics	$ 4,499,654	1	6.94%			
Georgia Power Company	1,810,471	2	2.79%	$ 1,220,144	3	2.21%
Dan Bitton (Eccomelt)	1,744,536	3	2.69%			
F&M Bank & Trust Co	1,566,034	4	2.42%			
The Sherwin Williams Co	1,249,556	5	1.93%			
William B Jones	868,560	6	1.34%			
CSX	808,236	7	1.25%	467,568	7	0.85%
Kilbarry Enterprises LLC	596,868	8	0.92%			
OSL Georgia System GA LLC	465,385	9	0.72%			
Regency Georgia Inc. LLC	459,040	10	0.71%			
Goody Products				18,223,516	1	33.06%
Alltel Ga Communications				1,306,390	2	2.37%
Horizon Medical Products				778,082	4	1.41%
Manchester Associate				575,020	5	1.04%
Manchester Housing LTD				493,840	6	0.90%
Manchester Apartments LTD				410,104	8	0.74%
Manchester Elderly Housing				379,674	9	0.69%
CB&T				332,050	10	0.60%
	$ 14,068,340		21.71%	$ 24,186,388		43.87%

Data Source: City Finance Office
(1) Based on 2016 tax digest.
(2) Based on 2007 tax digest.

CITY OF MANCHESTER, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	$ 989,282	$ 968,159	97.86%	$ 21,080	$ 989,239	99.90%
2009	1,034,853	975,159	94.23%	59,303	1,034,462	99.96%
2010	1,168,964	1,101,187	94.20%	67,058	1,168,245	99.94%
2011	1,134,170	1,108,400	97.73%	22,437	1,130,837	99.71%
2012	1,132,152	1,107,460	97.82%	21,852	1,129,312	99.75%
2013	1,156,148	1,129,391	97.69%	20,614	1,150,005	99.47%
2014	1,163,477	1,147,929	98.66%	12,203	1,160,132	99.71%
2015	1,168,959	1,148,285	98.23%	15,738	1,164,023	99.58%
2016	1,167,198	1,135,527	97.29%	15,671	1,151,198	98.63%
2017	1,144,974	1,130,334	98.72%		1,130,334	98.72%

Data Source: City Finance Office
(1) Includes: Real Property
Personal Property
Utility
Vehicles

CITY OF MANCHESTER, GEORGIA
UTILITY RATES
Year Ended June 30, 2017

Monthly Water Rate		
Base Charge	$	15.00
Commodity charge (per 1,000 gallons)	$	4.82

Monthly Out of Town Water Rate		
Base Charge	$	16.50
Commodity charge (per 1000 gallons)	$	5.22

Monthly Rural Water Rate		
Base charge	$	26.95
Commodity charge (per 1,000 gallons)	$	7.97

Monthly Sewer Rate		
Base charge	$	15.00
Commodity charge (per 1,000 gallons)	$	4.82

Monthly Gas Rate		
Base charge-residential	$	15.00
Base charge-commercial	$	100.00
Commodity charge (per 1,000 cubic feet), plus cost of gas (floating rate)	$	4.00

Monthly Garbage Rate		
Residential	$	19.00

Connection Chages		
Nonrefundable service agreement	$	50.00
Nonrefundable transfer	$	50.00
Water deposit	$	125.00
Gas deposit	$	175.00
Water reconnection	$	50.00
Gas reconnection	$	50.00
Return check fee	$	30.00

The above rates are in effect as of July 13, 2015.

Data Source: City Finance Office

CITY OF MANCHESTER, GEORGIA
TOP TEN WATER CONSUMERS
Year Ended June 30, 2017

Consumer	Fiscal Year Ended June 30, 2017		
	Consumption *	Revenue	Percentage of Total Water Revenue
Meriwether County Board of Education	1,934,538	$ 14,542	1.46%
Manchester Elderly Housing, LP	963,900	4,826	0.49%
Jet Spray Car Wash, LLC	919,370	4,791	0.48%
TBO Manchester- McDonald's	660,850	3,664	0.37%
Angio Dynamics	315,800	1,702	0.17%
Stephanie Edgar	291,060	1,763	0.18%
Manchester Laundry	249,200	1,381	0.14%
Dairy Queen	218,310	1,232	0.12%
Daniel's Big Chic	124,650	781	0.08%
Food Outlet	126,400	759	0.08%
	5,804,078	$ 35,441	3.57%

Data Source: City Finance Office
* per gallons

CITY OF MANCHESTER, GEORGIA
TOP TEN SEWER CONSUMERS
Year Ended June 30, 2017

Consumer	Fiscal Year Ended June 30, 2017		
	Consumption *	Revenue	Percentage of Total Sewer Revenue
Manchester Elderly Housing, LP	963,900	$ 4,826	0.79%
Meriwether County Board of Education	946,978	5,907	0.96%
Jet Spray Car Wash, LLC	919,370	4,791	0.78%
TBO Manchester- McDonald's	660,850	3,664	0.60%
Angio Dynamics	315,800	1,702	0.28%
Manchester Laundry	249,200	1,381	0.22%
Stephanie Edgar	188,060	1,266	0.21%
Dairy Queen	218,310	1,232	0.20%
Daniel's Big Chic	124,650	781	0.13%
Food Outlet	152,800	759	0.12%
	4,739,918	$ 26,309	4.29%

Data Source: City Finance Office
* per gallons

CITY OF MANCHESTER, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income**	Per Capita*
	General Obligation Bonds	Notes Payable	Capital Leases	Revenue Bonds	Capital Leases	Notes Payable			
2008	$ 870,000		$ 201,387	$3,434,631	$1,633,038		$6,139,056		1,539
2009	800,000		175,373	3,265,270	1,498,419		5,739,062		1,439
2010	725,000		153,290	4,414,909	1,359,798	$ 827,595	7,480,592		1,876
2011	645,000		130,284	3,938,881	1,214,242	1,418,732	7,347,139		1,737
2012	565,000		106,316	3,695,050	1,048,319	1,890,419	7,305,104		1,727
2013	515,000		81,347	9,400,840	901,061		10,898,248		2,576
2014	460,000		55,334	8,900,927	732,712		10,148,973		2,399
2015	405,000	$ 25,000	28,233	8,391,015	610,203		9,459,451		2,236
2016	345,000	20,361		7,871,103	528,219		8,764,683		2,072
2017	285,000	15,521		7,341,191	444,564		8,086,276		1,991

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

* See Demographic and Economic Statistics on page 100 for population data.
** Information not available.

CITY OF MANCHESTER, GEORGIA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita**
2008	$ 870,000	$ 197	$ 869,803	0.54%	218
2009	800,000	197	799,803	0.45%	200
2010	725,000	197	724,803	0.40%	182
2011	645,000	198	644,802	0.39%	152
2012	565,000	198	564,802	0.35%	134
2013	515,000		515,000	0.31%	122
2014	460,000		460,000	0.28%	109
2015	405,000		405,000	0.25%	96
2016	345,000		345,000	0.21%	82
2017	285,000		285,000	0.18%	70

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

* See Assessed Value and Estimated Actual Value of Taxable Property on page 88 for property value data.
** See Demographic and Economic Statistics on page 100 for population data.

CITY OF MANCHESTER, GEORGIA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2017

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable *	Estimated Share of Overlapping Debt
Overlapping debt:			
Meriwether County, Georgia	$ 8,460,544	19%	$ 1,607,503
Meriwether County Board of Public Education	5,209,520	19%	989,809
Subtotal, overlapping debt			2,597,312
Direct debt:			
City of Manchester, Georgia governmental activities			300,521
Subtotal, direct debt			300,521
Total direct and overlapping debt			$ 2,897,833

Data Sources: Debt outstanding data provided by the County and the Board of Education.

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

* The percentage of overlapping debt applicable is estimated using population. Applicable percentages were estimated by dividing the City's population by the total County population.

CITY OF MANCHESTER, GEORGIA
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	$ 6,431,030	$ 7,054,583	$ 7,161,128	$ 6,577,832	$ 6,399,851	$ 6,624,567	$ 6,458,707	$ 6,387,198	$ 6,464,883	$ 6,482,200
Total net debt applicable to limit	869,803	799,803	724,803	644,802	565,000	515,000	460,000	405,000	345,000	285,000
Total net debt margin	$ 5,561,227	$ 6,254,780	$ 6,436,325	$ 5,933,030	$ 5,834,851	$ 6,109,567	$ 5,998,707	$ 5,982,198	$ 6,119,883	$ 6,197,200
Total net debt applicable to the limit as a percentage of debt limit	13.53%	11.34%	10.12%	9.80%	8.83%	7.77%	7.12%	6.34%	5.34%	4.40%

Legal Debt Margin Calculation for Fiscal Year 2017

Assessed value	$ 64,821,999
Add Back: Exempt real property	-
Total assessed value	$ 64,821,999
Debt limit (10% of total assessed value)	$ 6,482,200
Debt applicable to limit:	
General obligation bonds	285,000
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	285,000
Legal debt margin	$ 6,197,200

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

CITY OF MANCHESTER, GEORGIA
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years

Fiscal Year Ended June 30	Utility Charges and Other*	Less: Operating Expenses**	Net Available Revenue	Debt Service					Coverage
				Principal	Interest	Total Debt Service	Less CAPI Funds	Net Debt Service	
2008	$ 3,364,682	$ 2,278,451	$ 1,086,231	$ 320,000	$ 218,080	$ 538,080		$ 538,080	2.02
2009	2,710,000	1,676,724	1,033,276	224,000	117,707	341,707		341,707	3.02
2010	2,902,292	1,594,079	1,308,213	405,000	108,485	513,485		513,485	2.55
2011	3,058,273	1,620,285	1,437,988	426,000	95,742	521,742		521,742	2.76
2012	2,596,937	1,525,264	1,071,673	436,000	82,493	518,493		518,493	2.07
2013	2,621,633	1,606,791	1,014,842	504,254	68,238	572,492		572,492	1.77
2014	1,916,840	1,084,127	832,713	505,000	216,928	721,928	$ 216,928	505,000	1.65
2015	1,792,800	1,192,630 ***	600,170	515,000	206,228	721,228	206,228	515,000	1.17
2016	1,872,508	1,264,600 ***	607,908	525,000	195,928	720,928	172,330	548,598	1.11
2017	1,755,351	1,128,936 ***	626,415	535,000	185,428	720,428	86,165	634,263	0.99

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements. Through fiscal year ended June 30, 2013, the revenue bonds outstanding were Combined Public Utilities Revenue Bonds; therefore, the above figures included the Water, Sewer, and Gas Funds of the City. Beginning with fiscal year ended June 30, 2014, the revenue bonds are Water and Sewer Revenue Bonds; therefore, the above figures include only the Water and Sewerage Fund of the City.

* SPLOST reimbursement for repairs and maintenance is included in this figure.
** Operating expenses do not include interest or depreciation.
*** Operating expenses have been reduced for any expenses paid with bond proceeds.

CITY OF MANCHESTER, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last ten Fiscal Years

Fiscal Year	Population (1)	Per Capita Personal Income (2)	Personal Income	Meriwether County Public School Enrollment (3)	Meriwether County Unemployment Rate (4)
2008	3,988	$ 14,380	$ 57,347,440	3,511	5.10%
2009	3,988	22,715	90,587,420	3,149	8.40%
2010	3,988	20,880	83,269,440	3,071	12.10%
2011	4,230	17,586	74,388,780	3,038	11.70%
2012	4,230	17,586	74,388,780	3,135	14.60%
2013	4,230	18,295	77,387,850	3,164	15.20%
2014	4,230	15,708	66,444,840	3,075	11.40%
2015	4,230	15,704	66,427,920	2,933	5.90%
2016	4,230	18,821	79,612,830	3,116	6.80%
2017	4,061	18,059	73,337,599	2,641	6.20%

Data Sources:
(1) U.S. Census Bureau
(2) Meriwether County Industrial Development Authority
(3) Meriwether County Board of Public Education, based on census at start of school year
(4) Georgia Department of Labor

CITY OF MANCHESTER, GEORGIA
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

	2017			2008		
Taxpayer	Employees	Rank	Percentage of Total City Employees	Employees	Rank	Percentage of Total City Employees
CSX	240	1	27.52%			
Board of Education	107	2	12.27%			
Angio Dynamics	106	3	12.16%			
City of Manchester	55	4	6.31%	53	3	4.93%
Professional Transport	42	5	4.82%			
MJR Solutions	30	6	3.44%	25	6	2.32%
Piggly Wiggly	25	7	2.87%	30	5	2.79%
The Sherwin Williams Co	25	8	2.87%	65	2	6.05%
F&M Bank & Trust Co	24	9	2.75%	45	4	4.18%
CVS	19	10	2.18%			
Rita Medical Systems				300	1	27.93%
Lewis Jones Foods				20	7	1.86%
Ga L P Gas				17	8	1.58%
Meriwether Bank & Trust				16	9	1.48%
Flint Facilities				15	10	1.39%
	673		77.19%	586		54.51%

Data Source: City Finance Office

CITY OF MANCHESTER, GEORGIA
FULL-TIME EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government	11	9	11	9	9	9	9	9	8	10
Public safety										
Police	18	19	16	17	17	17	19	19	20	16
Fire	8	8	7	6	7	7	8	8	8	8
Health and welfare										
Senior center	2	2	2	2	2	2	2	2	2	2
Animal control	1	1	1	1	1	1	1	1	1	1
Culture and recreation	3	3	3	4	4	3	4	4	4	4
Highways and streets	3	2	2	2	1	1	1	1	1	1
Other governmental services										
Code enforcement	0	0	0	0	0	0	0	0	0	0
Vehicle maintenance	0	0	1	0	0	0	0	0	0	0
Community development	0	0	0	0	0	0	0	0	0	0
Water and sewerage	10	10	7	7	6	7	9	9	8	8
Gas	4	5	3	2	3	2	2	2	3	2
Solid waste	0	0	0	0	0	0	0	0	0	0
Total	60	59	53	50	50	49	55	55	55	52

Data Source: City Finance Office

CITY OF MANCHESTER, GEORGIA
OPERATING INDICATORS BY FUNCTION
Last Ten Years

Function	Fiscal Year Ended June 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Police										
Physical arrests	214	227	219	283	263	327	326	129	269	265
Parking violations	0	5	6	8	37	94	51	0	3	13
Traffic violations	477	739	677	667	802	1,089	1,047	755	838	637
Fire										
Number of calls answered	610	639	626	451	550	664	777	672	767	738
Inspections	193	350	350	146	162	171	112	293	662	384
Culture and recreation										
Number of youth participants	927	820	862	1,120	1,170	1,369	1,320	1,585	1,525	1,467
Senior center meals served	14,385	14,483	12,824	9,898	10,259	11,123	12,354	7,018	13,007	13,049
Health and Welfare										
Animal control (captured animals)	76	121	102	248	209	225	124	30	65	170
Highways and streets										
Street resurfacing (miles)	2	1	1	1	1	2	1	2	2	0
Potholes repaired	178	178	103	187	250	50	200	150	77	232
Water and sewerage										
New water connections	7	8	11	9	5	3	3	0	1	8
New sewage connections	2	4	3	1	1	0	1	0	0	1
Average daily consumption ^	800	800	800	800	800	800	800	800	800	800
Average daily sewage treatment ^	710	710	710	710	710	710	710	710	710	710
Gas										
Breaks on gas main	1	2	2	1	0	0	0	1	0	0
Solid waste										
Refuse collected (tons/day)	*	*	*	*	*	*	*	*	*	*
Recyclables collected (tons/day)	*	*	*	*	*	*	*	*	*	*

Data Sources: Various City Departments
Note: Indicators not available for the general government function.
* Information not available
^ Per thousands of gallons

CITY OF MANCHESTER, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

Function	Fiscal Year Ended June 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	14	13	14	14	14	13	14	14	14	14
Fire stations	1	1	1	1	1	1	1	1	1	1
Fire engines	4	4	4	4	3	3	3	3	3	3
Health and welfare										
Animal control-Animal pounds	1	1	1	1	1	1	1	1	1	1
Senior center-Buildings	1	1	1	1	1	1	1	1	1	1
Culture and recreation										
Parks acreage	38	51	51	51	51	51	51	51	51	51
Parks	5	5	5	5	5	5	5	5	5	5
Swimming pools	1	1	1	1	1	1	0	0	0	0
Tennis courts	2	2	2	2	2	2	2	2	2	2
Community centers	3	4	4	4	3	2	2	2	2	2
Highways and streets										
Streets (miles)	67	67	67	67	67	67	67	67	67	67
Streetlights	678	670	670	670	670	670	670	670	670	670
Traffic signals	4	4	4	4	4	4	4	4	4	4
Water and sewerage										
Water customers	2,247	2,191	2,119	2,132	2,103	2,101	2,058	2,067	2,083	2,083
Water mains (miles)	105	105	105	105	105	113	113	113	113	113
Fire hydrants	265	265	265	265	265	300	300	300	300	300
Maximum daily water capacity ^	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Sewer customers	1,758	1,718	1,659	1,671	1,637	1,631	1,600	1,622	1,630	1,633
Sanitary sewers (miles)	609	609	609	609	609	609	609	609	609	609
Storm sewers (miles)	366	366	366	366	366	366	366	366	366	366
Maximum daily sewer treatment capacity ^	850	850	850	850	850	850	850	850	850	850
Gas										
Gas customers	943	927	865	845	805	770	727	706	678	654
Gas lines (miles)	75.5	75.5	75.5	75.5	75.5	75.5	75.5	75.5	75.5	75.5
Number of distribution stations	1	1	1	1	1	1	1	1	1	1
Sanitation										
Sanitation customers	1,758	1,718	1,659	1,671	1,637	1,631	1,600	1,622	1,601	1,615

Data Sources: Various City departments

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

^ Per thousands of gallons