CITY OF MILLEDGEVILLE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2018

Prepared by:

Finance Department

CITY OF MILLEDGEVILLE, GEORGIA

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

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MAYOR
Gary L. Thrower

ALDERMEN
M. Stephen Chambers
Collinda J. Lee
Richard Mullins, Jr.
Walter Reynolds
Denese R. Shinholster
Jeanette H. Walden

The City of Milledgeville

CITY MANAGER
Barry Jarrett

March 13, 2019

To the Honorable Mayor, Members of Council
And the Citizens of the City of Milledgeville

The Comprehensive Annual Financial Report (CAFR) of the City of Milledgeville for the fiscal year ended June 30, 2018, is hereby submitted in accordance with the Official Code of Georgia 36-81-7.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City of Milledgeville. To provide a reasonable basis for making these presentations, the City has established internal control procedures designed to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in accordance with generally accepted accounting principles (GAAP). Because the cost of internal control should not outweigh their benefits, the objective is to present reasonable rather than absolute assurance that the financial statements are free of material misstatement. We believe the data, as presented, is accurate in all material respects and is presented in a manner designed to help the reader understand the financial operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Mauldin & Jenkins, LLC, Certified Public Accountants, has issued an unmodified opinion on the City of Milledgeville's financial statements for the fiscal year ended June 30, 2018. The independent auditor's report is located at the front of the financial section of this report.

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

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Phone (478) 414-4010 • Fax (478) 414-4093
www.milledgevillega.us
Equal Opportunity Employer

PROFILE OF THE GOVERNMENT

Known as Georgia's Antebellum Capital, the City of Milledgeville was founded in 1803 by an Act of the General Assembly of Georgia and was named for the Honorable John Milledge, Governor of Georgia. Milledgeville served as Georgia's fourth capital from 1804-1868. In 1868, the state capital was moved to Atlanta. Milledgeville owns the distinction of being one of only two planned capital cities in the United States, the other being Washington, D. C. The City occupies 20.79 square miles and is the county seat for Baldwin County. Milledgeville is located 79 miles southeast of Atlanta and 30 miles northeast of Macon.

Milledgeville is governed by a mayor and six (6) council members elected by the citizens. The Mayor is elected at large serving a four (4) year term and presides over all meetings of the City, signs all official contracts, ordinances, and resolutions adopted by council. Members of the City Council are elected from districts and serve four year concurrent terms. Council members are responsible for passing ordinances, adopting the budget, establishing tax rates, appointing committees and hiring both the city's manager and attorney. The City has operated under a council-manager form of government since May, 2003, when the City's charter was changed. The City Manager advises the mayor and council, prepares the budget, appoints department heads, supervises all employees and is responsible for day-to-day operations of the City.

The City provides a full range of service to approximately 19,000 residents. These services include general administration, police and fire protection, the construction and maintenance of bridges, streets, and other infrastructure, culture and recreation, and planning and development services. Water and sewer, in addition to sanitation collection services, are also provided.

The City is financially accountable for three (3) legally separate component units. These component units include: the Central State Hospital Local Redevelopment Authority, the Milledgeville-Baldwin County Allied Arts and the Downtown Development Authority. These components are reported separately within the City of Milledgeville's financial statements. Additional information for these programs may be found in the Notes to Financial Statements.

The annual budget serves as the foundation for the City of Milledgeville's financial planning and control. The budget process begins with departments and outside agencies submitting budget requests to the finance department in mid-February. The finance department uses these requests as the starting point for developing a proposed budget. A draft budget is submitted to the city manager for consideration and approval. The city manager then submits the budget to the Council for review in early May. Public hearings are required to be held before final adoption of the budget, with final adoption no later than June 30, the end of the fiscal year as required by law. Activities of the general fund, special revenue funds, the capital project funds, and the enterprise funds are included in the annual appropriated budget. The appropriated budget is prepared by fund and department. The City Manager may make transfers of appropriations within a department. Transfer of

appropriations between departments, and increases or decreases in appropriations require the special approval of the City Council.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

The Industrial Development Authority and the Chamber of Commerce continue to work diligently to attract new business and industry into the area as well as offering support to existing business and industry. Milledgeville works with the County on attracting potential businesses to a modern 500 acre industrial park strategically located on Georgia Highway 22. A highly educated local work force is provided by the Georgia College and State University and Georgia Military College, both located in downtown Milledgeville. These institutions provide both opportunities for potential employers and provide a consumer population for local businesses. In addition, the Industrial Development Authority has purchased a tract of land on the west side of Baldwin County through the joint efforts of the City of Milledgeville and Baldwin County that will be developed into an industrial mega site. This site represents approximately 1,500 acres located on US Highway 441.

Long-Term Financial Planning

The City of Milledgeville is working toward increasing reserves and a pay-as-you-go strategy to avoid future long-term debt. This will provide strength to the City's financial position as well as some protection from fluctuations in the economy, or unforeseen natural disasters.

Major Initiatives

The City of Milledgeville continues to work diligently to improve the quality of life of its citizens as we continue to develop our City. Even with the downturn in the economy, the City continues to extend utilities to expand our number of retail and wholesale customers. The City has also developed a close partnership with the Milledgeville-Baldwin County Development Authority to more aggressively recruit new and expanded industry and high paying jobs to Milledgeville so as to strengthen and expand our tax and employment base.

The City has developed a partnership with the Oconee River Greenway Authority with the goal to construct a series of parks along the Oconee River and to connect the parks with walking and biking trails. The initial park has been constructed in Milledgeville immediately south of the Hancock Street Bridge and extends to the Fishing Creek Bridge. The concept development phase to extend Greene Street to the parks has been completed and extends the park north of the Hancock Street Bridge.

The City of Milledgeville was awarded state funding to enable the City to become a "wireless" community. In October 2009, the City's wireless service in a partnership with Sprint was launched to customers and the City's public safety service.

The City adopted an enterprise zone in conjunction with the State's opportunity zone designation for providing tax incentives to new and existing business in the central business district. New CDBG and other grant programs have assisted with some revitalization of the area.

The City is currently working with the State of Georgia, Georgia College and State University, local community leaders and our Federal Delegation on the redevelopment of the Campus of Central State Hospital on the south side of the City. This opportunity can breathe new life into not only the City of Milledgeville but also Baldwin County and the surrounding region. With a philosophy and techniques used similar to that of the Department of Defense BRAC (Base Realignment & Closure) Commission, this landmark property would be repurposed beginning with the Center of Excellence in Rural Healthcare Delivery as envisioned by the leadership of Georgia College and State University. It is hoped that this program with its concentration on Technology and Health Care Delivery would become the economic catalyst for the entire campus. We all anxiously await the implementation of this program. During fiscal year 2012, the State of Georgia enacted legislation to establish the Central State Hospital Local Redevelopment Authority. This Authority has been charged with overseeing the efforts previously mentioned. The Authority consists of members who represent a broad faction of interest from education, business and healthcare. The CSH LRA has worked with local elected officials and community leaders and continues to make strides in repurposing the CSH campus for economic growth. During fiscal year 2014, the Bostic Building on the CSH campus was sold to Correct Health, LLC and plans were confirmed for the demolition of this facility with replacement with a new facility that will serve as a long-term care facility for parolees and inmates that are in the custody of the Georgia Department of Corrections. This facility will provide approximately 280 new jobs to the community and opened in the spring of 2017.

During fiscal year 2018, the city also contracted with the engineering firm, Goodwyn, Mills and Cawood, Inc. for the development and design of a water treatment facility to replace the two (2) current water treatment facilities. The Lamar-Hamm plant was constructed in 1953 and the James Baugh plant was constructed in 1906. The new facility will have a capacity to produce 12 MGD which coincides with the city's permit from the Georgia EPD of 8.64 and 3.77 MGD respectively. The city has secured financing from the Georgia Environmental Financing Authority for the engineering costs and a pending application has been made to GEFA for construction costs. As plans progress, the city anticipates the new water treatment facility to be operational in late 2020 or early 2021.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Milledgeville for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. This is the thirty-second consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report that satisfies both generally accepted accounting principles and applicable legal requirements.

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

The preparation of the Comprehensive Annual Financial Report was made possible by the dedicated services of the entire staff of the Finance Department. In addition, we wish to express our sincere appreciation to the Mayor and Council for their support and to the City Manager and all City department heads and employees for their positive attitudes toward budgetary responsibility.

Respectfully submitted,

Brenda A. Josey

Brenda A. Josey
Accounting Manager
Enterprise, Internal Service & Agency Funds

Chiquita O. Danzy

Chiquita O. Danzy
Accounting Manager
Governmental Funds

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Milledgeville

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

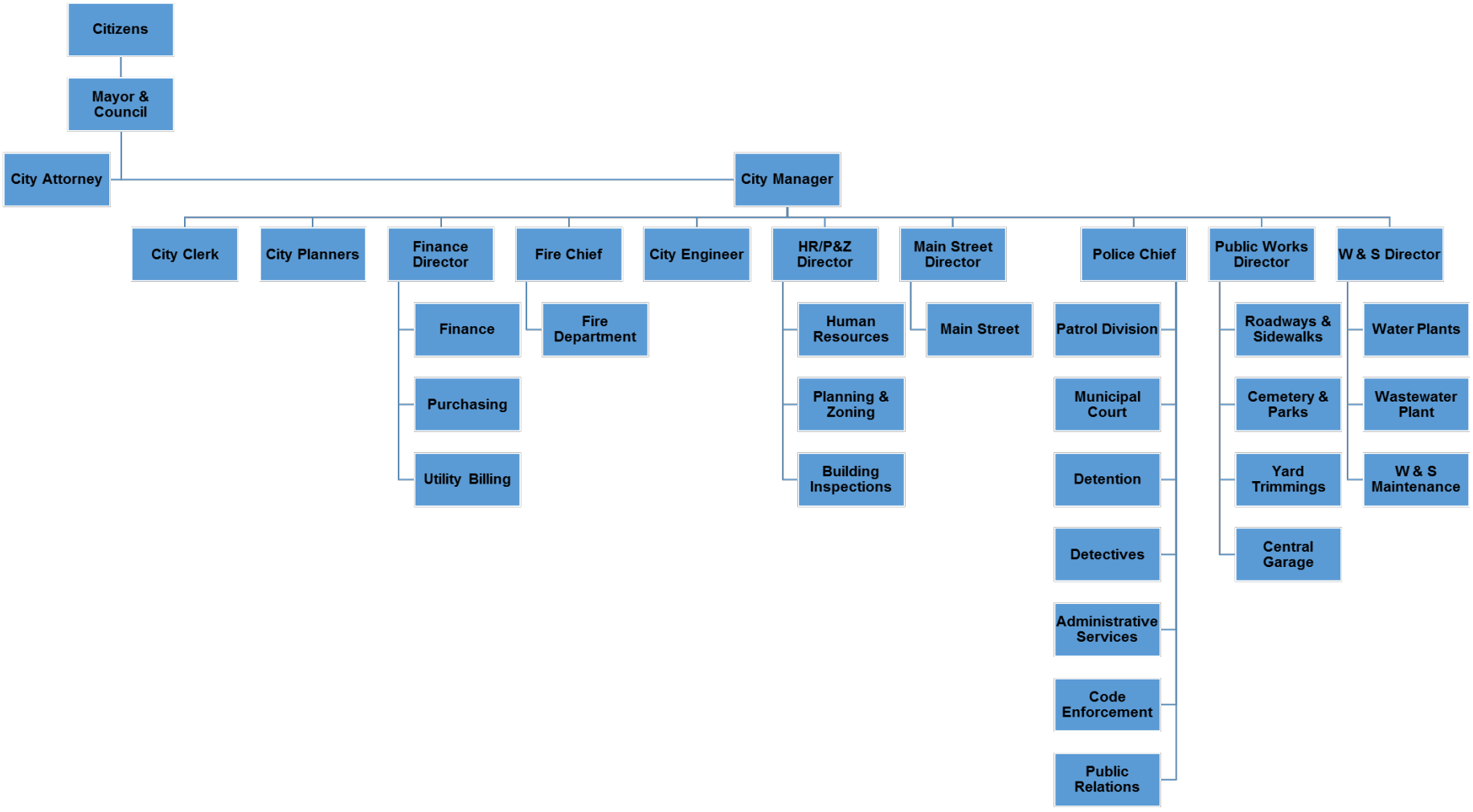
CITY OF MILLEDGEVILLE, GEORGIA

LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2018

Mayor	Mary Parham-Copelan
Mayor Pro-Tem	Stephen Chambers
Council	Dr. Collinda J. Lee Jeanette H. Walden Walter Reynolds Richard Mullins, Jr. Denese R. Shinholster
City Manager	Barry Jarrett
City Attorney	James D. Jordan
Municipal Court Judge	J. David McRee
City Clerk	Bo Danuser
City Engineer	Vacant
City Planner	Melba Hilson/Hank Griffeth
Accounting Managers	Chiquita Danzy/Brenda Josey
Chief of Police	Acer D. Swicord
Fire Chief	Vacant
Public Utilities Director	Barry Jarrett
Planning & Zoning Administrator/Human Resources Director	Mervin G. Graham
Public Works Director	Vacant
Customer Service Manager – Utility Billing, Taxes and Business Licenses	Patti Rushin
Mainstreet Director	Carlee Schulte

CITY OF MILLEDGEVILLE, GEORGIA

ORGANIZATIONAL CHART
JUNE 30, 2018



FINANCIAL SECTION

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Milledgeville, Georgia
Milledgeville, 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 Milledgeville, Georgia** (the "City"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Milledgeville, Georgia as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison information for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 5 – 15) and the Schedules of Required Supplementary Information (on page 74 – 76) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, component unit statements, the statistical section, and the continuing disclosure information are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of special purpose local option sales tax proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia Annotated 48-8-121, and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for additional analysis and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated March 13, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
March 13, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis provides a narrative overview and analysis of the financial activities of the City of Milledgeville (the "City") for the fiscal year ended June 30, 2018. We encourage readers to consider information presented here in conjunction with the letter of transmittal at the front of this report and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The City of Milledgeville's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2018 by $60,016,549. Of this amount $41,139,984 is the City's net investment in capital assets (net of depreciation and related debt). Total unrestricted net position is $6,606,252 and may be used to meet the City's ongoing obligations. Unrestricted net position (deficit) of governmental activities is ($855,214).

- As of June 30, 2018, Milledgeville's governmental funds reported combined ending fund balances of $12,134,163. Approximately 23% of this total amount, $2,746,938 is available for spending at the City Council's discretion, (unassigned fund balance). The governmental funds combined fund balance decreased by $968,631 from fiscal year ending June 30, 2017. The decrease in fund balance may be primarily attributed to a reduction in the financial contributions to the General Fund from the Water and Sewer Fund.

- The total liabilities of the City's governmental and business-type activities outstanding at June 30, 2018 are $4,718,110 and $7,622,933, respectively. $5,530,054 of the total $12,341,043 represents liabilities that are due in one year or more, such as long-term debt and compensated absences. This is a decrease of $348,990 for the governmental-type funds and a decrease of $144,009 for the business-type activities from fiscal year ended June 30, 2017. The business-type funds secured a GEFA (Georgia Environmental Financing Authority) note payable for $530,000 during fiscal year 2017. For the period ended June 30, 2018, only $444,477 was drawn down. The project was completed under budget and the loan was closed for this amount. In accordance with GASB No. 68, the City was required to record a net pension liability of $3,370,191 at June 30, 2018, with deferred inflows related to the net pension liability of $733,631 and $271,344, respectively.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Discussion and Analysis narrative is intended to serve as an introduction to the City of Milledgeville's basic financial statements. The basic financial statements are composed of three elements: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information including combining statements of non-major funds, and a statistical section.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These two statements report information about the City of Milledgeville using the *accrual basis* of accounting, which is similar to the accounting method used by most private-sector businesses. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The purpose of the ***Statement of Net Position*** (pages 16 - 18) is an attempt to report all of the assets held and liabilities owed by the City. The City reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred. The difference between total assets and total liabilities is labeled *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the City's financial position is improving or deteriorating.

The ***Statement of Activities*** (page 19) on the other hand, presents revenues and expenses of the City. Under the accrual basis of accounting mentioned earlier, revenues are recognized when earned and expenses when incurred in this statement. Thus, revenues are reported even when they may not be collected for several weeks after the accounting period and expenses are recorded even though they may not have used cash during the current period. The difference is described as *changes in net position.* The primary focus of the Statement of Activities is on *net costs* of various activities provided by the City and identifies the extent to which each function of the City draws from general revenues or is self-financing through fees, grants or other sources.

In the Statement of Net Position and the Statement of Activities, the City of Milledgeville is divided into three basic types of activities:

- ***Governmental Activities*** – Most of the City's basic services are reported under this category, including police, fire, public works and general administration. Sales tax, property taxes and intergovernmental revenues finance most of these services.

- ***Business-type Activities –*** The City charges fees to customers to assist in covering all or most of the costs for certain services it provides. The City's water and sewer system fees and refuse collection fees are reported in this category.

- ***Discretely Presented Component Units*** – Component Units are legally separate organizations for which the elected officials of the City are financially accountable. The City has three component units – Allied Arts, the Downtown Development Authority and the Central State Hospital Local Redevelopment Authority.

The City's government-wide financial statements are presented on pages 16 - 19.

Fund Financial Statements

The focus of fund financial statements is directed to specific activities of the City and its most significant funds, not the City as a whole. A fund is an entity with a self-balancing set of accounts that the City uses to track specific resources and expenditures, either for management purposes or because of legal mandates. In addition to the major funds, individual fund data for the City's non-major funds can be found beginning on page 77. The City's funds are divided in to three broad categories – governmental, proprietary, and fiduciary – and use different accounting approaches.

- ***Governmental Funds –*** These funds account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, governmental fund financial statements focus on the short-term view of the City's general government operations and the basic services it provides. Governmental funds are reported using an accounting method called *modified accrual accounting*, which measures cash and all other financial assets that can be readily converted to cash.

  Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements and because of the different accounting methods used to prepare them, there are often significant differences between the totals presented in these financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The City's basic governmental fund financial statements are presented on pages 16 - 24 of this report.

  The City of Milledgeville maintains seven (7) individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and SPLOST Fund which are considered major funds. Data for the other five (5) governmental funds are combined in a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 77 and 78 of this report.

- ***Proprietary Funds –*** When the City charges customers for the services it provides – whether to outside customers or to other departments of the City – these services are generally reported in proprietary funds. The City maintains two (2) different types of proprietary funds: Enterprise funds and Internal Service funds. These proprietary funds are prepared using the same accounting basis as the government-wide financial statements.

  Enterprise fund statements report the same functions presented in the business-type activities columns of the government-wide financial statements. The City of Milledgeville uses the enterprise fund to account for the Water and Sewer system and Solid Waste system.

  Internal service funds are an accounting device to account for services provided and billed on an internal basis. The City utilizes the internal service fund for Risk Management activities. Because of the nature of the City's internal service funds, they are allocated to both governmental activities and business-type activities on the government-wide statement.

  The City's proprietary fund financial statements are presented on pages 28 - 35.

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

  The City acts as trustee or fiduciary for its employee pension plan. It is also responsible for other assets that, because of the nature of the trust or agency arrangement, can be used only for the trust or agent beneficiaries.

  Fiduciary funds are presented in the fund financial statements but are not reported in the government-wide financial statements.

  The City's fiduciary fund financial statements are presented on pages 36 and 37.

Budgetary Comparisons

The City of Milledgeville adopts an annual appropriated budget for its General Fund and Special Revenue Funds. The budgetary comparison statements have been provided for each of these funds to demonstrate compliance with the budget. The General Fund budgetary comparison statements can be found on pages 25 - 27. The Special Revenue Fund budgetary comparison statements can be found on pages 77 - 81.

During fiscal year 2018, the General Fund budget required one (1) amendment to transfer $30,195 from the legal department to the economic development authority. This amount represents additional principal and interest payments made by the City on behalf of the Development Authority of Milledgeville and Baldwin County. The City charter allows for funds to be transferred from one (1) line item to another with a department authorization from the City Manager; however, the transfer of funds from one (1) department to another requires an amendment and approval from the City Council. The amendment was adopted by the City Council and the overall budget was unaffected. Total revenues exceed budget projections by $938,153 and total expenditures were $1,043,443 less than projected.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 38 - 71 of this report.

Other Supplementary Information

Other supplementary information includes combining financial statements for non-major governmental, proprietary and fiduciary funds. These funds are added together by fund type and presented together in single columns in the basic financial statements but are not reported individually, as with major funds, on the government-wide financial statements. The combining and individual fund statements and schedules are presented immediately following the required supplementary information and can be found on pages 75 - 81 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The report includes two (2) schedules (pages 20 and 23) which reconcile the amounts on the governmental fund financial statements (modified accrual basis of accounting) with the governmental activities reported on the government-wide financial statements (accrual basis of accounting).

GOVERNMENT WIDE FINANCIAL ANALYSIS

The City's overall financial position and operations for the fiscal year is summarized in Table 1 below based on the information included in the government-wide financial statements (see pages 16 - 19).

City of Milledgeville Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	$ 12,723,805	$ 13,597,513	$ 12,784,757	$ 14,437,865	$ 25,508,562	$ 28,035,378
Capital assets	13,730,225	12,553,724	32,473,490	30,751,831	46,203,715	43,305,555
Total assets	26,454,030	26,151,237	45,258,247	45,189,696	71,712,277	71,340,933
Deferred outflows of resources	1,204,712	1,335,436	445,578	493,929	1,650,290	1,829,365
Long-term debt outstanding	3,825,241	4,161,542	5,075,724	5,898,382	8,900,965	10,059,924
Other liabilities	892,869	905,558	2,547,209	1,868,560	3,440,078	2,774,118
Total liabilities	4,718,110	5,067,100	7,622,933	7,766,942	12,341,043	12,834,042
Deferred inflows of resources	733,631	521,593	271,344	192,919	1,004,975	714,512
Net position						
Net investment in capital assets	13,730,225	12,553,724	27,409,759	25,103,717	41,139,984	37,657,441
Restricted	9,331,990	10,348,759	2,938,323	2,934,352	12,270,313	13,283,111
Unrestricted	(855,214)	(1,004,503)	7,461,466	9,685,695	6,606,252	8,681,192
Total net postion	$ 22,207,001	$ 21,897,980	$ 37,809,548	$ 37,723,764	$ 60,016,549	$ 59,621,744

Net Position – As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of June 30, 2018, assets exceeded liabilities by $60.02 million. However, much of those net position are either restricted as to purpose for which they can be used, or are invested in capital assets.

The largest portion of the City's net position, $41,139,984 represents investments in capital assets. The investment in capital assets includes land, buildings, machinery and equipment, as well as infrastructure acquired in past years. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional $12,270,313 of the City's net position represents resources that are subject to external restrictions on how they are to be used.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Changes in Net Position – Governmental and business-type activities increased the City's net position by $394,805 in fiscal year 2018. The following table indicates the changes in net position for the government and business-type activities in fiscal year 2018.

City of Milledgeville Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program revenues						
Charges for services	$ 1,001,668	$ 1,028,330	$ 9,690,973	$ 9,857,241	$ 10,692,641	$ 10,885,571
Operating grants and contributions	759,860	163,452	-	-	759,860	163,452
Capital grants and contributions	2,095,794	2,375,184	216,579	-	2,312,373	2,375,184
General revenues						
Property taxes	3,459,389	3,086,186	-	-	3,459,389	3,086,186
Sales tax	2,523,041	2,433,043	-	-	2,523,041	2,433,043
Other taxes	4,274,433	4,164,130	-	-	4,274,433	4,164,130
Investment earnings (loss)	28,326	31,380	47,214	(6,467)	75,540	24,913
Total revenues	14,142,511	13,281,705	9,954,766	9,850,774	24,097,277	23,132,479
Expenses						
General government	1,982,462	1,644,150	-	-	1,982,462	1,644,150
Judicial	216,408	176,387	-	-	216,408	176,387
Public safety	6,988,244	7,300,387	-	-	6,988,244	7,300,387
Public works	2,369,163	2,656,473	-	-	2,369,163	2,656,473
Housing and development	1,593,297	1,652,993	-	-	1,593,297	1,652,993
Culture and recreation	777,544	598,062	-	-	777,544	598,062
Interest on long-term debt	-	1,213	-	-	-	1,213
Water and sewer	-	-	8,000,483	7,699,817	8,000,483	7,699,817
Solid waste	-	-	1,774,871	1,687,646	1,774,871	1,687,646
Total expenses	13,927,118	14,029,665	9,775,354	9,387,463	23,702,472	23,417,128
Increase (decrease) in net position before transfers	215,393	(747,960)	179,412	463,311	394,805	(284,649)
Transfers	93,628	453,850	(93,628)	(453,850)	-	-
Change in net postion	309,021	(294,110)	85,784	9,461	394,805	(284,649)
Net position, beginning of year	21,897,980	22,192,090	37,723,764	37,714,303	59,621,744	59,906,393
Net position, end of year	$ 22,207,001	$ 21,897,980	$ 37,809,548	$ 37,723,764	$ 60,016,549	$ 59,621,744

Governmental Activities – Governmental activities increased the City's net position by $309,020 in fiscal year 2018. Key elements of this increase are as follows:

- Revenues were $14.1 million. Approximately 7% of the City's revenues came from fees charged for services, 18% from sales taxes, 25% from property taxes and 31% from other taxes.
- Expenses totaled $13.9 million. Approximately 51% of the City's expenses are attributed to public safety, 17% to public works, 15% to general government and the remaining 17% to housing and development, judicial activities, and culture and recreation.

Business-Type Activities – The City's major business-type activities, the Water and Sewer Revenue Fund and Solid Waste Fund, increased net position by $85,784 in fiscal year 2018. This small increase is reflective of the City's maintaining water, sewer and garbage fees with no increase in rates since fiscal year 2014.

Financial Analysis of the City Funds

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

Governmental Funds – The focus of the City of Milledgeville'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, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. For the fiscal year ended June 30, 2018, as noted earlier in this report, the City of Milledgeville fully implemented GASB Statement No. 54 in regard to reporting of fund balance. The GASB Statement No. 54 recognizes the following designations for fund balances of governmental funds: Non-spendable, Restricted, Committed, Assigned and Unassigned.

At the end of fiscal year 2018, the combined ending fund balance of the City's governmental funds was $12,134,163, a decrease of 7.4% from fiscal year 2017. Approximately $2.75 million (22.6%) of combined fund balance consists of unassigned fund balance, which is available working capital for current spending in accordance with the purpose of the specific funds. The unassigned fund balance increased by $381,410. Expenses were 7.3% lower than the previous year and revenues increased by 6.1%. This revenue amount does not include a funds transfer of $93,628. The remainder of fund balance is duly designed to indicate that it is not available for new spending because it is committed to the following purposes: non-spendable for inventories,($55,235), restricted for capital projects ($7,497,433), restricted for promotion of tourism ($743,979), restricted for housing and development programs ($626,397) restricted for public safety ($141,045), and unassigned ($2,746,938).

The City has two (2) major governmental funds, which are the General Fund and the SPLOST Fund.

1. *General Fund* – This is the primary operating fund of the City of Milledgeville government. It accounts for many of the City's core services such as law enforcement, fire protection, roads and streets, culture and recreation and administration. At the end of the current fiscal year, unassigned fund balance of the General Fund was $2,746,938 which represents the total unassigned balance. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total expenditures. Unassigned fund balance represents 19.7% of total fiscal year 2018 expenditures, while total fund balance is 20.88% of that same amount.

2. *SPLOST Fund* – This fund is a capital project fund accounting for the City's negotiated share of the special purpose local option sales taxes. This tax is voted by referendum to collect a penny on sales that occur within Baldwin County. The tax must be used for specific capital expenditures. The total fund balance of $7,497,433 is designated as restricted and will be used to fund major capital projects.

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

Unrestricted net position of the City's major proprietary fund, the Water and Sewer Fund, totaled $4,500,680. The total net position decreased by $2,536,201.

Unrestricted net position of the City's other proprietary fund, Solid Waste Fund, totaled $2,142,115 which demonstrates continued improvement in the operation of the Solid Waste Fund. Solid Waste fees were restructured effective July 1, 2009 and this has positively impacted revenue for this fund. In addition, on January 1, 2013, the City entered into a new contract with Advanced Waste Disposal. This new contract implemented a reduction in the costs of providing solid waste collection services to the customers of the Solid Waste Fund. The Solid Waste Fund continues to operate with a positive margin. The City approved an extension of this contract in 2015, which retains the same rates with a CPI increase if applicable.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's budget is prepared according to the Georgia statutes and the City of Milledgeville Code. The most significant budgeted fund is the General Fund.

In June 2017, the City Council appropriated $13.6 million for General Fund expenditures.

City of Milledgeville 2016 General Fund Budget

	Original Budget	Amendments	Final Budget	Actual
Revenues and other financing sources	$ 13,626,813	$ -	$ 13,626,813	$ 12,903,653
Expenditures and other financing uses	13,626,813	30,195	13,626,813	12,583,370

Budgetary amendments did not affect the total budgetary allowance for revenue nor expenditures due to the realignment between existing departments. The budget was amended to increase the principal and interest paid on behalf of the Development Authority of Milledgeville and Baldwin County. An additional amendment was made to allow for two (2) payments of dues to the Georgia Municipal Association. Actual revenues to not reflect budgeted transfers from other funds. Budgetary amendments were approved by the City Council as required by State law and the City of Milledgeville code.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets – The City of Milledgeville has invested $46,203,715 in capital assets (net of accumulated depreciation). Capital assets include infrastructure, land, land improvements, buildings and machinery and equipment. Approximately 70% of this investment is related to business-type activities while only 30% is related to governmental activities.

Capital assets held by the City at the end of the current fiscal year are summarized as follows:

City of Milledgeville Capital Assets
(net of accumulated depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	$ 2,468,098	$ 2,468,098	$ 181,310	$ 181,310	$ 2,649,408	$ 2,649,408
Land improvements	31,099	23,859	190,270	139,770	221,369	163,629
Infrastructure	5,206,660	5,442,779	16,082,419	15,974,506	21,289,079	21,417,285
Buildings	2,590,344	2,731,825	12,317,872	12,750,913	14,908,216	15,482,738
Machinery and equipment	959,752	1,196,310	2,031,260	1,644,033	2,991,012	2,840,343
Construction in progress	2,474,272	690,853	1,670,359	61,299	4,144,631	752,152
Total capital assets	$ 13,730,225	$ 12,553,724	$ 32,473,490	$ 30,751,831	$ 46,203,715	$ 43,305,555

Major capital asset expenditures during the current fiscal year for governmental activities included the following:

- Renovation to City Hall - $61,987
- Breathing Air Compressor - $40,170
- Lawn Mowers - $12,904
- City Hall Lighting - $19,580
- Streetscape IV - Construction in Progress - $30,617

Major capital asset purchases during the current fiscal year for the business-type activities included the following:

- High Service Pump - $444,477
- Construction in Progress - Design of New Water Treatment Plant - $1,613,370
- Infrastructure - Water and Sewer Line and Valve Upgrades - $627,411
- Machinery and Equipment - $316,373
- Site Improvements - $54,840

Additional information on the City of Milledgeville's capital assets can be found in Note 5 on pages 56 - 58 of this report.

Long-term debt – At June 30, 2018, the City of Milledgeville had $5,063,731 in bonds, notes and capital leases outstanding, a decrease of $513,959 from fiscal year 2018. These changes represent the addition of a GEFA loan for $444,477 and payments made to reduce bonds and notes outstanding.

State statutes limit the amount of general obligation debt a governmental entity may issue to ten percent (10%) of its total assessed valuation. The current debt limitation for the City of Milledgeville is $40.8 million.

Additional information on the City's long-term debt can be found in Note 6 on pages 59 - 61 of this report.

City of Milledgeville Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Capital leases	$ -	$ -	$ -	$ -	$ -	$ -
Revenues bonds	-	-	4,402,818	5,360,424	4,402,818	5,360,424
Notes payable	-	-	660,913	287,690	660,913	287,690
Compensated absences	488,276	487,050	197,948	199,071	686,224	686,121
Net pension liability	2,460,764	2,955,744	910,147	1,093,221	3,370,911	4,048,965
Claims payable	1,202,600	1,205,798	-	-	1,202,600	1,205,798
	$ 4,151,640	$ 4,648,592	$ 6,171,826	$ 6,940,406	$ 10,323,466	$ 11,588,998

Economic Factors and Next Year's Budget

The following factors are expected to have an effect on the City's financial position of operations and were taken into account in developing the FY 2018 Budget.

- The General Fund property taxes are expected to increase in fiscal year 2019. During the budget process, the City Council agreed to entertain a 1 mil increase when assessing property taxes to property owners in the City of Milledgeville. This increase is anticipated to produce approximately $400,000 in additional tax revenue to help support the services provided to our citizens and reduce the City's dependence upon transfers in from the City's Water and Sewer Fund.

- Utility revenues are anticipated to slightly increase due to the addition of commercial customers and the renegotiation of sewer treatment rates with Baldwin County. In addition, the City of Milledgeville reached an agreement with Baldwin County to bill for garbage service on behalf of the County for those customers who receive their water from the City. The City receives a $1 administration fee for each account billed each month. This administration fee represents approximately $18,000 annually in additional revenue for the Solid Waste Fund. In addition, as the initiative to realign and establish Central State Hospital as a viable operation that will serve multiple purposes for the City, Baldwin County and surrounding areas, we anticipate increased utilization for the City's water, sewer and solid waste services. We also anticipate growth in this area that will not only generate sales taxes as businesses open in the area but also the opportunity for assessment and collection of other tax revenues.

These actions are anticipated to:

- Improve the fiscal health of the City by strengthening the enterprise funds.

- These increases will allow the City to once again meet its debt service coverage and start a more active repair and replacement program for the City's infrastructure.

- To continue the implementation of a pay as you go budget to reduce the dependency on borrowed funds.

The City continues to have retail business locating in the City limits and growth in the water and sewer system with new residential housing locating in Milledgeville and Baldwin County. For FY2018, the city has begun to see an increase in building permits primarily with the development of multi-housing units.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City of Milledgeville's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this or additional financial information should be addressed to the Finance Department, P.O. Box 1900, Milledgeville, GA 31059-1900.

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2018

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Allied Arts	Downtown Development Authority	Central State Hospital Local Redevelopment Authority
ASSETS						
Cash and cash equivalents	$ 10,279,624	$ 5,826,057	$ 16,105,681	$ 98,104	$ 73,953	$ 172,767
Investments	2,127,050	1,464,387	3,591,437	26,301	-	-
Taxes receivable	242,808	-	242,808	-	-	-
Accounts receivable, net of allowances	48,144	1,194,695	1,242,839	-	-	110,413
Notes receivable	323,136	-	323,136	-	23,045	-
Due from component unit	71,950	-	71,950			
Due from other governments	394,529	212,875	607,404	-	-	-
Internal balances	(818,671)	818,671	-	-	-	-
Inventories	55,235	329,749	384,984	-	-	-
Restricted assets, cash and cash equivalents	-	1,831,611	1,831,611	-	-	-
Restricted assets, investments	-	1,106,712	1,106,712	-	-	-
Capital assets, non-depreciable	4,942,370	1,851,669	6,794,039	-	-	5,650,910
Capital assets, depreciable, net of accumulated depreciation	8,787,855	30,621,821	39,409,676	1,770	1,396,500	1,396,500
Total assets	26,454,030	45,258,247	71,712,277	126,175	1,493,498	7,330,590
DEFERRED OUTFLOWS OF RESOURCES						
Pension investment return	1,204,712	445,578	1,650,290	-	-	-
Total deferred outflows of resources	1,204,712	445,578	1,650,290	-	-	-

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2018

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Allied Arts	Downtown Development Authority	Central State Hospital Local Redevelopment Authority
LIABILITIES						
Accounts payable	$ 400,234	$ 906,414	$ 1,306,648	$ -	$ 249	$ 22,841
Accrued liabilities	166,236	68,033	234,269	1,235	-	6,906
Liabilities payable from restricted assets	-	1,471,660	1,471,660	-	-	-
Due to primary government	-	-	-	-	-	71,950
Claims payable due within one year	144,968	-	144,968	-	-	-
Claims payable due in more than one year	1,057,632	-	1,057,632	-	-	-
Compensated absences due within one year	181,431	78,151	259,582	9,573	-	19,603
Compensated absences due in more than one year	306,845	119,797	426,642	-	-	-
Notes payable due within one year	-	22,951	22,951	-	-	-
Notes payable due in more than one year	-	637,962	637,962	-	-	-
Bonds payable due in more than one year	-	3,407,818	3,407,818	-	-	-
Net pension liability	2,460,764	910,147	3,370,911	-	-	-
Total liabilities	4,718,110	7,622,933	12,341,043	10,808	249	121,300
DEFERRED INFLOWS OF RESOURCES						
Pension experience differences	733,631	271,344	1,004,975	-	-	-
Total deferred inflows of resources	733,631	271,344	1,004,975	-	-	-

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2018

	Primary Government			Component Units		
NET POSITION	Governmental Activities	Business-type Activities	Total	Allied Arts	Downtown Development Authority	Central State Hospital Local Redevelopment Authority
Net investment in capital assets	$ 13,730,225	$ 27,409,759	$ 41,139,984	$ 4,720	$ 1,396,500	$ -
Restricted for debt service	-	2,938,323	2,938,323	-	-	-
Restricted for capital projects	7,497,433	-	7,497,433	-	-	-
Restricted for public safety	141,045	-	141,045	-	-	-
Restricted for tourism	743,979	-	743,979	-	-	-
Restricted for housing and development	949,533	-	949,533	-	-	-
Unrestricted (deficit)	(855,214)	7,461,466	6,606,252	110,647	96,749	7,209,290
Total net position	$ 22,207,001	$ 37,809,548	$ 60,016,549	$ 115,367	$ 1,493,249	$ 7,209,290

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

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities	Business-type Activities	Total	Component Units: Allied Arts	Component Units: Downtown Development Authority	Component Units: Central State Hospital Local Redevelopment Authority
Primary government:										
Governmental activities:										
General government	$ 1,982,462	$ 537,009	$ 603,242	$ 52,689	$ (789,522)	$ -	$ (789,522)	$ -	$ -	$ -
Judicial	216,408	-	-	-	(216,408)	-	(216,408)	-	-	-
Public safety	6,988,244	464,659	-	23,280	(6,500,305)	-	(6,500,305)	-	-	-
Public works	2,369,163	-	156,618	1,803,246	(409,299)	-	(409,299)	-	-	-
Culture and recreation	777,544	-	-	-	(777,544)	-	(777,544)	-	-	-
Housing and development	1,593,297	-	-	216,579	(1,376,718)	-	(1,376,718)	-	-	-
Interest on long-term debt	-	-	-	-	-	-	-	-	-	-
Total governmental activities	13,927,118	1,001,668	759,860	2,095,794	(10,069,796)	-	(10,069,796)	-	-	-
Business-type activities:										
Water and sewer	8,000,483	7,619,323	-	216,579	-	(164,581)	(164,581)	-	-	-
Solid waste	1,774,871	2,071,650	-	-	-	296,779	296,779	-	-	-
Total business-type activities	9,775,354	9,690,973	-	216,579	-	132,198	132,198	-	-	-
Total primary government	$ 23,702,472	$ 10,692,641	$ 759,860	$ 2,312,373	(10,069,796)	132,198	(9,937,598)	-	-	-
Component units:										
Allied Arts	$ 221,870	$ 33,828	$ 170,597	$ -	-	-	-	(17,445)	-	-
Downtown Development Authority	16,938	20,333	-	-	-	-	-	-	3,395	-
CSH Local Redevelopment Authority	508,792	-	432,374	7,279,110	-	-	-	-	-	7,202,692
Total component units	$ 747,600	$ 54,161	$ 602,971	$ 7,279,110	-	-	-	(17,445)	3,395	7,202,692
General revenues:										
Property taxes					3,459,389	-	3,459,389	-	-	-
Sales taxes					2,523,041	-	2,523,041	-	-	-
Hotel/motel taxes					632,912	-	632,912	-	-	-
Franchise taxes					1,291,418	-	1,291,418	-	-	-
Insurance premium taxes					1,222,132	-	1,222,132	-	-	-
Alcoholic beverage taxes					470,293	-	470,293	-	-	-
Business and occupation taxes					627,848	-	627,848	-	-	-
Other taxes					29,830	-	29,830	-	-	-
Unrestricted investment earnings					28,326	47,214	75,540	304	1,927	-
Transfers					93,628	(93,628)	-	-	-	-
Total general revenues and transfers					10,378,817	(46,414)	10,332,403	304	1,927	-
Change in net position					309,021	85,784	394,805	(17,141)	5,322	7,202,692
Net position, beginning of year					21,897,980	37,723,764	59,621,744	132,508	91,427	6,598
Net position, end of year					$ 22,207,001	$ 37,809,548	$ 60,016,549	$ 115,367	$ 96,749	$ 7,209,290

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

CITY OF MILLEDGEVILLE, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

ASSETS	General	SPLOST	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 2,730,442	$ 5,649,550	$ 1,393,466	$ 9,773,458
Investments	-	2,127,050	-	2,127,050
Taxes receivable, net of allowance	184,347	-	58,461	242,808
Accounts receivable, net of allowances	48,144	-	-	48,144
Note receivable	-	-	323,136	323,136
Due from component unit	71,950	-	-	71,950
Due from other governments	217,003	177,526	-	394,529
Due from other funds	55,843	-	-	55,843
Inventories	55,235	-	-	55,235
Total assets	$ 3,362,964	$ 7,954,126	$ 1,775,063	$ 13,092,153
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 116,956	$ 223,324	$ 47,452	$ 387,732
Accrued liabilities	166,236	-	-	166,236
Due to other funds	-	55,843	-	55,843
Total liabilities	283,192	279,167	47,452	609,811
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	170,653	-	-	170,653
Unavailable revenue - grants	-	177,526	-	177,526
Total deferred inflows of resources	170,653	177,526	-	348,179

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

FUND BALANCES	General	SPLOST	Other Governmental Funds	Total Governmental Funds
Fund balances:				
Nonspendable - inventory	$ 55,235	$ -	$ -	$ 55,235
Restricted for:				
Capital projects	-	7,497,433	-	7,497,433
Promotion of tourism	-	-	743,979	743,979
Housing and development programs	-	-	949,533	949,533
Public safety programs	106,946	-	34,099	141,045
Unassigned	2,746,938	-	-	2,746,938
Total fund balances	2,909,119	7,497,433	1,727,611	12,134,163
Total liabilities, deferred inflows of resources, and fund balances	$ 3,362,964	$ 7,954,126	$ 1,775,063	

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.	13,730,225
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	348,179
Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds. These deferred outflows of resources consist of pension related differences between projected and actual earnings on investments and experience differences.	1,204,712
Internal service funds are used by management to charge the costs of workers' compensation insurance and related administrative costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	(1,527,606)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Compensated absences payable	(488,276)
Net pension liability	(2,460,765)
Deferred inflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds. These deferred inflows of resources consist of pension related experience differences.	(733,631)
Net position of governmental activities	$ 22,207,001

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

CITY OF MILLEDGEVILLE, GEORGIA

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

	General	SPLOST	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	$ 9,590,000	$ -	$ 632,913	$ 10,222,913
Licenses and permits	327,319	-	-	327,319
Intergovernmental	801,860	1,925,904	216,579	2,944,343
Fines and forfeitures	456,203	-	8,456	464,659
Charges for services	61,952	-	-	61,952
Investment income	18,581	55,305	8,308	82,194
Other revenues	147,738	-	-	147,738
Total revenues	11,403,653	1,981,209	866,256	14,251,118
Expenditures				
Current				
General government	1,732,999	-	-	1,732,999
Judicial	212,801	-	-	212,801
Public safety	6,868,748	-	-	6,868,748
Public works	2,196,704	-	-	2,196,704
Culture and recreation	720,706	-	-	720,706
Housing and development	851,412	-	740,732	1,592,144
Capital outlay	-	3,395,647	-	3,395,647
Total expenditures	12,583,370	3,395,647	740,732	16,719,749
Excess (deficiency) of revenues over expenditures	(1,179,717)	(1,414,438)	125,524	(2,468,631)

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

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

	General	SPLOST	Other Governmental Funds	Total Governmental Funds
Other financing sources				
Transfers in	$ 1,500,000	$ -	$ -	$ 1,500,000
Total other financing sources	1,500,000	-	-	1,500,000
Net change in fund balance	320,283	(1,414,438)	125,524	(968,631)
Fund balances, July 1	2,588,836	8,911,871	1,602,087	13,102,794
Fund balances, June 30	$ 2,909,119	$ 7,497,433	$ 1,727,611	$ 12,134,163

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

CITY OF MILLEDGEVILLE, GEORGIA

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

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	(968,631)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital outlay		1,945,706
Depreciation		(769,205)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(110,044)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences		(1,226)
Change in net pension liability and related deferred inflows and outflows of resources		152,217
Internal service funds are used by management to charge the costs of workers' compensation and related administrative costs to individual funds.		60,204
	$	309,021

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

CITY OF MILLEDGEVILLE, GEORGIA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	$ 3,220,300	$ 3,220,300	$ 3,425,438	$ 205,138
Sales tax	2,400,000	2,400,000	2,523,041	123,041
Other taxes	3,648,000	3,648,000	3,641,521	(6,479)
Licenses and permits	313,700	313,700	327,319	13,619
Intergovernmental	184,500	184,500	801,860	617,360
Charges for services	11,200	11,200	61,952	50,752
Fines and forfeitures	515,000	515,000	456,203	(58,797)
Interest revenue	15,000	15,000	18,581	3,581
Other revenue	157,800	157,800	147,738	(10,062)
Total revenues	10,465,500	10,465,500	11,403,653	938,153
Expenditures:				
Current:				
General government:				
Legislative	178,890	178,890	165,228	13,662
Executive	651,765	651,765	556,587	95,178
Elections	36,500	36,500	33,299	3,201
Finance	491,437	461,242	392,777	68,465
Legal	208,640	208,640	156,332	52,308
Human resources	187,687	187,687	166,576	21,111
General government buildings and grounds	185,254	185,254	155,650	29,604
General engineering	129,910	129,910	43,288	86,622
General administration fees	71,700	71,700	63,262	8,438
Total general government	2,141,783	2,111,588	1,732,999	378,589
Judicial:				
Municipal court	226,565	226,565	212,801	13,764
Total judicial	226,565	226,565	212,801	13,764

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget			Variance with
	Original	Final	Actual	Final Budget
Expenditures (Continued):				
Current (Continued):				
Public safety:				
Police	$ 4,289,875	$ 4,289,875	$ 4,070,251	$ 219,624
Detention center	362,103	362,103	374,591	(12,488)
Police department buildings and grounds	234,950	234,950	168,725	66,225
Fire	2,466,985	2,466,985	2,230,509	236,476
Fire department buildings and grounds	36,700	36,700	24,672	12,028
Total public safety	7,390,613	7,390,613	6,868,748	521,865
Public works:				
Public works administration	253,347	253,347	242,555	10,792
Roadways and walkways	810,595	810,595	880,785	(70,190)
Storm drainage	39,500	39,500	41,042	(1,542)
Street lighting	375,000	375,000	339,865	35,135
Traffic engineering	35,800	35,800	33,361	2,439
Maintenance and shop	323,957	323,957	308,889	15,068
Cemetery	341,588	341,588	350,207	(8,619)
Total public works	2,179,787	2,179,787	2,196,704	(16,917)
Culture and recreation:				
Recreation	197,000	197,000	197,000	-
Parks	420,624	420,624	324,755	95,869
Twin Lakes Library	198,951	198,951	198,951	-
Total culture and recreation	816,575	816,575	720,706	95,869

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget			Variance with
	Original	Final	Actual	Final Budget
Expenditures (Continued):				
Current (Continued):				
Housing and development				
Inspections	$ 100,334	$ 100,334	$ 81,800	$ 18,534
Planning and zoning	120,938	120,938	102,349	18,589
Mainstreet	237,899	237,899	224,752	13,147
Economic development	412,319	442,514	442,511	3
Total housing and development	871,490	901,685	851,412	50,273
Total expenditures	13,626,813	13,626,813	12,583,370	1,043,443
Deficiency of revenues over expenditures	(3,161,313)	(3,161,313)	(1,179,717)	1,981,596
Other financing sources:				
Transfers in	3,161,313	3,161,313	1,500,000	(1,661,313)
Total other financing sources	3,161,313	3,161,313	1,500,000	(1,661,313)
Net change in fund balance	-	-	320,283	320,283
Fund balances, July 1	2,588,836	2,588,836	2,588,836	-
Fund balances, June 30	$ 2,588,836	$ 2,588,836	$ 2,909,119	$ 320,283

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

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

ASSETS	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer Fund	Solid Waste Fund	Totals	Internal Service Fund
CURRENT ASSETS				
Cash	$ 3,648,860	$ 2,177,197	$ 5,826,057	$ 506,166
Investments	1,464,387	-	1,464,387	-
Accounts receivable	1,024,995	169,700	1,194,695	-
Due from other governments	212,875	-	212,875	-
Inventories	329,749	-	329,749	-
Restricted assets				
Cash	1,831,611	-	1,831,611	-
Investments	1,106,712	-	1,106,712	-
Total current assets	9,619,189	2,346,897	11,966,086	506,166
NONCURRENT ASSETS				
Capital assets				
Land	181,310	-	181,310	-
Buildings	21,298,180	-	21,298,180	-
Site improvements	293,031	-	293,031	-
Machinery and equipment	6,068,303	-	6,068,303	-
Infrastructure	27,564,121	-	27,564,121	-
Construction in progress	1,670,359	-	1,670,359	-
	57,075,304	-	57,075,304	-
Less accumulated depreciation	(24,601,814)	-	(24,601,814)	-
Total capital assets (net of accumulated depreciation)	32,473,490	-	32,473,490	-
Total assets	42,092,679	2,346,897	44,439,576	506,166
DEFERRED OUTFLOWS OF RESOURCES				
Pension differences	412,573	33,005	445,578	-
Total deferred outflows of resources	412,573	33,005	445,578	-

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

LIABILITIES	Business-type Activities - Enterprise Funds: Water and Sewer Fund	Business-type Activities - Enterprise Funds: Solid Waste Fund	Business-type Activities - Enterprise Funds: Totals	Governmental Activities: Internal Service Fund
CURRENT LIABILITIES				
Payable from current assets:				
Accounts payable	$ 776,080	$ 130,334	$ 906,414	$ 12,501
Compensated absences payable - current	73,281	4,870	78,151	-
Claims payable - current	-	-	-	144,968
Accrued liabilities	62,843	5,190	68,033	-
Current maturities of notes payable	22,951	-	22,951	-
	935,155	140,394	1,075,549	157,469
Payable from restricted assets:				
Current portion of revenue bonds	995,000	-	995,000	-
Accrued interest	21,750	-	21,750	-
Deposits	454,910	-	454,910	-
	1,471,660	-	1,471,660	-
Total current liabilities	2,406,815	140,394	2,547,209	157,469
NONCURRENT LIABILITIES				
Compensated absences (net of current portion)	109,922	9,875	119,797	-
Claims payable (net of current portion)	-	-	-	1,057,632
Revenue bonds payable (net of current portion)	3,407,818	-	3,407,818	-
Notes payable (net of current portion)	637,962	-	637,962	-
Net pension liability	842,729	67,418	910,147	-
Total noncurrent liabilities	4,998,431	77,293	5,075,724	1,057,632
Total liabilities	7,405,246	217,687	7,622,933	1,215,101

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

	Business-type Activities - Enterprise Funds			Governmental Activities
DEFERRED INFLOWS OF RESOURCES	**Water and Sewer Fund**	**Solid Waste Fund**	**Totals**	**Internal Service Fund**
Pension differences	$ 251,244	$ 20,100	$ 271,344	$ -
Total deferred inflows of resources	251,244	20,100	271,344	-
NET POSITION				
Net investment in capital assets	27,409,759	-	27,409,759	-
Restricted for debt service	2,938,323	-	2,938,323	-
Unrestricted	4,500,680	2,142,115	6,642,795	(708,935)
Total net position	$ 34,848,762	$ 2,142,115	$ 36,990,877	$ (708,935)
Adjustment to reflect consolidation of internal service fund activities related to enter			818,671	
Net position of business-type activities			$ 37,809,548	

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

CITY OF MILLEDGEVILLE, GEORGIA

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

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer Fund	Solid Waste Fund	Totals	Internal Service Fund
Operating revenues:				
Water sales	$ 3,258,492	$ -	$ 3,258,492	$ -
Sewer sales	3,604,672	-	3,604,672	-
Sanitation fees	-	2,071,650	2,071,650	-
Tap fees	112,467	-	112,467	-
Late charges	128,750	-	128,750	-
Activation fees	45,150	-	45,150	-
Charges for services	-	-	-	436,785
Miscellaneous charges	454,962	-	454,962	-
Total operating revenues	7,604,493	2,071,650	9,676,143	436,785
Operating expenses:				
Water administration	115,612	-	115,612	-
Wastewater administration	104,534	-	104,534	-
Sanitary sewer maintenance	418,646	-	418,646	-
Sewer plants and lift station	2,425,912	-	2,425,912	-
Lamar Hamm Water Treatment Plant	1,505,269	-	1,505,269	-
James Baugh Water Treatment Plant	256,937	-	256,937	-
Distribution	684,347	-	684,347	-
Water meter	645,442	-	645,442	-
Solid waste collection	-	1,363,469	1,363,469	-
Yard trimmings collection and management	-	411,402	411,402	-
Insurance claims	-	-	-	363,187
Depreciation	1,561,117	-	1,561,117	-
Total operating expenses	7,717,816	1,774,871	9,492,687	363,187
Operating income (loss)	(113,323)	296,779	183,456	73,598

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

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

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer Fund	Solid Waste Fund	Totals	Internal Service Fund
Non-operating revenues (expenses):				
Interest revenue	$ 90,993	$ -	$ 90,993	$ 1,799
Interest and fiscal charges	(282,667)	-	(282,667)	-
Net decrease in fair value of investments	(44,142)	-	(44,142)	-
Total non-operating revenues (expenses)	(235,816)	-	(235,816)	1,799
Income (loss) before contributions and transfers	(349,139)	296,779	(52,360)	75,397
Capital contributions	1,622,951	-	1,622,951	-
Transfers out	(1,500,000)	-	(1,500,000)	-
Change in net position	(226,188)	296,779	70,591	75,397
Net position, July 1	35,074,950	1,845,336	36,920,286	(784,332)
Net position, June 30	$ 34,848,762	$ 2,142,115	$ 36,990,877	$ (708,935)

Reconciliation of change in net position of the enterprise funds to change in net position of business-type activities:

Change in net position of enterprise funds (from above)	$ 70,591
Adjustment to reflect consolidation of internal service fund activities related to enter	15,193
Change in net position of business-type activities	$ 85,784

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

CITY OF MILLEDGEVILLE, GEORGIA

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

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer Fund	Solid Waste Fund	Totals	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$ 7,517,899	$ 2,065,811	$ 9,583,710	$ -
Receipts from interfund providers	-	-	-	436,785
Payments to suppliers and service providers	(3,675,507)	(1,558,782)	(5,234,289)	(381,303)
Payments to employees	(2,032,574)	(227,304)	(2,259,878)	-
Net cash provided by operating activities	1,809,818	279,725	2,089,543	55,482
CASH FLOWS FROM INVESTING ACTIVITIES				
Sales of investments	122	-	122	-
Interest on investments	90,993	-	90,993	1,799
Net cash provided by investing activities	91,115	-	91,115	1,799
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer to other funds	(1,500,000)	-	(1,500,000)	-
Net cash used in noncapital financing activities	(1,500,000)	-	(1,500,000)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds of long-term borrowings	395,497	-	395,497	-
Acquisition and construction of capital assets	(1,876,404)	-	(1,876,404)	-
Capital grants received	216,579	-	216,579	-
Interest and fiscal charges paid	(305,086)	-	(305,086)	-
Principal payments on long-term borrowings	(962,274)	-	(962,274)	-
Net cash used in capital and related financing activities	(2,531,688)	-	(2,531,688)	-
Increase (decrease) in cash	(2,130,755)	279,725	(1,851,030)	57,281
Cash, July 1	7,611,226	1,897,472	9,508,698	448,885
Cash, June 30	$ 5,480,471	$ 2,177,197	$ 7,657,668	$ 506,166

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

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

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer Fund	Solid Waste Fund	Totals	Internal Service Fund
Classified as:				
Cash	$ 3,648,860	$ 2,177,197	$ 5,826,057	$ 506,166
Restricted assets, cash	1,831,611	-	1,831,611	-
	$ 5,480,471	$ 2,177,197	$ 7,657,668	$ 506,166
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	$ (113,323)	$ 296,779	$ 183,456	$ 73,598
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	1,561,117	-	1,561,117	-
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	96,076	(5,839)	90,237	-
Increase in due from other governments	(212,875)	-	(212,875)	-
Increase in inventories	(104,355)	-	(104,355)	-
Decrease in deferred outflows of resources	26,475	21,876	48,351	-
Decrease in claims payable	-	-	-	(3,198)
Increase (decrease) in accounts payable	571,916	22,341	594,257	(14,918)
Increase (decrease) in accrued wages payable	7,842	(2,920)	4,922	-
Increase (decrease) in compensated absences payable	(3,998)	2,875	(1,123)	-
Increase (decrease) in customer deposits	30,205	(54,051)	(23,846)	-
Decrease in net pension liability	(129,023)	(1,336)	(130,359)	-
Increase in deferred inflows of resources	79,761	-	79,761	-
Net cash provided by operating activities	$ 1,809,818	$ 279,725	$ 2,089,543	$ 55,482

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

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

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer Fund	Solid Waste Fund	Totals	Internal Service Fund
Noncash investing, capital, and financing activities:				
Contributions of capital assets from SPLOST Fund	$ 1,406,372	$ -	$ 1,406,372	$ -
Decrease in fair value of investments	(44,142)	-	(44,142)	-
	$ 1,362,230	$ -	$ 1,362,230	$ -

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

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2018

	Pension Trust Fund	Agency Fund School Fund
ASSETS		
Cash and cash equivalents	$ 271,606	$ 303,906
Investments		
Mutual bond funds	11,266,927	-
Mutual equity funds	12,160,809	-
Taxes receivable	-	33,343
Total assets	23,699,342	337,249
LIABILITIES		
Accounts payable	35,740	-
Due to others	-	303,906
Uncollected taxes	-	33,343
Total liabilities	35,740	337,249
NET POSITION		
Net position - restricted for pension benefits	$ 23,663,602	$ -

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

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

ADDITIONS		
Contributions - employer	$	1,131,748
Investment income		
Net appreciation in fair value of investments		1,318,452
Interest income		489,070
Total additions		2,939,270
DEDUCTIONS		
Benefits		887,657
Administrative expense		127,057
Total deductions		1,014,714
Net increase		1,924,556
Net position, July 1		21,739,046
Net position, June 30	$	23,663,602

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City of Milledgeville, Georgia operates under a council/manager form of government and provides the following services to its citizens: public safety, public works, sanitation, water and sewer, culture and recreation, municipal court, and general and administrative services. As required by generally accepted accounting principles, these financial statements present the primary government and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational and financial relationship with the City. In conformity with accounting principles generally accepted in the United States of America, as set forth in GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34,* the financial statements of the component units are discretely presented in the government-wide financial statements.

The Milledgeville-Baldwin County Allied Arts ("Allied Arts") is governed by a seven-member board, of which three members are appointed by the City, and one member is a joint appointment of the City and Baldwin County. The City approves the annual funding portion of the budget requested by Allied Arts, which is administered by the appointed Allied Arts Board. In addition, the City provides a substantial majority of funding for the operation of Allied Arts; therefore, Allied Arts is considered to be fiscally dependent on the City. Allied Arts is presented as a governmental fund type component unit. Separate statements are not prepared for the Milledgeville-Baldwin County Allied Arts.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The Milledgeville Downtown Development Authority (the "Authority") is governed by a six-member board, all of which are appointed by the City Council. The individual responsible for the day-to-day operations of the Authority is an employee of the City. The Authority is presented as a governmental fund type component unit. Separate statements are not prepared for the Milledgeville Downtown Development Authority.

The Central State Hospital Local Redevelopment Authority (the "Authority") is a special purpose political unit of the State of Georgia created to revitalize and repurpose the campus of the Central State Hospital. With the exception of the Authority member appointed by the Governor to represent the State of Georgia, Authority members are appointed by the Mayor with the consent of the majority of City Council. The City has assumed the obligation to provide financial support to the Authority. The Authority is presented as a governmental fund type component unit. Separate statements are not prepared for the Central State Hospital Local Redevelopment Authority.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. 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* include: 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements, although agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major governmental funds:

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

The ***Special Purpose Local Option Sales Tax Fund (SPLOST)*** accounts for the construction or acquisition of major capital facilities financed by Special Purpose Local Option Sales Tax proceeds.

The City reports the following major business-type funds:

The ***Water and Sewer Fund*** accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

The ***Solid Waste Fund*** accounts for the provision of sanitation services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

Additionally, the City reports the following fund types:

The ***Special Revenue Funds*** account for specific revenues that are legally restricted to expenditures for particular purposes.

The ***Internal Service Fund*** accounts for assets set aside for claim settlements for general liability and workers' compensation claims.

The ***Pension Trust Fund*** accounts for the activities of the City of Milledgeville Pension Plan, which accumulates resources for pension benefit payments to qualified employees.

The ***Agency Fund*** accounts for the 1 mill tax collected by the City as an agent for Georgia Military College.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

D. Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. For purposes of the statement of cash flows, the enterprise funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash and Investments (Continued)

The local government investment pool, "Georgia Fund 1", created by the Official Code of Georgia Annotated (OCGA) 36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on $1 per share. The pool also adjusts the value of its investments to fair market value as of year-end and the City's investment in Georgia Fund 1 is reported at fair value.

The remaining investments are reported at fair value, which is determined using selected bases. Increases or decreases in the fair value during the year are recognized as a component of interest income.

E. Interfund Receivables/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 noncurrent 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".

F. Inventories

Inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Prepaid Expenditures/Expenses

Payments made to vendors for services that will benefit periods beyond June 30, 2018, are recorded as prepaid items.

H. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. In the case of the initial capitalization of infrastructure assets, the City chose to include all such items regardless of the acquisition date. The government was able to estimate the historical cost for the initial reporting of these assets through backtrending.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

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

Asset	Years
Land improvements	10
Buildings	10 - 50
Infrastructure	10 - 50
Machinery and equipment	3 - 50

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. No interest was capitalized during the fiscal year ended June 30, 2018.

J. Compensated Absences

In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences,* no liability is recorded for non-vesting accumulating rights to receive sick pay benefits because these benefits are paid upon the illness of an employee and the amount of such payments cannot be reasonably estimated. Accumulated unpaid vacation costs are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

K. 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 bond using the straight-line method, which approximates the effective interest method. The gain on defeasance of bonds is presented as an addition to the face amount of bonds payable and is being amortized over the life of the bonds through interest expense. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources. Bond issuance costs, whether or not withheld from proceeds are reported as expenses/expenditures when incurred.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Deferred Outflows/Inflows

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City did not have any items that qualify for reporting in this category for the year ended June 30, 2018, with the exception of the pension items discussed below.

In addition to liabilities, the statement of net position and the balance sheet for governmental funds 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 future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies for reporting in this category in addition to the pension items discussed below. This item arises only under the modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes and grants and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

The City also has deferred inflows and outflows related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the City's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity

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

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

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

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

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. City Council has the authority to assign fund balance.

- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criteria. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

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

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

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.

N. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. LEGAL COMPLIANCE - BUDGETS

A. Budgets and Budgetary Accounting

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

1. Prior to May 1, 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 for financing them.

2. Public hearings are conducted at City Hall to obtain citizen comments.

3. Prior to July 1, the budget is legally enacted through passage of a resolution.

4. Transfers of budgeted amounts between line items in a department must be approved by the City Manager. Any revisions that alter the total expenditures of any department must be approved by City Council. Requests for additional personnel within a department must also be approved by City Council. Encumbrances at year-end are carried forward to the ensuing year's budget.

5. Budgets for the General and Special Revenue Funds are legally adopted on a departmental basis and on a basis consistent with generally accepted accounting principles (GAAP) and are presented in accordance with finance-related legal and contractual provisions. To ensure sound financial administration, the Council also adopts an annual operating budget for the City's Enterprise Funds, the Water and Sewer Fund and Solid Waste Fund. The budget is not formally integrated with the accounts of the Enterprise Funds, but interim detailed management reports are developed which indicate specific variances from the planned budget for operations.

6. Budgeted amounts are as originally adopted on June 13, 2017, or as amended by the City Council. The supplementary budgetary appropriations made were not material.

NOTE 3. CASH AND INVESTMENTS

Cash and investments are summarized as follows at June 30, 2018:

As reported in the financial statements		
Cash and cash equivalents	$	16,105,681
Investments		3,591,437
Restricted assets, cash		1,831,611
Restricted assets, investments		1,106,712
Cash and cash equivalents - Pension Trust Fund		271,606
Investments - Pension Trust Fund		23,427,736
Cash - Agency Fund		303,906
	$	46,638,689
Cash deposited with financial institutions	$	18,512,804
Georgia Fund 1		103,253
Certificates of deposit		2,023,797
Mutual equity funds		12,160,809
Mutual U.S. treasury fund		1,464,387
Mutual bond funds		11,266,927
U.S. treasury bonds		1,106,712
	$	46,638,689

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

Credit Risk. State statutes authorize the City to invest in U.S. government obligations; U.S. government agency (or other corporation of the U.S. government) obligations; obligations fully insured or guaranteed by the U.S. government or a U.S. government agency; obligations of the State of Georgia or other states; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America; prime bankers' acceptances; repurchase agreements; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

The City of Milledgeville Retirement Plan (the "Plan") is authorized to invest in U.S. government obligations; U.S. government agency (or other corporation of the U.S. government) obligations; obligations fully insured or guaranteed by the U.S. government or a U.S. government agency; obligations of the State of Georgia or other states; collateralized mortgage obligations; asset and mortgage-backed securities; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America; prime bankers' acceptances; repurchase agreements; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. Additionally, the Plan is authorized to invest in common stocks, money market instruments, and corporate bonds and debentures, which are not in default as to principal and interest.

The City has no formal credit risk policy other than to only invest in obligations authorized by the State of Georgia.

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

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

At June 30, 2018, the City's investments, categorized by credit risk and interest rate risk, were as follows:

		Investment Maturities (in Years)				
Investment Type	**Fair Value**	**Less than 1**	**1 - 5**	**6 - 10**	**11 - 15**	**Rating**
Government bonds	$ 1,106,712	$ -	$ -	$ 1,106,712	$ -	AAA
Mutual bond funds	11,266,927	-	11,266,927	-	-	N/A
Mutual equity funds	12,160,809	-	-	-	-	N/A
Other mutual funds	1,464,387	-	-	-	-	N/A
Certificates of deposit	2,023,797	-	2,023,797	-	-	N/A
Georgia Fund 1	103,253	103,253	-	-	-	AAAf
Total fair value	$ 28,125,885	$ 103,253	$ 13,290,724	$ 1,106,712	$ -	

Investments of Allied Arts (component unit) consist of a certificate of deposit in the amount of $26,301 which matures in December 2018. This amount is not included in the above schedule.

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

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

The City has the following recurring fair value measurements as of June 30, 2018:

Investment	Level 1	Level 2	Level 3	Fair Value
Government bonds	$ 793,018	$ 313,694	$ -	$ 1,106,712
Mutual equity funds	11,266,927	-	-	11,266,927
Mutual bond funds	12,160,809	-	-	12,160,809
Other mutual funds	1,464,387	-	-	1,464,387
Total investments measured at fair value	$ 25,685,141	$ 313,694	$ -	25,998,835
Investments not subject to level disclosure:				
Georgia Fund 1				103,253
Certificates of deposit				2,023,797
				$ 28,125,885

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

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

The reporting of investments at fair value in accordance with GASB Statement No. 31 resulted in an unrealized loss of $44,142, which is reflected in the Water and Sewer Fund and an unrealized gain of $195,020, which is reflected in the Pension Trust Fund.

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2018, none of the City's deposits were exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

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

NOTE 4. RECEIVABLES

Receivables consisted of the following at June 30, 2018:

	General	Water and Sewer	Solid Waste	Other Governmental	Total
Receivables:					
Taxes	$ 274,795	$ -	$ -	$ 58,461	$ 333,256
Accounts	57,819	1,151,833	212,032	-	1,421,684
Gross receivables	332,614	1,151,833	212,032	58,461	1,754,940
Less allowance for uncollectibles	(100,123)	(126,838)	(42,332)	-	(269,293)
Net total receivables	$ 232,491	$ 1,024,995	$ 169,700	$ 58,461	$ 1,485,647

Property taxes are levied by the City based on the assessed value of property as listed on the digest furnished by Baldwin County. Assessed values are 40% of market value and are based on current property value.

The delinquent taxes receivable account represents the past nine years of uncollected tax levies.

Property taxes attach as an enforceable lien on property as of January 1. Taxes were levied on September 28, 2017, and payable on or before December 4, 2017. A 5% penalty was assessed on unpaid balances as of January 3, 2018, with interest accrued at 5/12 of the prime rate each month. The City bills and collects its own property taxes. Property taxes for 2017 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during the fiscal year ended June 30, 2018, and expected to be collected by August 31, 2018, are recognized as revenues in fiscal year 2018. Net receivables estimated to be collectible subsequent to August 31, 2018, are recorded as revenue when received. Prior year levies were recorded using substantially the same principles, and remaining receivables are re-evaluated annually.

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2018, is as follows:

	Balance July 1, 2017	Increases	Decreases	Transfers	Balance June 30, 2018
Primary Government:					
Governmental activities					
Capital assets, not being depreciated:					
Land	$ 2,468,098	$ -	$ -	$ -	$ 2,468,098
Construction in progress	690,853	1,795,669	-	(12,250)	2,474,272
Total	3,158,951	1,795,669	-	(12,250)	4,942,370
Capital assets, being depreciated:					
Buildings	5,755,482	19,047	-	-	5,774,529
Land improvements	147,814	72,763	-	(54,840)	165,737
Infrastructure	24,962,261	627,411	-	(627,412)	24,962,260
Machinery and equipment	9,163,796	837,188	-	(711,870)	9,289,114
Total	40,029,353	1,556,409	-	(1,394,122)	40,191,640
Less accumulated depreciation for:					
Buildings	3,023,657	160,528	-	-	3,184,185
Land improvements	123,955	10,683	-	-	134,638
Infrastructure	19,519,482	236,118	-	-	19,755,600
Machinery and equipment	7,967,486	361,876	-	-	8,329,362
Total	30,634,580	769,205	-	-	31,403,785
Total assets, being depreciated, net	9,394,773	787,204	-	(1,394,122)	8,787,855
Governmental activities capital assets, net	$ 12,553,724	$ 2,582,873	$ -	$ (1,406,372)	$ 13,730,225

NOTE 5. CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2017	Increases	Decreases	Transfers	Balance June 30, 2018
Primary Government:					
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 181,310	$ -	$ -	$ -	$ 181,310
Construction in progress	61,299	1,659,825	-	(50,765)	1,670,359
Total	242,609	1,659,825	-	(50,765)	1,851,669
Capital assets, being depreciated:					
Buildings	21,298,180	-	-	-	21,298,180
Land improvements	238,191	-	-	54,840	293,031
Infrastructure	26,720,130	216,579	-	627,412	27,564,121
Machinery and equipment	5,293,418	-	-	774,885	6,068,303
Total	53,549,919	216,579	-	1,457,137	55,223,635
Less accumulated depreciation for:					
Buildings	8,547,267	433,041	-	-	8,980,308
Land improvements	98,421	4,340	-	-	102,761
Infrastructure	10,745,624	736,078	-	-	11,481,702
Machinery and equipment	3,649,385	387,658	-	-	4,037,043
Total	23,040,697	1,561,117	-	-	24,601,814
Total assets, being depreciated, net	30,509,222	(1,344,538)	-	1,457,137	30,621,821
Business-type activities capital assets, net	$ 30,751,831	$ 315,287	$ -	$ 1,406,372	$ 32,473,490

Included in transfers above are additions acquired through the use of SPLOST funds.

NOTE 5. CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2017	Increases	Decreases	Transfers	Balance June 30, 2018
Component Unit:					
Central State Hospital					
Local Redevelopment Authority					
Capital assets, not being depreciated:					
Land	$ -	$ 2,421,000	$ -	$ -	$ 2,421,000
Buildings held for investment	-	3,388,110	(287,000)	-	3,101,110
Construction in progress	-	128,800	-	-	128,800
Total	-	5,937,910	(287,000)	-	5,650,910
Capital assets, being depreciated:					
Infrastructure	-	1,470,000	-	-	1,470,000
Total	-	1,470,000	-	-	1,470,000
Less accumulated depreciation for:					
Infrastructure	-	73,500	-	-	73,500
Total	-	73,500	-	-	73,500
Total assets, being depreciated, net	-	1,396,500	-	-	1,396,500
Governmental activities capital assets, net	$ -	$ 7,334,410	$ (287,000)	$ -	$ 7,047,410

NOTE 5. CAPITAL ASSETS (CONTINUED)

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

Primary Government:	
Governmental activities:	
General government	$ 153,841
Judicial	7,692
Public safety	246,145
Public works	361,527
Total depreciation expense - governmental activities	$ 769,205
Business-type activities:	
Water and sewer	$ 1,561,117
Total depreciation expense - business-type activities	$ 1,561,117
Component Unit:	
Central State Hospital Local Redevelopment Authority:	
Community development	$ 73,500
Total depreciation expense - business-type activities	$ 73,500

NOTE 6. LONG-TERM DEBT

Revenue Bonds. In 1996, the City issued $16,545,000 of serial bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. Proceeds from these bonds were used to finance water and sewer system improvements. All operating revenues of the Water and Sewer Fund are pledged to secure the remaining outstanding balance of the bonds.

Revenue bonds outstanding at June 30, 2018, excluding the bond premium of $52,818, are as follows:

Purpose	Interest Rates	Terms	Due Date	Amount
Water and Sewer Improvements	3.60% - 6.00%	25 years	2021	$ 4,350,000
			Premium	52,818
				$ 4,402,818

Revenue bonds debt service requirements to maturity are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	$ 995,000	$ 231,150	$ 1,226,150
2020	1,055,000	169,650	1,224,650
2021	1,115,000	104,550	1,219,550
2022	1,185,000	35,500	1,220,500
	$ 4,350,000	$ 540,850	$ 4,890,850

Capital Leases. The City previously entered into a lease agreement as lessee for financing the acquisition of 42 public safety vehicles. The lease agreement qualifies as a capital lease for accounting purposes (titles transfer at the end of the lease terms) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception. The capital lease was paid in full during the current fiscal year.

NOTE 6. LONG-TERM DEBT (CONTINUED)

Notes Payable. The City has incurred debt to the Georgia Environmental Finance Authority (GEFA) for various water and sewer system projects. This note is as follows at June 30, 2018:

Original Amount	Interest Rate	Term	Due Date	Outstanding Balance
$ 351,518	3.00%	15 years	2026	$ 216,436
530,000	0.81%	10 years	2027	444,477
				$ 660,913

The $530,000 GEFA loan listed above is in the drawdown phase at June 30, 2018. Repayment will be determined when construction has been completed and all drawdowns have been made. This note is therefore not included in the maturity schedule shown below.

The City's total other long-term debt service requirements to maturity are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	$ 22,951	$ 6,179	$ 29,130
2020	23,649	5,481	29,130
2021	24,368	4,762	29,130
2022	25,110	4,021	29,131
2023	25,873	3,257	29,130
2024-2027	94,485	5,043	99,528
	$ 216,436	$ 28,743	$ 245,179

NOTE 6. LONG-TERM DEBT (CONTINUED)

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

	Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018	Due within One year
Governmental activities					
Compensated absences	$ 487,050	$ 340,908	$ 339,682	$ 488,276	$ 181,431
Net pension liability	2,955,744	1,712,901	2,207,881	2,460,764	-
Claims payable	1,205,798	378,105	381,303	1,202,600	144,968
Long-term liabilities	$ 4,648,592	$ 2,431,914	$ 2,928,866	$ 4,151,640	$ 326,399
Business-type activities					
Revenue bonds payable	$ 5,290,000	$ -	$ 940,000	$ 4,350,000	$ 995,000
Add deferred amounts for bond premium	70,424	-	17,606	52,818	-
Total bonds payable	5,360,424	-	957,606	4,402,818	995,000
Notes payable	287,690	395,497	22,274	660,913	22,951
Net pension liability	1,093,221	633,539	816,613	910,147	-
Compensated absences	199,071	135,593	136,716	197,948	78,151
Long-term liabilities	$ 6,940,406	$ 1,164,629	$ 1,933,209	$ 6,171,826	$ 1,096,102

The current portion of revenue bonds payable is included in liabilities payable from restricted assets on the statement of net position.

For governmental funds, compensated absences and the net pension liability are liquidated by the General Fund. For business-type activities, compensated absences and the net pension liability are liquidated by the Water and Sewer Fund and the Solid Waste Fund. Claims payable are liquidated by the Internal Service Fund.

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2018, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	SPLOST Fund	$ 55,843

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Primarily, balances are attributed to expenditures paid by the General Fund to be reimbursed by the funds for which the expenditures benefit.

Transfers to	Transfers from	Amount
General Fund	Water and Sewer Fund	$ 1,500,000

Transfers are used to (1) move revenues from the fund that statute or budget requires collecting them to the fund that the statute or budget requires to expend them; (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; (3) use unrestricted revenues in the enterprise funds to provide operating funds for the General Fund.

NOTE 8. DEFINED BENEFIT PENSION PLAN

Plan Description

The City of Milledgeville maintains a single employer, defined benefit pension plan, the City of Milledgeville Retirement Plan (the "Plan"). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The Plan covers all full-time government employees who have completed one year of service. Also, elected and appointed members, including municipal legal officers, are eligible immediately. The Plan does not issue separate financial statements.

Benefit provisions are established by City ordinance, which also grants the authority to establish and amend the contribution requirements of the City to the Plan's Board of Trustees, subject to the approval of City Council. The Plan is administered by a board of trustees, which includes the Mayor, Finance Director, Personnel Director and two Council members.

Plan Membership. At July 1, 2017, the date of the most recent actuarial valuation, there were 310 participants consisting of:

Retirees and beneficiaries currently receiving benefits	93
Vested terminated employees not yet receiving benefits	41
Active employees	176
Total	310

Benefits Provided. The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. Retirement benefits for general plan members are calculated as the sum of 1.87% of the final average compensation, multiplied by years of service and .58% of the final average compensation in excess of $10,000, multiplied by years of service (with a maximum of 30 years). Normal retirement is age 62. General members are eligible for early retirement at age 52 with 10 years of service. Elected and appointed members of the governing authority and municipal legal officers receive $40, multiplied by years of service. If death occurs after meeting the requirements for Normal or Early retirement, a pension is payable for life, beginning immediately. The amount of the benefit is equivalent to the lump sum present value of the participant's accrued benefit as of the date of death. If an active participant becomes disabled during the course of his employment, the participant is entitled to receive a monthly benefit equal to his normal retirement benefit beginning at age 62.

NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Plan Description (Continued)

Contributions. A City ordinance grants the authority to establish and amend the contribution requirements of the City to the Plan's Board of Trustees, subject to the approval of City Council. The City makes all contributions to the Plan; Plan participants are not required to contribute. The contribution rate is established based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of the benefits earned by Plan members during the year, with an additional amount to finance any unfunded accrued liability. For the fiscal year ended June 30, 2018, the City's contribution rate was 17.57% of annual covered payroll.

Investment policy. The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Plan's Board of Trustees. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Plan. No investment policy changes occurred during the fiscal year ending June 30, 2018.

Concentrations. Each of the following mutual fund investments represents 5% or more of the Plan's fiduciary net position: Baird Aggregate Bond Fund, Baird Core Plus Bond Fund, Fidelity Advisor Total Bond Fund, Pimco Funds Income Fund Institutional Class, Voya Intermediate Bond Fund, Clearbridge Large-Cap Growth Fund, Vanguard Growth Index Fund, American Beacon Large-Cap Value Institutional Fund, and Vanguard Value Index Fund.

Rate of Return. For the year ended June 30, 2018, the annual money-weighted rate of return on Plan investments, net of Plan investment expenses was 8.33%. The money-weighted rate of return express investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the City

The City's net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017, with rollforward procedures to June 30, 2018.

NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

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

Inflation	2.10%
Salary increases	3.00%
Investment rate of return	7.00%

Mortality rates were based on the 1994 Group Annuity Reserve Mortality Table.

No experience study has been performed.

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 and an adjustment for rebalancing/diversification. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018, are as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity securities	50.00%	6.80%
Fixed income securities	48.00%	2.95%
Cash - money market	2.00%	1.30%
	100.00%	

Expected Inflation: 2.10%

NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that the employer contributions will be made equal to the actuarially determined contribution rate. Based on this assumption, 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.

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2017	$ 25,788,011	$ 21,739,046	$ 4,048,965
Changes for the year:			
Service cost	448,504	-	448,504
Interest	1,798,678	-	1,798,678
Differences between expected and actual experience	(112,881)	-	(112,881)
Assumption changes	-	-	-
Contributions - employer	-	1,131,748	(1,131,748)
Net investment income	-	1,779,865	(1,779,865)
Benefit payments, including refunds of employee contributions	(887,799)	(887,799)	-
Administrative expense	-	(99,258)	99,258
Net changes	1,246,502	1,924,556	(678,054)
Balances at June 30, 2018	$ 27,034,513	$ 23,663,602	$ 3,370,911

NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.00%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate.

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City's net pension liability	$ 7,239,355	$ 3,370,911	$ 886,860

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2018, and the current sharing pattern of costs between employer and employee.

NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Expense and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2018, the City recognized pension expense of $923,973. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,650,290	$ 766,560
Net difference between projected and actual earnings on pension plan investments	-	238,415
Total	$ 1,650,290	$ 1,004,975

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

Year Ending June 30:	
2019	$ 103,203
2020	36,448
2021	(158,392)
2022	5,502
2023	56,292
Thereafter	602,262
	$ 645,315

NOTE 9. OTHER POST-EMPLOYMENT BENEFITS

Employees who retire with at least 10 years of employment and who are at least 52 years of age have the option of continuing their life insurance plan. The City will pay 100% of the monthly premium until such time as the retiree expires. The amounts associated with the plan are immaterial to the financial statements, and accordingly, the City has elected not to implement GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefit Plans Other Than Pensions.*

NOTE 10. RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Beginning in 1992, the City elected to stop carrying commercial insurance because of its prohibitive cost and began covering all claim settlements and judgments out of its General Fund and Water and Sewer Fund resources. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. The liability for claims and judgments is reported in the Risk Management Fund because it is expected to be liquidated with expendable available financial resources. Change in the balances of claims liabilities during the past year are as follows:

	June 30, 2018	June 30, 2017
Unpaid claims, beginning of year	**$ 1,205,798**	$ 1,632,014
Incurred claims and changes in estimate	**378,105**	134,758
Claim payments	**(381,303)**	(560,974)
Unpaid claims, end of year	**$ 1,202,600**	$ 1,205,798

NOTE 11. OPERATING LEASE

The City has operating lease commitments for office equipment. Future minimum lease payments are as follows:

Fiscal Year Ending June 30,		
2019	$	13,239
2020		13,350
2021		11,855
2022		4,604
2023		342
	$	43,390

Governmental activities rent expense for the fiscal year ended June 30, 2018, was $13,357.

NOTE 12. COMMITMENTS AND CONTINGENCIES

Litigation

The City is involved in several small or pending lawsuits. In the opinion of management, based on consultations with legal counsel, an unfavorable outcome in excess of insurance coverage is unlikely.

Grant Contingencies

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

NOTE 13. HOTEL/MOTEL LODGING TAX

The City has levied an 8% lodging tax. A summary of the transactions for the fiscal year ending June 30, 2018, are as follows:

Balance of lodging tax funds on hand at July 1, 2017	$	633,517
Lodging tax receipts		632,913
Disbursements to Convention and Visitors Bureau		(522,451)
Balance of lodging tax funds on hand at June 30, 2018	$	743,979

NOTE 14. RELATED ORGANIZATIONS

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

NOTE 15. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities and counties in the 11-county, 22-city middle Georgia area, is a member of the Middle Georgia Regional Commission (RC) and is required to pay annual dues thereto. During its fiscal year ended June 30, 2018, the City paid $24,613 in such dues. Membership in an RC is required by the OCGA §50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality in the area. OCGA §50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Middle Georgia Regional Commission
175-C Emery Highway
Macon, Georgia 31201

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MILLEDGEVILLE, GEORGIA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Total Pension Liability					
Service cost	**$ 448,504**	$ 430,634	$ 261,754	$ 273,435	$ 286,087
Interest on total pension liability	**1,798,678**	1,710,065	1,499,115	1,324,357	1,286,529
Assumption changes	**-**	-	1,946,773	-	-
Differences between expected and actual experience	**(112,881)**	1,884,541	(383,212)	(466,536)	-
Benefit payments	**(887,799)**	(784,770)	(695,285)	(598,796)	(559,165)
Net change in total pension liability	**1,246,502**	3,240,470	2,629,145	532,460	1,013,451
Total pension liability - beginning	**25,788,011**	22,547,541	19,918,396	19,385,936	18,372,485
Total pension liability - ending	**$ 27,034,513**	$ 25,788,011	$ 22,547,541	$ 19,918,396	$ 19,385,936
Plan fiduciary net position					
Contributions - employer	**$ 1,131,748**	$ 986,863	$ 4,506,497	$ 1,460,385	$ 1,577,454
Net investment income	**1,779,865**	2,178,733	126,091	694,567	1,843,724
Benefit payments	**(887,799)**	(784,770)	(695,285)	(598,796)	(548,099)
Administrative expenses	**(99,258)**	(125,881)	(115,337)	(101,682)	(70,161)
Net change in plan fiduciary net position	**1,924,556**	2,254,945	3,821,966	1,454,474	2,802,918
Plan fiduciary net position - beginning	**21,739,046**	19,484,101	15,662,135	14,207,671	11,404,753
Plan fiduciary net position - ending	**$ 23,663,602**	$ 21,739,046	$ 19,484,101	$ 15,662,145	$ 14,207,671
Net pension liability - ending	**$ 3,370,911**	$ 4,048,965	$ 3,063,440	$ 4,256,251	$ 5,178,265
Plan fiduciary net position as a percentage of total pension liability					
Covered-employee payroll	**$ 6,441,274**	$ 6,366,103	$ 6,313,985	$ 6,531,022	$ 6,350,000
Net pension liability as a percentage of covered-employee payroll	**52.33%**	63.60%	48.52%	65.17%	81.55%

Note to the Schedule:

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

CITY OF MILLEDGEVILLE, GEORGIA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Actuarially determined contribution	**$ 857,961**	$ 849,017	$ 822,217	$ 867,486	$ 1,014,005
Contribution in relation to the actuarially determined contribution	**1,131,748**	986,863	4,506,497	1,460,385	1,569,685
Contribution deficiency (excess)	**$ (273,787)**	$ (137,846)	$ (3,684,280)	$ (592,899)	$ (555,680)
Covered-employee payroll	**$ 6,441,274**	$ 6,366,103	$ 6,313,985	$ 6,531,022	$ 6,350,000
Contributions as a percentage of covered-employee payroll	**17.57%**	15.50%	71.37%	22.36%	24.72%

Notes to the Schedule:

Valuation date	July 1, Beginning of Year
Cost method	Projected Unit Credit
Actuarial Asset Valuation Method	5 year smoothed
Assumed rate of return on investments	7.00%
Projected salary increases	3.00%
Amortization method	30 years, closed

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

CITY OF MILLEDGEVILLE, GEORGIA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION INVESTMENT RETURNS

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Annual money-weighted rate of return, net of investment expenses for the City of Milledgeville's pension plan.	**8.33%**	10.77%	0.80%	4.88%	16.12%

Note to the Schedule:

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

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Hotel/Motel Tax Fund – This fund is used to account for hotel/motel taxes collected.

Community Development Block Grant (CDBG) Program Income Fund – This fund is used to account for the activity of the City's community development block grant programs. Financing was originally provided by a grant received from the U.S. Department of Housing and Urban Development through the State of Georgia Department of Community Affairs.

Confiscated Assets Fund – This fund is used to account for condemnation proceeds. Funds may be used for public safety purposes except for salaries.

CITY OF MILLEDGEVILLE, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds			
	Hotel/Motel Tax Fund	CDBG Program Income Fund	Confiscated Assets Fund	Total
ASSETS				
Cash and cash equivalents	$ 732,970	$ 626,397	$ 34,099	$ 1,393,466
Taxes receivable	58,461	-	-	58,461
Note receivable	-	323,136	-	323,136
Total assets	$ 791,431	$ 949,533	$ 34,099	$ 1,775,063
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 47,452	$ -	$ -	$ 47,452
Total liabilities	47,452	-	-	47,452
FUND BALANCES				
Restricted for housing and development programs	-	949,533	-	949,533
Restricted for promotion of tourism	743,979	-	-	743,979
Restricted for public safety programs	-	-	34,099	34,099
Total fund balances	743,979	949,533	34,099	1,727,611
Total liabilities and fund balances	$ 791,431	$ 949,533	$ 34,099	$ 1,775,063

CITY OF MILLEDGEVILLE, GEORGIA

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

	Special Revenue Funds			
	Hotel/Motel Tax Fund	CDBG Program Income Fund	Confiscated Assets Fund	Total
Revenues:				
Taxes	$ 632,913	$ -	$ -	$ 632,913
Intergovernmental	-	216,579	-	216,579
Interest revenue	-	8,265	43	8,308
Fines and forfeitures	-	-	8,456	8,456
Total revenues	632,913	224,844	8,499	866,256
Expenditures:				
Current:				
Housing and development	522,451	218,281	-	740,732
Total expenditures	522,451	218,281	-	740,732
Net change in fund balances	110,462	6,563	8,499	125,524
Fund balances, July 1	633,517	942,970	25,600	1,602,087
Fund balances, June 30	$ 743,979	$ 949,533	$ 34,099	$ 1,727,611

CITY OF MILLEDGEVILLE, GEORGIA
SPECIAL REVENUE FUND

HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
Revenues, taxes	$ 550,000	$ 632,913	$ 82,913
Expenditures, housing and development	550,000	522,451	27,549
Net change in fund balances	-	110,462	110,462
Fund balances, July 1	633,517	633,517	-
Fund balances, June 30	$ 633,517	$ 743,979	$ 110,462

CITY OF MILLEDGEVILLE, GEORGIA
SPECIAL REVENUE FUND

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM INCOME FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	$ -	$ 216,579	$ 216,579
Interest revenue	9,000	8,265	(735)
Total revenues	9,000	224,844	215,844
Expenditures, housing and development	9,000	218,281	(209,281)
Net change in fund balances	-	6,563	6,563
Fund balances, July 1	942,970	942,970	-
Fund balances, June 30	$ 942,970	$ 949,533	$ 6,563

CITY OF MILLEDGEVILLE, GEORGIA
SPECIAL REVENUE FUND

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

	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and forfeitures	$ 5,000	$ 8,456	$ 3,456
Interest revenue	-	43	43
Total revenues	5,000	8,499	3,499
Expenditures, public safety	5,000	-	5,000
Net change in fund balances	-	8,499	8,499
Fund balances, July 1	25,600	25,600	-
Fund balances, June 30	$ 25,600	$ 34,099	$ 8,499

AGENCY FUNDS

School Fund – This fund is used to account for the collection and disbursement of tax revenues levied for Georgia Military College.

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUND
JUNE 30, 2018

	School Fund
ASSETS	
Cash	$ 303,906
Taxes receivable	33,343
Total assets	$ 337,249
LIABILITIES	
Due to others	$ 303,906
Uncollected taxes	33,343
Total liabilities	$ 337,249

CITY OF MILLEDGEVILLE, GEORGIA

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

School Fund	Balance June 30, 2017	Additions	Deductions	Balance June 30, 2018
Cash	$ 39,109	$ 676,253	$ 411,456	$ 303,906
Taxes receivable	25,510	356,653	348,820	33,343
Total assets	$ 64,619	$ 1,032,906	$ 760,276	$ 337,249
Due to others	$ 39,109	$ 676,253	$ 411,456	$ 303,906
Uncollected taxes	25,510	356,653	348,820	33,343
Total liabilities	$ 64,619	$ 1,032,906	$ 760,276	$ 337,249

COMPONENT UNITS

CITY OF MILLEDGEVILLE, GEORGIA

BALANCE SHEET
COMPONENT UNIT - MILLEDGEVILLE-BALDWIN COUNTY ALLIED ARTS
JUNE 30, 2018

ASSETS	
Cash	$ 98,104
Investments	26,301
Total assets	$ 124,405
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accrued liabilities	$ 1,235
Total liabilities	1,235
FUND BALANCE	
Unassigned	123,170
Total liabilities and fund balance	$ 124,405

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPONENT UNIT - MILLEDGEVILLE-BALDWIN COUNTY ALLIED ARTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Revenues		
Intergovernmental	$	170,597
Interest revenue		304
Other revenues		33,828
Total revenues		204,729
Expenditures, culture and recreation		216,884
Net change in fund balance		(12,155)
Fund balance, July 1		135,325
Fund balance, June 30	$	123,170

CITY OF MILLEDGEVILLE, GEORGIA

BALANCE SHEET
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
JUNE 30, 2018

ASSETS	
Cash	$ 73,953
Note receivable	23,045
Total assets	$ 96,998
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	$ 249
Total liabilities	249
FUND BALANCE	
Nonspendable, note receivable	23,045
Unassigned	73,704
Total fund balance	96,749
Total liabilities and fund balance	$ 96,998

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Revenues		
Other revenues		
MainStreet/DDA	$	18,233
BOOST revenues		2,100
Interest revenue		1,927
Total revenues		22,260
Expenditures, community development		16,938
Net change in fund balance		5,322
Fund balance, July 1		91,427
Fund balance, June 30	$	96,749

CITY OF MILLEDGEVILLE, GEORGIA

BALANCE SHEET
COMPONENT UNIT - CENTRAL STATE HOSPITAL LOCAL REDEVELOPMENT AUTHORITY
JUNE 30, 2018

ASSETS		
Cash	$	172,767
Accounts receivable		110,413
Total assets	$	283,180
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	$	22,841
Accrued liabilities		6,906
Due to City of Milledgeville		71,950
Total liabilities		101,697
FUND BALANCE		
Unassigned		181,483
Total liabilities and fund balance	$	283,180

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPONENT UNIT - CENTRAL STATE HOSPITAL LOCAL REDEVELOPMENT AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Revenues		
Intergovernmental	$	243,000
Other revenues		476,374
Total revenues		719,374
Expenditures, community development		560,235
Net change in fund balance		159,139
Fund balance, July 1		22,344
Fund balance, June 30	$	181,483

STATISTICAL SECTION

This part of the City of Milledgeville's comprehensive 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 ..... **89 - 91**

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

Revenue Capacity ..... **92 - 101**

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity ..... **102 - 106**

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

Demographic and Economic Information ..... **107 and 108**

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

Operating Information ..... **109 - 111**

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

CITY OF MILLEDGEVILLE, GEORGIA

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
Net investment in capital assets	$ 12,310,698	$ 13,046,789	$ 13,364,194	$ 12,531,495	$ 12,404,051	$ 12,782,442	$ 12,967,998	$ 12,895,220	$ 12,553,724	$ 13,730,225
Restricted	-	7,487,107	7,527,182	8,669,770	8,733,734	8,966,631	9,374,506	9,934,083	10,348,759	9,331,990
Unrestricted	6,982,499	(8,962)	(347,928)	2,802,036	2,669,122	3,823,775	(425,188)	212,929	(1,004,503)	(855,214)
Total governmental activities net position	$ 19,293,197	$ 20,524,934	$ 20,543,448	$ 24,003,301	$ 23,806,907	$ 25,572,848	$ 21,917,316	$ 23,042,232	$ 21,897,980	$ 22,207,001
Business-type activities:										
Net investment in capital assets	$ 15,208,588	$ 17,067,610	$ 17,288,728	$ 17,679,031	$ 18,393,201	$ 18,881,673	$ 24,993,422	$ 24,870,530	$ 25,103,717	$ 27,409,759
Restricted	1,752,286	1,887,114	2,587,344	2,860,657	2,774,745	2,808,746	2,857,768	2,942,071	2,934,352	2,938,323
Unrestricted	10,303,242	10,899,168	12,104,064	14,149,454	14,759,323	13,653,430	12,284,726	9,901,702	9,685,695	7,461,466
Total business-type activities net position	$ 27,264,116	$ 29,853,892	$ 31,980,136	$ 34,689,142	$ 35,927,269	$ 35,343,849	$ 40,135,916	$ 37,714,303	$ 37,723,764	$ 37,809,548
Primary government:										
Net investment in capital assets	$ 27,519,286	$ 30,114,399	$ 30,652,922	$ 30,210,526	$ 30,797,252	$ 31,664,115	$ 37,961,420	$ 37,765,750	$ 37,657,441	$ 41,139,984
Restricted	1,752,286	9,374,221	10,114,526	11,530,427	11,508,479	11,775,377	12,232,274	12,876,154	13,283,111	12,270,313
Unrestricted	17,285,741	10,890,206	11,756,136	16,951,490	17,428,445	17,477,205	11,859,538	10,114,631	8,681,192	6,606,252
Total primary government net position	$ 46,557,313	$ 50,378,826	$ 52,523,584	$ 58,692,443	$ 59,734,176	$ 60,916,697	$ 62,053,232	$ 60,756,535	$ 59,621,744	$ 60,016,549

CITY OF MILLEDGEVILLE, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities:										
General government	$ 1,467,788	$ 1,438,368	$ 1,583,367	$ 1,495,140	$ 2,285,587	$ 3,142,186	$ 1,852,823	$ 2,053,836	$ 1,644,150	$ 1,982,462
Judicial	157,986	150,767	160,324	146,991	182,533	(166,137)	208,742	241,322	176,387	216,408
Public safety	5,838,433	5,931,232	6,255,838	3,045,049	6,646,040	6,238,021	6,640,146	7,843,559	7,300,387	6,988,244
Public works	2,790,493	3,566,034	2,708,035	2,043,705	2,019,753	2,084,730	2,507,855	2,804,015	2,656,473	2,369,163
Culture and recreation	888,255	916,789	753,213	791,132	717,454	685,882	688,462	739,380	598,062	777,544
Housing and development	820,562	1,027,572	1,135,550	958,338	762,757	1,187,907	1,103,247	1,254,964	1,652,993	1,593,297
Interest on long-term debt	-	-	-	-	9,480	11,905	8,397	4,833	1,213	-
Total governmental activities	11,963,517	13,030,762	12,596,327	8,480,355	12,623,605	13,184,495	13,009,672	14,941,909	14,029,665	13,927,118
Business-type activities:										
Water and sewer	6,096,709	6,044,630	5,878,449	6,154,110	6,533,598	6,494,885	6,582,033	7,601,541	7,699,817	8,000,483
Solid waste	1,504,096	1,638,333	1,645,373	1,510,933	1,544,717	1,686,590	1,734,466	1,648,559	1,687,646	1,774,871
Total business-type activities	7,600,805	7,682,963	7,523,822	7,665,043	8,078,315	8,181,475	8,316,499	9,250,100	9,387,463	9,775,354
Total primary government	$ 19,564,322	$ 20,713,725	$ 20,120,149	$ 16,145,398	$ 20,701,920	$ 21,365,970	$ 21,326,171	$ 24,192,009	$ 23,417,128	$ 23,702,472
Program revenues										
Governmental activities:										
Charges for services:										
General government	$ 276,769	325,864	323,490	$ 450,552	$ 423,925	$ 555,219	$ 454,871	$ 548,216	$ 566,304	$ 537,009
Public safety	609,284	703,910	623,963	476,043	-	-	-	-	-	-
Public works	-	-	-	-	623,061	688,920	605,797	563,503	462,026	464,659
Other activities	2,962	553	-	-	-	-	-	-	-	-
Operating grants and contributions	58,876	63,744	290,553	34,005	173,327	188,074	203,794	127,028	163,452	759,860
Capital grants and contributions	1,710,191	2,869,600	2,382,085	2,499,914	2,767,155	2,377,722	2,279,054	2,049,785	2,375,184	2,095,794
Total governmental activities	2,658,082	3,963,671	3,620,091	3,460,514	3,987,468	3,809,935	3,543,516	3,288,532	3,566,966	3,857,322
Business-type activities:										
Charges for services:										
Water and sewer	$ 7,819,991	$ 7,001,007	$ 7,209,392	$ 7,476,414	$ 7,307,245	$ 7,143,250	$ 8,008,398	$ 7,622,657	$ 7,847,663	$ 7,619,323
Solid waste	1,731,995	1,934,153	1,923,824	1,933,713	1,953,473	1,957,462	1,922,922	1,989,356	2,009,578	2,071,650
Capital grants and contributions	207,652	2,029,935	32,377	9,250,100	9,612,013	-	6,300,000	-	-	216,579
Total business-type activities	9,759,638	10,965,095	9,165,593	18,660,227	18,872,731	9,100,712	16,231,320	9,612,013	9,857,241	9,907,552
Total primary government	$ 12,417,720	$ 14,928,766	$ 12,785,684	$ 22,120,741	$ 22,860,199	$ 12,910,647	$ 19,774,836	$ 12,900,545	$ 13,424,207	$ 13,764,874
Net (expense)/revenue										
Governmental activities	$ (9,305,435)	$ (9,067,091)	$ (8,976,237)	$ (5,019,841)	$ (8,636,137)	$ (9,374,560)	$ (9,466,156)	$ (11,653,377)	$ (10,462,699)	$ (10,069,796)
Business-type activities	2,158,833	3,282,132	1,641,771	10,995,184	10,794,416	919,237	7,914,821	361,913	469,778	132,198
Total primary government net expense	$ (7,146,602)	$ (5,784,959)	$ (7,334,466)	$ 5,975,343	$ 2,158,279	$ (8,455,323)	$ (1,551,335)	$ (11,291,464)	$ (9,992,921)	$ (9,937,598)

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	$ 2,850,577	$ 2,958,098	$ 2,931,647	$ 2,831,319	$ 2,900,540	$ 3,197,025	$ 3,108,846	$ 3,104,119	$ 3,086,186	$ 3,459,389
Sales taxes	2,431,098	2,521,200	2,464,375	2,582,539	2,333,680	2,355,152	2,420,390	2,420,423	2,433,043	2,523,041
Hotel/motel taxes	262,328	365,766	461,852	468,985	429,068	517,620	513,056	558,902	604,253	632,912
Franchise taxes	1,241,285	1,193,921	1,224,963	1,287,559	1,202,256	1,182,415	1,288,061	1,419,557	1,334,579	1,291,418
Insurance premium taxes	1,049,796	1,040,054	1,009,723	830,908	882,563	948,217	991,321	1,059,064	1,147,172	1,222,132
Alcoholic beverage taxes	507,557	459,052	497,143	471,834	442,809	442,809	446,363	468,167	458,228	470,293
Business and occupation taxes	568,177	626,357	561,109	562,008	580,395	580,395	594,765	626,965	581,787	627,848
Other taxes	46,779	116,819	108,996	55,023	72,509	179,624	95,037	108,500	38,111	29,830
Unrestricted investment earnings	143,965	94,254	122,072	92,635	62,492	36,721	40,217	71,595	31,380	28,326
Transfers	1,378,682	923,307	(387,127)	(703,115)	(466,569)	1,700,522	1,768,342	2,930,125	453,850	93,628
Total governmental activities	10,480,244	10,298,828	8,994,753	8,479,695	8,439,743	11,140,500	11,266,398	12,767,417	10,168,589	10,378,817
General Revenues and Other Changes in Net Position										
Business-type activities:										
Unrestricted investment earnings	171,525	230,951	97,346	260,807	(81,966)	197,865	43,720	146,599	(6,467)	47,214
Transfers	(1,378,682)	(923,307)	387,127	703,115	466,569	(1,700,522)	(1,768,342)	(2,930,125)	(453,850)	(93,628)
Total business-type activities	(1,207,157)	(692,356)	484,473	963,922	384,603	(1,502,657)	(1,724,622)	(2,783,526)	(460,317)	(46,414)
Total primary government	$ 9,273,087	$ 9,606,472	$ 9,479,226	$ 9,443,617	$ 8,824,346	$ 9,637,843	$ 9,541,776	$ 9,983,891	$ 9,708,272	$ 10,332,403
Change in Net Position										
Governmental activities	$ 1,174,809	$ 1,231,737	$ 18,516	$ 3,459,854	$ (196,394)	$ 1,765,940	$ 1,800,242	$ 1,114,040	$ (294,110)	$ 309,021
Business-type activities	951,676	2,589,776	2,126,244	11,959,106	11,179,019	(583,420)	6,190,199	(2,421,613)	9,461	85,784
Total primary government	$ 2,126,485	$ 3,821,513	$ 2,144,760	$ 15,418,960	$ 10,982,625	$ 1,182,520	$ 7,990,441	$ (1,307,573)	$ (284,649)	$ 394,805

CITY OF MILLEDGEVILLE, GEORGIA

GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Year	Property Tax	Sales Tax	Other Taxes	Alcoholic Beverage Taxes	Business and Occupation Taxes	Franchise Tax	Insurance Premium Tax	Total
2009	$ 2,850,577	$ 2,431,098	$ 309,107	$ 507,557	$ 568,177	$ 1,241,285	$ 1,049,796	$ 8,957,597
2010	2,958,098	2,521,200	482,585	459,052	626,357	1,193,921	1,040,054	9,281,267
2011	2,931,647	2,464,375	570,848	497,143	561,109	1,224,963	1,009,723	9,259,808
2012	2,831,319	2,582,539	524,008	471,834	562,008	1,287,559	830,908	9,090,175
2013	2,900,540	2,333,680	501,577	442,809	580,395	1,202,256	882,563	8,843,820
2014	3,197,025	2,355,152	697,244	442,809	580,395	1,182,415	948,217	9,403,257
2015	3,108,846	2,420,390	608,093	446,363	594,765	1,288,061	991,321	9,457,839
2016	3,104,119	2,420,423	667,402	468,167	626,965	1,419,557	1,059,064	9,765,697
2017	3,086,186	2,433,043	642,364	458,228	581,787	1,334,579	1,147,172	9,683,359
2018	3,459,389	2,523,041	662,742	470,293	627,848	1,291,418	1,222,132	10,256,863

CITY OF MILLEDGEVILLE, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Nonspendable	$ -	$ -	$ 33,740	$ 37,241	$ 43,348	$ 490,113	$ 460,095	$ 40,705	$ 33,457	$ 55,235
Restricted	-	-	76,409	76,409	224,970	244,055	76,409	271,698	189,739	106,946
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	595	595	595	595	595	-	112	-
Unassigned	-	-	3,439,189	2,733,297	2,039,603	2,336,893	3,263,168	2,787,745	2,365,528	2,746,938
Reserved	121,144	364,158	-	-	-	-	-	-	-	-
Unreserved	2,967,390	3,219,511	-	-	-	-	-	-	-	-
Total General Fund	$ 3,088,534	$ 3,583,669	$ 3,549,933	$ 2,847,542	$ 2,308,516	$ 3,071,656	$ 3,800,267	$ 3,100,148	$ 2,588,836	$ 2,909,119
All Other Governmental Funds										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ 416,668	$ 386,111	$ 354,938	$ -
Restricted	-	-	8,104,832	8,599,830	8,508,764	8,722,576	9,308,873	9,662,385	10,159,020	9,225,044
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(31)	(175)	(175)	(175)	(44)	-	-	-
Reserved	411,055	652,007	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	(276)	7,322,120	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	$ 410,779	$ 7,974,127	$ 8,104,801	$ 8,599,655	$ 8,508,589	$ 8,722,401	$ 9,725,497	$ 10,048,496	$ 10,513,958	$ 9,225,044

Note: The City of Milledgeville adopted GASB Statement 54 in fiscal year 2011.

CITY OF MILLEDGEVILLE, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Taxes	$ 8,842,623	$ 9,231,756	$ 9,373,107	$ 8,894,399	$ 9,012,286	$ 9,399,917	$ 9,588,307	$ 9,693,482	$ 9,758,189	$ 10,222,913
Licenses and permits	254,397	224,487	216,867	224,119	227,542	225,058	281,354	406,460	410,604	327,319
Intergovernmental	1,729,507	2,810,262	2,612,167	1,568,104	2,609,052	2,915,192	2,478,568	2,128,203	2,268,965	2,944,343
Fines and forfeitures	609,284	703,910	623,963	476,043	623,061	688,920	605,797	563,503	462,026	464,659
Charges for services	4,889	7,794	8,272	8,859	8,225	13,613	16,390	15,344	12,576	61,952
Interest income	142,533	204,046	134,765	102,409	89,998	82,584	75,650	176,580	122,683	82,194
Other revenues	20,445	94,136	98,351	220,782	83,021	212,908	157,358	126,456	150,624	147,738
Total revenues	11,603,678	13,276,391	13,067,492	11,494,715	12,653,185	13,538,192	13,203,424	13,110,028	13,185,667	14,251,118
Expenditures:										
General government	1,403,760	1,409,898	1,274,842	1,466,667	1,742,340	1,656,806	1,607,019	1,961,392	1,613,293	1,732,999
Judicial	157,390	162,685	150,765	168,463	177,121	188,821	206,345	243,036	200,969	212,801
Public safety	5,505,919	5,853,059	5,632,753	5,713,620	6,124,832	6,435,912	6,490,072	8,125,227	6,796,594	6,868,748
Public works	1,576,832	1,589,352	1,906,304	1,578,008	1,668,403	1,787,725	1,818,825	2,197,906	2,060,791	2,196,704
Culture and recreation	866,518	891,330	797,390	752,410	729,728	698,193	700,970	761,153	678,545	720,706
Housing and development	808,239	1,015,304	1,136,659	967,856	778,061	1,205,334	1,126,934	1,313,159	1,566,725	1,592,144
Capital outlay	1,042,344	3,126,557	2,071,841	620,172	3,086,814	2,367,435	1,590,938	1,590,111	1,291,761	3,395,647
Debt service:										
Principal	-	-	-	-	270,000	233,957	233,957	233,957	233,957	-
Interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	11,361,002	14,048,185	12,970,554	11,267,196	14,577,299	14,574,183	13,775,060	16,425,941	14,442,635	16,719,749
Excess of revenues over (under) expenditures	242,676	(771,794)	96,938	227,519	(1,924,114)	(1,035,991)	(571,636)	(3,315,913)	(1,256,968)	(2,468,631)
Other Financing Sources (Uses)										
Proceeds from capital leases	-	-	-	-	1,170,000	-	-	-	-	-
Transfers in from other funds	1,716,847	923,307	-	-	600,000	1,536,965	1,886,775	3,355,361	1,211,218	1,500,000
Transfers out to other funds	(338,165)	-	-	(435,056)	-	-	-	-	(100)	-
Total other financing sources (uses)	1,378,682	923,307	-	(435,056)	1,770,000	1,536,965	1,886,775	3,355,361	1,211,118	1,500,000
Net change in fund balances	$ 1,621,358	$ 151,513	$ 96,938	$ (207,537)	$ (154,114)	$ 500,974	$ 1,315,139	$ 39,448	$ (45,850)	$ (968,631)
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%	2.09%	1.81%	1.90%	1.51%	1.67%	0.00%

CITY OF MILLEDGEVILLE, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUE BY SOURCE (1)
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Year	Property Tax	Sales Tax	Other Taxes (2)	Franchise Tax	Insurance Premium Tax	Total
2009	$ 2,792,655	$ 2,374,046	$ 1,384,841	$ 1,241,285	$ 1,049,796	$ 8,842,623
2010	2,898,995	2,530,792	1,567,994	1,193,921	1,040,054	9,231,756
2011	2,997,485	2,511,836	1,629,100	1,224,963	1,009,723	9,373,107
2012	2,635,543	2,582,539	1,557,850	1,287,559	830,908	8,894,399
2013	3,069,006	2,333,680	1,524,781	1,202,256	882,563	9,012,286
2014	3,193,685	2,355,152	1,720,448	1,182,415	948,217	9,399,917
2015	3,239,314	2,420,390	1,649,221	1,288,061	991,321	9,588,307
2016	3,239,314	2,420,390	1,649,221	1,288,061	991,321	9,588,307
2017	3,161,015	2,433,043	1,682,380	1,334,579	1,147,172	9,758,189
2018	3,425,438	2,523,041	1,760,884	1,291,418	1,222,132	10,222,913

(1) Includes General, Special Revenue and Capital Projects Funds.

(2) Includes alcoholic beverages taxes and hotel/motel taxes.

CITY OF MILLEDGEVILLE, GEORGIA

DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year	Direct	Overlapping			
	City	State of Georgia	Baldwin County (1)	Baldwin County School Board (2)	Total Direct and Overlapping Rates
2009	1.00%	4.00%	1.00%	1.00%	7.00%
2010	1.00%	4.00%	1.00%	1.00%	7.00%
2011	1.00%	4.00%	1.00%	1.00%	7.00%
2012	1.00%	4.00%	1.00%	1.00%	7.00%
2013	1.00%	4.00%	1.00%	1.00%	7.00%
2014	1.00%	4.00%	1.00%	1.00%	7.00%
2015	1.00%	4.00%	1.00%	1.00%	7.00%
2016	1.00%	4.00%	1.00%	1.00%	7.00%
2017	1.00%	4.00%	1.00%	1.00%	7.00%
2018	1.00%	4.00%	1.00%	1.00%	7.00%

Source: Georgia Department of Revenue, Sales and Use Tax Division

Notes:

(1) Current 1% special purpose local option sales tax expires March 31, 2018.

(2) A new 1% special purpose local option sales tax referendum was passed and will go into effect April 1, 2018.

CITY OF MILLEDGEVILLE, GEORGIA

TAXABLE SALES TAX DISTRIBUTION BY CATEGORY
LAST TEN CALENDAR YEARS (1)

By Category	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Food	$ 1,549,438	$ 1,106,221	$ 1,044,749	$ 1,054,756	$ 1,111,073	$ 1,249,958	$ 1,329,741	$ 1,414,399	$ 1,375,297	$ 1,485,583
Apparel	103,119	110,742	122,828	386,256	246,782	328,246	445,861	843,979	846,827	925,511
General	1,313,985	1,231,299	1,211,914	1,244,568	1,751,605	1,375,000	1,296,104	1,271,759	1,166,178	1,168,001
Automotive	1,380,494	722,402	768,607	725,499	520,306	148,892	134,704	150,893	186,453	192,184
Home	276,404	110,742	260,032	376,257	461,261	548,986	528,255	586,954	634,859	685,544
Lumber	556,832	425,172	556,683	515,641	218,318	50,792	23,045	26,111	44,051	48,477
Miscellaneous Service	240,512	315,552	334,584	286,425	274,205	355,825	357,884	373,487	382,230	377,688
Manufacturers	139,918	325,454	260,032	238,279	166,332	255,975	202,246	244,887	228,368	233,112
Utilities	666,444	509,435	541,669	560,033	520,370	540,283	501,205	566,928	405,177	437,668
Miscellaneous	422,043	412,752	334,584	575,641	196,990	355,825	147,863	175,933	171,904	256,532
	$ 6,649,189	$ 5,269,771	$ 5,435,682	$ 5,963,355	$ 5,467,242	$ 5,209,782	$ 4,966,908	$ 5,655,330	$ 5,441,344	$ 5,810,300

Source: Georgia Department of Revenue, Local Government Services Division

Note:

(1) Information only available for Baldwin County.

CITY OF MILLEDGEVILLE, GEORGIA

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

Fiscal Year	Residential Property	Commercial Property	Motor Vehicle	Other (1)	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2009	$ 145,958,815	$ 171,342,957	$ 22,300,100	$ 837,604	$ 1,605,269	$ 352,168,866	9.12	$ 880,422,100	40%
2010	160,714,124	177,017,129	23,290,960	1,266,786	1,946,693	360,342,306	9.12	900,855,765	40%
2011	158,571,927	165,044,251	20,796,550	810,332	2,252,665	360,805,090	9.12	902,012,725	40%
2012	154,944,259	152,597,416	20,325,590	769,116	1,396,199	357,612,008	9.12	894,030,020	40%
2013	136,035,873	167,159,373	21,070,740	735,984	1,636,536	354,377,983	9.12	855,944,958	40%
2014	133,274,251	198,316,313	21,418,250	602,828	2,549,035	351,062,607	9.12	877,646,518	40%
2015	135,938,798	195,619,246	19,134,130	568,496	2,415,427	348,845,243	9.12	872,113,108	40%
2016	131,183,888	199,629,373	12,256,620	509,987	2,247,783	341,332,085	9.12	853,330,213	40%
2017	131,032,445	202,488,113	9,256,380	489,323	3,316,684	339,949,577	9.12	849,873,943	40%
2018	151,669,649	253,919,810	6,950,710	482,629	4,818,562	408,204,236	9.12	1,020,510,590	40%

Source: Baldwin County Tax Commissioner

Note:
(1) Includes mobile homes and heavy equipment.

CITY OF MILLEDGEVILLE, GEORGIA

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

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
City of Milledgeville										
Maintenance and Operations	8.12	8.12	8.12	8.12	8.12	8.12	8.12	8.12	8.12	8.12
School Fund	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total City	9.12	9.12	9.12	9.12	9.12	9.12	9.12	9.12	9.12	9.12
Baldwin County	8.64	8.64	8.78	8.78	8.84	9.84	9.85	9.85	9.85	9.85
Baldwin County School District	16.07	16.07	16.07	17.06	17.06	17.06	17.06	17.06	17.06	17.06
State of Georgia	0.25	0.25	0.25	0.25	0.20	0.15	0.10	0.10	0.10	0.10
Total	34.08	34.08	34.22	35.21	35.22	36.17	36.13	36.13	36.13	36.13

Source: City of Milledgeville financial records

CITY OF MILLEDGEVILLE, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
GEO Group	$ 16,345,691	1	4.06%			
Georgia Power	13,003,686	2	3.23%	$ 7,911,812	1	2.31%
Campus Crest of Milledgeville	5,458,972	3	1.36%	5,638,661	3	1.64%
Walmart Real Estate Business	4,880,640	4	1.21%	4,904,680	6	1.43%
Magnolia Park	4,683,119	5	1.16%	5,284,154	4	1.54%
Rath Refractories	3,669,552	6	0.91%			
Walmart	3,101,813	7	0.77%	4,355,671	7	1.27%
Halpern Properties	2,778,760	8	0.69%			
Bright Meyers Milledgeville	2,773,928	9	0.69%			
Lowe's of Milledgeville	2,736,640	10	0.68%	5,251,151	5	1.53%
Winstream (Alltell)				5,664,326	2	1.65%
Heritage Walk Investments				3,209,360	8	0.94%
Shaw Industries				3,329,035	9	0.97%
Gordon Giles				2,867,687	10	0.84%
Totals	$ 59,432,801		14.76%	$ 48,416,537		14.12%

Source: City of Milledgeville and Baldwin County records

CITY OF MILLEDGEVILLE, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	$ 2,769,525	$ 2,664,606	96.2 %	$ 80,054	$ 2,744,660	99.1 %
2010	2,958,098	2,678,996	90.6	190,103	2,869,099	97.0
2011	3,103,237	2,910,692	93.8	192,727	3,103,419	100.0
2012	3,028,188	2,647,406	87.4	182,107	2,829,513	93.4
2013	2,810,927	2,612,252	92.9	-	2,612,252	92.9
2014	3,183,792	3,006,653	94.4	19,534	3,026,187	95.0
2015	2,996,695	2,885,702	96.3	2,794	2,888,496	96.4
2016	2,992,600	2,845,261	95.1	107,722	2,952,983	98.7
2017	3,013,250	2,985,546	99.1	4,427	2,989,973	99.2
2018	3,632,942	3,461,962	95.3	10,064	3,472,026	95.6

Source: City of Milledgeville financial records

CITY OF MILLEDGEVILLE, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended	Governmental Activities		Business-type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Capital Lease Obligations	Water and Sewer Notes	Revenue Bonds			
2009	$ -	$ -	$ 678,577	$ 11,446,147	$ 12,124,724	N/A	$ 646.41
2010	-	-	629,603	10,828,104	11,457,707	3.61%	610.85
2011	-	-	847,144	10,159,465	11,006,609	3.41%	621.32
2012	-	-	340,595	9,462,719	9,803,314	4.64%	553.39
2013	-	900,000	281,304	8,731,917	9,913,221	4.14%	559.59
2014	-	680,263	301,663	7,956,148	8,938,074	4.28%	486.24
2015	-	457,054	281,304	7,135,379	7,873,737	3.72%	409.86
2016	-	230,318	260,325	6,269,610	6,760,253	3.02%	357.10
2017	-	-	287,690	5,360,424	5,648,114	N/A	298.32
2018	-	-	660,913	4,402,818	5,063,731	N/A	272.61

Source: City of Milledgeville financial records

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.
N/A - Not Available

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

CITY OF MILLEDGEVILLE, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year Ended	General Obligation Bonds	Percentage of Actual Property Value (2)	Per Capita (1)
2009	$ -	$ -	$ -
2010	-	-	-
2011	-	-	-
2012	-	-	-
2013	-	-	-
2014	-	-	-
2015	-	-	-
2016	-	-	-
2017	-	-	-
2018	-	-	-

Source: City of Milledgeville financial records

(1) See the Schedule of Demographic and Economic Statistics for population data.
(2) See Schedule of Assessed Value and Estimated Actual Value of Taxable Property.

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

CITY OF MILLEDGEVILLE, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2018

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt repaid with property taxes: Baldwin County	$ -	29.00%	$ -
Subtotal, overlapping debt			-
City of Milledgeville direct debt			-
Total direct and overlapping debt			$ -

Source: Assessed value data used to estimate applicable percentages provided by the Baldwin County Tax Assessors Office.
Debt outstanding data is for fiscal year ended June 30, 2018, as provided by Baldwin County Commissioners' Office.

(1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the City's boundaries and dividing it by the County's total taxable assessed value.

CITY OF MILLEDGEVILLE, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Legal debt limit	$ 36,034	$35,217	$ 36,081	$ 35,761	$ 35,438	$ 35,106	$ 35,438	$ 34,133	$ 33,994	$ 40,820
Total net debt applicable to debt limit	-	-	-	-	900	680	459	230	-	-
Legal debt margin	$ 36,034	$ 35,217	$ 36,081	$ 35,761	$ 34,538	$ 34,426	$ 34,979	$ 33,903	$ 33,994	$ 40,820
Legal debt margin as a percentage of the debt limit	0.00%	0.00%	0.00%	0.00%	2.54%	1.94%	1.30%	0.67%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2018	
Assessed value	$ 408,204
Debt limit (10% of assessed value)	40,820
Debt applicable to limit:	
Capital lease obligation	-
Total net debt applicable to limit	-
Legal debt margin	$ 40,820

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

These amounts do not include revenue bonds that are being repaid from the Enterprise Fund**.**

CITY OF MILLEDGEVILLE, GEORGIA

PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2009	$ 7,819,991	$ 4,629,577	$ 3,190,414	$ 575,000	$ 674,408	2.55
2010	6,952,141	4,483,666	2,468,475	600,000	646,352	1.98
2011	7,212,402	4,285,571	2,926,831	635,000	656,184	2.27
2012	7,463,178	4,449,441	3,013,737	665,000	623,618	2.34
2013	7,307,245	4,927,190	3,013,737	700,000	511,918	2.49
2014	7,530,819	4,878,654	2,652,165	745,000	472,734	2.18
2015	8,069,277	4,826,896	3,242,381	790,000	422,139	2.67
2016	7,628,862	5,720,752	1,908,110	835,000	377,443	1.57
2017	7,808,384	5,867,159	1,941,225	885,000	334,228	1.59
2018	7,604,493	6,156,699	1,447,794	940,000	282,667	1.18

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

Utility service charges include tap fees, but exclude interest.

Operating expenses do not include interest, depreciation, or amortization expense.

CITY OF MILLEDGEVILLE, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (amounts expressed in thousands)	Per Capita Personal Income (1)	School Enrollment (2)	Unemployment Rate (3)
2009	18,757	N/A	$ 17,481	6,807	11.60
2010	18,757	N/A	17,481	6,832	15.10
2011	17,715	N/A	13,074	6,623	14.70
2012	17,715	N/A	13,074	6,674	13.70
2013	17,715	N/A	13,074	6,678	12.90
2014	18,382	N/A	13,074	6,776	10.80
2015	19,211	N/A	13,398	6,780	7.30
2016	18,931	N/A	13,342	6,998	10.00
2017	18,933	N/A	13,317	6,934	5.90
2018	18,575	N/A	14,188	6,956	5.26

(1) Source: U.S. Bureau of the Census

(2) Source: Baldwin County Board of Education, John Milledge Academy, GMC Prep School, Sinclair Christian Academy, EBL Academy

(3) Source: Georgia Department of Labor

N/A - Not Available

CITY OF MILLEDGEVILLE, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2018			2009		
Employer (3)	Employees (1)	Rank	Percentage of Total County Employment (3)	Employees (2)	Rank	Percentage of Total County Employment (3)
Georgia College & State University	N/A	N/A	N/A	1,228	3	5.87%
Triumph Aerostructures (Vought Aircraft)	N/A	N/A	N/A	513	7	2.45%
Baldwin County School System	N/A	N/A	N/A	900	5	4.30%
Oconee Regional Medical Center	N/A	N/A	N/A	710	6	3.39%
Georgia Military College	N/A	N/A	N/A	400	10	1.91%
Georgia Department of Corrections	N/A	N/A	N/A	1,225	4	5.86%
Mohawk	N/A	N/A	N/A			
Primecare Home Care Services	N/A	N/A	N/A			
Walmart	N/A	N/A	N/A			
Baldwin County	N/A	N/A	N/A			
Central State Hospital				2,042	1	10.70%
Rheem Manufacturing				1,189	2	7.41%
Bill Ireland YDC				435	8	2.08%
United Veterans Services of Georgia				425	9	2.03%

(1) Source: Milledgeville Baldwin County Chamber of Commerce. Information for FY2018 not available.

(2) Source: City of Milledgeville records.

(3) Source: Georgia Department of Labor.

N/A - Not Available - Georgia Department of Labor will only provide the name of the top ten employers, not the number of employees beginning with FY2017.

CITY OF MILLEDGEVILLE, GEORGIA

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

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Function/Program										
General Government										
Administrative	3	2.5	4	4	4	4	5	5	5	5
Finance	8	7	6	7	7	7	7	7	7	7
Personnel	1	1	2	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Planning	5	4	4	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Other	8	3	3	4	4	4	4	4	4	4
Police										
Officers	51	51	52	52	52	52	52	52	52	52
Civilians	13	9	9	9	10	10	10	11	12	12
Fire										
Firefighters	34	34	33	34	34	34	34	34	34	34
Civilians	-	-	-	-	-	-	-	-	-	-
Public Works										
Administrative	2	2	2	3	3	3	3	3	3	3
Maintenance	16	13	13	13	13	13	13	13	13	13
Parks and Recreation	10	11	9	10	10	10	10	10	10	10
Water	35	32.5	32	35	35	35	35	35	35	35
Wastewater	21	18	16	16	16	16	16	16	16	16
Refuse	9	7	7	9	9	9	9	9	9	9
Total	216	195	192	202	203	203	204	205	206	206

Source: City of Milledgeville Human Resources Department

In FY 2012, the City added an additional position for a Public Works Supervisor.
In FY 2015, the City added an additional position for a City Planner.

CITY OF MILLEDGEVILLE, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year 2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police										
Parking violations	3,891	4,598	3,103	3,123	2,892	3,617	2,472	2,469	2,381	2,993
Traffic violations	5,520	5,558	4,503	3,611	3,966	6,364	4,766	4,328	3,409	3,558
Fire										
Number of calls answered	988	989	1,155	1,124	1,297	1,409	1,562	1,677	1,614	1,630
Number of inspections conducted	2,327	2,025	1,855	2,168	2,271	2,219	2,187	2,068	2,057	2,054
Highways and streets										
Street resurfacing (miles)	0.0	1.4	2.3	0.5	0.6	0.3	5.5	0.3	0.3	6.9
Potholes repaired	290	338	351	540	672	353	940	1,047	952	545
Sanitation										
Yard trimmings collected (tons/day)	3.8	3.2	3.4	8.5	8.8	8.9	4.1	6.3	3.1	4.1
Water										
Number of service connections	7,746	7,564	7,589	7,956	7,960	7,938	7,897	7,856	7,724	8,057
Average daily consumption (thousands of gallons)	6,432	6,325	6,336	6,340	6,331	6,330	6,335	6,334	4,518	3,979
Sewer										
Number of service connections	6,125	6,071	6,072	6,075	6,077	6,191	6,184	6,186	6,370	6,423
Average daily sewage treatment (thousands of gallons)	4,380	4,369	4,372	3,197	3,201	4,191	2,722	2,986	3,015	3,006

Source: City of Milledgeville records

Notes: Indicators are not available for the general government function.

CITY OF MILLEDGEVILLE, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
Function	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	42	50	59	59	59	57	57	57	57	57
Fire stations	2	2	2	2	2	2	2	2	2	2
Highways and streets										
Miles of streets	120	120	120	120	120	120	120	120	120	120
Number of street lights	1,547	1,547	1,547	1,547	1,547	1,548	1,560	1,560	1,560	1,560
Water										
Water mains (miles)	196	196	200	200	200	200	200	200	200	200
Number of water plants	2	2	2	2	2	2	2	2	2	2
Fire hydrants	728	728	728	728	728	728	728	728	728	728
Maximum daily capacity (thousands of gallons both plants)	12,440	12,440	12,440	12,440	12,440	12,440	12,440	12,440	12,440	12,440
Sewer										
Sanitary sewers (miles)	233	233	233	233	233	233	233	233	233	233
Storm sewers (miles)	30	30	30	30	30	30	30	30	30	30
Maximum daily capacity (thousands of gallons)	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500

Source: City of Milledgeville records

Note: Indicators are not available for the general government function.

In 2010, the City police department acquired eight patrol cars to replace those retired in the previous year.

In 2011, the City police department added nine additional patrol units.

CONTINUING DISCLOSURE INFORMATION

CITY OF MILLEDGEVILLE, GEORGIA

PRINCIPAL WATER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	2018			2009		
	Amount Billed for 12 Months	Rank	Estimated Percentage of Total Water Billings	Amount Billed for 12 Months	Rank	Estimated Percentage of Total Water Billings
Baldwin State Prison	$ 384,411	1	11.80%			
GEO Riverbend	254,388	2	7.81%	$ 277,950	3	6.20%
Georgia College	249,343	3	7.65%			
Mohawk	240,845	4	7.39%	104,759	4	2.34%
Zschimmer & Schwarz, Inc.	216,363	5	6.64%			
Villamar Town Home Apartments	123,608	6	3.79%	89,687	5	2.00%
Magnolia Park SH LLC	70,874	7	2.18%	64,281	8	1.43%
Triumph - Vought Aircraft Industries	65,453	8	2.01%	74,263	7	1.66%
Tidal Wave Auto Spa of Milledgeville	58,221	9	1.79%			
Arcadia on the River	53,638	10	1.65%			
Baldwin County Commissioners				1,232,913	1	27.50%
Central State Hospital				474,819	2	10.59%
Bill Ireland YDC				79,149	6	1.77%
Oconee Regional Medical Center				59,904	9	1.34%
Pine Knoll Apartments				55,381	10	1.24%

Source: City of Milledgeville records

Notes: Bill E. Ireland closed in the Spring of 2010.
Baldwin County has built its own water system.
Oconee Regional Medical Center now obtains its water from other sources.

CITY OF MILLEDGEVILLE, GEORGIA

PRINCIPAL SEWER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	2018			2009		
	Amount Billed for 12 Months	Rank	Estimated Percentage of Total Sewer Billings	Amount Billed for 12 Months	Rank	Estimated Percentage of Total Sewer Billings
Baldwin County Commissioners	$ 435,227	1	12.07%	$ 233,967	3	9.05%
Baldwin State Prison	224,188	2	6.22%			
Georgia College	162,291	3	4.50%	250,175	2	9.68%
GEO - Riverbend	148,367	4	4.12%			
Zschimmer & Schwarz, Inc.	126,130	5	3.50%			
Mohawk	81,088	6	2.25%	77,364	6	2.99%
Villamar Townhome Apartments	72,023	7	2.00%	89,687	4	3.47%
Triump - (Vought Aircraft Industries)	38,140	8	1.06%	73,516	7	2.84%
Tidal Wave Auto Spa	32,250	9	0.89%			
Bill Ireland YDC	29,956	10	0.83%	79,149	5	3.06%
Central State Hospital				402,296	1	15.56%
Oconee Regional Medical Center				59,904	8	2.32%
Magnolia Park SH LLC				57,255	9	2.22%
Pine Knoll Apartments				55,381	10	2.14%

Source: City of Milledgeville records

Notes: Oconee Regional Medical Center now obtains its sewer services from other sources.

COMPLIANCE SECTION

MAULDIN & JENKINS

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

Honorable Mayor and City Council
City of Milledgeville, Georgia
Milledgeville, Georgia

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Milledgeville, Georgia (the City) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 13, 2019.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Mauldin & Jenkins, LLC

Macon, Georgia
March 13, 2019

MAULDIN & JENKINS

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

Honorable Mayor and City Council
City of Milledgeville, Georgia
Milledgeville, Georgia

Report on Compliance for Each Major Federal Program

We have audited the City of Milledgeville, Georgia's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the fiscal year ended June 30, 2018 . The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the City of Milledgeville, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2018.

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 13, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Mauldin & Jenkins, LLC

Macon, Georgia
March 13, 2019

CITY OF MILLEDGEVILLE, GEORGIA

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

Federal Grantor/ Pass-Through Program Title	Federal CFDA Number	Agency or Pass-through Grantor's Number	Expenditures
U.S. Department of Housing and Urban Development			
Passed through the Georgia Department of Community Affairs			
Community Development Block Grant - Sewer Infrastructure Improvements Program	14.228	15p-x-005-2-5743	$ 185,236
Community Development Block Grant - Sewer Infrastructure Improvements Program	14.228	17p-x-005-5945	31,343
Total State Administered CDBG Cluster			216,579
Total U.S. Department of Housing and Urban Development			216,579
U.S. Environmental Protection Agency			
Passed through Georgia Environmental Finance Authority			
State Revolving Funds (Drinking Water) Program	66.468	DW15038	393,017
Total U.S. Department of Homeland Security			393,017
U.S. Department of Transportation			
Passed through the Georgia Department of Transportation			
Transportation Enhancement Activities (TEA) Grant - Streetscape IV (ARRA)	20.205	CSTEE-0008-10(711)	24,494
Total Highway Planning and Construction Cluster			24,494
Total U.S. Department of Transportation			24,494
U.S. Department of Homeland Security			
Passed through Georgia Emergency Management Agency			
Hazard Mitigation Grant Program	97.039	HMGP 4165-0035	224,181
Total U.S. Department of Homeland Security			224,181
Total Expenditures of Federal Awards			$ 858,271

CITY OF MILLEDGEVILLE, GEORGIA

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

SECTION I - SUMMARY OF AUDIT RESULTS

Financial Statements

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

Federal Awards

Internal control over financial reporting:	
Material weaknesses identified?	____ Yes X No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes X None Reported
Type of auditor's report issued	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	____ Yes X No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
66.468	U.S. Environmental Protection Agency - State Revolving Funds (Drinking Water) Program

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

CITY OF MILLEDGEVILLE, GEORGIA

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

SECTION II FINANCIAL STATEMENT FINDINGS

2018-001. Management of Capital Assets and Property Inventory – Component Unit – Central State Hospital Local Redevelopment Authority

Criteria: Generally accepted accounting principles require donated property to be recorded at its estimated fair value at the date of donation. If the property (other than land) is to be used by the entity in its operations, the property should be depreciated over its estimated useful life.

Condition: Central State Hospital Local Redevelopment Authority did not record any activity associated with the receipt of a significant number of properties from the State Properties Commission during fiscal year 2018.

Context: We addressed this matter with personnel of the Authority, and they were able to determine the appropriate adjustments needed at June 30, 2018, to properly record the donated properties, the subsequent sale and transfer of some properties, and the depreciation of others.

Effect: Significant audit adjustments were required as of June 30, 2018, to increase contributed capital and capital assets by $7,279,110, decrease capital assets by $287,000, and increase depreciation expense and accumulated depreciation by $73,500.

Recommendation: We recommend the Authority implement the necessary controls and procedures to ensure that all property transactions are properly reconciled and recorded on a timely basis.

Views of responsible officials and planned corrective action: Management concurs with the finding. The Executive Director has moved all accounting functions to a local accounting firm and will establish procedures to reconcile all property transactions to ensure all activity is reflected on a timely basis.

SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS

None reported.

CITY OF MILLEDGEVILLE, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2018

2017-001. Workers Compensation Insurance Claims Payable Liability

Condition: In prior years, for one of the on-going workers compensation claims, the City had recorded a liability for the estimated income benefits to be paid to an individual but not the estimated medical costs.

Context: We addressed this matter with personnel of the City and they were able to determine the appropriate adjustment needed at June 30, 2017, to properly record the claims liability in the City's Risk Management Fund.

Auditee Response/Status: Resolved.

2017-002. Accounting Processes – Component Unit – Central State Hospital Local Redevelopment Authority

Condition: The Central State Hospital Local Redevelopment Authority (the Authority) is maintaining its books and records on the cash basis and is not adjusting the records to the modified accrual basis at year-end for financial reporting purposes. Fund balance, grants receivable and related grant revenues, and accrued payroll and related payroll tax liabilities were not properly recorded in the general ledger of the Authority at June 30, 2017. An audit adjustment from the prior year was also not posted in the general ledger.

Context: We addressed this matter with personnel of the Authority and they were able to determine the appropriate adjustments needed at June 30, 2017 to properly record the prior year audit adjustment, to adjust grant activity, and accrued payroll and related payroll tax liabilities.

Auditee Response/Status: Resolved.

2017-003. Expenditure Procedures and Use of Debit Card – Component Unit – Central State Hospital Local Redevelopment Authority

Condition: During our audit we noted that the Central State Hospital Local Redevelopment Authority continues to use a debit card for a significant number of its expenditures, thereby allowing for the immediate disbursement of funds from the Authority's bank account. Documentation for many of these expenditures is not being maintained. As part of our audit procedures we randomly selected twenty-five (25) disbursements to test for proper approval and proper supporting documentation. Eleven (11) of the disbursements tested were debit card transactions or ATM withdrawals, for which no supporting invoice, receipt, or other documentation could be located for three (3) of the disbursements. Additionally, of the twenty-five (25) disbursements tested, no evidence of approval for the disbursement was noted on the supporting documentation of fourteen (14) of the disbursements.

Auditee Response/Status: Resolved.

CITY OF MILLEDGEVILLE, GEORGIA

MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2018

2018 – 001. Management of Capital Assets and Property Inventory – Component Unit – Central State Hospital Local Redevelopment Authority

Name of the Contact Person Responsible for the Corrective Action Plan: Michael Couch, Executive Director

Corrective Action: The Executive Director has moved all accounting functions to a local accounting firm and will ensure all property transactions are appropriately recorded on the general ledger. Additionally, detail listings of property held for sale will be maintained separately from properties in use by the Authority, and depreciation will be calculated and recorded for those properties in use by the Authority.

Anticipated Completion Date: June 30, 2019.

STATE COMPLIANCE SECTION

CITY OF MILLEDGEVILLE, GEORGIA
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS – 2011 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Public works	$ 3,795,000	$ 3,795,000	$ -	$ -	$ -
Improvements	-	-	17,143	-	17,143
Equipment and vehicles	-	-	1,353,017	1,816,104	3,169,121
City facilities	1,014,600	1,014,600	-	-	-
Improvements	-	-	-	-	-
Equipment and vehicles	-	-	-	-	-
Public safety	3,090,400	3,090,400	-	-	-
Improvements	-	-	11,565	-	11,565
Equipment and vehicles	-	-	246,379	39,900	286,279
Improvements - water system, water treatment and waste treatment	4,350,000	4,350,000	1,238,199	1,164,649	2,402,848
	$ 12,250,000	$ 12,250,000	$ 2,866,303	$ 3,020,653	$ 5,886,956

CITY OF MILLEDGEVILLE, GEORGIA
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS – 2006 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Public works	$ 3,400,000	$ 3,400,000	$	$	$
Improvements	-	-	1,148,431	-	1,148,431
Equipment and vehicles	-	-	1,074,885	-	1,074,885
City facilities	3,000,000	3,000,000			
Improvements	-	-	2,112,299	90,304	2,202,603
Equipment and vehicles	-	-	129,906	-	129,906
Public safety	2,000,000	2,000,000			
Improvements	-	-	222,449	-	222,449
Equipment and vehicles	-	-	1,524,854	-	1,524,854
Improvements - water system, water treatment and waste treatment	4,000,000	4,000,000	4,401,665	-	4,401,665
	$ 12,400,000	$ 12,400,000	$ 10,614,489	$ 90,304	$ 10,704,793

Note: Capital outlay and debt service expenditures in the SPLOST Fund totaled $3,395,647; however, only $3,110,957 was attributed to the spending of actual SPLOST Funds. The remaining expenditures of $284,690 were expenditures paid with grant funds.