CITY OF MILLEDGEVILLE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

Prepared by:

Finance Department

CITY OF MILLEDGEVILLE, GEORGIA

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

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MAYOR
Mary Parham-Copelan

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

INTERIM CITY MANAGER
Hank Griffeth

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 (the "City) for the fiscal year ended June 30, 2019, is hereby submitted in accordance with the Official Code of Georgia Annotated (O.C.G.A.) Section 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. 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's financial statements for the fiscal year ended June 30, 2019. 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.

PROFILE OF THE GOVERNMENT

Known as Georgia's Antebellum Capital, the City 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. The City 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. The City is located 79 miles southeast of Atlanta and 30 miles northeast of Macon.

The City is governed by a mayor and six council members elected by the citizens. The Mayor is elected at large serving a four-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 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'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'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. The City 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 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 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 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 the City 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 the City 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 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 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 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.

During fiscal year 2019, the city also contracted with Goodwyn, Mills and Cawood, Inc. for the development of a stormwater utility. The stormwater utility will be implemented in Fiscal Year 2020.

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 ("CAFR") for the fiscal year ended June 30, 2018. This is the 33rd 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 CAFR that satisfies both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR 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 CAFR 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
Interim Finance Director
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

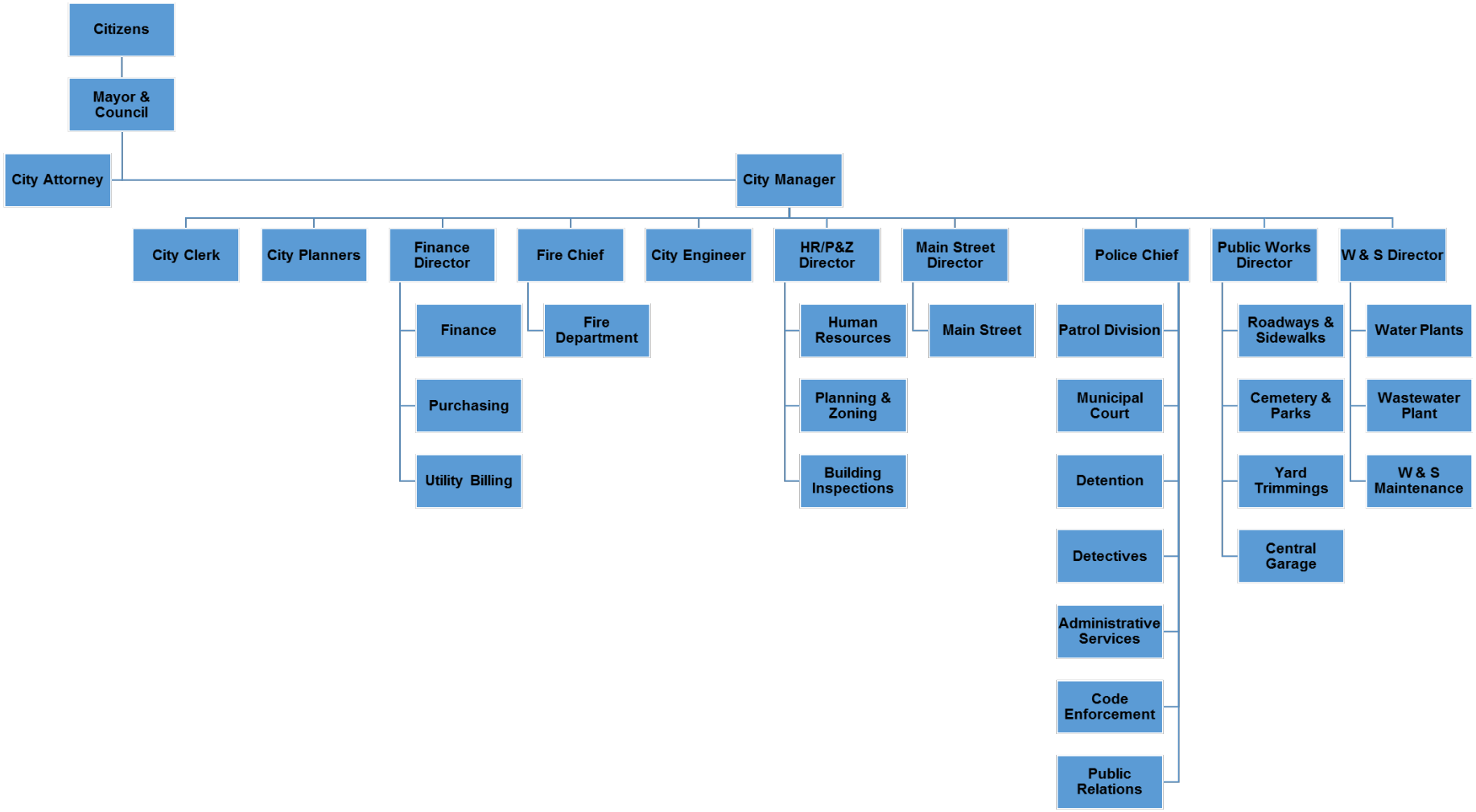
CITY OF MILLEDGEVILLE, GEORGIA

LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2019

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	Barry Jarrett
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, 2019



FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type 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, 2019, 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 – 17) and the Schedules of Required Supplementary Information (on page 73 – 75) 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 ("O.C.G.A.") § 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 December 27, 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
December 27, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) provides a narrative overview and analysis of the financial activities of the City of Milledgeville (the "City") for the fiscal year ended June 30, 2019. 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's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2019 by $58,506,965. Of this amount $39,916,440 is the City's net investment in capital assets (net of depreciation and related debt). Total unrestricted net position is $7,815,171 and may be used to meet the City's ongoing obligations. Unrestricted net position (deficit) of governmental activities is ($848,225).

- As of June 30, 2019, the City's governmental funds reported combined ending fund balances of $9,822,090. Approximately 21% of this total amount, $2,055,049 is available for spending at the City Council's discretion, (unassigned fund balance). The governmental funds combined fund balance decreased by $2,312,073 from fiscal year ended June 30, 2018. 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, 2019 are $4,832,116 and $9,101,754, respectively. $10,514,653 of the total $13,933,870 represents liabilities that are due in one year or more, such as long-term debt and compensated absences. This is an increase of $114,006 for the governmental-type funds and an increase of $1,478,821 for the business-type activities from fiscal year ended June 30, 2018. The business-type funds secured a GEFA (Georgia Environmental Financing Authority) note payable for $3,000,000 during fiscal year 2018. For the period ended June 30, 2019, only $2,841,570 was drawn down. The project was still ongoing at year end and the loan was yet to close. In accordance with GASB No. 68, the City was required to record a net pension liability of $3,509,353 at June 30, 2019, with deferred outflows and inflows related to the net pension liability of $2,188,024 and $1,068,619, respectively.

OVERVIEW OF THE FINANCIAL STATEMENTS

The MD&A narrative is intended to serve as an introduction to the City'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.

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 18 – 20) 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 18 – 21.

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 74. 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 18 – 26 of this report.

  The City maintains seven 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 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 76 and 77 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 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 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 30 – 37.

- ***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'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 38 and 39.

Budgetary Comparisons

The City 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 27 – 29. The Special Revenue Fund budgetary comparison statements can be found on pages 79 and 80.

During fiscal year 2019, the General Fund budget required several amendments. The larger amendments included transfers of $17,455 to cover the cost of a special election, $76,130 to cover the cost of added personnel and overtime for the fire department to increase the ISO rating, $39,050 to cover professional fees for starting a stormwater utility, and $398,838 to cover the increase in principal and interest payments for the economic and development project. This amount represents additional principal and interest payments made by the City on behalf of the Milledgeville-Baldwin Economic Development Authority. The City charter allows for funds to be transferred from one line item to another with a department authorization from the City Manager; however, the transfer of funds from one 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 $392,285 and total expenditures were $736,183 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 40 – 72 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 73 – 75 of this report.

The report includes one schedule (page 26) which reconciles 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 18 – 21).

City of Milledgeville Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	**2019**	2018	**2019**	2018
Current and other assets	$ 10,908,439	$ 12,723,805	$ 13,658,909	$ 12,784,757	$ 24,567,348	$ 25,508,562
Capital assets	13,788,608	13,730,225	32,965,474	32,473,490	46,754,082	46,203,715
Total assets	24,697,047	26,454,030	46,624,383	45,258,247	71,321,430	71,712,277
Deferred outflows of resources	1,553,497	1,204,712	634,527	445,578	2,188,024	1,650,290
Long-term debt outstanding	3,655,979	3,825,241	6,858,674	5,075,724	10,514,653	8,900,965
Other liabilities	1,176,137	892,869	2,243,080	2,547,209	3,419,217	3,440,078
Total liabilities	4,832,116	4,718,110	9,101,754	7,622,933	13,933,870	12,341,043
Deferred inflows of resources	758,719	733,631	309,900	271,344	1,068,619	1,004,975
Net position						
Net investment in capital assets	13,788,608	13,730,225	26,127,832	27,409,759	39,916,440	41,139,984
Restricted	7,719,326	9,331,990	3,056,028	2,938,323	10,775,354	12,270,313
Unrestricted	(848,225)	(855,214)	8,663,396	7,461,466	7,815,171	6,606,252
Total net postion	$ 20,659,709	$ 22,207,001	$ 37,847,256	$ 37,809,548	$ 58,506,965	$ 60,016,549

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, 2019, assets exceeded liabilities by $58.51 million. However, much of the net position is either restricted as to purpose for which they can be used, or is invested in capital assets.

The largest portion of the City's net position, $39,619,440 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 $10,775,354 of the City's net position represents resources that are subject to external restrictions on how they are to be used.

Changes in Net Position – Governmental and business-type activities decreased the City's net position by $1,509,584 in fiscal year 2019. The following table indicates the changes in net position for the government and business-type activities in fiscal year 2019.

City of Milledgeville Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	**2019**	2018	**2019**	2018
Revenues						
Program revenues						
Charges for services	$ 1,038,407	$ 1,001,668	$ 9,783,968	$ 9,690,973	$ 10,822,375	$ 10,692,641
Operating grants and contributions	382,674	759,860	-	-	382,674	759,860
Capital grants and contributions	1,168,482	2,095,794	453,260	216,579	1,621,742	2,312,373
General revenues						
Property taxes	3,965,214	3,459,389	-	-	3,965,214	3,459,389
Sales tax	2,626,209	2,523,041	-	-	2,626,209	2,523,041
Other taxes	4,422,467	4,274,433	-	-	4,422,467	4,274,433
Investment earnings (loss)	21,248	28,326	59,569	47,214	80,817	75,540
Total revenues	13,624,701	14,142,511	10,296,797	9,954,766	23,921,498	24,097,277
Expenses						
General government	2,546,410	1,982,462	-	-	2,546,410	1,982,462
Judicial	193,964	216,408	-	-	193,964	216,408
Public safety	6,982,282	6,988,244	-	-	6,982,282	6,988,244
Public works	2,938,467	2,369,163	-	-	2,938,467	2,369,163
Housing and development	1,967,390	1,593,297	-	-	1,967,390	1,593,297
Culture and recreation	703,391	777,544	-	-	703,391	777,544
Water and sewer	-	-	7,965,927	8,000,483	7,965,927	8,000,483
Solid waste	-	-	2,133,251	1,774,871	2,133,251	1,774,871
Total expenses	15,331,904	13,927,118	10,099,178	9,775,354	25,431,082	23,702,472
Increase (decrease) in net position before transfers	(1,707,203)	215,393	197,619	179,412	(1,509,584)	394,805
Transfers	159,911	93,628	(159,911)	(93,628)	-	-
Change in net postion	(1,547,292)	309,021	37,708	85,784	(1,509,584)	394,805
Net position, beginning of year	22,207,001	21,897,980	37,809,548	37,723,764	60,016,549	59,621,744
Net position, end of year	$ 20,659,709	$ 22,207,001	$ 37,847,256	$ 37,809,548	$ 58,506,965	$ 60,016,549

Governmental Activities – Governmental activities decreased the City's net position by $1,547,292 in fiscal year 2019. Key elements of this decrease are as follows:

- Revenues were $11.3 million. Approximately 8% of the City's revenues came from fees charged for services, 19% from sales taxes, 29% from property taxes and 32% from other taxes.
- Expenses totaled $15.3 million. Approximately 46% of the City's expenses are attributed to public safety, 19% to public works, 17% to general government and the remaining 18% 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 $37,708 in fiscal year 2019. 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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. 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, 2019, as noted earlier in this report, the City 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 2019, the combined ending fund balance of the City's governmental funds was $9,822,090, a decrease of 19% from fiscal year 2018. Approximately $2.05 million (21%) 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 decreased by $691,889. Expenses were 10% higher than the previous year and revenues decreased by 3.6%. This revenue amount does not include a funds transfer of $159,911. 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,($47,715), restricted for capital projects ($5,787,652), restricted for promotion of tourism ($851,858), restricted for housing and development programs ($955,770) restricted for public safety ($124,046), and unassigned ($2,055,049).

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

1. *General Fund* – This is the primary operating fund of the City 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 $2,055,049 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 13% of total fiscal year 2019 expenditures, while total fund balance is 64% 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 $5,787,652 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 $5,780,511. The total net position increased by $115,609.

Unrestricted net position of the City's other proprietary fund, Solid Waste Fund, totaled $2,128,283 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 2018, 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 Code. The most significant budgeted fund is the General Fund.

In June 2018, the City Council appropriated $13.8 million for General Fund expenditures.

City of Milledgeville 2019 General Fund Budget

	Original Budget	Amendments	Final Budget	Actual
Revenues and other financing sources	$ 13,461,742	$ -	$ 13,865,942	$ 12,283,835
Expenditures and other financing uses	13,865,942	30,195	13,865,942	13,129,759

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 Code.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets – The City has invested $46,754,082 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	
	2019	2018	**2019**	2018	**2019**	2018
Land	$ 2,468,098	$ 2,468,098	$ 181,310	$ 181,310	$ 2,649,408	$ 2,649,408
Land improvements	(17,860)	31,099	188,681	190,270	170,821	221,369
Infrastructure	4,985,147	5,206,660	15,454,877	16,082,419	20,440,024	21,289,079
Buildings	3,547,756	2,590,344	11,884,986	12,317,872	15,432,742	14,908,216
Machinery and equipment	1,031,042	959,752	1,922,990	2,031,260	2,954,032	2,991,012
Construction in progress	1,774,425	2,474,272	3,332,630	1,670,359	5,107,055	4,144,631
Total capital assets	$ 13,788,608	$ 13,730,225	$ 32,965,474	$ 32,473,490	$ 46,754,082	$ 46,203,715

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

- Renovation to City Hall Annex- $1,426,607
- SCBA & Fire Accessories - $166,124
- Knuckleboom Truck - $67,000
- Furniture - $23,235
- Streetscape IV - Construction in Progress - $903,057
- Vehicle - $23,874
- Software - $45,862

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

- Trailer/Jetter - $49,500
- Infrastructure - Water and Sewer Line and Valve Upgrades - $105,433
- Machinery and Equipment - $225,464
- Site Improvements - $54,840
- Vehicle - $23,874

Additional information on the City of Milledgeville's capital assets can be found in Note 5 on pages 55 – 58 of this report.

Long-term debt – At June 30, 2019, the City had $6,837,642 in bonds, notes and capital leases outstanding, an increase of $1,773,911 from fiscal year 2018. These changes represent the addition of a GEFA loan for $3,000,000 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 is $40.17 million.

Additional information on the City's long-term debt can be found in Note 6 on pages 61 – 63 of this report.

City of Milledgeville Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues bonds	$ -	$ -	$ 3,390,212	$ 4,402,818	$ 3,390,212	$ 4,402,818
Notes payable	-	-	3,447,430	660,913	3,447,430	660,913
Compensated absences	511,681	488,276	209,094	197,948	720,775	686,224
Net pension liability	2,491,641	2,460,764	1,017,712	910,147	3,509,353	3,370,911
Claims payable	1,050,683	1,202,600	-	-	1,050,683	1,202,600
	$ 4,054,005	$ 4,151,640	$ 8,064,448	$ 6,171,826	$ 12,118,453	$ 10,323,466

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 2020 Budget.

- The General Fund property taxes are expected to increase in fiscal year 2020. During the budget process, the City Council agreed to entertain a 1 mil increase when assessing property taxes to property owners in the City. 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 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 FY 2020 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, Georgia 31059-1900.

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2019

	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	$ 8,038,244	$ 7,647,367	$ 15,685,611	$ 80,323	$ 86,740	$ 320,646
Investments	2,129,421	-	2,129,421	26,486	-	-
Taxes receivable	315,233	-	315,233	-	-	-
Accounts receivable, net of allowances	12,462	1,285,734	1,298,196	-	-	192,155
Notes receivable	379,265	-	379,265	-	17,025	-
Advance to component unit	71,950	-	71,950			
Due from other governments	668,751	354,920	1,023,671	-	-	-
Internal balances	(754,602)	754,602	-	-	-	-
Inventories	47,715	560,258	607,973	-	-	-
Restricted assets, cash and cash equivalents	-	1,952,955	1,952,955	-	-	-
Restricted assets, investments	-	1,103,073	1,103,073	-	-	-
Capital assets, non-depreciable	4,242,523	3,513,940	7,756,463	-	-	5,220,720
Capital assets, depreciable, net of accumulated depreciation	9,546,085	29,451,534	38,997,619	590	-	1,323,000
Total assets	24,697,047	46,624,383	71,321,430	107,399	103,765	7,056,521
DEFERRED OUTFLOWS OF RESOURCES						
Pension investment return	1,553,497	634,527	2,188,024	-	-	-
Total deferred outflows of resources	1,553,497	634,527	2,188,024	-	-	-

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2019

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Allied Arts	Downtown Development Authority	Central State Hospital Local Redevelopment Authority
LIABILITIES						
Accounts payable	$ 554,958	$ 458,679	$ 1,013,637	$ -	$ 515	$ 12,978
Accrued liabilities	223,153	84,522	307,675	1,235	-	6,599
Liabilities payable from restricted assets	-	1,549,105	1,549,105	-	-	-
Advance from primary government	-	-	-	-	-	71,950
Claims payable due within one year	207,899	-	207,899	-	-	-
Claims payable due in more than one year	842,784	-	842,784	-	-	-
Compensated absences due within one year	190,127	84,018	274,145	13,074	-	22,424
Compensated absences due in more than one year	321,554	125,076	446,630	-	-	-
Notes payable due within one year	-	66,756	66,756	-	-	-
Notes payable due in more than one year	-	3,380,674	3,380,674	-	-	-
Bonds payable due in more than one year	-	2,335,212	2,335,212	-	-	-
Net pension liability due in more than one year	2,491,641	1,017,712	3,509,353	-	-	-
Total liabilities	4,832,116	9,101,754	13,933,870	14,309	515	113,951
DEFERRED INFLOWS OF RESOURCES						
Pension experience differences	758,719	309,900	1,068,619	-	-	-
Total deferred inflows of resources	758,719	309,900	1,068,619	-	-	-

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2019

	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	$ 13,788,608	$ 26,127,832	$ 39,916,440	$ 590	$ -	$ 6,543,720
Restricted for debt service	-	3,056,028	3,056,028	-	-	-
Restricted for capital projects	5,787,652	-	5,787,652	-	-	-
Restricted for public safety	124,046	-	124,046	-	-	-
Restricted for tourism	851,858	-	851,858	-	-	-
Restricted for housing and development	955,770	-	955,770	-	-	-
Unrestricted (deficit)	(848,225)	8,663,396	7,815,171	92,500	103,250	398,850
Total net position	$ 20,659,709	$ 37,847,256	$ 58,506,965	$ 93,090	$ 103,250	$ 6,942,570

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, 2019

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	$ 2,546,410	$ 510,828	$ 226,056	$ 158,497	$ (1,651,029)	$ -	$ (1,651,029)	$ -	$ -	$ -
Judicial	193,964	-	-	-	(193,964)	-	(193,964)	-	-	-
Public safety	6,982,282	527,579	-	63,387	(6,391,316)	-	(6,391,316)	-	-	-
Public works	2,938,467	-	156,618	627,844	(2,154,005)	-	(2,154,005)	-	-	-
Culture and recreation	703,391	-	-	-	(703,391)	-	(703,391)	-	-	-
Housing and development	1,967,390	-	-	318,754	(1,648,636)	-	(1,648,636)	-	-	-
Total governmental activities	15,331,904	1,038,407	382,674	1,168,482	(12,742,341)	-	(12,742,341)	-	-	-
Business-type activities:										
Water and sewer	7,965,927	7,664,549	-	453,260	-	151,882	151,882	-	-	-
Solid waste	2,133,251	2,119,419	-	-	-	(13,832)	(13,832)	-	-	-
Total business-type activities	10,099,178	9,783,968	-	453,260	-	138,050	138,050	-	-	-
Total primary government	$ 25,431,082	$ 10,822,375	$ 382,674	$ 1,621,742	(12,742,341)	138,050	(12,604,291)	-	-	-
Component units:										
Allied Arts	$ 225,693	$ 32,497	$ 170,662	$ -	-	-	-	(22,534)	-	-
Downtown Development Authority	18,703	23,667	-	-	-	-	-	-	4,964	-
CSH Local Redevelopment Authority	589,955	-	253,235	70,000	-	-	-	-	-	(266,720)
Total component units	$ 834,351	$ 56,164	$ 423,897	$ 70,000	-	-	-	(22,534)	4,964	(266,720)
		General revenues:								
		Property taxes			3,965,214	-	3,965,214	-	-	-
		Sales taxes			2,626,209	-	2,626,209	-	-	-
		Hotel/motel taxes			629,050	-	629,050	-	-	-
		Franchise taxes			1,345,152	-	1,345,152	-	-	-
		Insurance premium taxes			1,320,908	-	1,320,908	-	-	-
		Alcoholic beverage taxes			470,734	-	470,734	-	-	-
		Business and occupation taxes			623,816	-	623,816	-	-	-
		Other taxes			32,807	-	32,807	-	-	-
		Unrestricted investment earnings			21,248	59,569	80,817	257	1,537	-
		Transfers			159,911	(159,911)	-	-	-	-
		Total general revenues and transfers			11,195,049	(100,342)	11,094,707	257	1,537	-
		Change in net position			(1,547,292)	37,708	(1,509,584)	(22,277)	6,501	(266,720)
		Net position, beginning of year			22,207,001	37,809,548	60,016,549	115,367	96,749	7,209,290
		Net position, end of year			$ 20,659,709	$ 37,847,256	$ 58,506,965	$ 93,090	$ 103,250	$ 6,942,570

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

CITY OF MILLEDGEVILLE, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

ASSETS	General	SPLOST	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 2,563,657	$ 3,469,407	$ 1,496,441	$ 7,529,505
Investments	-	2,129,421	-	2,129,421
Taxes receivable, net of allowance	259,091	-	56,142	315,233
Accounts receivable, net of allowances	12,462	-	-	12,462
Notes receivable	-	-	379,265	379,265
Advance to component unit	71,950	-	-	71,950
Due from other governments	219,638	449,113	-	668,751
Inventories	47,715	-	-	47,715
Total assets	$ 3,174,513	$ 6,047,941	$ 1,931,848	$ 11,154,302
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 236,932	$ 200,669	$ 91,355	$ 528,956
Accrued liabilities	223,153	-	-	223,153
Total liabilities	460,085	200,669	91,355	752,109
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	235,430	-	-	235,430
Unavailable revenue - grants	-	344,673	-	344,673
Total deferred inflows of resources	235,430	344,673	-	580,103

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

FUND BALANCES	General	SPLOST	Other Governmental Funds	Total Governmental Funds
Fund balances:				
Nonspendable - inventory	$ 47,715	$ -	$ -	$ 47,715
Restricted for:				
Capital projects	285,053	5,502,599	-	5,787,652
Promotion of tourism	-	-	851,858	851,858
Housing and development programs	-	-	955,770	955,770
Public safety programs	91,181	-	32,865	124,046
Unassigned	2,055,049	-	-	2,055,049
Total fund balances	2,478,998	5,502,599	1,840,493	9,822,090
Total liabilities, deferred inflows of resources, and fund balances	$ 3,174,513	$ 6,047,941	$ 1,931,848	

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.	13,788,608
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	580,103
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.	1,553,497
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.	(1,322,548)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Compensated absences payable	(511,681)
Net pension liability	(2,491,641)
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.	(758,719)
Net position of governmental activities	$ 20,659,709

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, 2019

	General	SPLOST	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	$ 10,320,063	$ -	$ 629,051	$ 10,949,114
Licenses and permits	271,777	-	-	271,777
Intergovernmental	424,674	555,298	318,754	1,298,726
Fines and forfeitures	517,983	-	9,596	527,579
Charges for services	33,247	-	-	33,247
Investment income	10,287	85,282	7,849	103,418
Other revenues	205,804	-	-	205,804
Total revenues	11,783,835	640,580	965,250	13,389,665
Expenditures				
Current				
General government	1,704,244	-	-	1,704,244
Judicial	214,504	-	-	214,504
Public safety	7,279,057	-	10,901	7,289,958
Public works	2,012,586	-	-	2,012,586
Culture and recreation	717,840	-	-	717,840
Housing and development	1,201,528	-	841,467	2,042,995
Capital outlay	-	2,635,414	-	2,635,414
Total expenditures	13,129,759	2,635,414	852,368	16,617,541
Excess (deficiency) of revenues over expenditures	(1,345,924)	(1,994,834)	112,882	(3,227,876)

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	General	SPLOST	Other Governmental Funds	Total Governmental Funds
Other financing sources				
Transfers in	$ 500,000	$ -	$ -	$ 500,000
Proceeds from sale of capital assets	415,803	-	-	415,803
Total other financing sources	915,803	-	-	915,803
Net change in fund balance	(430,121)	(1,994,834)	112,882	(2,312,073)
Fund balances, July 1	2,909,119	7,497,433	1,727,611	12,134,163
Fund balances, June 30	$ 2,478,998	$ 5,502,599	$ 1,840,493	$ 9,822,090

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, 2019

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	(2,312,073)
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		2,868,212
Depreciation		(745,610)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		(2,064,219)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		231,924
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		(23,405)
Change in net pension liability and related deferred inflows and outflows of resources		292,821
Internal service funds are used by management to charge the costs of workers' compensation and related administrative costs to individual funds.		205,058
	$	(1,547,292)

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, 2019

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	$ 4,031,000	$ 4,031,000	$ 3,900,437	$ (130,563)
Sales tax	2,420,000	2,420,000	2,626,209	206,209
Other taxes	3,653,000	3,653,000	3,793,417	140,417
Licenses and permits	332,000	332,000	271,777	(60,223)
Intergovernmental	241,500	241,500	424,674	183,174
Charges for services	20,750	20,750	33,247	12,497
Fines and forfeitures	510,500	510,500	517,983	7,483
Interest revenue	20,000	20,000	10,287	(9,713)
Other revenue	162,800	162,800	205,804	43,004
Total revenues	11,391,550	11,391,550	11,783,835	392,285
Expenditures				
Current:				
General government:				
Legislative	176,090	176,090	161,413	14,677
Executive	624,278	624,278	583,319	40,959
Elections	12,000	29,455	29,007	448
Finance	489,013	423,173	386,573	36,600
Legal	203,670	148,110	144,986	3,124
Human resources	188,614	188,614	162,379	26,235
General government buildings and grounds	181,042	167,042	138,962	28,080
General engineering	135,810	63,810	28,401	35,409
General administration fees	73,000	73,000	69,204	3,796
Total general government	2,083,517	1,893,572	1,704,244	189,328
Judicial:				
Municipal court	236,892	230,103	214,504	15,599
Total judicial	236,892	230,103	214,504	15,599

(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, 2019

	Budget			Variance with
	Original	Final	Actual	Final Budget
Expenditures (Continued)				
Current (Continued):				
Public safety:				
Police	$ 4,420,357	$ 4,304,717	$ 4,182,993	$ 121,724
Detention center	365,783	365,783	347,091	18,692
Police department buildings and grounds	245,815	180,765	119,086	61,679
Fire	2,520,347	2,596,477	2,596,462	15
Fire department buildings and grounds	36,700	36,700	33,425	3,275
Total public safety	7,589,002	7,484,442	7,279,057	205,385
Public works:				
Public works administration	265,187	233,806	208,675	25,131
Roadways and walkways	850,529	813,146	701,743	111,403
Storm drainage	40,000	79,050	79,049	1
Street lighting	375,000	338,365	338,362	3
Traffic engineering	49,000	49,000	20,639	28,361
Maintenance and shop	331,587	331,587	314,340	17,247
Cemetery	340,961	367,235	349,778	17,457
Total public works	2,252,264	2,212,189	2,012,586	199,603
Culture and recreation:				
Recreation	196,000	196,000	192,000	4,000
Parks	423,077	396,803	326,889	69,914
Twin Lakes Library	198,951	198,951	198,951	-
Total culture and recreation	818,028	791,754	717,840	73,914

(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, 2019

	Budget			Variance with
	Original	Final	Actual	Final Budget
Expenditures (Continued):				
Current (Continued):				
Housing and development:				
Inspections	$ 103,397	$ 103,397	$ 82,689	$ 20,708
Planning and zoning	125,285	125,285	104,319	20,966
Mainstreet	240,176	208,979	198,302	10,677
Economic development	417,381	816,221	816,218	3
Total housing and development	886,239	1,253,882	1,201,528	52,354
Total expenditures	13,865,942	13,865,942	13,129,759	736,183
Deficiency of revenues over expenditures	(2,474,392)	(2,474,392)	(1,345,924)	1,128,468
Other financing sources:				
Transfers in	2,070,192	2,070,192	500,000	(1,570,192)
Proceeds from sale of capital assets	404,200	404,200	415,803	11,603
Total other financing sources	2,474,392	2,474,392	915,803	(1,558,589)
Net change in fund balance	-	-	(430,121)	(430,121)
Fund balances, July 1	2,909,119	2,909,119	2,909,119	-
Fund balances, June 30	$ 2,909,119	$ 2,909,119	$ 2,478,998	$ (430,121)

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

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019

ASSETS	Business-type Activities - Enterprise Funds: Water and Sewer Fund	Solid Waste Fund	Totals	Governmental Activities: Internal Service Fund
CURRENT ASSETS				
Cash	$ 5,480,780	$ 2,166,587	$ 7,647,367	$ 508,739
Accounts receivable	1,113,009	172,725	1,285,734	-
Due from other governments	354,920	-	354,920	-
Inventories	560,258	-	560,258	-
Restricted assets				
Cash	1,952,955	-	1,952,955	-
Investments	1,103,073	-	1,103,073	-
Total current assets	10,564,995	2,339,312	12,904,307	508,739
NON-CURRENT ASSETS				
Capital assets:				
Land	181,310	-	181,310	-
Buildings	21,298,180	-	21,298,180	-
Site improvements	293,031	-	293,031	-
Machinery and equipment	6,367,140	-	6,367,140	-
Infrastructure	27,689,454	-	27,689,454	-
Construction in progress	3,332,630	-	3,332,630	-
	59,161,745	-	59,161,745	-
Less accumulated depreciation	(26,196,271)	-	(26,196,271)	-
Total capital assets (net of accumulated depreciation)	32,965,474	-	32,965,474	-
Total assets	43,530,469	2,339,312	45,869,781	508,739
DEFERRED OUTFLOWS OF RESOURCES				
Pension differences	590,767	43,760	634,527	-
Total deferred outflows of resources	590,767	43,760	634,527	-

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019

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	$ 309,220	$ 149,459	$ 458,679	$ 26,002
Compensated absences payable - current	79,148	4,870	84,018	-
Claims payable - current	-	-	-	207,899
Accrued liabilities	81,977	2,545	84,522	-
Current maturities of notes payable	66,756	-	66,756	-
	537,101	156,874	693,975	233,901
Payable from restricted assets:				
Current portion of revenue bonds	1,055,000	-	1,055,000	-
Accrued interest	16,775	-	16,775	-
Deposits	477,330	-	477,330	-
	1,549,105	-	1,549,105	-
Total current liabilities	2,086,206	156,874	2,243,080	233,901
NON-CURRENT LIABILITIES				
Compensated absences (net of current portion)	118,721	6,355	125,076	-
Claims payable (net of current portion)	-	-	-	842,784
Revenue bonds payable (net of current portion)	2,335,212	-	2,335,212	-
Notes payable (net of current portion)	3,380,674	-	3,380,674	-
Net pension liability	947,525	70,187	1,017,712	-
Total noncurrent liabilities	6,782,132	76,542	6,858,674	842,784
Total liabilities	8,868,338	233,416	9,101,754	1,076,685

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019

	Business-type Activities - Enterprise Funds			Governmental Activities
DEFERRED INFLOWS OF RESOURCES	**Water and Sewer Fund**	**Solid Waste Fund**	**Totals**	**Internal Service Fund**
Pension differences	$ 288,527	$ 21,373	$ 309,900	$ -
Total deferred inflows of resources	288,527	21,373	309,900	-
NET POSITION				
Net investment in capital assets	26,127,832	-	26,127,832	-
Restricted for debt service	3,056,028	-	3,056,028	-
Unrestricted	5,780,511	2,128,283	7,908,794	(567,947)
Total net position	$ 34,964,371	$ 2,128,283	$ 37,092,654	$ (567,947)
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds			754,602	
Net position of business-type activities			$ 37,847,256	

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, 2019

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer Fund	Solid Waste Fund	Totals	Internal Service Fund
Operating revenues:				
Water sales	$ 3,357,837	$ -	$ 3,357,837	$ -
Sewer sales	3,611,362	-	3,611,362	-
Sanitation fees	-	2,119,419	2,119,419	-
Tap fees	106,969	-	106,969	-
Late charges	133,166	-	133,166	-
Activation fees	43,500	-	43,500	-
Charges for services	-	-	-	475,733
Miscellaneous charges	474,812	-	474,812	-
Total operating revenues	7,727,646	2,119,419	9,847,065	475,733
Operating expenses:				
Water administration	178,473	-	178,473	-
Wastewater administration	130,587	-	130,587	-
Sanitary sewer maintenance	459,812	-	459,812	-
Sewer plants and lift station	1,972,458	-	1,972,458	-
Lamar Hamm Water Treatment Plant	1,565,493	-	1,565,493	-
James Baugh Water Treatment Plant	315,060	-	315,060	-
Distribution	843,988	-	843,988	-
Water meter	610,758	-	610,758	-
Solid waste collection	-	1,656,774	1,656,774	-
Yard trimmings collection and management	-	476,477	476,477	-
Insurance claims	-	-	-	336,883
Depreciation	1,594,457	-	1,594,457	-
Total operating expenses	7,671,086	2,133,251	9,804,337	336,883
Operating income (loss)	56,560	(13,832)	42,728	138,850

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

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

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer Fund	Solid Waste Fund	Totals	Internal Service Fund
Non-operating revenues (expenses):				
Interest revenue	$ 132,696	$ -	$ 132,696	$ 2,138
Interest and fiscal charges	(294,841)	-	(294,841)	-
Net decrease in fair value of investments	(72,155)	-	(72,155)	-
Total non-operating revenues (expenses)	(234,300)	-	(234,300)	2,138
Loss before contributions and transfers	(177,740)	(13,832)	(191,572)	140,988
Capital contributions	793,349	-	793,349	-
Transfers out	(500,000)	-	(500,000)	-
Change in net position	115,609	(13,832)	101,777	140,988
Net position, July 1	34,848,762	2,142,115	36,990,877	(708,935)
Net position, June 30	$ 34,964,371	$ 2,128,283	$ 37,092,654	$ (567,947)

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)	$ 101,777
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds	(64,069)
Change in net position of business-type activities	$ 37,708

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, 2019

	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	$ 7,520,007	$ 2,116,394	$ 9,636,401	$ -
Receipts from interfund providers	-	-	-	475,733
Payments to suppliers and service providers	(4,655,718)	(1,877,722)	(6,533,440)	(475,298)
Payments to employees	(2,125,472)	(249,282)	(2,374,754)	-
Net cash provided by (used in) operating activities	738,817	(10,610)	728,207	435
CASH FLOWS FROM INVESTING ACTIVITIES				
Sales of investments	1,395,871	-	1,395,871	-
Interest on investments	132,696	-	132,696	2,138
Net cash provided by investing activities	1,528,567	-	1,528,567	2,138
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer to other funds	(500,000)	-	(500,000)	-
Net cash used in noncapital financing activities	(500,000)	-	(500,000)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds of long-term borrowings	2,841,570	-	2,841,570	-
Acquisition and construction of capital assets	(1,746,352)	-	(1,746,352)	-
Capital grants received	453,260	-	453,260	-
Interest and fiscal charges paid	(312,545)	-	(312,545)	-
Principal payments on long-term borrowings	(1,050,053)	-	(1,050,053)	-
Net cash provided by (used in) capital and related financing activities	185,880	-	185,880	-
Increase (decrease) in cash	1,953,264	(10,610)	1,942,654	2,573
Cash, July 1	5,480,471	2,177,197	7,657,668	506,166
Cash, June 30	$ 7,433,735	$ 2,166,587	$ 9,600,322	$ 508,739

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

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

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer Fund	Solid Waste Fund	Totals	Internal Service Fund
Classified as:				
Cash	$ 5,480,780	$ 2,166,587	$ 7,647,367	$ 508,739
Restricted assets, cash	1,952,955	-	1,952,955	-
	$ 7,433,735	$ 2,166,587	$ 9,600,322	$ 508,739
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	$ 56,560	$ (13,832)	$ 42,728	$ 138,850
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	1,594,457	-	1,594,457	-
Changes in assets and liabilities:				
Increase in accounts receivable	(88,014)	(3,025)	(91,039)	-
Increase in due from other governments	(142,045)	-	(142,045)	-
Increase in inventory	(230,509)	-	(230,509)	-
Increase in deferred outflows of resources	(178,194)	(10,755)	(188,949)	-
Decrease in claims payable	-	-	-	(151,917)
Increase (decrease) in accounts payable	(466,860)	19,125	(447,735)	13,502
Increase (decrease) in accrued wages payable	14,257	(2,645)	11,612	-
Increase (decrease) in compensated absences payable	14,666	(3,520)	11,146	-
Increase in customer deposits	22,420	2,769	25,189	-
Increase in net pension liability	104,796	1,273	106,069	-
Increase in deferred inflows of resources	37,283	-	37,283	-
Net cash provided by (used in) operating activities	$ 738,817	$ (10,610)	$ 728,207	$ 435

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

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

	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	$ 340,089	$ -	$ 340,089	$ -
Decrease in fair value of investments	(72,155)	-	(72,155)	-
	$ 267,934	$ -	$ 267,934	$ -

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

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2019

	Pension Trust Fund	Agency Fund School Fund
ASSETS		
Cash and cash equivalents	$ 382,563	$ 49,196
Investments		
Mutual bond funds	12,743,859	-
Mutual equity funds	12,501,594	-
Taxes receivable	-	39,545
Total assets	25,628,016	88,741
LIABILITIES		
Accounts payable	90	-
Due to others	-	49,196
Uncollected taxes	-	39,545
Total liabilities	90	88,741
NET POSITION		
Net position - restricted for pension benefits	$ 25,627,926	$ -

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, 2019

ADDITIONS		
Contributions - employer	$	1,275,801
Investment income		
Net appreciation in fair value of investments		1,228,173
Interest income		586,453
Total additions		3,090,427
DEDUCTIONS		
Benefits		996,649
Administrative expense		129,454
Total deductions		1,126,103
Net increase		1,964,324
Net position, July 1		23,663,602
Net position, June 30	$	25,627,926

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 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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

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 non-fiduciary 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*.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

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 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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

The local government investment pool, ("Georgia Fund 1"), created by the Official Code of Georgia Annotated ("O.C.G.A.") § 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash and Investments (Continued)

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 non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

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.

G. Prepaid Expenditures/Expenses

Payments made to vendors for services that will benefit periods beyond June 30, 2019, 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 back trending.

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

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, 2019.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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, 2019, with the exception of the pension items discussed below.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Deferred Outflows/Inflows (Continued)

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

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 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 12, 2018, 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, 2019:

As reported in the financial statements		
Cash and cash equivalents	$	15,685,611
Investments		2,129,421
Restricted assets, cash		1,952,955
Restricted assets, investments		1,103,073
Cash and cash equivalents - Pension Trust Fund		382,563
Investments - Pension Trust Fund		25,245,453
Cash - Agency Fund		49,196
	$	46,548,272
Cash deposited with financial institutions	$	18,070,325
Georgia Fund 1		105,624
Certificates of deposit		2,023,797
Mutual equity funds		12,501,595
Mutual bond funds		12,743,858
U.S. treasury bonds		1,103,073
	$	46,548,272

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.

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

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.

At June 30, 2019, 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	$ 1,103,073	$ -	$ -	$ 1,103,073	$ -	AAA
Mutual bond funds	12,743,858	-	12,743,858	-	-	N/A
Mutual equity funds	12,501,595	-	-	-	-	N/A
Certificates of deposit	2,023,797	-	2,023,797	-	-	N/A
Georgia Fund 1	105,624	105,624	-	-	-	AAAf
Total fair value	$ 28,477,947	$ 105,624	$ 14,767,655	$ 1,103,073	$ -	

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

Investments of Allied Arts (component unit) consist of a certificate of deposit in the amount of $26,486, which matures in December 2020. 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 GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2019:

Investment	Level 1	Level 2	Level 3	Fair Value
Government bonds	$ 774,136	$ 328,937	$ -	$ 1,103,073
Mutual equity funds	12,743,858	-	-	12,743,858
Mutual bond funds	12,501,595	-	-	12,501,595
Total investments measured at fair value	$ 26,019,589	$ 328,937	$ -	26,348,526
Investments not subject to level disclosure:				
Georgia Fund 1				105,624
Certificates of deposit				2,023,797
				$ 28,477,947

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.

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

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 $72,155, which is reflected in the Water and Sewer Fund and an unrealized gain of $817,717, which is reflected in the Pension Trust Fund.

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, 2019, 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, 2019:

	General	Water and Sewer	Solid Waste	Other Governmental	Total
Receivables:					
Taxes	$ 352,135	$ -	$ -	$ 56,142	$ 408,277
Accounts	22,137	1,258,015	221,014	-	1,501,166
Gross receivables	374,272	1,258,015	221,014	56,142	1,909,443
Less allowance for uncollectibles	(102,719)	(145,006)	(48,289)	-	(296,014)
Net total receivables	$ 271,553	$ 1,113,009	$ 172,725	$ 56,142	$ 1,613,429

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 October 26, 2018, and payable on or before December 26, 2018. A 5% penalty was assessed on unpaid balances as of April 1, 2019, with interest accrued at 5/12 of the prime rate each month. The City bills and collects its own property taxes. Property taxes for 2018 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during the fiscal year ended June 30, 2019, and expected to be collected by August 31, 2019, are recognized as revenues in fiscal year 2019. Net receivables estimated to be collectible subsequent to August 31, 2019, 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, 2019, is as follows:

	Balance July 1, 2018	Increases	Decreases	Transfers	Balance June 30, 2019
Primary Government:					
Governmental activities					
Capital assets, not being depreciated:					
Land	$ 2,468,098	$ -	$ -	$ -	$ 2,468,098
Construction in progress	2,474,272	990,969	(1,690,816)	-	1,774,425
Total	4,942,370	990,969	(1,690,816)	-	4,242,523
Capital assets, being depreciated:					
Buildings	5,774,529	1,520,481	(475,000)	-	6,820,010
Land improvements	165,737	-	-	-	165,737
Infrastructure	24,962,260	105,479	-	(90,752)	24,976,987
Machinery and equipment	9,289,114	591,372	-	(249,337)	9,631,149
Total	40,191,640	2,217,332	(475,000)	(340,089)	41,593,883
Less accumulated depreciation for:					
Buildings	3,184,185	189,666	(101,597)	-	3,272,254
Land improvements	134,638	48,959	-	-	183,597
Infrastructure	19,755,600	236,240	-	-	19,991,840
Machinery and equipment	8,329,362	270,745	-	-	8,600,107
Total	31,403,785	745,610	(101,597)	-	32,047,798
Total assets, being depreciated, net	8,787,855	1,471,722	(373,403)	(340,089)	9,546,085
Governmental activities capital assets, net	$ 13,730,225	$ 2,462,691	$ (2,064,219)	$ (340,089)	$ 13,788,608

NOTE 5. CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2018	Increases	Decreases	Transfers	Balance June 30, 2019
Primary Government:					
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 181,310	$ -	$ -	$ -	$ 181,310
Construction in progress	1,670,359	1,662,271	-	-	3,332,630
Total	1,851,669	1,662,271	-	-	3,513,940
Capital assets, being depreciated:					
Buildings	21,298,180	-	-	-	21,298,180
Land improvements	293,031	-	-	-	293,031
Infrastructure	27,564,121	34,581	-	90,752	27,689,454
Machinery and equipment	6,068,303	49,500	-	249,337	6,367,140
Total	55,223,635	84,081	-	340,089	55,647,805
Less accumulated depreciation for:					
Buildings	8,980,308	432,886	-	-	9,413,194
Land improvements	102,761	1,589	-	-	104,350
Infrastructure	11,481,702	752,875	-	-	12,234,577
Machinery and equipment	4,037,043	407,107	-	-	4,444,150
Total	24,601,814	1,594,457	-	-	26,196,271
Total assets, being depreciated, net	30,621,821	(1,510,376)	-	340,089	29,451,534
Business-type activities capital assets, net	$ 32,473,490	$ 151,895	$ -	$ 340,089	$ 32,965,474

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

NOTE 5. CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2018	Increases	Decreases	Transfers	Balance June 30, 2019
Component Unit:					
Central State Hospital					
Local Redevelopment Authority					
Capital assets, not being depreciated:					
Land	$ 2,421,000	$ -	$ -	$ -	$ 2,421,000
Buildings held for investment	3,101,110	90,453	(612,610)	-	2,578,953
Construction in progress	128,800	91,967	-	-	220,767
Total	5,650,910	182,420	(612,610)	-	5,220,720
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	-	-	147,000
Total	73,500	73,500	-	-	147,000
Total assets, being depreciated, net	1,396,500	(73,500)	-	-	1,323,000
Central State Hospital Local Redevelopment Authority capital assets, net	$ 7,047,410	$ 108,920	$ (612,610)	$ -	$ 6,543,720

NOTE 5. CAPITAL ASSETS (CONTINUED)

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

Primary Government:	
Governmental activities:	
General government	$ 149,122
Public safety	238,595
Public works	350,437
Culture and recreation	7,456
Total depreciation expense - governmental activities	$ 745,610
Business-type activities:	
Water and sewer	$ 1,594,457
Total depreciation expense - business-type activities	$ 1,594,457
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, 2019 are as follows:

Purpose	Interest Rates	Terms	Due Date	Amount
Water and Sewer Improvements	3.60% - 6.00%	25 years	2021	$ 3,355,000
			Premium	35,212
				$ 3,390,212

Revenue bonds debt service requirements to maturity are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
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
	$ 3,355,000	$ 309,700	$ 3,664,700

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. These notes are as follows at June 30, 2019:

Original Amount	Interest Rate	Term	Due Date	Outstanding Balance
$ 351,518	3.00%	15 years	2026	$ 193,485
444,477	0.81%	10 years	2028	412,375
3,000,000	2.25%	20 years	2039	2,841,570
				$ 3,447,430

The $3,000,000 GEFA loan listed above is in the drawdown phase at June 30, 2019. 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
2020	$ 66,756	$ 8,662	$ 75,418
2021	67,826	7,592	75,418
2022	68,920	6,497	75,417
2023	70,040	5,377	75,417
2024	71,186	4,231	75,417
2025 – 2027	261,132	5,985	267,117
	$ 605,860	$ 38,344	$ 644,204

NOTE 6. LONG-TERM DEBT (CONTINUED)

Long-term liability activity for the year ended June 30, 2019, is as follows:

	Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019	Due within One year
Governmental activities					
Compensated absences	$ 488,276	$ 321,922	$ 298,517	$ 511,681	$ 190,127
Net pension liability	2,460,764	2,249,149	2,218,272	2,491,641	-
Claims payable	1,202,600	323,381	475,298	1,050,683	207,899
Long-term liabilities	$ 4,151,640	$ 2,894,452	$ 2,992,087	$ 4,054,005	$ 398,026
Business-type activities					
Revenue bonds payable	$ 4,350,000	$ -	$ 995,000	$ 3,355,000	$ 1,055,000
Add deferred amounts for bond premium	52,818	-	17,606	35,212	-
Total bonds payable	4,402,818	-	1,012,606	3,390,212	1,055,000
Notes payable	660,913	2,841,570	55,053	3,447,430	66,756
Net pension liability	910,147	918,667	811,102	1,017,712	-
Compensated absences	197,948	143,758	132,612	209,094	84,018
Long-term liabilities	$ 6,171,826	$ 3,903,995	$ 2,011,373	$ 8,064,448	$ 1,205,774

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 TRANSFERS

Transfers to	Transfers from	Amount
General Fund	Water and Sewer Fund	$ 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) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; and 3) move 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, 2018, the date of the most recent actuarial valuation, there were 310 participants consisting of:

Retirees and beneficiaries currently receiving benefits	100
Vested terminated employees not yet receiving benefits	39
Active employees	177
Total	316

NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Plan Description (Continued)

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.

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, 2019, the City's contribution rate was 19.03% 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. The 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 ended June 30, 2019.

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, Dodge & Cox Income Fund, and Vanguard Value Index Fund.

Rate of Return. For the year ended June 30, 2019, the annual money-weighted rate of return on Plan investments, net of the Plan investment expenses was 7.67%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City

The City's net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018, with roll-forward procedures to June 30, 2019.

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

Inflation	2.00%
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, 2019, are as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity securities	49.00%	7.00%
Fixed income securities	50.00%	3.00%
Cash - money market	1.00%	2.00%
	100.00%	

Expected Inflation: 2.00%

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 the 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, 2019, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2018	$ 27,034,513	$ 23,663,602	$ 3,370,911
Changes for the year:			
Service cost	427,568	-	427,568
Interest	1,937,429	-	1,937,429
Differences between expected and actual experience	698,867	-	698,867
Assumption changes	-	-	-
Contributions - employer	-	1,275,801	(1,275,801)
Net investment income	-	1,753,573	(1,753,573)
Benefit payments, including refunds of employee contributions	(996,649)	(996,649)	-
Administrative expense	-	(103,952)	103,952
Net changes	2,067,215	1,928,773	138,442
Balances at June 30, 2019	$ 29,101,728	$ 25,592,375	$ 3,509,353

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 the 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	$ 7,127,025	$ 3,509,353	$ 417,745

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, 2019, 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, 2019, the City recognized pension expense of $936,199. At June 30, 2019, 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	$ 2,188,024	$ 705,728
Net difference between projected and actual earnings on pension plan investments	-	362,891
Total	$ 2,188,024	$ 1,068,619

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:	
2020	$ 61,063
2021	(133,779)
2022	30,119
2023	80,912
2024	100,301
Thereafter	980,789
	$ 1,119,405

NOTE 9. OTHER POST-EMPLOYMENT BENEFITS

Employees who retire with at least ten 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, 2019	June 30, 2018
Unpaid claims, beginning of year	**$ 1,202,600**	$ 1,205,798
Incurred claims and changes in estimate	**323,381**	378,105
Claim payments	**(475,298)**	(381,303)
Unpaid claims, end of year	**$ 1,050,683**	$ 1,202,600

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,		
2020	$	13,350
2021		11,855
2022		4,604
2023		342
	$	30,151

Governmental activities rent expense for the fiscal year ended June 30, 2019, was $13,239.

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 ended June 30, 2019, are as follows:

Balance of lodging tax funds on hand at July 1, 2018	$	743,979
Lodging tax receipts		629,051
Disbursements to Convention and Visitors Bureau		(521,172)
Balance of lodging tax funds on hand at June 30, 2019	$	851,858

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, 2019, the City paid $24,148 in such dues. Membership in an RC is required by the O.C.G.A. § 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. O.C.G.A. § 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
FOR THE FISCAL YEAR ENDED JUNE 30,

	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service cost	**$ 427,568**	$ 448,504	$ 430,634	$ 261,754	$ 273,435	$ 286,087
Interest on total pension liability	**1,937,429**	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	**698,867**	(112,881)	1,884,541	(383,212)	(466,536)	-
Benefit payments	**(996,649)**	(887,799)	(784,770)	(695,285)	(598,796)	(559,165)
Net change in total pension liability	**2,067,215**	1,246,502	3,240,470	2,629,145	532,460	1,013,451
Total pension liability - beginning	**27,034,513**	25,788,011	22,547,541	19,918,396	19,385,936	18,372,485
Total pension liability - ending	**$ 29,101,728**	$ 27,034,513	$ 25,788,011	$ 22,547,541	$ 19,918,396	$ 19,385,936
Plan fiduciary net position						
Contributions - employer	**$ 1,275,801**	$ 1,131,748	$ 986,863	$ 4,506,497	$ 1,460,385	$ 1,577,454
Net investment income	**1,753,573**	1,779,865	2,178,733	126,091	694,567	1,843,724
Benefit payments	**(996,649)**	(887,799)	(784,770)	(695,285)	(598,796)	(548,099)
Administrative expenses	**(103,952)**	(99,258)	(125,881)	(115,337)	(101,682)	(70,161)
Net change in plan fiduciary net position	**1,928,773**	1,924,556	2,254,945	3,821,966	1,454,474	2,802,918
Plan fiduciary net position - beginning	**23,663,602**	21,739,046	19,484,101	15,662,135	14,207,671	11,404,753
Plan fiduciary net position - ending	**$ 25,592,375**	$ 23,663,602	$ 21,739,046	$ 19,484,101	$ 15,662,145	$ 14,207,671
Net pension liability - ending	**$ 3,509,353**	$ 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	**87.94%**	87.53%	84.30%	86.41%	78.63%	73.29%
Covered payroll	**$ 6,703,313**	$ 6,441,274	$ 6,366,103	$ 6,313,985	$ 6,531,022	$ 6,350,000
Net pension liability as a percentage of covered payroll	**52.35%**	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
FOR THE FISCAL YEAR ENDED JUNE 30,

	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	**$ 851,940**	$ 857,961	$ 849,017	$ 822,217	$ 867,486	$ 1,014,005
Contribution in relation to the actuarially determined contribution	**1,275,801**	1,131,748	986,863	4,506,497	1,460,385	1,569,685
Contribution deficiency (excess)	**$ (423,861)**	$ (273,787)	$ (137,846)	$ (3,684,280)	$ (592,899)	$ (555,680)
Covered payroll	**$ 6,703,313**	$ 6,441,274	$ 6,366,103	$ 6,313,985	$ 6,531,022	$ 6,350,000
Contributions as a percentage of covered payroll	**19.03%**	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	Per Georgia Statute

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 PENSION INVESTMENT RETURNS
FOR THE FISCAL YEAR ENDED JUNE 30,

	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expenses for the City of Milledgeville's pension plan.	**7.67%**	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.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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, 2019

	Special Revenue Funds			
	Hotel/Motel Tax Fund	CDBG Program Income Fund	Confiscated Assets Fund	Total
ASSETS				
Cash and cash equivalents	$ 887,071	$ 576,505	$ 32,865	$ 1,496,441
Taxes receivable	56,142	-	-	56,142
Notes receivable	-	379,265	-	379,265
Total assets	$ 943,213	$ 955,770	$ 32,865	$ 1,931,848
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 91,355	$ -	$ -	$ 91,355
Total liabilities	91,355	-	-	91,355
FUND BALANCES				
Restricted for housing and development programs	-	955,770	-	955,770
Restricted for promotion of tourism	851,858	-	-	851,858
Restricted for public safety programs	-	-	32,865	32,865
Total fund balances	851,858	955,770	32,865	1,840,493
Total liabilities and fund balances	$ 943,213	$ 955,770	$ 32,865	$ 1,931,848

CITY OF MILLEDGEVILLE, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Special Revenue Funds			
	Hotel/Motel Tax Fund	CDBG Program Income Fund	Confiscated Assets Fund	Total
Revenues				
Taxes	$ 629,051	$ -	$ -	$ 629,051
Intergovernmental	-	318,754	-	318,754
Interest revenue	-	7,778	71	7,849
Fines and forfeitures	-	-	9,596	9,596
Total revenues	629,051	326,532	9,667	965,250
Expenditures				
Current:				
Public safety	-	-	10,901	10,901
Housing and development	521,172	320,295	-	841,467
Total expenditures	521,172	320,295	10,901	852,368
Net change in fund balances	107,879	6,237	(1,234)	112,882
Fund balances, July 1	743,979	949,533	34,099	1,727,611
Fund balances, June 30	$ 851,858	$ 955,770	$ 32,865	$ 1,840,493

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, 2019

	Original and Final Budget	Actual	Variance with Final Budget
Revenues, taxes	$ 550,000	$ 629,051	$ 79,051
Expenditures, housing and development	550,000	521,172	28,828
Net change in fund balances	-	107,879	107,879
Fund balances, July 1	743,979	743,979	-
Fund balances, June 30	$ 743,979	$ 851,858	$ 107,879

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, 2019

	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	$ 329,000	$ 318,754	$ (10,246)
Interest revenue	-	7,778	7,778
Total revenues	329,000	326,532	(2,468)
Expenditures, housing and development	329,000	320,295	8,705
Net change in fund balances	-	6,237	6,237
Fund balances, July 1	949,533	949,533	-
Fund balances, June 30	$ 949,533	$ 955,770	$ 6,237

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, 2019

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and forfeitures	$ 10,905	$ 9,596	$ (1,309)
Interest revenue	-	71	71
Total revenues	10,905	9,667	(1,238)
Expenditures, public safety	10,905	10,901	4
Net change in fund balances	-	(1,234)	(1,234)
Fund balances, July 1	34,099	34,099	-
Fund balances, June 30	$ 34,099	$ 32,865	$ (1,234)

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, 2019

	School Fund
ASSETS	
Cash	$ 49,196
Taxes receivable	39,545
Total assets	$ 88,741
LIABILITIES	
Due to others	$ 49,196
Uncollected taxes	39,545
Total liabilities	$ 88,741

CITY OF MILLEDGEVILLE, GEORGIA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

School Fund	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019
Cash	$ 303,906	$ 170,126	$ 424,836	$ 49,196
Taxes receivable	33,343	363,691	357,489	39,545
Total assets	$ 337,249	$ 533,817	$ 782,325	$ 88,741
Due to others	$ 303,906	$ 170,126	$ 424,836	$ 49,196
Uncollected taxes	33,343	363,691	357,489	39,545
Total liabilities	$ 337,249	$ 533,817	$ 782,325	$ 88,741

COMPONENT UNITS

CITY OF MILLEDGEVILLE, GEORGIA

BALANCE SHEET
COMPONENT UNIT
MILLEDGEVILLE-BALDWIN COUNTY ALLIED ARTS
JUNE 30, 2019

ASSETS		
Cash	$	80,323
Investments		26,486
Total assets	$	106,809
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accrued liabilities	$	1,235
Total liabilities		1,235
FUND BALANCE		
Unassigned		105,574
Total liabilities and fund balance	$	106,809

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, 2019

Revenues		
Intergovernmental	$	170,662
Interest revenue		257
Other revenues		32,497
Total revenues		203,416
Expenditures, culture and recreation		221,012
Net change in fund balance		(17,596)
Fund balance, July 1		123,170
Fund balance, June 30	$	105,574

CITY OF MILLEDGEVILLE, GEORGIA

BALANCE SHEET
COMPONENT UNIT
DOWNTOWN DEVELOPMENT AUTHORITY
JUNE 30, 2019

ASSETS		
Cash	$	86,740
Note receivable		17,025
Total assets	$	103,765
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	$	515
Total liabilities		515
FUND BALANCE		
Nonspendable, note receivable		17,025
Unassigned		86,225
Total fund balance		103,250
Total liabilities and fund balance	$	103,765

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, 2019

Revenues		
Other revenues		
MainStreet/DDA	$	21,767
BOOST revenues		1,900
Interest revenue		1,537
Total revenues		25,204
Expenditures, community development		18,703
Net change in fund balance		6,501
Fund balance, July 1		96,749
Fund balance, June 30	$	103,250

CITY OF MILLEDGEVILLE, GEORGIA

BALANCE SHEET
COMPONENT UNIT
CENTRAL STATE HOSPITAL LOCAL REDEVELOPMENT AUTHORITY
JUNE 30, 2019

ASSETS	
Cash	$ 320,646
Accounts receivable	192,155
Total assets	$ 512,801
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	
LIABILITIES	
Accounts payable	$ 12,978
Accrued liabilities	6,599
Advance from primary government	71,950
Total liabilities	91,527
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - rents	17,100
Total deferred inflows of resources	17,100
FUND BALANCE	
Unassigned	404,174
Total liabilities, deferred inflows of resources, and fund balance	$ 512,801

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, 2019

Revenues		
Intergovernmental	$	253,000
Other revenues		595,745
Total revenues		848,745
Expenditures, community development		626,054
Net change in fund balance		222,691
Fund balance, July 1		181,483
Fund balance, June 30	$	404,174

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 – 94**

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 ..... **95 – 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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities:										
Net investment in capital assets	$ 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	$ 13,788,608
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	7,719,326
Unrestricted	(8,962)	(347,928)	2,802,036	2,669,122	3,823,775	(425,188)	212,929	(1,004,503)	(855,214)	(848,225)
Total governmental activities net position	$ 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	$ 20,659,709
Business-type activities:										
Net investment in capital assets	$ 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	$ 26,127,832
Restricted	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	3,056,028
Unrestricted	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	8,663,396
Total business-type activities net position	$ 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	$ 37,847,256
Primary government:										
Net investment in capital assets	$ 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	$ 39,916,440
Restricted	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	10,775,354
Unrestricted	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	7,815,171
Total primary government net position	$ 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	$ 58,506,965

CITY OF MILLEDGEVILLE, GEORGIA

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

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities:										
General government	$ 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	$ 2,546,410
Judicial	150,767	160,324	146,991	182,533	(166,137)	208,742	241,322	176,387	216,408	193,964
Public safety	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	6,982,282
Public works	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	2,938,467
Culture and recreation	916,789	753,213	791,132	717,454	685,882	688,462	739,380	598,062	777,544	703,391
Housing and development	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	1,967,390
Interest on long-term debt	-	-	-	9,480	11,905	8,397	4,833	1,213	-	-
Total governmental activities	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	15,331,904
Business-type activities:										
Water and sewer	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	7,965,927
Solid waste	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	2,133,251
Total business-type activities	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	10,099,178
Total primary government	$ 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	$ 25,431,082
Program revenues										
Governmental activities:										
Charges for services:										
General government	$ 325,864	323,490	$ 450,552	$ 423,925	$ 555,219	$ 454,871	$ 548,216	$ 566,304	$ 537,009	$ 510,828
Public safety	703,910	623,963	476,043	-	-	-	-	-	-	-
Public works	-	-	-	623,061	688,920	605,797	563,503	462,026	464,659	527,579
Other activities	553	-	-	-	-	-	-	-	-	-
Operating grants and contributions	63,744	290,553	34,005	173,327	188,074	203,794	127,028	163,452	759,860	382,674
Capital grants and contributions	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	1,168,482
Total governmental activities	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	2,589,563
Business-type activities:										
Charges for services:										
Water and sewer	$ 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	$ 7,664,549
Solid waste	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	2,119,419
Capital grants and contributions	2,029,935	32,377	9,250,100	9,612,013	-	6,300,000	-	-	216,579	453,260
Total business-type activities	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	10,237,228
Total primary government	$ 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	$ 12,826,791
Net (expense)/revenue										
Governmental activities	$ (9,067,091)	$ (8,976,237)	$ (5,019,841)	$ (8,636,137)	$ (9,374,560)	$ (9,466,156)	$ (11,653,377)	$ #########	$ #########	$ (12,742,341)
Business-type activities	3,282,132	1,641,771	10,995,184	10,794,416	919,237	7,914,821	361,913	469,778	132,198	138,050
Total primary government net expense	$ (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)	$ (12,604,291)

(Continued)

CITY OF MILLEDGEVILLE, GEORGIA

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

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	$ 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	$ 3,965,214
Sales taxes	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	2,626,209
Hotel/motel taxes	365,766	461,852	468,985	429,068	517,620	513,056	558,902	604,253	632,912	629,050
Franchise taxes	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	1,345,152
Insurance premium taxes	1,040,054	1,009,723	830,908	882,563	948,217	991,321	1,059,064	1,147,172	1,222,132	1,320,908
Alcoholic beverage taxes	459,052	497,143	471,834	442,809	442,809	446,363	468,167	458,228	470,293	470,734
Business and occupation taxes	626,357	561,109	562,008	580,395	580,395	594,765	626,965	581,787	627,848	623,816
Other taxes	116,819	108,996	55,023	72,509	179,624	95,037	108,500	38,111	29,830	32,807
Unrestricted investment earnings	94,254	122,072	92,635	62,492	36,721	40,217	71,595	31,380	28,326	21,248
Transfers	923,307	(387,127)	(703,115)	(466,569)	1,700,522	1,768,342	2,930,125	453,850	93,628	159,911
Total governmental activities	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	11,195,049
General Revenues and Other Changes in Net Position										
Business-type activities:										
Unrestricted investment earnings	230,951	97,346	260,807	(81,966)	197,865	43,720	146,599	(6,467)	47,214	59,569
Transfers	(923,307)	387,127	703,115	466,569	(1,700,522)	(1,768,342)	(2,930,125)	(453,850)	(93,628)	(159,911)
Total business-type activities	(692,356)	484,473	963,922	384,603	(1,502,657)	(1,724,622)	(2,783,526)	(460,317)	(46,414)	(100,342)
Total primary government	$ 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	$ 11,094,707
Change in Net Position										
Governmental activities	$ 1,231,737	$ 18,516	$ 3,459,854	$ (196,394)	$ 1,765,940	$ 1,800,242	$ 1,114,040	$ (294,110)	$ 309,021	$ (1,547,292)
Business-type activities	2,589,776	2,126,244	11,959,106	11,179,019	(583,420)	6,190,199	(2,421,613)	9,461	85,784	37,708
Total primary government	$ 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	$ (1,509,584)

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 Taxe	Franchise Tax	Insurance Premium Tax	Total
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
2019	3,965,214	2,626,209	661,857	470,734	623,816	1,345,152	1,320,908	11,013,890

CITY OF MILLEDGEVILLE, GEORGIA

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

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund:										
Nonspendable	$ -	$ 33,740	$ 37,241	$ 43,348	$ 490,113	$ 460,095	$ 40,705	$ 33,457	$ 55,235	$ 47,715
Restricted	-	76,409	76,409	224,970	244,055	76,409	271,698	189,739	106,946	376,234
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	2,055,049
Reserved	364,158	-	-	-	-	-	-	-	-	-
Unreserved	3,219,511	-	-	-	-	-	-	-	-	-
Total General Fund	$ 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	$ 2,478,998
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	7,343,092
Unassigned	-	(31)	(175)	(175)	(175)	(44)	-	-	-	-
Reserved	652,007	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	7,322,120	-	-	-	-	-	-	-	-	-
Total all other governmental funds	$ 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	$ 7,343,092

Note:

The City of Milledgeville adopted GASB Statement 54 in FY 2011.

CITY OF MILLEDGEVILLE, GEORGIA

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

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues:										
Taxes	$ 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	$ 10,949,114
Licenses and permits	224,487	216,867	224,119	227,542	225,058	281,354	406,460	410,604	327,319	271,777
Intergovernmental	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	1,298,726
Fines and forfeitures	703,910	623,963	476,043	623,061	688,920	605,797	563,503	462,026	464,659	527,579
Charges for services	7,794	8,272	8,859	8,225	13,613	16,390	15,344	12,576	61,952	33,247
Interest income	204,046	134,765	102,409	89,998	82,584	75,650	176,580	122,683	82,194	103,418
Other revenues	94,136	98,351	220,782	83,021	212,908	157,358	126,456	150,624	147,738	205,804
Total revenues	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	13,389,665
Expenditures:										
General government	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	1,704,244
Judicial	162,685	150,765	168,463	177,121	188,821	206,345	243,036	200,969	212,801	214,504
Public safety	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	7,289,958
Public works	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	2,012,586
Culture and recreation	891,330	797,390	752,410	729,728	698,193	700,970	761,153	678,545	720,706	717,840
Housing and development	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	2,042,995
Capital outlay	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	2,635,414
Debt service:										
Principal	-	-	-	270,000	233,957	233,957	233,957	233,957	-	-
Total expenditures	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	16,617,541
Excess of revenues over (under) expenditures	(771,794)	96,938	227,519	(1,924,114)	(1,035,991)	(571,636)	(3,315,913)	(1,256,968)	(2,468,631)	(3,227,876)
Other Financing Sources (Uses):										
Proceeds from capital leases	-	-	-	1,170,000	-	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	-	-	-	-	-	415,803
Transfers in from other funds	923,307	-	-	600,000	1,536,965	1,886,775	3,355,361	1,211,218	1,500,000	500,000
Transfers out to other funds	-	-	(435,056)	-	-	-	-	(100)	-	-
Total other financing sources (uses)	923,307	-	(435,056)	1,770,000	1,536,965	1,886,775	3,355,361	1,211,118	1,500,000	915,803
Net change in fund balances	$ 151,513	$ 96,938	$ (207,537)	$ (154,114)	$ 500,974	$ 1,315,139	$ 39,448	$ (45,850)	$ (968,631)	$ (2,312,073)
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	2.09%	1.81%	1.90%	1.51%	1.67%	0.00%	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
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
2019	3,900,437	2,626,209	1,756,408	1,345,152	1,320,908	10,949,114

Notes:

(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
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%
2019	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	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Food	$ 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	$ 1,482,684
Apparel	110,742	122,828	386,256	246,782	328,246	445,861	843,979	846,827	925,511	954,340
General	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	1,229,836
Automotive	722,402	768,607	725,499	520,306	148,892	134,704	150,893	186,453	192,184	192,346
Home	110,742	260,032	376,257	461,261	548,986	528,255	586,954	634,859	685,544	697,338
Lumber	425,172	556,683	515,641	218,318	50,792	23,045	26,111	44,051	48,477	29,415
Miscellaneous Service	315,552	334,584	286,425	274,205	355,825	357,884	373,487	382,230	377,688	410,827
Manufacturers	325,454	260,032	238,279	166,332	255,975	202,246	244,887	228,368	233,112	192,783
Utilities	509,435	541,669	560,033	520,370	540,283	501,205	566,928	405,177	437,668	474,742
Miscellaneous	412,752	334,584	575,641	196,990	355,825	147,863	175,933	171,904	256,532	470,532
	$ 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	$ 6,134,843

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
2010	$ 160,714,124	$ 177,017,129	$ 23,290,960	$ 1,266,786	$ 1,946,693	$ 352,168,866	9.12	$ 900,855,765	40%
2011	158,571,927	165,044,251	20,796,550	810,332	2,252,665	342,970,395	9.12	902,012,725	40%
2012	154,944,259	152,597,416	20,325,590	769,116	1,396,199	360,805,090	9.12	894,030,020	40%
2013	136,035,873	167,159,373	21,070,740	735,984	1,636,536	357,612,008	9.12	855,944,958	40%
2014	133,274,251	198,316,313	21,418,250	602,828	2,549,035	354,377,983	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%
2019	145,487,542	254,572,058	5,347,120	497,199	4,233,677	401,670,242	10.12	1,004,175,605	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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
City of Milledgeville										
Maintenance and Operations	8.12	8.12	8.12	8.12	8.12	8.12	8.12	8.12	8.12	9.12
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	10.12
Baldwin County	8.64	8.78	8.78	8.84	9.84	9.85	9.85	9.85	9.85	9.86
Baldwin County School District	16.07	16.07	17.06	17.06	17.06	17.06	17.06	17.06	17.06	15.65
State of Georgia	0.25	0.25	0.25	0.20	0.15	0.10	0.10	0.10	0.10	0.10
Total	34.08	34.22	35.21	35.22	36.17	36.13	36.13	36.13	36.13	35.73

Source: City of Milledgeville financial records

CITY OF MILLEDGEVILLE, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
GEO Group	$ 16,138,999	1	4.08%			
Georgia Power	14,476,863	2	3.66%	$ 8,152,700	1	2.26%
ASLM LLC	10,078,321 (a)	3	2.55%			
Bostick Holdings, LLC	7,090,895	4	1.79%			
Campus Crest of Milledgeville	5,341,286	5	1.35%	5,798,584	2	1.61%
Walmart Real Estate Business	4,880,640	6	1.23%	4,829,080	4	1.34%
Rath Refractories	3,669,552	7	0.93%			
Walmart	3,118,026	8	0.79%	3,171,076	8	0.88%
Halpern Properties, LLC	2,749,960	9	0.69%	4,999,280	3	1.39%
Lowe's of Milledgeville	2,736,640	10	0.69%			
Winstream (Alltell)				4,743,633	5	1.32%
Heritage Walk Investments				3,209,306	7	0.89%
Gordon Giles				3,123,872	9	0.87%
Oconee Regional Medical				3,591,428	6	1.00%
Woodland Terrace Properties				2,970,861	10	0.82%
Totals	$ 70,281,182		17.75%	$ 44,589,820		12.38%

Source: City of Milledgeville and Baldwin County records

Note:

(a) ASLM LLC opened apartment housing in FY 2019.

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
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	131,254	3,593,216	98.9
2019	3,610,992	3,374,331	93.4	-	3,374,331	93.4

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			
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
2019	-	-	3,447,430	3,390,212	6,837,642	N/A	367.34

Source: City of Milledgeville financial records

Note:

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

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

N/A - Not Available

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)
2010	$ -	$ -	$ -
2011	-	-	-
2012	-	-	-
2013	-	-	-
2014	-	-	-
2015	-	-	-
2016	-	-	-
2017	-	-	-
2018	-	-	-
2019	-	-	-

Source: City of Milledgeville financial records

Notes:

(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.

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, 2019

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, 2019, as provided by Baldwin County Commissioners' Office.

Note:
(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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Legal debt limit	$ 35,217	$ 36,081	$ 35,761	$ 35,438	$ 35,106	$ 35,438	$ 34,133	$ 33,994	$ 40,820	$ 40,167
Total net debt applicable to debt limit	-	-	-	900	680	459	230	-	-	-
Legal debt margin	$ 35,217	$ 36,081	$ 35,761	$ 34,538	$ 34,426	$ 34,979	$ 33,903	$ 33,994	$ 40,820	$ 40,167
Legal debt margin as a percentage of the debt limit	0.00%	0.00%	0.00%	2.54%	1.94%	1.30%	0.67%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2019	
Assessed value	$ 401,670
Debt limit (10% of assessed value)	40,167
Debt applicable to limit:	
Capital lease obligation	-
Total net debt applicable to limit	-
Legal debt margin	$ 40,167

Notes:

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	
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
2019	7,727,646	6,076,629	1,651,017	995,000	294,841	1.28

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)
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
2019	18,614	N/A	20,846	6,358	5.00

Sources:

(1) U.S. Bureau of the Census

(2) Baldwin County Board of Education, John Milledge Academy, GMC Prep School, Sinclair Christian Academy (closed, no information available), EBL Academy

(3) Georgia Department of Labor

N/A - Not Available

CITY OF MILLEDGEVILLE, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2019			2010		
Employer (1)	Employees	Rank	Percentage of Total County Employment	Employees (1)	Rank	Percentage of Total County Employment (1)
Georgia College & State University	N/A	N/A	N/A	817	2	7.10%
Triumph Aerostructures - Vought Aircraft Division	N/A	N/A	N/A	513	6	4.40%
Baldwin County School System	N/A	N/A	N/A	807	3	7.00%
Oconee Regional Medical Center	N/A	N/A	N/A	730	4	6.40%
Georgia Military College	N/A	N/A	N/A			
Georgia Department of Corrections	N/A	N/A	N/A	580	5	4.92%
Mohawk	N/A	N/A	N/A	320	10	2.70%
Primecare Home Care Services	N/A	N/A	N/A			
Walmart	N/A	N/A	N/A	331	9	2.98%
Baldwin County	N/A	N/A	N/A	350	8	3.00%
Central State Hospital				2500	1	21.70%
United Veterans Services of Georgia				420	7	2.03%

Source:

(1) Georgia Department of Labor. Information for FY 2019 not available

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 FY 2017.

CITY OF MILLEDGEVILLE, GEORGIA

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

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Function/Program										
General Government										
Administrative	2.5	4	4	4	4	5	5	5	5	5
Finance	7	6	7	7	7	7	7	7	7	7
Personnel	1	2	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Planning	4	4	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Other	3	3	4	4	4	4	4	4	4	4
Police										
Officers	51	52	52	52	52	52	52	52	52	52
Civilians	9	9	9	10	10	10	11	12	12	12
Fire										
Firefighters	34	33	34	34	34	34	34	34	34	34
Civilians	-	-	-	-	-	-	-	-	-	-
Public Works										
Administrative	2	2	3	3	3	3	3	3	3	3
Maintenance	13	13	13	13	13	13	13	13	13	13
Parks and Recreation	11	9	10	10	10	10	10	10	10	10
Water	32.5	32	35	35	35	35	35	35	35	35
Wastewater	18	16	16	16	16	16	16	16	16	16
Refuse	7	7	9	9	9	9	9	9	9	9
Total	195	192	202	203	203	204	205	206	206	206

Source: City of Milledgeville Human Resources Department

Notes:
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 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Parking violations	4,598	3,103	3,123	2,892	3,617	2,472	2,469	2,381	2,993	2,729
Traffic violations	5,558	4,503	3,611	3,966	6,364	4,766	4,328	3,409	3,558	4,262
Fire										
Number of calls answered	989	1,155	1,124	1,297	1,409	1,562	1,677	1,614	1,630	1,761
Number of inspections conducted	2,025	1,855	2,168	2,271	2,219	2,187	2,068	2,057	2,054	584
Highways and streets										
Street resurfacing (miles)	1.4	2.3	0.5	0.6	0.3	5.5	0.3	0.3	6.9	0.3
Potholes repaired	338	351	540	672	353	940	1,047	952	545	102
Sanitation										
Yard trimmings collected (tons/day)	3.2	3.4	8.5	8.8	8.9	4.1	6.3	3.1	4.1	4.0
Water										
Number of service connections	7,564	7,589	7,956	7,960	7,938	7,897	7,856	7,724	8,057	8,009
Average daily consumption (thousands of gallons)	6,325	6,336	6,340	6,331	6,330	6,335	6,334	4,518	3,979	4,105
Sewer										
Number of service connections	6,071	6,072	6,075	6,077	6,191	6,184	6,186	6,370	6,423	6,387
Average daily sewage treatment (thousands of gallons)	4,369	4,372	3,197	3,201	4,191	2,722	2,986	3,015	3,006	3,528

Source: City of Milledgeville records

Note:
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	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	50	59	59	59	57	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	1,548	1,560	1,560	1,560	1,560	1,560
Water										
Water mains (miles)	196	200	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

Notes:

Indicators are not available for the general government function

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

	2019			2010		
	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	$ 346,448	1	10.31%			
GEO Riverbend	258,403	2	7.69%			
Zschimmer & Schwarz, Inc.	255,821	3	7.62%	$ 59,425	10	6.25%
Georgia College	249,035	4	7.42%	354,225	2	22.50%
Mohawk	224,647	5	6.69%	146,880	4	16.30%
Magnolia Park SH LLC	85,737	6	2.55%	61,707	7	8.60%
Villamar Town Home Apartments	77,342	7	2.30%			
Arcadia on the River	76,953	8	2.29%			
Tidal Wave Auto Spa of Milledgeville	73,939	9	2.20%			
Triumph Aerostructures - Vought Aircraft Division	69,181	10	2.06%	72,236	6	12.30%
Central State Hospital				575,703	1	32.00%
Baldwin County Commissioners				164,942	3	18.30%
Bill Ireland YDC				60,219	9	8.10%
Chemtex Division				126,243	5	14.20%
Oconee Regional Medical Center				60,220	8	8.20%

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

	2019			2010		
	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	$ 424,502	1	11.64%	$ 235,330	3	7.90%
Baldwin State Prison	401,867	2	11.02%			
GEO - Riverbend	258,403	3	7.09%			
Zschimmer & Schwarz, Inc.	255,821	4	7.02%			
Georgia College	249,035	5	6.83%	280,224	2	9.50%
Mohawk	110,886	6	3.04%	73,440	4	2.40%
Magnolia Park SH LLC	85,737	7	2.35%	36,118	8	1.20%
Villamar Townhome Apartments	77,342	8	2.12%	29,712	10	1.08%
Arcadia on the River	76,953	9	2.11%			
Tidal Wave Auto Spa	73,939	10	2.03%			
Triump Aerostructures - Vought Aircraft Division				36,949	7	1.40%
Bill Ireland YDC				30,110	9	1.15%
Oconee Regional Medical Center				61,707	6	2.10%
Central State Hospital				328,093	1	13.40%
Chemtex Division				63,121	5	2.25%

Source: City of Milledgeville records

COMPLIANCE SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 27, 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.



Macon, Georgia
December 27, 2019

MAULDIN & JENKINS
CPAs & ADVISORS

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, 2019. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2019.

Report on Internal Control Over Compliance

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

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

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

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

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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 27, 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
December 27, 2019

CITY OF MILLEDGEVILLE, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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	17p-x-005-5945	$ 318,754
Total State Administered CDBG Cluster			318,754
Total U.S. Department of Housing and Urban Development			318,754
U.S. Department of Justice			
Bulletproof Vest Grant Program	16.607	2003BUBX03017606	1,933
Total U.S. Department of Justice			1,933
U.S. Environmental Protection Agency			
Passed through Georgia Environmental Finance Authority			
State Revolving Funds (Drinking Water) Program	66.468	DW2018006	2,203,069
Total U.S. Environmental Protection Agency			2,203,069
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)	722,445
Total Highway Planning and Construction Cluster			722,445
Total U.S. Department of Transportation			722,445
U.S. Department of Homeland Security			
Passed through Georgia Emergency Management Agency			
Disaster Grant - Public Assistance	97.036	FEMA-4338-DR-GA	115,410
Total U.S. Department of Homeland Security			115,410
Total Expenditures of Federal Awards			$ 3,361,611

CITY OF MILLEDGEVILLE, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

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

Federal Awards

Internal control over 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, 2019

SECTION II
FINANCIAL STATEMENT FINDINGS

None reported.

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, 2019

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.

Auditee Response/Status: Resolved.

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, 2019

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Public works	$ 3,795,000	$ 3,795,000	$ -	$ -	$ -
Improvements	-	-	17,143	384,593	401,736
Equipment and vehicles	-	-	3,169,121	74,557	3,243,678
City facilities	1,014,600	1,014,600	-	-	-
Improvements	-	-	-	346,837	346,837
Equipment and vehicles	-	-	-	33,144	33,144
Public safety	3,090,400	3,090,400	-	-	-
Improvements	-	-	11,565	13,219	24,784
Equipment and vehicles	-	-	286,279	247,563	533,842
Improvements - water system, water treatment and waste treatment	4,350,000	4,350,000	2,402,848	351,853	2,754,701
	$ 12,250,000	$ 12,250,000	$ 5,886,956	$ 1,451,766	$ 7,338,722

CITY OF MILLEDGEVILLE, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS – 2006 ISSUE FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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	-	-	2,202,603	272,092	2,474,695
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	$ 10,704,793	$ 272,092	$ 10,976,885

Note: Capital outlay and debt service expenditures in the SPLOST Fund totaled $2,635,414; however, only $1,723,858 was attributed to the spending of actual SPLOST Funds. The remaining expenditures of $911,556 were expenditures paid with grant funds.