City of Monroe, Georgia

Comprehensive Annual Financial Report

2018















Year ended December 31, 2018

CITY OF MONROE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2018

Prepared by Authority of:
City Council, City of Monroe, Georgia
Beth Thompson, Finance Director

CITY OF MONROE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2018

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

Letter of Transmittal ..... i-v
GFOA Certificate of Achievement vi
List of Elected and Appointed Officials ..... vii and viii
Organizational Chart ix

FINANCIAL SECTION

Independent Auditor's Report 1-3
Management's Discussion and Analysis 4-14
Basic Financial Statements:
Government-wide Financial Statements:
Statement of Net Position 15
Statement of Activities 16
Fund Financial Statements:
Balance Sheet – Governmental Funds 17
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds 18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 19
General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 20
Statement of Net Position – Proprietary Funds 21
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds 22
Statement of Cash Flows – Proprietary Funds 23
Notes to Financial Statements 24-55
Required Supplementary Information:
Schedule of Changes in the City's Net Pension Liability and Related Ratios 56
Schedule of City Contributions 57
Combining and Individual Fund Statements and Schedules:
Combining Balance Sheet – Nonmajor Governmental Funds 58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds 59
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Forfeited Drug Fund 60

CITY OF MONROE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2018

TABLE OF CONTENTS

Page

FINANCIAL SECTION (CONTINUED)

Combining and Individual Fund Statements and Schedules (Continued):

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Hotel/Motel Tax Fund 61

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Debt Service Fund 62

Schedule of Expenditures of Special Purpose Local Option Sales Tax 63

Statement of Cash Flows – Component Unit – Downtown Development Authority 64

Balance Sheet – Component Unit – Convention & Visitors Bureau 65

Statement of Revenues, Expenditures, and Changes in Fund Balance – Component Unit – Convention & Visitors Bureau 66

STATISTICAL SECTION (Unaudited)

Net Position by Component 67

Changes in Net Position ..... 68 and 69

Governmental Activities Tax Revenues by Source 70

Fund Balances of Governmental Funds 71

Changes in Fund Balances of Governmental Funds ..... 72 and 73

General Governmental Tax Revenues by Source 74

Assessed Value and Estimated Actual Value of Taxable Property 75

Property Tax Rates – Direct and Overlapping Governments 76

Principal Property Taxpayers 77

Property Tax Levies and Collections 78

Top Ten Electric Customers 79

Top Ten Water Customers 80

Top Ten Sewer Customers 81

Top Ten Gas Customers 82

Electric Sold by Type of Customer 83

Water Sold by Type of Customer 84

Gas Sold by Type of Customer 85

Telecommunication Sales 86

Residential Utility Rates 87

Ratios of Outstanding Debt by Type 88

Ratios of General Bonded Debt Outstanding 89

Direct and Overlapping Governmental Activities Debt 90

Legal Debt Margin Information 91

Combined Utility Revenue Bond Coverage 92

CITY OF MONROE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2018

TABLE OF CONTENTS

Page

STATISTICAL SECTION (Unaudited) (CONTINUED)

Demographic and Economic Statistics **93**
Principal Employers **94**
Full-time Equivalent City Government Employees by Function **95**
Operating Indicators by Function **96**
Capital Asset Statistics by Function ..... **97 and 98**

Since 1821
THE CITY OF
Monroe

Post Office Box 1249 • Monroe, Georgia 30655
Telephone 770-267-7536 • Fax 770-267-2319

John Howard, Mayor
L. Wayne Adcock, Vice Mayor

May 16, 2019

To the Honorable Mayor, Members of the City Council, and Citizens of the
City of Monroe, Georgia:

The Comprehensive Annual Financial Report (CAFR) of the City of Monroe, Georgia for the fiscal year ended December 31, 2018 is hereby submitted as mandated by Official Code of Georgia §36-81-7. The financial statements were prepared in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

City Management assumes full responsibility for the accuracy, completeness and reliability of the presented data. To provide a reasonable basis for making these representations, management of the City of Monroe has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Monroe's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Monroe's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Mauldin & Jenkins, LLC, a firm of certified public accountants, issued an unmodified opinion on the City of Monroe's financial statements for the year ended December 31, 2018. The independent auditor's report is located at the front of the financial section of this report.

If the threshold is met, the City of Monroe is required as part of the independent audit of the financial statements, to undergo a federally mandated "Single Audit" designed to meet the needs of federal grantor agencies. Information related to the single audit if applicable, including a schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings are included in a separately issued single audit report. For fiscal year 2018, a Single Audit was required and a report issued.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Monroe's MD&A can be found immediately following the report of the independent auditors.

Councilmembers: Larry A. Bradley • Ross Bradley • Myoshia Crawford
David Dickinson • Norman Garrett • Nathan Little • Lee P. Malcom

Profile of the Government

The City of Monroe incorporated in 1821, is located in Northeast Georgia, approximately 40 miles east of Atlanta. Monroe is the county seat of Walton County. The City encompasses approximately 15 square miles and serves an estimated population of 13,484. The City of Monroe is empowered to levy a property tax on both real and personal property located within its boundaries.

The City operates under a Mayor/Council form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and eight other members. The Mayor is elected at large, two Council Members are elected from super districts and six Council Members are elected by districts. Council members and the Mayor serve four-year staggered terms, with an election held every two years. City elections are conducted by the Walton County Board of Elections.

The City Administrator, who is appointed by the Mayor and Council, is responsible for carrying out the policies and ordinances of the Council and for overseeing the day-to-day operations of the City of Monroe.

The City of Monroe provides a full range of municipal services including police and fire protection, maintenance of streets, solid waste, building and zoning, code enforcement and library facilities. In addition to the usual government services, the City also provides a full range of utility services including electric, gas, water, wastewater, storm water, cable, internet and telephone. The city owns and operates the Monroe/Walton County Airport as well as the Georgia Utility Training Academy whereby classes are conducted to train municipal and private sector employees in Electric, Water, Sewer, and Gas utilities.

A goal of the Mayor and City Council is to maintain the high quality of citizen services while keeping the property tax millage rates at some of the lowest among surrounding areas.

Also included as part of the City's reporting are the City of Monroe Downtown Development Authority (DDA) and the Monroe Area Convention and Visitors Bureau Authority (CVB). While both are legally separate entities, they are included as a component unit in the City of Monroe's financial statements.

The annual budget serves as the foundation for the City of Monroe's financial planning and control. All departments are required to submit budget requests to the City Administrator who compiles the proposed operating and capital budgets. The City Administrator presents a proposed budget to the Council during their annual retreat work session. The final budget is adopted in accordance with state law. Budget to actual comparisons are provided in this report for each individual governmental fund for which an annual budget has been adopted.

Local Economy

Monroe has risen out of the previous economic downturn and into a new period of substantial commercial and residential growth. This has given stability to the overall economy in Monroe and the surrounding area and stabilized the City's revenues and positioned the city for additional growth.

The majority of the City's commercial development lies along the Highway US 78/GA 138 corridor with a new commercial expansion planned around the Highway 138 extension, Charlotte Rowell Boulevard.

Among the top ten employers in the City, three are governments accounting for around 17.6% of the number of jobs in the top ten employers. Two of those government employers, Walton County Board of Commissioners and Walton County Board of Education, are also two of the City's top ten electric, water, gas and sewer customers.

Economic development is one of the City's main priorities. Local Option Sales Tax (LOST) and Special Purpose Local Option Sale Tax (SPLOST) revenues have steadily increased over the last few years, which is a result of revitalizing our downtown area with more consumer friendly shopping.

Long-term Financial Planning

The City began construction in 2018 on the transportation-oriented, Livable Centers Initiative (LCI) project which will extend along North Broad Street from West Marable Street to Mayfield Drive. In addition to constructing new or expanded sidewalks along both sides of the corridor, this project will include planting trees and shrubs, raised curbs, a center median, defined pedestrian crossings, pedestrian scale lighting and ADA-accessible curb ramps. Concurrent with this work, storm water sewer upgrades will be completed with project funds. This is also a mostly federally-funded program with a projected total cost of over $2 million dollars.

This is a continuation of a previously funded TE project and will complement on-going efforts within the Broad Street Corridor providing connectivity between neighborhood and commercial uses along the Broad Street Corridor and Historic Downtown. In addition to the 1.5-mile, $2 million-plus West Spring St. streetscape and sidewalk project under construction linking downtown with the west-end commercial corridor. Additionally, in 2018 the City applied for (and was later awarded in early 2019) a Transportation Alternatives Project (TAP) Grant that will link the N. Broad project with the rest of Downtown's streetscaping that will create approximately two continuous miles of downtown streetscaping along the Broad St. corridor.

Capital projects are generally financed using available grants and the SPLOST fund. A SPLOST continuation was passed by voters in 2018 with collections to begin in 2019. Capital Projects in the Enterprise Fund are paid from an Expansion and Repair fund and the Utility Municipal Competitive Trust fund.

Relevant Financial Policies

The purpose of the City of Monroe's financial management policy is to insure that the City conducts its investment, cash and debt management activities in a responsible manner in full compliance with Federal and State Law. The City is committed to providing adequate cash flows to meet all current and future obligations. Adherence to this policy has allowed the City to maintain financial stability, all cash funds are properly collateralized and no short-term financing has been needed to meet operations.

Additionally, it is the City's policy to maintain budgetary controls to ensure compliance with legal requirements of the State of Georgia. Polices are amended and kept up-to-date as often as possible to ensure legality and efficiency in our controls. The budget development is led by the City Administrator who according to local ordinance shall prepare and submit the annual operating budget and capital budget to the Mayor and Council. The annual appropriation resolution approved by the Mayor and Council is adopted for all fund types with the legal level of control at the department level. Finally, a public hearing is advertised and held and the final budget is advertised. The adopted budget may be revised during the year only by formal action of the City Council in a regular meeting and no increase shall be made without provision also being made for financing same. During the year the budget was amended by Council; further detail on these amendments can be found in the MD&A.

Major Initiatives

The City of Monroe continues to work closely with Georgia Department of Transportation and Walton County to implement the area's transportation initiatives. The Highway US 78/GA 138 area's growth has seen the need to address traffic in this area. This is one example of the partnership to improve our local transportation network. Another example is the partnership between Monroe and Walton County to complete a truck by-pass around the historic downtown area. This much needed connector is managed by the Georgia DOT and is in the initial stages of right-of-way acquisition. Construction is expected to commence in late 2019 with full completion in 2024. Additional intergovernmental partnership initiatives include an East-bound on-ramp from W. Spring to Hwy 78 and an interchange improvement at Hwy 78 and Hwy 11. These projects aim to keep Monroe and Walton County traffic moving.

Additionally, the city has begun to address the public's need for quality passive parks. One of the major initiatives in this realm is the property acquisition and Brownfield application of a new Downtown Green. This almost two-acre site along Church St. and S. Madison Ave. will be redeveloped into an all-year park and entertainment space that will eventually feature a splash pad, outdoor amphitheater, walking space, open green space, and tree plantings. The redevelopment of this site will help to broaden the feel of the city's general downtown area just two blocks east of Broad St.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Monroe for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2017. This was the 16th consecutive year that the City has received this award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual report, whose contents conform to program standards. The CAFR must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current CAFR continues to meet the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

In addition, the City received for the 14th year the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting for its Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2017. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, the City must publish a PAFR whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another certificate. This award is valid for a period of one year.

Last but not least, the City submitted to GFOA its annual budget for the 7th consecutive year for the fiscal year beginning January 1, 2019. Last year was the 6th consecutive year the City has received this prestigious award for Distinguished Budget Presentation for fiscal year beginning January 1, 2018. In order to receive this award, the City must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe our budget continues to meet the program requirements.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Monroe's finances.

Respectfully submitted,





Logan Propes
City Administrator

Beth Thompson
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Monroe

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill

Executive Director/CEO

CITY OF MONROE, GEORGIA

LIST OF ELECTED AND APPOINTED OFFICIALS

DECEMBER 31, 2018

ELECTED OFFICIALS

Mayor	John Howard
Vice Mayor and Council Member, District 6	L. Wayne Adcock
Council Member, District 1	Lee Malcom
Council Member, District 2	Myoshia Crawford
Council Member, District 3	Ross Bradley
Council Member, District 4	Larry Bradley
Council Member, District 5	Norman Garrett
Council Member, District 7	Nathan Little
Council Member, District 8	David Dickinson

APPOINTED OFFICIALS

City Administrator	Logan Propes
Electric & Telecommunications Director	Brian K. Thompson
Finance Director	Beth Thompson
Interim Fire Chief	Bill Owens
Interim Police Chief	R.V. Watts
Planning & Development	Darrell Stone
Solid Waste Director	Danny Smith
Streets and Transportation Director	Jeremiah Still
Water & Gas Director	Rodney W. Middlebrooks

Mayor and Council Members



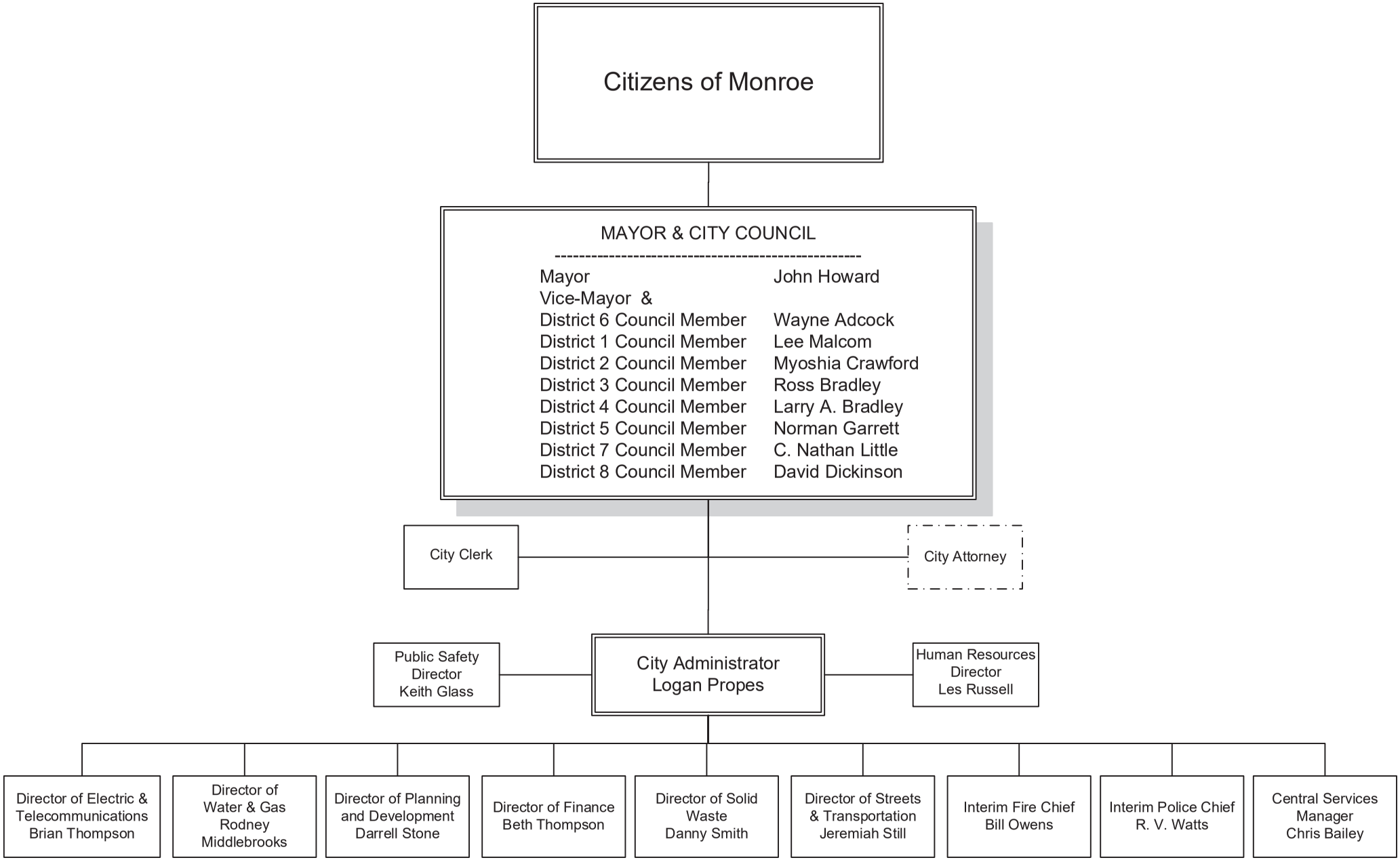
Seated:

Mayor – John Howard; District 3 – Ross Bradley

Back row, left to right:

District 1 – Lee Malcom; District 5 – Norman Garrett; District 4 – Larry Bradley; District 6 – Wayne Adcock; District 7 – Nathan Little; District 8 – David Dickinson; District 2 – Myoshia Crawford

City of Monroe, Georgia
Organizational Chart



FINANCIAL SECTION

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of City Council
City of Monroe, 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 Monroe, Georgia (the "City")** as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Monroe, Georgia, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison 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, the Schedule of Changes in the City's Net Pension Liability and Related Ratios, and the Schedule of City Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Monroe, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Information (continued)

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 16, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
May 16, 2019

CITY OF MONROE, GEORGIA
Management's Discussion and Analysis
For the Fiscal Year Ended December 31, 2018

As management of the City of Monroe, we offer readers of the City of Monroe's financial statements this narrative overview and analysis of the financial activities of the City of Monroe, Georgia (the "City") for the fiscal year ended December 31, 2018. We encourage readers to consider the 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 assets and deferred outflows of resources of the City of Monroe exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $107,466,014 (reported as "net position"). Of this amount, $17,986,753 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- Total net position increased by $7,203,104 during 2018 resulting primarily from business-type activities.
- As of the close of the fiscal year, the City of Monroe's governmental funds reported combined fund balances of $6,793,721 a decrease of $1,419,080 in comparison with the prior year. Approximately 34% or $2,311,710 of this amount is available for spending at the government's discretion (unassigned fund balance). At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned and unassigned components of fund balance) for the general fund was $2,317,210 or approximately 20.6% of total general fund expenditures.
- At the close of the fiscal year, assets and deferred outflows of resources in the City of Monroe's Utilities Fund exceeded its liabilities and deferred inflows by $81,570,681. Of this, $17,767,041 (unrestricted net position) is available to meet the Utilities' on-going obligations to its customers and creditors.

Overview of the Financial Statements

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

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

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

The statement of activities presents information showing how the City of Monroe's net position changed during the fiscal year ended December 31, 2018. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are

reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, judicial, public safety, public works, health and welfare, culture and recreation, and housing and development. The business-type activities of the City include utilities, solid waste and utility training academy.

The government-wide financial statements include not only the City of Monroe itself (known as the primary government), but also a legally separate Downtown Development Authority and Convention & Visitors Bureau for which the City of Monroe exercises control over these component units by appointing its members. Financial information for these component units is reported separately from the financial information presented for the primary government.

The government-wide financial statements can be found on pages 15 and 16 of this report.

Fund Financial Statements. The fund financial statements provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Monroe, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

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

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

The City of Monroe maintains six 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 from the other four governmental funds are combined into 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 58 and 59 of this report.

The City adopts an annual appropriated budget for its General, Special Revenue and Debt Service Funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget and can be found on page 20 of this report. Budgetary comparisons for Special Revenue and Debt Service Funds can be found on pages 60-62 of this report.

Proprietary Funds. The City of Monroe maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its utility and solid waste operations. The Utility and Solid Waste funds are considered major funds. They are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

The City's proprietary fund financial statements are presented on pages 21-23.

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 24-55 of this report.

Other Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Monroe's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on page 56 and 57 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial condition. In the case of the City of Monroe, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $107,466,014 at the close of the most recent fiscal year.

By far the largest portion of the City's net position, $75,726,644 (70.5%) reflects its investment in capital assets such as land, buildings, equipment and infrastructure (streets, bridges, sidewalks and utility service lines) less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The table on the following page summarizes the City's net position as of December 31, 2018 compared to the prior year end.

CITY OF MONROE, GEORGIA

Net Position

Fiscal Years 2018 and 2017

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Current and other assets	$ 9,696,145	$ 9,933,431	$ 37,033,829	$ 34,271,513	$ 46,729,974	$ 44,204,944
Capital assets	23,209,148	20,175,280	69,431,892	67,800,329	92,641,040	87,975,609
Total assets	32,905,293	30,108,711	106,465,721	102,071,842	139,371,014	132,180,553
Total deferred outflows of resources	1,279,561	1,018,518	1,588,238	1,329,952	2,867,799	2,348,470
Long-term liabilities	7,104,573	7,812,320	18,694,041	20,743,575	25,798,614	28,555,895
Other liabilities	2,714,855	1,578,866	5,249,222	3,767,553	7,964,077	5,346,419
Total liabilities	9,819,428	9,391,186	23,943,263	24,511,128	33,762,691	33,902,314
Total deferred inflows of resources	489,017	174,993	521,091	188,806	1,010,108	363,799
Net Position:						
Net investment in capital assets	20,485,983	16,771,849	55,240,661	51,733,299	75,726,644	68,505,148
Restricted	4,360,887	5,552,292	9,391,730	12,347,177	13,752,617	17,899,469
Unrestricted	(970,461)	(763,091)	18,957,214	14,621,384	17,986,753	13,858,293
Total net position	$ 23,876,409	$ 21,561,050	$ 83,589,605	$ 78,701,860	$ 107,466,014	$ 100,262,910

An additional portion of the City's net position (12.8%) represents resources that are subject to external restrictions on how they may be used. Finally, the remaining balance of net position, classified as unrestricted net position, totals $17,986,753 (16.7%) and may be used to meet the government's ongoing obligations to citizens and creditors.

Although the net position in our business-type activities represents 77.8% of total net position, the City generally can only use these resources to finance the continuing operations of the business-type activities.

At the end of the current fiscal year, the City is able to report positive balances in all reported categories of net position. The overall net position of the City increased $7,203,104 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

CITY OF MONROE, GEORGIA

Changes in Net Position

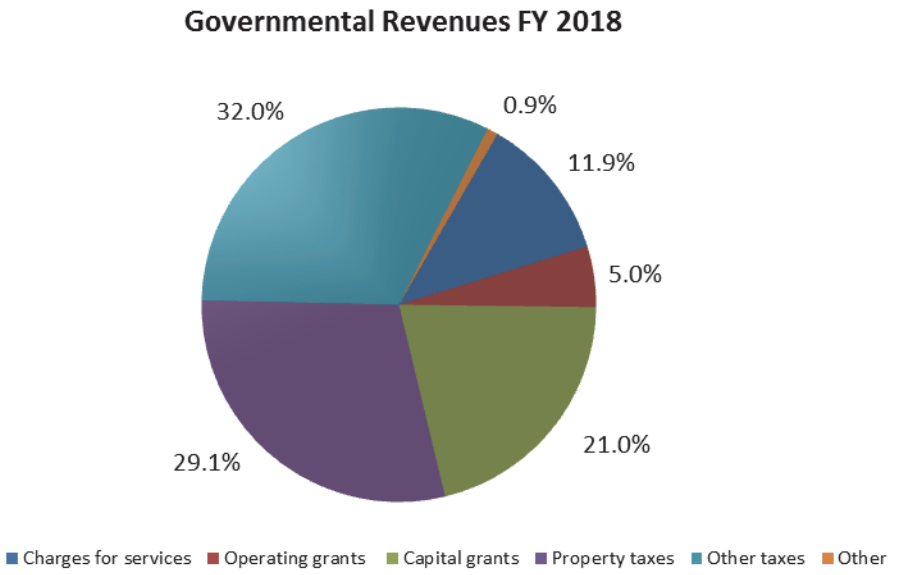
Fiscal Years 2018 and 2017

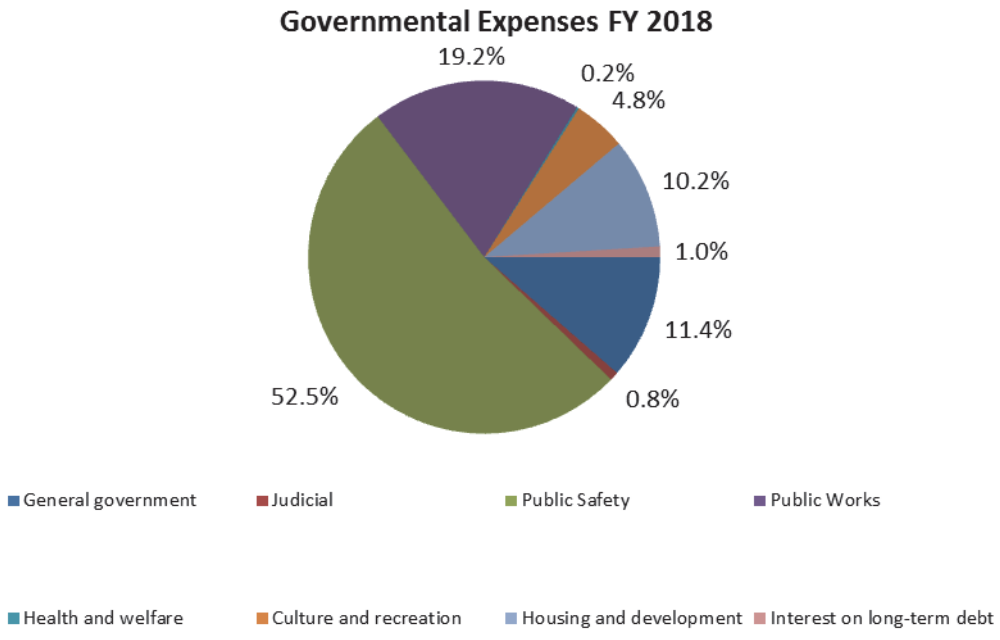
	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**
Revenues:						
Program revenues:						
Charges for services	$ 1,407,083	$ 1,503,002	$ 46,675,691	$ 42,698,168	$ 48,082,774	$ 44,201,170
Operating grants	587,422	133,651	-	-	587,422	133,651
Capital grants	2,490,759	1,998,249	644,842	41,862	3,135,601	2,040,111
General revenues:						
Property taxes	3,448,522	3,184,467	-	-	3,448,522	3,184,467
Other taxes	3,792,946	3,500,402	-	-	3,792,946	3,500,402
Other	109,184	124,410	390,448	270,900	499,632	395,310
Total revenues	11,835,916	10,444,181	47,710,981	43,010,930	59,546,897	53,455,111
Expenses:						
General government	1,358,182	1,517,879	-	-	1,358,182	1,517,879
Judicial	96,110	103,571	-	-	96,110	103,571
Public Safety	6,259,946	5,515,442	-	-	6,259,946	5,515,442
Public Works	2,288,588	2,403,390	-	-	2,288,588	2,403,390
Health and w elfare	23,470	12,325	-	-	23,470	12,325
Culture and recreation	575,482	427,499	-	-	575,482	427,499
Housing and development	1,211,958	1,030,921	-	-	1,211,958	1,030,921
Interest on long-term debt	116,266	64,856	-	-	116,266	64,856
Utilities	-	-	36,101,902	32,120,416	36,101,902	32,120,416
Solid Waste			4,311,889	4,052,539	4,311,889	4,052,539
GUTA	-	-	-	333,199	-	333,199
Total expenses	11,930,002	11,075,883	40,413,791	36,506,154	52,343,793	47,582,037
Increase (decrease) in net position before transfers	(94,086)	(631,702)	7,297,190	6,504,776	7,203,104	5,873,074
Transfers	2,409,445	1,665,967	(2,409,445)	(1,665,967)	-	-
Increase (decrease) in net positon	2,315,359	1,034,265	4,887,745	4,838,809	7,203,104	5,873,074
Net position, beginning	21,561,050	20,526,785	78,701,860	73,863,051	100,262,910	94,389,836
Net position, ending	$ 23,876,409	$ 21,561,050	$ 83,589,605	$ 78,701,860	$ 107,466,014	$ 100,262,910

Governmental Activities. Governmental activities increased the City of Monroe's net position by $2,315,359. Key elements of this increase are as follows:

- Transfers in from other funds totaling $2,409,445.
- Various departments in the General Fund staying well below budget for expenses.

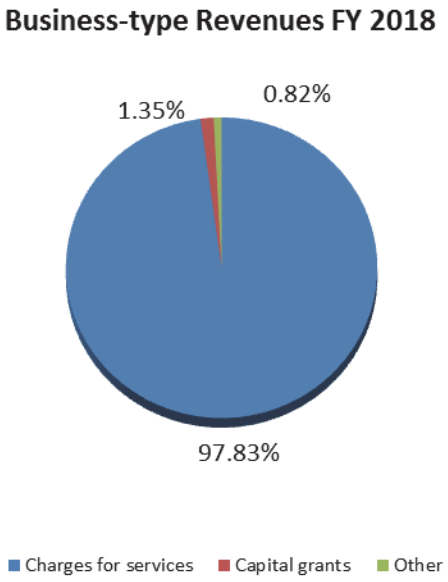
The following graphs show the breakdown by percentage of governmental revenues and expenses.

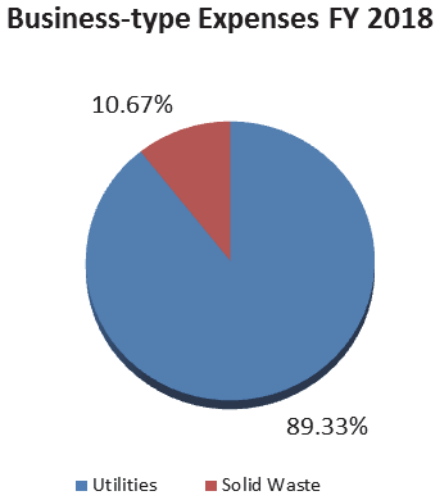

Governmental Revenues FY 2018
32.0%
0.9%
11.9%
5.0%
21.0%
29.1%
Charges for services
Operating grants
Capital grants
Property taxes
Other taxes
Other


Governmental Expenses FY 2018
19.2%
0.2%
4.8%
10.2%
1.0%
11.4%
0.8%
52.5%
General government
Judicial
Public Safety
Public Works
Health and welfare
Culture and recreation
Housing and development
Interest on long-term debt

Business-Type Activities. Business-type activities increased the City of Monroe's net position by $4,887,745. The Utilities Fund, largest of the City's business-type activities, accounted for 89.2% of the operating expenses and approximately 90.4% of the operating revenues among business-type activities. Key elements are as follows:

- Increase in Solid Waste revenue due in part to the increase in solid waste service revenues.
- Increase in Utility revenues due to increase in sales of service and capital grants received.
- Various major Combined Utilities projects were implemented in 2018, therefore increasing overall project expenses.





Financial Analysis of Governmental Funds

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

Governmental Funds. The focus of the City of Monroe's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Mayor and City Council.

The City's governmental funds reported combined fund balances of $6,793,721, a decrease of $1,419,080 in comparison with the prior year. This decrease is primarily due to accumulation of capital projects in the SPLOST funds. Approximately 34% of this amount ($2,311,710) constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance is nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form ($115,624), 2) restricted for particular purposes ($4,360,887), or 3) assigned for particular purposes ($5,500).

The General Fund is the chief operating fund of the City of Monroe. At the end of the current fiscal year, the unassigned fund balance of the General Fund was $2,311,710 of the total fund balance of $2,743,568. 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 fund expenditures. Unassigned fund balance represents 20.6% of total General Fund expenditures, while total fund balance represents 24.4% of total General Fund expenditures.

A portion of fund balance in the General Fund is also restricted for the payment of debt service. This amount at year end was $310,734 or 11.3%. The amount of nonspendable fund balance for the General Fund is made up of prepaid expenditures of $115,624 or 4.2% of the General Fund's total fund balance.

Fund balance of the City of Monroe's General Fund decreased by $9,682 during the current fiscal year. A key factor in this decrease was due to an increase in property tax and LOST collections.

Total fund balance for nonmajor special revenue funds at year-end was $27,899. This total had a net increase of $16,477. Included above are the Forfeited Drug Fund and the Hotel/Motel Tax Fund. In the Forfeited Drug Fund, the increase was primarily due to an increase in revenue from cases forfeited through the court system with funds restricted for law enforcement purposes from prior years. The Hotel/Motel Tax Fund showed a slight increase due to a decrease of expenditures related to housing and development. This fund accounts for local room taxes collected with the fund balance restricted for tourism in the City.

The debt service fund has a total fund balance of $115, all of which is restricted for the payment of debt service. Principal payments made during the year were $835,000 and interest expenditures totaled $27,140.

Proprietary Funds. The proprietary funds share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. This provides a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

Unrestricted net position of the Utilities Fund at the end of the year amounted to $17,767,041, the Solid Waste Fund amounted to $1,190,173. The combined increase in total net position for these funds was $4,887,745.

For the year, the total net position of the Utilities Fund increased by $4,963,517, the Solid Waste Fund decreased by $75,772. Financial analysis in regards to these funds can be found in the business-type activities section. This gives a total increase in proprietary funds net position of $4,887,745.

General Fund Budgetary Highlights

The City of Monroe's General Fund budget is prepared according to Georgia Law and was amended as necessary by Council during the fiscal year. Primary differences between the original budget and the final amended budget for the General Fund are summarized as follows:

Revenues:

- Total budgeted revenues were amended from original to final budgets from $8,968,397 to $9,226,249 respectively.
- Actual revenues were $141,805 more than budgeted.
- The largest variance comes from a significant increase in property tax collections as well as an increase in Local Option Sales Tax (LOST) collections.

Expenditures:

- Total budgeted expenditures increased from original to final budgets from $10,624,907 to $11,249,151 respectively.
- Total expenditures were only $662 less than budgeted.

A comparison on General Fund actual expenditures to budget can be found on page 20. The most significant variances in budget to actual within revenues came from a significant increase in property tax & LOST collections, for a total variance of $189,228.

Capital Asset and Debt Administration

Capital Assets. The City of Monroe's investment in capital assets for its governmental and business-type activities as of December 31, 2018, amounts to $92,641,040 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings and improvements, equipment, furniture & vehicles, and construction in progress.

Major capital asset events during the current fiscal year included the following:

Governmental type activities:

- Purchase of $420,721 in buildings, machinery, equipment and vehicles.
- Construction in progress as of the end of the current fiscal year totaling approximately $4,487,744.
- Sale of equipment, furniture or vehicles as surplus totaled $142,154.

Business-type activities:

- Purchase of $540,344 in specialized service installation equipment, vehicles, and buildings.
- Construction in progress projects of $3,646,407 in utility infrastructure & improvements.
- Construction in progress as of the end of the current fiscal year totaling $2.2 million for electric, gas, sewer, water and cable upgrades and projects.
- Purchase of land, $332,715.

CITY OF MONROE, GEORGIA
Capital Assets
(net of depreciation)
Fiscal Years 2018 and 2017

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Land	$ 3,700,329	$ 3,691,554	$ 2,442,158	$ 2,109,443	$ 6,142,487	$ 5,800,997
Infrastructure	6,726,012	7,036,517	40,762,590	39,518,633	47,488,602	46,555,150
Buildings and Improvements	7,033,274	7,408,637	19,158,690	19,733,433	26,191,964	27,142,070
Equipment, furniture & vehicles	1,261,789	1,168,159	4,866,589	5,024,084	6,128,378	6,192,243
Construction in progress	4,487,744	870,413	2,201,865	1,414,736	6,689,609	2,285,149
Total	$ 23,209,148	$ 20,175,280	$ 69,431,892	$ 67,800,329	$ 92,641,040	$ 87,975,609

Additional information on the capital assets can be found in the Notes to Financial Statements on pages 40 and 41 of this report.

Long-term Debt. As of December 31, 2018, the City of Monroe's total long-term debt outstanding is $17,186,105. Of this amount, $2,745,899 comprises debt backed by the full faith and credit of the government. The remainder of City debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

General Obligation and Revenue Bonds
(net of premiums & discounts)
Fiscal Years 2018 and 2017

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
General obligation bonds	$ 868,000	$ 1,703,000	$ -	$ -	$ 868,000	$ 1,703,000
Revenue bonds	-	-	13,010,000	14,810,000	13,010,000	14,810,000
Capital Leases	452,899	245,900	-	-	452,899	245,900
Notes payable	1,425,000	1,500,000	1,430,206	1,537,127	2,855,206	3,037,127
Total	$ 2,745,899	$ 3,448,900	$ 14,440,206	$ 16,347,127	$ 17,186,105	$ 19,796,027

The City of Monroe's total debt decreased a net of $2,609,922 during the current fiscal year.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The current debt limitation for the City of Monroe is $44.1 million, which is in excess of the total bonded general obligation debt outstanding of $868,000.

The City of Monroe's outstanding governmental activity debt or general obligation (GO) debt enjoys a favorable rating of A+ from Standard & Poor's Rating Service. The City's outstanding business-type activity debt or utility revenue bond debt is rated A- by Standard & Poor's Rating Service and A2 by Moody's Investors Service.

Additional information on the City of Monroe's long-term debt can be found in the Notes to Financial Statements on pages 42-45.

Economic Factors and Next Year's Budgets and Rates

In 2018 the city showed continued signs of emergence from the Great Recession's effects on property taxes, and other economic-related remittances such as sales taxes and permits. Although the City is seeing revenue and overall economic improvement, Council and the Finance Department are keen to carefully manage fund balances and to maintain an adequate amount of fund balance to meet debt obligations and help to mitigate against any future economic downturns.

The following indicators were taken into account when adopting the General Fund budget for 2019:

- Revenue from the Alcoholic Beverage Permits was decreased due to revenues being over estimated in the 2018 budget.
- A slight decline in overall Fines and Forfeitures collections from Municipal Court.
- Cost of implementation of up to a 3% merit increase for employee salaries was included for a half year.
- Four positions were removed for fiscal year 2019.
- Implementation of the new SPLOST passed in 2018; collections will start in 2019.

Anticipated revenues in the General Fund 2019 budget are $11.8 million which includes transfers and other financing sources, or approximately $300,000 more than the 2018 budget. The 2019 budget was developed and adopted before 2018 fiscal year-end and reflects conservative revenue figures.

Requests for Information

This financial report is designed to provide a general overview of City of Monroe's finances for all those with an interest in our government's finances. Questions concerning this report or requests for additional information may be addressed to:

Finance Director
City of Monroe
P.O. Box 1249
Monroe, GA 30655
770-267-7536

CITY OF MONROE, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2018

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Convention & Visitors Bureau
ASSETS					
Cash and cash equivalents	$ 9,184,751	$ 6,144,413	$ 15,329,164	$ 99,293	$ 7,102
Investments	-	13,033,087	13,033,087	-	-
Accounts receivable, net of allowances	-	5,206,816	5,206,816	7,394	10,709
Taxes receivable	306,238	-	306,238	-	-
Internal balances	(982,967)	982,967	-	-	-
Due from other governments	1,072,499	35,177	1,107,676	-	-
Note receivable	-	-	-	295,773	-
Inventories and prepaid items	115,624	699,014	814,638	-	-
Restricted assets:					
Cash and cash equivalents	-	9,415,240	9,415,240	-	-
Investments	-	1,517,115	1,517,115	-	-
Capital assets:					
Non-depreciable	8,188,073	4,644,023	12,832,096	-	-
Depreciable, net of accumulated depreciation	15,021,075	64,787,869	79,808,944	-	-
Total assets	32,905,293	106,465,721	139,371,014	402,460	17,811
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charges on refunding	22,734	248,975	271,709	-	-
Pension related items	1,256,827	1,339,263	2,596,090	-	-
Total deferred outflows of resources	1,279,561	1,588,238	2,867,799	-	-
LIABILITIES					
Accounts payable	2,236,098	2,825,554	5,061,652	1,120	-
Accrued liabilities	350,357	2,423,668	2,774,025	-	-
Unearned revenues	128,400	-	128,400	-	-
Long-term liabilities:					
Portion due or payable within one year:					
Compensated absences	583,299	386,796	970,095	-	-
Capital leases	162,576	-	162,576	-	-
Note payable	75,000	107,458	182,458	-	-
Bonds payable	868,000	1,505,000	2,373,000	-	-
Portion due or payable in more than one year:					
Compensated absences	146,365	-	146,365	-	-
Capital leases	290,323	-	290,323	-	-
Note payable	1,350,000	1,322,748	2,672,748	245,000	-
Bonds payable	-	11,505,000	11,505,000	-	-
Net pension liability	3,629,010	3,867,039	7,496,049	-	-
Total liabilities	9,819,428	23,943,263	33,762,691	246,120	-
DEFERRED INFLOWS OF RESOURCES					
Pension related items	489,017	521,091	1,010,108	-	-
NET POSITION					
Net investment in capital assets	20,485,983	55,240,661	75,726,644	-	-
Restricted for law enforcement	23,265	-	23,265	-	-
Restricted for debt service	310,849	252,617	563,466	-	-
Restricted for capital projects	4,022,139	9,139,113	13,161,252	-	-
Restricted for tourism	4,634	-	4,634	-	17,811
Unrestricted	(970,461)	18,957,214	17,986,753	156,340	-
Total net position	$ 23,876,409	$ 83,589,605	$ 107,466,014	$ 156,340	$ 17,811

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

CITY OF MONROE, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 1,348,382	$ 745,943	$ 27,006	$ -
Judicial	96,110	332,014	-	157,752
Public safety	6,269,746	59,583	531,066	-
Public works	2,288,588	23,748	29,350	2,333,007
Health and welfare	23,470	-	-	-
Culture and recreation	575,482	12,496	-	-
Housing and development	1,211,958	233,299	-	-
Interest on long-term debt	116,266	-	-	-
Total governmental activities	11,930,002	1,407,083	587,422	2,490,759
Business-type activities:				
Utilities	36,101,902	42,193,778	-	644,842
Solid waste	4,311,889	4,481,913	-	-
Total business-type activities	40,413,791	46,675,691	-	644,842
Total primary government	$ 52,343,793	$ 48,082,774	$ 587,422	$ 3,135,601
Component units:				
Downtown Development Authority	$ 95,691	$ 29,282	$ 6,500	$ 50,773
Convention & Visitors Bureau	57,668	-	-	-
Total component units	$ 153,359	$ 29,282	$ 6,500	$ 50,773

General revenues:	
Property taxes	
Sales taxes	
Franchise taxes	
Business taxes	
Unrestricted investment earnings	
Miscellaneous	
Gain on sale of capital assets	
Transfers	
Total general revenues and transfers	
Change in net position	
Net position, beginning of year	
Net position, end of year	

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

Net (Expenses) Revenues and Changes in Net Position					
Primary Government				Component Units	
Governmental Activities	Business-type Activities	Total		Downtown Development Authority	Convention & Visitors Bureau
$ (575,433)	$ -	$ (575,433)		$ -	$ -
393,656	-	393,656		-	-
(5,679,097)	-	(5,679,097)		-	-
97,517	-	97,517		-	-
(23,470)	-	(23,470)		-	-
(562,986)	-	(562,986)		-	-
(978,659)	-	(978,659)		-	-
(116,266)	-	(116,266)		-	-
(7,444,738)	-	(7,444,738)		-	-
-	6,736,718	6,736,718		-	-
-	170,024	170,024		-	-
-	6,906,742	6,906,742		-	-
$ (7,444,738)	$ 6,906,742	$ (537,996)		$ -	$ -
$ -	$ -	$ -		$ (9,136)	$ -
-	-	-		-	(57,668)
$ -	$ -	$ -		$ (9,136)	$ (57,668)
$ 3,448,522	$ -	$ 3,448,522		$ -	$ -
2,379,975	-	2,379,975		23,150	42,896
333,951	-	333,951		-	-
1,079,020	-	1,079,020		-	-
2	388,841	388,843		16,412	-
109,182	-	109,182		68,209	588
-	1,607	1,607		-	-
2,409,445	(2,409,445)	-		-	-
9,760,097	(2,018,997)	7,741,100		107,771	43,484
2,315,359	4,887,745	7,203,104		98,635	(14,184)
21,561,050	78,701,860	100,262,910		57,705	31,995
$ 23,876,409	$ 83,589,605	$ 107,466,014		$ 156,340	$ 17,811

CITY OF MONROE, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2018

ASSETS	General Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Cash	$ 4,193,738	$ 4,929,609	$ 61,404	$ 9,184,751
Taxes receivable	302,404	-	3,834	306,238
Due from other governments	531,325	541,174	-	1,072,499
Due from other funds	109,640	-	-	109,640
Prepaid expenditures	115,624	-	-	115,624
Total assets	$ 5,252,731	$ 5,470,783	$ 65,238	$ 10,788,752
LIABILITIES				
Accounts payable	$ 750,230	$ 1,451,384	$ 34,484	$ 2,236,098
Accrued liabilities	332,822	-	-	332,822
Due to other funds	1,092,607	-	-	1,092,607
Unearned revenue	128,400	-	-	128,400
Total liabilities	2,304,059	1,451,384	34,484	3,789,927
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	205,104	-	-	205,104
Total deferred inflows of resources	205,104	-	-	205,104
FUND BALANCES				
Fund balances:				
Nonspendable:				
Prepaid items	115,624	-	-	115,624
Restricted:				
Law enforcement	-	-	23,265	23,265
Debt service	310,734	-	115	310,849
Capital projects	-	4,019,399	2,740	4,022,139
Tourism	-	-	4,634	4,634
Assigned:				
Public safety	5,500	-	-	5,500
Unassigned	2,311,710	-	-	2,311,710
Total fund balances	2,743,568	4,019,399	30,754	6,793,721
Total liabilities, deferred inflows of resources, and fund balances	$ 5,252,731	$ 5,470,783	$ 65,238	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	23,209,148
Some receivables are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.	205,104
Deferred outflows and inflows of resources as well as the net pension liability related to the City's pension plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds.	(2,861,200)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(3,470,364)
Net position of governmental activities	$ 23,876,409

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

CITY OF MONROE, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2018

	General Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	$ 7,145,635	$ -	$ 43,993	$ 7,189,628
Licenses and permits	217,263	-	-	217,263
Intergovernmental	671,825	2,329,225	-	3,001,050
Fines and forfeitures	332,014	-	39,022	371,036
Charges for services	694,141	-	-	694,141
Interest income	2	-	-	2
Miscellaneous	307,174	3,782	-	310,956
Total revenues	9,368,054	2,333,007	83,015	11,784,076
Expenditures				
Current:				
General government	1,191,278	-	-	1,191,278
Judicial	96,480	-	-	96,480
Public safety	6,696,267	-	23,642	6,719,909
Public works	1,515,952	246,179	-	1,762,131
Health and welfare	23,840	-	-	23,840
Culture and recreation	337,518	-	-	337,518
Housing and development	1,136,274	-	42,896	1,179,170
Capital outlay	-	3,512,703	-	3,512,703
Debt service:				
Principal retirements	190,524	-	835,000	1,025,524
Interest	60,356	-	27,140	87,496
Total expenditures	11,248,489	3,758,882	928,678	15,936,049
Deficiency of revenues over expenditures	(1,880,435)	(1,425,875)	(845,663)	(4,151,973)
Other financing sources (uses):				
Proceeds from sale of capital assets	925	-	-	925
Capital leases	322,523	-	-	322,523
Transfers in	2,409,445	-	862,140	3,271,585
Transfers out	(862,140)	-	-	(862,140)
Total other financing sources (uses)	1,870,753	-	862,140	2,732,893
Net change in fund balances	(9,682)	(1,425,875)	16,477	(1,419,080)
Fund balances, beginning of year	2,753,250	5,445,274	14,277	8,212,801
Fund balances, end of year	$ 2,743,568	$ 4,019,399	$ 30,754	$ 6,793,721

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

CITY OF MONROE, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2018

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

Net change in fund balances - total governmental funds	$ (1,419,080)
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.	3,049,800
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	51,840
The net effect of various miscellaneous transactions involving capital assets (i.e. sales and donations) is to decrease net position	(15,932)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	703,001
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.	(54,270)
Change in net position - governmental activities	$ 2,315,359

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

CITY OF MONROE, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	$ 6,773,323	$ 6,956,407	$ 7,145,635	$ 189,228
Licenses and permits	327,000	327,000	217,263	(109,737)
Fines and forfeitures	400,000	400,000	332,014	(67,986)
Charges for services	700,000	700,000	694,141	(5,859)
Intergovernmental	460,374	535,142	671,825	136,683
Interest income	-	-	2	2
Miscellaneous	307,700	307,700	307,174	(526)
Total revenues	8,968,397	9,226,249	9,368,054	141,805
Expenditures				
Current:				
General government:				
Legislative	234,406	227,474	227,474	-
Executive	292,920	279,878	279,878	-
Financial administration	422,791	438,010	438,010	-
Law	128,000	215,916	215,916	-
Internal audit	30,000	30,000	30,000	-
Total general government	1,108,117	1,191,278	1,191,278	-
Judicial:				
Municipal court	107,921	96,480	96,480	-
Total judicial	107,921	96,480	96,480	-
Public safety:				
Police	3,820,787	4,464,947	4,464,947	-
Fire	2,174,404	2,231,320	2,231,320	-
Total public safety	5,995,191	6,696,267	6,696,267	-
Public works:				
Highways and streets administration	1,569,485	1,515,952	1,515,952	-
Total public works	1,569,485	1,515,952	1,515,952	-
Health and welfare:				
Community center	25,400	23,840	23,840	-
Total health and welfare	25,400	23,840	23,840	-
Culture and recreation:				
Special facilities	270,628	185,058	185,021	37
Library	123,600	152,497	152,497	-
Total culture and recreation	394,228	337,555	337,518	37
Housing and development:				
Protective inspection administration	631,363	473,653	473,653	-
Planning and zoning	4,917	4,917	4,844	73
Economic development	485,956	657,777	657,777	-
Total housing and development	1,122,236	1,136,347	1,136,274	73
Debt service:				
Principal	201,419	191,076	190,524	552
Interest	100,910	60,356	60,356	-
Total debt service	302,329	251,432	250,880	552
Total expenditures	10,624,907	11,249,151	11,248,489	662
Deficiency of revenues over expenditures	(1,656,510)	(2,022,902)	(1,880,435)	142,467
Other financing sources (uses)				
Proceeds from sale of capital assets	-	-	925	925
Capital leases	-	292,412	322,523	30,111
Transfers in	2,518,758	2,518,758	2,409,445	(109,313)
Transfers out	(862,248)	(862,248)	(862,140)	108
Total other financing sources (uses)	1,656,510	1,948,922	1,870,753	(78,169)
Net change in fund balances	-	(73,980)	(9,682)	64,298
Fund balance, beginning of year	2,753,250	2,753,250	2,753,250	-
Fund balance, end of year	$ 2,753,250	$ 2,679,270	$ 2,743,568	$ 64,298

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

CITY OF MONROE, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2018

ASSETS	Utilities Fund	Solid Waste Fund	Totals
CURRENT ASSETS			
Cash and cash equivalents	$ 5,396,670	$ 747,743	$ 6,144,413
Investments	13,033,087	-	13,033,087
Accounts receivable, net of allowances	5,102,015	104,801	5,206,816
Due from other governments	35,177	-	35,177
Due from other funds	-	1,383,177	1,383,177
Prepaid items	61,714	17,349	79,063
Inventories	619,951	-	619,951
	24,248,614	2,253,070	26,501,684
RESTRICTED ASSETS			
Cash and cash equivalents	9,415,240	-	9,415,240
Investments	1,517,115	-	1,517,115
	10,932,355	-	10,932,355
Total current assets	35,180,969	2,253,070	37,434,039
CAPITAL ASSETS			
Non-depreciable	4,644,023	-	4,644,023
Depreciable, net of accumulated depreciation	63,959,118	828,751	64,787,869
	68,603,141	828,751	69,431,892
Total assets	103,784,110	3,081,821	106,865,931
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges on refunding	248,975	-	248,975
Pension related items	1,122,918	216,345	1,339,263
Total deferred outflows of resources	1,371,893	216,345	1,588,238
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	2,352,347	473,207	2,825,554
Accrued liabilities	285,754	16,597	302,351
Customer deposits	2,097,807	-	2,097,807
Compensated absences payable	306,217	80,579	386,796
Due to other funds	400,210	-	400,210
	5,442,335	570,383	6,012,718
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS			
Revenue bonds payable - current	1,505,000	-	1,505,000
Notes payable - current	107,458	-	107,458
Accrued interest	23,510	-	23,510
	1,635,968	-	1,635,968
Total current liabilities	7,078,303	570,383	7,648,686
NONCURRENT LIABILITIES			
Revenue bonds payable	11,505,000	-	11,505,000
Notes payable	1,322,748	-	1,322,748
Net pension liability	3,242,357	624,682	3,867,039
Total noncurrent liabilities	16,070,105	624,682	16,694,787
Total liabilities	23,148,408	1,195,065	24,343,473
DEFERRED INFLOWS OF RESOURCES			
Pension related items	436,914	84,177	521,091
NET POSITION			
Net investment in capital assets	54,411,910	828,751	55,240,661
Restricted for capital projects	9,139,113	-	9,139,113
Restricted for debt service	252,617	-	252,617
Unrestricted	17,767,041	1,190,173	18,957,214
Total net position	$ 81,570,681	$ 2,018,924	$ 83,589,605

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

CITY OF MONROE, GEORGIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Utilities Fund	Solid Waste Fund	Totals
OPERATING REVENUES			
Charges for sales and services	$ 42,193,778	$ 4,481,913	$ 46,675,691
Total operating revenues	42,193,778	4,481,913	46,675,691
OPERATING EXPENSES			
Cost of sales and services	19,595,257	2,465,571	22,060,828
General operating expenses	13,422,978	1,692,319	15,115,297
Depreciation	2,733,904	153,999	2,887,903
Total operating expenses	35,752,139	4,311,889	40,064,028
Operating income	6,441,639	170,024	6,611,663
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental	535,462	-	535,462
Interest income	388,841	-	388,841
Gain on sale of capital assets	1,607	-	1,607
Interest and fiscal charges	(349,763)	-	(349,763)
Total non-operating revenues (expenses)	576,147	-	576,147
Income before capital contributions and transfers	7,017,786	170,024	7,187,810
Capital contributions	109,380	-	109,380
Transfers out	(2,163,649)	(245,796)	(2,409,445)
	(2,054,269)	(245,796)	(2,300,065)
Change in net position	4,963,517	(75,772)	4,887,745
Net position, beginning of year, as restated	76,607,164	2,094,696	78,701,860
Net position, end of year	$ 81,570,681	$ 2,018,924	$ 83,589,605

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

CITY OF MONROE, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Utilities Fund	Solid Waste Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 41,301,502	$ 4,677,281	$ 45,978,783
Payments to suppliers	(24,587,314)	(3,559,877)	(28,147,191)
Payments to employees	(7,609,866)	(1,265,639)	(8,875,505)
Net cash provided by (used in) operating activities	9,104,322	(148,235)	8,956,087
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers out to other funds	(2,163,649)	(245,796)	(2,409,445)
Net cash used in non-capital financing activities	(2,163,649)	(245,796)	(2,409,445)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(4,480,453)	(39,013)	(4,519,466)
Principal payments on bonds	(1,800,000)	-	(1,800,000)
Principal payments on notes	(106,921)	-	(106,921)
Interest paid on long-term borrowings	(321,926)	-	(321,926)
Proceeds from sale of capital assets	1,607	-	1,607
Receipt of intergovernmental revenues	535,462	-	535,462
Cash capital contributions	74,203	-	74,203
Net cash used in capital and related financing activities	(6,098,028)	(39,013)	(6,137,041)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	388,841	-	388,841
Purchase of investments	(2,718,559)	-	(2,718,559)
Net cash used in investing activities	(2,329,718)	-	(2,329,718)
Net decrease in cash and cash equivalents	(1,487,073)	(433,044)	(1,920,117)
Cash and cash equivalents, beginning of year	16,298,983	1,180,787	17,479,770
Cash and cash equivalents, end of year	$ 14,811,910	$ 747,743	$ 15,559,653
Classified as:			
Cash and cash equivalents	$ 5,396,670	$ 747,743	$ 6,144,413
Restricted cash and cash equivalents	9,415,240	-	9,415,240
	$ 14,811,910	$ 747,743	$ 15,559,653
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income	$ 6,441,639	$ 170,024	$ 6,611,663
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Depreciation expense	2,733,904	153,999	2,887,903
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(827,281)	195,368	(631,913)
Increase in due from other funds	-	(1,093,287)	(1,093,287)
Decrease in prepaid items	3,693	2,228	5,921
Decrease in inventories	4,187	-	4,187
Increase in deferred outflows of resources for pension items	(252,305)	(37,103)	(289,408)
Increase in accounts payable	918,058	473,207	1,391,265
Increase in accrued liabilities	142,087	16,597	158,684
Decrease in customer deposits	(64,995)	-	(64,995)
Decrease in compensated absences payable	(12,361)	(9,257)	(21,618)
Decrease in due to other funds	(197,856)	(15,749)	(213,605)
Decrease in net pension liability	(64,791)	(56,204)	(120,995)
Increase in deferred inflows of resources for pension items	280,343	51,942	332,285
Net cash provided by (used in) operating activities	$ 9,104,322	$ (148,235)	$ 8,956,087

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 Monroe, 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

Incorporated in 1821, under the laws of the State of Georgia, the City of Monroe is governed by a nine member Mayor/Council form of government. The mayor is elected to a four-year term, and council members are elected to staggered four-year terms. The Mayor serves as the Chief Executive Officer and the other eight council members serve on a part-time basis. The Mayor is assisted by a city administrator to handle the daily operations of the City.

The City's major operations include public safety, fire protection, public works maintenance, utility services and general administrative services. In addition, the City exercises sufficient control over other governmental authorities that are included as part of the City's reporting entity.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable and can impose its will. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the City.

The Downtown Development Authority was activated by resolution in 1985 to promote and further develop trade, commerce, industry and employment opportunities within the City of Monroe, Georgia. It operates under an eight member board appointed by the City, one of which is a member of the City Council. The City has the ability to impose its will on the Authority. The Authority does not issue separate financial statements and is included as a discretely presented component unit in the City's financial report.

The Monroe Area Convention and Visitors Bureau Authority was activated by resolution in 2008 to promote and further develop trade and tourism opportunities within the City of Monroe, Georgia. It operates under an eight member board appointed by the City, one of which is a member of the City Council. The City has the ability to impose its will on the Convention and Visitors Bureau. The Convention and Visitors Bureau does not issue separate financial statements and is included as a discretely presented component unit in the City's financial report.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. Governmental activities, which are normally 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 the legally separate component units for which the primary government is financially accountable. The statement of net position will include non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not considered program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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 financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally 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 received up to sixty days after year end, sales taxes, franchise taxes, licenses, intergovernmental grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

In accordance with GASB Statement No. 33, “Accounting and Financial Reporting for Non-exchange Transactions,” the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

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 **SPLOST Fund** is used to account for the one percent Special Purpose Local Option Tax (SPLOST) funds collected by Walton County and disbursed to the City. The funds are used for specific capital projects as approved by voter referendum.

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 proprietary funds:

The **Utilities Fund** accounts for the operation and maintenance of the City's water and sewer, gas, electric, and cable utility services.

The **Solid Waste Fund** accounts for the operation and maintenance of the City's transfer station and solid waste disposal.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements with the exception of interfund services provided and used.

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

Proprietary funds distinguish *operating* revenues and expenses from *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 funds are charges for goods and services provided. Operating expenses of the enterprise funds 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.

D. Budgets

Annual appropriated budgets are adopted for all governmental funds, with the exception of capital projects funds for which project length budgets are adopted. Budgets are adopted on a modified accrual basis, which is consistent with generally accepted accounting principles for governmental funds. All appropriations lapse at fiscal year end. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is used in the City's general fund. Encumbrances outstanding at year end are reported as committed or assigned fund balance since they do not constitute expenditures or liabilities. There were no outstanding encumbrances at December 31, 2018.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Deposits and Investments

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

The City's nonparticipating interest earning investment contracts are recorded at cost. The remaining investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

F. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds is 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."

G. Inventories

The costs of governmental fund type inventories (which are not significant to the City) are recorded as expenditures when purchased rather than when consumed (purchase method). Inventories of the proprietary funds are valued at cost using the first-in/first-out (FIFO) method.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2018, are recorded as prepaid items in both government-wide and fund financial statements. The City accounts for prepaid items using the consumption method (i.e., the cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities 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 two years. The City capitalizes intangible assets with an initial, individual cost of more than $100,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The City has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

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

Capital assets of the City are depreciated using the straight line method over the following estimated useful lives:

Asset Class	Estimated Useful Life
Infrastructure	15-50
Buildings and improvements	20-50
Vehicles	5
Furniture and fixtures	10
Machinery and equipment	5-15

J. 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 statement of net position because their use is limited by applicable bond covenants. The “revenue bond current debt service” account is used to segregate resources accumulated for debt service payments over the next twelve months.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The deferred charge on refunding reported in the government-wide and proprietary fund statements of net position qualifies for reporting in this category. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

In addition to liabilities, the financial statements 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 two types of items that qualify for reporting in this category. The governmental funds balance sheet reports unavailable revenues from property taxes and other sources as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available under the modified accrual basis of accounting.

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. Additionally, any contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources. These contributions will reduce the net pension liability in the subsequent period.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for non-vesting accumulated rights to receive sick pay benefits since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

M. 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 term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Issuance costs are expensed in the period in which they are incurred.

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

N. Fund Equity

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

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources management 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 purpose for which amounts in those funds can be spent.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Equity (Continued)

Fund balances are classified as follows:

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

Restricted – Fund balances are reported as restricted when they include amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed – Fund balances are reported as committed when they include amounts that can be used only for the specific purposes determined by a formal action (passage of a resolution) of the City Council. Furthermore, a resolution of the City Council is also required to rescind the commitment of fund balance.

Assigned – Fund balances are reported as assigned when they include amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The resolution passed by the City Council which adopted the City's fund balance policy has delegated the Finance Director the authority to assign amounts to be used for specific purposes.

Unassigned – Fund balances are reported as unassigned as the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications. The General Fund is the only fund of the City that may report a positive unassigned fund balance. Deficits in fund balance in other funds will be reported as unassigned.

The City has established a minimum fund balance policy in the General Fund for working capital purposes to eliminate cash flow issues, cover the cost of expenditures caused by unforeseen emergencies, cover shortfalls caused by revenue declines, and to eliminate any short-term borrowing for cash flow purposes. The City will maintain the equivalent of approximately two (2) months of operating and debt service expenditures, including transfers to other funds, which amounts to approximately 17% of budgeted General Fund expenditures.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. 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, (3) Unassigned.

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

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

O. Pensions

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

P. 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 amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from those estimates.

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

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "deferred outflows and inflows of resources as well as the net pension liability related to the City's pension plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds." The details of this $2,861,200 difference are as follows:

Deferred outflows of resources - pension related items	$	1,256,827
Deferred inflows of resources - pension related items		(489,017)
Net pension liability		(3,629,010)
Net adjustment to reduce *fund balances - total governmental funds* to arrive at *net position - governmental activities*	$	(2,861,200)

Another element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds." The details of this $3,470,364 difference are as follows:

Bonds payable	$	(868,000)
Deferred charges on refunding		22,734
Note payable		(1,425,000)
Capital leases payable		(452,899)
Accrued interest payable		(17,535)
Compensated absences		(729,664)
Net adjustment to reduce *fund balance- total governmental funds* to arrive at *net position - governmental activities*	$	(3,470,364)

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

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense." The details of this $3,049,800 difference are as follows:

Capital outlay	$	4,265,291
Depreciation expense		(1,215,491)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	3,049,800

Another element of that reconciliation explains that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has an effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items." The details of this $703,001 difference are as follows:

Principal repayments:		
General obligation bonds	$	835,000
Capital leases		115,524
Notes		75,000
Capital leases		(322,523)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	703,001

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

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

The final element of that reconciliation explains that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this $54,270 difference are as follows:

Compensated absences	$	(62,503)
Accrued interest		(6,035)
Amortization of deferred charges on refunding		(22,735)
Net pension expense		37,003
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	(54,270)

NOTE 3. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

The City of Monroe, Georgia employs the following procedures in establishing its annual budget:

1. Prior to January 1, the City Administrator submits to the Mayor and City Council a proposed operating budget for the fiscal year commencing on January 1. The operating budget includes proposed expenditures and the means for financing them.
2. The City Council holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of the City of Monroe, Georgia.
3. The budget is then revised and adopted or amended by the City Council at a subsequent regular meeting in the year to which it applies and within forty-five days following January 1.
4. The adopted budget may be revised during the year only by formal action of the City Council in a regular meeting and no increase shall be made therein without provision also being made for financing same, for anything above the legal level of budgetary control, which is the department level. However, transfers within a department may be made within any fund without council approval. The final budget amounts shown in these financial statements reflect amendments approved by the City Council.

NOTE 4. DEPOSITS AND INVESTMENTS

Total deposits and investments as of December 31, 2018 are summarized as follows:

Amounts as presented on the entity wide statement of net position:	
Cash and cash equivalents	$ 15,329,164
Investments	13,033,087
Restricted cash and cash equivalents	9,415,240
Restricted investments	1,517,115
Total	$ 39,294,606
Cash deposited with financial institutions	$ 26,261,519
Investments in the Municipal Competitive Trust	13,033,087
	$ 39,294,606

At December 31, 2018, the City had the following investments:

Investment	Weighted Average Maturities	Balance
Municipal Competitive Trust - Short-term	69 days	$ 4,788,197
Municipal Competitive Trust - Intermediate	1.73 years	2,031,896
Municipal Competitive Trust - Intermediate Extended Maturity	5.39 years	6,212,994
Certificate of deposit	12 months	1,517,115
Total		$ 14,550,202

Credit risk. State statutes authorize the City to invest in U.S. Government obligations; U.S. Government agency (or other corporation of the U.S. Government) obligations; obligations fully insured or guaranteed by the U.S. Government or a U.S. Government agency; obligations of the State of Georgia or other states; obligations of other counties, municipal corporations, and political subdivisions of the State of Georgia, negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America; prime bankers' acceptances; repurchase agreements; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. The City's investments in the Municipal Competitive Trust were not rated.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Measurements: The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The City's only investments that are required to be disclosed in the fair value hierarchy are its holdings in the Municipal Competitive Trust, which are considered to be Level 2 investments. These investments are valued using comparative observable input market data, including, but not limited to: benchmark yields or yield curves; historic sector, security, or issuer relative pricing; observed or reported trades of like assets broker dealer quotes; or quantitative pricing models using any or all of these market data.

The City's certificate of deposit is a nonparticipating interest-earning investment contract and, accordingly, is recorded at cost.

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.

Custodial credit risk: 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 and City policy require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of December 31, 2018, the City had deposits with three (3) financial institutions collateralized by the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer and requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on tier assigned by the State. Additionally, the City had deposits with one (1) financial institution that were collateralized by pledged securities, as defined above, such that all of the City's bank balances were insured and/or collateralized as defined by GASB and required by State statutes.

NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1. The Walton County Tax Commissioner bills and collects the City's property taxes. The taxes are levied by August 1 based on the assessed value of property as listed on the previous January 1 and are due on November 15 of each year.

The billings are considered past due on November 16, at which time the applicable property is subject to lien and penalties and interest are assessed.

Property taxes are recorded as receivables and deferred inflows of resources in the General Fund when assessed and revenues are recognized when available.

Receivables at December 31, 2018, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	SPLOST	Utilities	Solid Waste	Nonmajor Governmental Funds
Receivables:					
Taxes	$ 302,404	$ -	$ -	$ -	$ 3,834
Accounts	-	-	5,218,082	104,801	-
Due from other governments	531,325	541,174	35,177	-	-
Less allowance for uncollectible	-	-	116,067	-	-
Net total receivable	$ 833,729	$ 541,174	$ 5,137,192	$ 104,801	$ 3,834

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 3,691,554	$ 9,700	$ (925)	$ -	$ 3,700,329
Construction in progress	870,413	3,834,870	-	(217,539)	4,487,744
Total	4,561,967	3,844,570	(925)	(217,539)	8,188,073
Capital assets, being depreciated:					
Infrastructure	25,381,042	-	-	158,845	25,539,887
Buildings and improvements	13,399,249	25,776	-	58,694	13,483,719
Equipment, furniture & vehicles	6,039,859	394,945	(142,154)	-	6,292,650
Total	44,820,150	420,721	(142,154)	217,539	45,316,256
Less accumulated depreciation for:					
Infrastructure	(18,344,525)	(469,350)	-	-	(18,813,875)
Buildings and improvements	(5,990,612)	(459,833)	-	-	(6,450,445)
Equipment, furniture & vehicles	(4,871,700)	(286,308)	127,147	-	(5,030,861)
Total	(29,206,837)	(1,215,491)	127,147	-	(30,295,181)
Total capital assets, being depreciated, net	15,613,313	(794,770)	(15,007)	217,539	15,021,075
Governmental activities capital assets, net	$ 20,175,280	$ 3,049,800	$ (15,932)	$ -	$ 23,209,148

NOTE 6. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 2,109,443	$ 332,715	$ -	$ -	$ 2,442,158
Construction in progress	1,414,736	3,646,407	-	(2,859,278)	2,201,865
Total	3,524,179	3,979,122	-	(2,859,278)	4,644,023
Capital assets, being depreciated:					
Infrastructure	63,085,646	-	-	2,484,786	65,570,432
Buildings and improvements	34,967,479	26,651	-	313,624	35,307,754
Equipment, furniture & vehicles	20,751,271	513,693	(53,122)	60,868	21,272,710
Total	118,804,396	540,344	(53,122)	2,859,278	122,150,896
Less accumulated depreciation for:					
Infrastructure	(23,567,013)	(1,240,829)	-	-	(24,807,842)
Buildings and improvements	(15,234,046)	(915,018)	-	-	(16,149,064)
Equipment, furniture & vehicles	(15,727,187)	(732,056)	53,122	-	(16,406,121)
Total	(54,528,246)	(2,887,903)	53,122	-	(57,363,027)
Total capital assets, being depreciated, net	64,276,150	(2,347,559)	-	2,859,278	64,787,869
Business-type activities capital assets, net	$ 67,800,329	$ 1,631,563	$ -	$ -	$ 69,431,892

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

Governmental activities:	
General government	$ 126,957
Public safety	238,734
Public works	525,939
Housing and development	78,226
Culture and recreation	245,635
Total depreciation expense - governmental activities	$ 1,215,491
Business-type activities:	
Utilities	$ 2,733,904
Solid waste	153,999
Total depreciation expense - business-type activities	$ 2,887,903

NOTE 7. LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2018 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	$ 1,703,000	$ -	$ (835,000)	$ 868,000	$ 868,000
Capital leases	245,900	322,523	(115,524)	452,899	162,576
Note payable	1,500,000	-	(75,000)	1,425,000	75,000
Compensated absences	667,161	595,837	(533,334)	729,664	583,299
Net pension liability	3,696,259	1,902,296	(1,969,545)	3,629,010	-
Governmental activity Long-term liabilities	$ 7,812,320	$ 2,820,656	$ (3,528,403)	$ 7,104,573	$ 1,688,875
Business-type activities:					
Revenue bonds	$ 14,810,000	$ -	$ (1,800,000)	$ 13,010,000	$ 1,505,000
Note payable	1,537,127	-	(106,921)	1,430,206	107,458
Compensated absences	408,414	666,694	(688,312)	386,796	386,796
Net pension liability	3,988,034	2,027,069	(2,148,064)	3,867,039	-
Business-type activity Long-term liabilities	$ 20,743,575	$ 2,693,763	$ (4,743,297)	$ 18,694,041	$ 1,999,254

For governmental funds, compensated absences and the net pension liability are liquidated by the General Fund. The City estimates the current portion of compensated absences based on historical trends of usage by employees.

General Obligation Bonds. In December 2016, the City issued General Obligation Refunding Bonds (Series 2016) to provide funds to advance refund $2,450,000 in aggregate principal amount of the City's Series 2006 General Obligation Bonds. These bonds were issued for an original amount of $2,513,000 bearing interest at 1.60% per annum payable semi-annually on April 1 and October and maturing in 2019.

The debt service to maturity on the general obligation bonds is as follows:

	Series 2016		
Year Ending December 31,	Principal	Interest	Total
2019	$ 868,000	$ 13,888	$ 881,888

NOTE 7. LONG-TERM DEBT (CONTINUED)

Notes Payable (Governmental activities). In December 2017, the City entered into an agreement with Walton Plaza Shopping Center, LLC in order to finance the purchase of a building. The original amount of the loan was $1,500,000 bearing interest at 3.00% per annum payable quarterly in equal principal installments until maturity on December 31, 2037.

The City's note payable debt service requirements to maturity are as follows:

Year Ending December 31,	Principal	Interest	Total
2019	$ 75,000	$ 42,483	$ 117,483
2020	75,000	40,314	115,314
2021	75,000	37,920	112,920
2022	75,000	35,639	110,639
2023	75,000	33,358	108,358
2024-2028	375,000	132,720	507,720
2029-2033	375,000	75,577	450,577
2034-2037	300,000	19,381	319,381
Total	$ 1,425,000	$ 417,392	$ 1,842,392

Capital Leases. In April 2017, the City entered into a capital lease agreement in the amount of $245,900 to finance the acquisition of vehicles. Annual principal and interest payments are required until May 2020 at an interest rate of 2.86%.

In January 2018, the City entered into a capital lease agreement in the amount of $322,523 to finance the acquisition of fleet management vehicles. Annual principal and interest payments are required until July 2022 at an interest rates ranging from 1.60% to 1.95%.

The City's total debt service requirements to maturity on its capital leases are as follows:

	Governmental Activities
Year Ending December 31,	
2019	$ 183,670
2020	183,670
2021	96,971
2022	52,710
Total minimum lease payments	517,021
Less amount representing interest	64,122
Present value of future minimum lease payments	$ 452,899

As of December 31, 2018, the City had $568,423 of capital assets under capital lease with $79,795 of accumulated depreciation. Annual amortization of these assets is included in depreciation expense.

NOTE 7. LONG-TERM DEBT (CONTINUED)

Revenue Bonds. In December 2016, the City issued the Combined Utility Revenue Bonds (Series 2016) to provide funds to advance refund $12,865,000 and $1,065,000 in aggregate principal amount of the City's Series 2006 and Series 2003 Combined Utility Revenue Bonds, respectively. Additionally, proceeds from the bonds were also used to retire a note payable to the Georgia Environmental Finance Authority with an outstanding balance of $2,610,111. These bonds were issued for an original amount of $16,770,000 bearing interest at 2.19% per annum payable semi-annually on June 1 and December 1 and maturing in 2026. The debt service to maturity is as follows:

	Series 2016		
Year Ending December 31,	Principal	Interest	Total
2019	$ 1,505,000	$ 276,652	$ 1,781,652
2020	1,540,000	243,528	1,783,528
2021	1,570,000	209,638	1,779,638
2022	1,605,000	175,091	1,780,091
2023	1,640,000	139,722	1,779,722
2024-2026	5,150,000	198,962	5,348,962
Total	$ 13,010,000	$ 1,243,593	$ 14,253,593

Notes Payable (Business-type activities). The City has incurred debt to the Georgia Environmental Finance Authority (GEFA) to replace 7,000 water meters with new automated meter reading technology, repayment of which commenced in December 2016. The note bears interest at 5.00% and is due in equal monthly installments of $9,530 until it matures on November 1, 2031. Debt service requirements to maturity on this note payable to GEFA are as follows:

Year Ending December 31,	Principal	Interest	Total
2019	$ 107,458	$ 6,905	$ 114,363
2020	107,996	6,367	114,363
2021	108,537	5,826	114,363
2022	109,081	5,282	114,363
2023	109,628	4,735	114,363
2024-2028	556,436	15,379	571,815
2029-2031	331,070	2,490	333,560
Total	$ 1,430,206	$ 46,984	$ 1,477,190

NOTE 7. LONG-TERM DEBT (CONTINUED)

Notes Payable (Downtown Development Authority). In August 2017, the Downtown Development Authority entered into an agreement in order to finance the purchase of two parcels of land. The original amount of the loan was $245,000 due in one lump sum payment in August 2018 bearing interest at 4.00% due monthly. In August 2018, the Downtown Development Authority extended this loan until August 2019 bearing interest at 4.50% due monthly. The Downtown Development Authority sold both parcels of land to a third party with a promissory note receivable totaling $295,773 bearing interest at 6.00% with payments due monthly commencing in July 2019 until maturity in July 2024.

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2018 is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Utilities Fund	$ 109,640
Solid Waste Fund	General Fund	1,092,607
Solid Waste Fund	Utilities Fund	290,570
		$ 1,492,817

The outstanding balances between funds result mainly from the time lag between the dates that transactions are recorded in the accounting system, and payments between funds are made.

Interfund transfers:

Transfers In	Transfers Out	Amount
General Fund	Utilities Fund	$ 2,163,649
General Fund	Solid Waste Fund	245,796
		$ 2,409,445
Nonmajor governmental funds	General Fund	$ 862,140

Transfers were used to: (1) use unrestricted revenues collected in the Utilities and Solid Waste Funds to finance various programs accounted for in other funds and (2) to cover revenue shortfalls with unrestricted General Fund revenues.

NOTE 9. PENSION PLAN

Plan Description

The City, as authorized by the City Council, has established a non-contributory defined benefit pension plan (The City of Monroe Retirement Plan) covering all full-time employees. The City's pension plan is administered through the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Plan provides retirement and disability benefits, annual cost of living adjustments, and death benefits to Plan members and beneficiaries. All employees, excluding elected officials, who work thirty hours or more per week, are eligible to participate after one year. Benefits vest after five years of service. A City employee who retires at age 65 with five years of service is entitled to benefits of 2.0% of final average earnings in excess of covered compensation. An employee may elect early retirement at age 55 provided he has a minimum of 25 years total credited service to receive full benefits, otherwise early retirement may be elected after only 10 years of service for reduced benefits. Elected officials are entitled to $30 for each year of service after reaching normal retirement age.

The City Council, in its role as the Plan sponsor, has the governing authority to establish and amend, from time to time, the benefits provided and the contribution rates of the City and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street NW, Atlanta, Georgia, 30303 or by calling (404) 688-0472.

Plan membership. As of July 1, 2018, the date of the most recent actuarial valuation, Plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	97
Terminated vested participants not yet receiving benefits	79
Active employees - vested	152
Active employees - nonvested	86
Total	414

NOTE 9. PENSION PLAN (CONTINUED)

Plan Description (Continued)

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the City Council, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by Plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of Plan members, as determined by the City Council. For the year ended December 31, 2018, the City's contribution rate was 16.63% of annual payroll and contributions to the Plan totaled $1,493,383. Currently, Plan members do not contribute although some participants still have contributions remaining in the Plan.

Net Pension Liability of the City

The City's net pension liability was measured as of March 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017 with update procedures performed by the actuary to roll forward to the total pension liability measured as of March 31, 2018.

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

Inflation	2.75%
Salary increases	3.75% - 8.25%, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Mortality rates for the July 1, 2017 valuation were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2014.

NOTE 9. PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2018 are summarized in the following table:

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

* Rates shown are net of the 2.75% assumed rate of inflation

Discount rate. The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

NOTE 9. PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Changes in the Net Pension Liability of the City. The changes in the components of the net pension liability of the City for the year ended December 31, 2018 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/17	$ 27,495,157	$ 19,810,864	$ 7,684,293
Changes for the year:			
Service cost	490,025	-	490,025
Interest	2,078,904	-	2,078,904
Differences between expected and actual experience	793,401	-	793,401
Assumption changes	527,237	-	527,237
Contributions—employer	-	1,476,334	(1,476,334)
Contributions—employee	-	151,350	(151,350)
Net investment income	-	2,489,925	(2,489,925)
Benefit payments, including refunds of employee contributions	(1,341,167)	(1,341,167)	-
Administrative expense	-	(39,798)	39,798
Net changes	2,548,400	2,736,644	(188,244)
Balances at 12/31/18	$ 30,043,557	$ 22,547,508	$ 7,496,049

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

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.50 percent, 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 (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's net pension liability	$ 11,197,303	$ 7,496,049	$ 4,394,244

NOTE 9. PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of March 31, 2018 and the current sharing pattern of costs between employer and employee.

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

For the year ended December 31, 2018, the City recognized pension expense of $1,233,117. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,121,125	$ 126,760
Changes in assumptions	395,428	76,342
Net difference between projected and actual earnings on pension plan investments	-	807,006
City contributions subsequent to the measurement date	1,079,537	-
Total	$ 2,596,090	$ 1,010,108

NOTE 9. PENSION PLAN (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

City contributions subsequent to the measurement date of $1,079,537 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:		
2019	$	320,638
2020		402,724
2021		(27,913)
2022		(189,004)
Total	$	506,445

NOTE 10. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the 12 county Northeast Georgia area, is a member of the Northeast Georgia Regional Commission (RC). Dues to the RC are assessed at the County level and are, accordingly, paid by Walton County. Membership in the RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and various municipalities of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the RC. Separate financial statements may be obtained from the RC's administrative office at 305 Research Drive, Athens, Georgia 30605.

NOTE 11. RELATED ORGANIZATIONS

The City's council is responsible for appointing a majority of the board members of the City of Monroe, Georgia Housing Authority. However, the City has no further accountability for the Authority.

NOTE 12. RISK MANAGEMENT

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

As part of this risk pool, the City is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issues, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defined by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense. Settled claims have not exceeded coverage in the past three years.

The City carries commercial insurance for other risks of losses. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage in the last three years.

The City is self-insured for employee group health insurance. The City maintains specific stop loss coverage in the amount $50,000 per covered individual for employee group health insurance. A liability for employee group health insurance and workers' compensation claims is recognized in the General Fund when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The liability includes an estimate for claims that have been incurred but not reported.

NOTE 12. RISK MANAGEMENT (CONTINUED)

Changes in the balances of claims liabilities during the past two years are as follows:

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2018	$ 324,949	$ 1,297,712	$ 1,287,034	$ 335,627
2017	379,704	1,341,746	1,396,501	324,949

The ending claims liability is expected to be paid during 2019 and, therefore, has been classified as a current liability.

NOTE 13. COMMITMENTS AND CONTINGENCIES

Agreements with the Municipal Electric Authority of Georgia:

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

As of December 31, 2018, the City is an electric utility participant in MEAG and obligated to purchase all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by MEAG. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each participating City has guaranteed a portion of the unpaid debt based on its individual entitlement shares of the output and services of generating units acquired or constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on KWH usage. The total payments under these contracts amounted to $13,157,561 in 2018.

At December 31, 2018, the outstanding debt of MEAG was approximately $6.0 billion. The City's guarantee varies by individual projects undertaken by MEAG and as of December 31, 2018 totals approximately $99.9 million.

NOTE 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Agreements with the Municipal Gas Authority of Georgia:

The City has also entered into a contract for wholesale natural gas purchases with the Municipal Gas Authority of Georgia (MGAG) that requires the City to purchase all of its natural gas from MGAG. The gas supply contract with MGAG authorizes MGAG to establish rates and charges so as to produce revenues sufficient to cover its operating costs and retire its bonds issued to acquire long-term gas supplies for sale to its members, including the City. In the event that revenues are insufficient to cover all costs and retire the bonds issued by MGAG, the City is obligated to pay its "obligation share" of the costs of the gas supply and related services MGAG provides to the City, which costs includes amounts equal to principal and interest on MGAG's bonds. These obligations, which extend through the year 2019, are general obligations of the City to which the City's full faith, credit and taxing powers are pledged. The City's obligation to MGAG for gas supply costs are based on MGAG's costs to provide such supply, including bonds issued to purchase long-term rights to bulk supply. Payments to MGAG are made monthly based on actual usage. The total payments under these contracts amounted to $1,530,443 in 2018.

At December 31, 2018, the outstanding debt of MGAG was approximately $184.1 million. The City's guarantee varies by individual projects undertaken by MGAG and totals approximately $2.0 million at December 31, 2018.

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 the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

Contractual Commitments:

As of December 31, 2018, the City has contractual commitments on uncompleted contracts of $5,415,737 primarily for infrastructure improvements to its highways and streets as well as to its utilities system.

Litigation:

The City is a defendant is various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of management and legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

NOTE 14. HOTEL/MOTEL LODGING TAX

The City imposes a 5% hotel/motel tax on lodging facilities within the City. Revenues were $43,993 for the year ended December 31, 2018. Of this amount, 98%, or $42,896, was expended for the promotion of tourism.

NOTE 15. TAX ABATEMENTS

For the year ended December 31, 2018, City property tax revenues were reduced by $203,651 under agreements entered into by the Walton County Development Authority. Under the agreements, taxes on both real property and personal property are reduced based on investments made by the corporation to whom the incentives were offered as long as the corporation meets certain investment targets.

NOTE 16. CHANGE IN REPORTING ENTITY

Previously, the City reported the activity of the Georgia Utility Training Academy (GUTA) as a separate fund. For the year ended December 31, 2018, management elected to report the activity of the GUTA Fund within the Utilities Fund. Therefore, a restatement to beginning net position of the Utilities Fund was necessary to show the portion of beginning net position applicable to the GUTA Fund as follows:

Beginning net position, Utilities Fund, as previously reported	$	76,215,271
Consolidation of GUTA Fund		391,893
Beginning net position, Utilities Fund, as restated	$	76,607,164

NOTE 17. SUBSEQUENT EVENT

In January 2019, the Urban Redevelopment Agency (URA), which will be reported as a blended component unit for the year ended December 31, 2019, entered into an intergovernmental agreement with the City to issue $3,600,000 in Series 2019 Revenue Bonds for purposes of general rehabilitation and redevelopment of areas within the City. Interest on the bonds is 2.46% and debt service payments are due quarterly commencing on November 1, 2020 until maturity on November 1, 2028.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MONROE, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

	2018	2017	2016	2015
Total pension liability				
Service cost	$ 490,025	$ 483,726	$ 502,642	$ 535,685
Interest on total pension liability	2,078,904	2,005,035	1,821,757	1,734,555
Differences between expected and actual experience	793,401	(253,518)	1,184,399	261,577
Changes of assumptions	527,237	-	-	(381,710)
Benefit payments, including refunds of employee contributions	(1,341,167)	(1,223,017)	(1,064,806)	(985,044)
Net change in total pension liability	2,548,400	1,012,226	2,443,992	1,165,063
Total pension liability - beginning	27,495,157	26,482,931	24,038,939	22,873,876
Total pension liability - ending (a)	$ 30,043,557	$ 27,495,157	$ 26,482,931	$ 24,038,939
Plan fiduciary net position				
Contributions - employer	$ 1,476,334	$ 1,446,150	$ 1,460,554	$ 1,498,029
Contributions - employee	151,350	-	-	38,115
Net investment income	2,489,925	2,202,837	46,793	1,473,880
Benefit payments, including refunds of member contributions	(1,341,167)	(1,223,017)	(1,064,806)	(985,044)
Administrative expenses	(39,798)	(39,342)	(27,372)	(24,874)
Net change in plan fiduciary net position	2,736,644	2,386,628	415,169	2,000,106
Plan fiduciary net position - beginning	19,810,864	17,424,236	17,009,067	15,008,961
Plan fiduciary net position - ending (b)	$ 22,547,508	$ 19,810,864	$ 17,424,236	$ 17,009,067
City's net pension liability - ending (a) - (b)	$ 7,496,049	$ 7,684,293	$ 9,058,695	$ 7,029,872
Plan fiduciary net position as a percentage of the total pension liability	75.05%	72.05%	65.79%	70.76%
Covered payroll	$ 9,334,662	$ 8,834,774	$ 8,409,066	$ 8,717,479
City's net pension liability as a percentage of covered payroll	80.30%	86.98%	107.73%	80.64%

Notes to the Schedule:

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

CITY OF MONROE, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF CITY CONTRIBUTIONS

	2018	2017	2016	2015	2014
Actuarially determined contribution	$ 1,466,150	$ 1,514,182	$ 1,422,940	$ 1,472,825	$ 1,506,697
Contributions in relation to the actuarially determined contribution	1,439,383	1,576,845	1,422,940	1,472,825	1,506,697
Contribution deficiency (excess)	$ 26,767	$ (62,663)	$ -	$ -	$ -
Covered payroll	$ 9,423,002	$ 9,305,215	$ 8,677,960	$ 8,319,435	$ 8,850,160
Contributions as a percentage of covered payroll	15.28%	16.95%	16.40%	17.70%	17.02%

Notes to the Schedule of Contributions and Related Assumptions:

(1) Actuarial Assumptions:

Valuation Date	July 1, 2017
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return on Investments	7.50%
Projected Salary Increases	2.75% plus service based merit increases
Cost-of-living Adjustment	0.00%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years.

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

CITY OF MONROE, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are restricted or committed to expenditures for specified purposes.

Forfeited Drug Fund – This fund is used to account for the City's share of monies that have been forfeited through the court system that are restricted for law enforcement purposes.

Hotel/Motel Tax Fund – This fund is used to account for hotel/motel taxes collected that are restricted for promotion of trade and tourism in the City.

DEBT SERVICE FUND

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Service Fund – This fund is used to account for the accumulation of resources for, and payment of, principal and interest on the City's general obligation bonds.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Capital Projects Fund – This fund is used to account for the receipts and disbursements of grant money used to fund various capital outlay projects of the City.

CITY OF MONROE, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018

ASSETS	Special Revenue Funds: Forfeited Drug Fund	Special Revenue Funds: Hotel/Motel Tax Fund	Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
Cash and cash equivalents	$ 47,040	$ 11,509	$ 115	$ 2,740	$ 61,404
Taxes receivable	-	3,834	-	-	3,834
Total assets	$ 47,040	$ 15,343	$ 115	$ 2,740	$ 65,238
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 23,775	$ 10,709	$ -	$ -	$ 34,484
Total liabilities	23,775	10,709	-	-	34,484
FUND BALANCES					
Restricted:					
Law enforcement	23,265	-	-	-	23,265
Debt service	-	-	115	-	115
Capital projects	-	-	-	2,740	2,740
Tourism	-	4,634	-	-	4,634
Total fund balances	23,265	4,634	115	2,740	30,754
Total liabilities, deferred inflows of resources and fund balances	$ 47,040	$ 15,343	$ 115	$ 2,740	$ 65,238

CITY OF MONROE, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Special Revenue Funds				
	Forfeited Drug Fund	Hotel/Motel Tax Fund	Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES					
Taxes	$ -	$ 43,993	$ -	$ -	$ 43,993
Fines and forfeitures	39,022	-	-	-	39,022
Total revenues	39,022	43,993	-	-	83,015
EXPENDITURES					
Current					
Public safety	23,642	-	-	-	23,642
Housing and development	-	42,896	-	-	42,896
Debt service					
Principal retirements	-	-	835,000	-	835,000
Interest	-	-	27,140	-	27,140
Total expenditures	23,642	42,896	862,140	-	928,678
Excess (deficiency) of revenues over expenditures	15,380	1,097	(862,140)	-	(845,663)
OTHER FINANCING SOURCES					
Transfers in	-	-	862,140	-	862,140
Total other financing sources	-	-	862,140	-	862,140
Net change in fund balances	15,380	1,097	-	-	16,477
FUND BALANCES, beginning of year	7,885	3,537	115	2,740	14,277
FUND BALANCES, end of year	$ 23,265	$ 4,634	$ 115	$ 2,740	$ 30,754

CITY OF MONROE, GEORGIA
FORFEITED DRUG FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines & forfeitures	$ 40,000	$ 40,000	$ 39,022	$ (978)
EXPENDITURES				
Public safety	40,000	40,000	23,642	16,358
Net change in fund balances	-	-	15,380	15,380
FUND BALANCES, beginning of year	7,885	7,885	7,885	-
FUND BALANCES, end of year	$ 7,885	$ 7,885	$ 23,265	$ 15,380

CITY OF MONROE, GEORGIA
HOTEL/MOTEL TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 25,000	$ 42,896	$ 43,993	$ 1,097
EXPENDITURES				
Housing and development	25,000	42,896	42,896	-
Net change in fund balances	-	-	1,097	1,097
FUND BALANCES, beginning of year	3,537	3,537	3,537	-
FUND BALANCES, end of year	$ 3,537	$ 3,537	$ 4,634	$ 1,097

CITY OF MONROE, GEORGIA
DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget			Variance With
	Original	Final	Actual	Final Budget
EXPENDITURES				
Debt service				
Principal retirements	$ 835,000	$ 835,000	$ 835,000	$ -
Interest	27,248	27,248	27,140	108
Total expenditures	862,248	862,248	862,140	108
Deficiency of revenues over expenditures	(862,248)	(862,248)	(862,140)	108
OTHER FINANCING SOURCES				
Transfers in	862,248	862,248	862,140	(108)
Total other financing sources	862,248	862,248	862,140	(108)
Net change in fund balances	-	-	-	-
FUND BALANCES, beginning of year	115	115	115	-
FUND BALANCES, end of year	$ 115	$ 115	$ 115	$ -

CITY OF MONROE, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX FOR THE YEAR ENDED DECEMBER 31, 2018

Project	Original and Current Estimated Cost	Prior Year	Current Year	Total
SPLOST - 2007 SERIES				
Transportation, drainage and sidewalks	$ 9,136,000	$ 7,374,051	$ -	$ 7,374,051
Public safety	2,500,000	-	-	-
Solid waste	1,500,000	-	-	-
Water & sewer	4,060,000	-	-	-
Airport	1,500,000	-	-	-
Electric, CATV & Fiber	1,500,000	-	-	-
	$ 20,196,000	$ 7,374,051	$ -	$ 7,374,051
SPLOST - 2013 SERIES				
Transportation, drainage and sidewalks	$ 5,900,000	$ 1,841,870	$ 3,292,157	$ 5,134,027
Public safety improvements	1,200,000	895,374	-	895,374
Solid waste improvements	2,100,000	736,806	-	736,806
	$ 9,200,000	$ 3,474,050	$ 3,292,157	$ 6,766,207
Total 2007 and 2013 SPLOST			$ 3,292,157	
Expenditures funded by intergovernmental revenues			466,725	
Total SPLOST Fund expenditures for year ended December 31, 2018			$ 3,758,882	

COMPONENT UNITS

CITY OF MONROE, GEORGIA

STATEMENT OF CASH FLOWS
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 48,432
Payments to suppliers	(96,039)
Net cash used in operating activities	(47,607)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Tax receipts	23,150
Other nonoperating receipts	68,209
Net cash provided by non-capital financing activities	91,359
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Interest paid on debt	(10,647)
Net cash used in capital and related financing activities	(10,647)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	9,018
Net cash provided by investing activities	9,018
Net increase in cash	42,123
Cash, beginning of year	57,170
Cash, end of year	$ 99,293
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	(49,262)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Change in assets and liabilities:	
Decrease in accounts receivable	6,250
Decrease in due from other governments	6,400
Decrease in accounts payable	(10,995)
Net cash used in operating activities	$ (47,607)
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	
Issuance of note receivable for sale of land held for redevelopment	$ 295,773

CITY OF MONROE, GEORGIA

BALANCE SHEET
COMPONENT UNIT - CONVENTION & VISITORS BUREAU
DECEMBER 31, 2018

ASSETS	
Cash	$ 7,102
Accounts receivable	10,709
Total assets	$ 17,811
FUND BALANCE	
FUND BALANCE	
Restricted - tourism	17,811
Total liabilities and fund balance	$ 17,811

CITY OF MONROE, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
COMPONENT UNIT - CONVENTION & VISITORS BUREAU
FOR THE YEAR ENDED DECEMBER 31, 2018

REVENUES	
Taxes	$ 42,896
Miscellaneous	588
Total revenues	43,484
EXPENDITURES	
Tourism	57,668
Total expenditures	57,668
Net change in fund balance	(14,184)
FUND BALANCE, beginning of year	31,995
FUND BALANCE, end of year	$ 17,811

STATISTICAL SECTION

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

Page

Financial Trends **67**

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 **75**

These schedules contain information to help the reader assess the City's most significant local revenue sources, property taxes and utility charges.

Debt Capacity **88**

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 **93**

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 **95**

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

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

CITY OF MONROE, GEORGIA

NET POSITION BY COMPONENT
LAST TEN YEARS
(accrual basis of accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental activities										
Net investment in capital assets	**$ 20,485,983**	$ 16,771,849	$ 16,598,632	$ 16,304,765	$ 15,731,687	$ 15,194,056	$ 16,120,259	$ 16,815,773	$ 17,638,965	$ 18,072,719
Restricted for law enforcement	**23,265**	7,885	14,495	40,614	45,678	26,451	14,005	21,615	40,435	38,796
Restricted for debt service	**310,849**	92,856	47,966	83,893	86,421	68,524	80,597	148,229	93,945	190,629
Restricted for capital projects	**4,022,139**	5,448,014	4,501,818	4,248,927	2,009,916	1,487,470	239,688	134,638	134,619	134,394
Restricted for tourism	**4,634**	3,537	3,197	8,371	12,639	8,510	-	-	-	-
Unrestricted	**(970,461)**	(763,091)	(639,323)	(787,256)	2,382,343	2,193,503	1,304,317	744,013	1,464,994	1,638,318
Total governmental activities net position	**$ 23,876,409**	$ 21,561,050	$ 20,526,785	$ 19,899,314	$ 20,268,684	$ 18,978,514	$ 17,758,866	$ 17,864,268	$ 19,372,958	$ 20,074,856
Business-type activities										
Net investment in capital assets	**$ 55,240,661**	$ 51,733,299	$ 50,771,001	$ 51,299,882	$ 49,699,327	$ 48,731,409	$ 48,358,364	$ 48,016,934	$ 46,398,368	$ 45,584,606
Restricted for debt service	**252,617**	249,332	186,716	215,898	215,898	215,898	221,200	274,045	316,073	309,721
Restricted for capital projects	**9,139,113**	12,097,845	9,441,663	8,383,507	15,244,250	12,615,279	11,666,917	9,800,800	9,523,530	7,782,254
Unrestricted	**18,957,214**	14,621,384	13,463,671	9,252,608	1,883,885	1,338,458	106,205	2,594,956	2,821,904	3,463,071
Total business-type activities net position	**$ 83,589,605**	$ 78,701,860	$ 73,863,051	$ 69,151,895	$ 67,043,360	$ 62,901,044	$ 60,352,686	$ 60,686,735	$ 59,059,875	$ 57,139,652
Primary government										
Net investment in capital assets	**$ 75,726,644**	$ 68,505,148	$ 67,369,633	$ 67,604,647	65,431,014	$ 63,925,465	$ 64,478,623	$ 64,832,707	$ 64,037,333	$ 63,657,325
Restricted for law enforcement	**23,265**	7,885	14,495	40,614	45,678	26,451	14,005	21,615	40,435	38,796
Restricted for debt service	**563,466**	342,188	234,682	299,791	302,319	284,422	301,797	422,274	410,018	500,350
Restricted for capital projects	**13,161,252**	17,545,859	13,943,481	12,632,434	17,254,166	14,102,749	11,906,605	9,800,800	9,523,530	7,782,254
Restricted for tourism	**4,634**	3,537	3,197	8,371	12,639	8,510	-	-	-	-
Unrestricted	**17,986,753**	13,858,293	12,824,348	8,465,352	4,266,228	3,531,961	1,410,522	3,338,969	4,286,898	5,101,389
Total primary government net position	**$ 107,466,014**	$ 100,262,910	$ 94,389,836	$ 89,051,209	$ 87,312,044	$ 81,879,558	$ 78,111,552	$ 78,416,365	$ 78,298,214	$ 77,080,114

CITY OF MONROE, GEORGIA

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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Expenses										
Governmental activities:										
General government	$ **1,348,382**	$ 1,517,879	$ 1,546,075	$ 1,497,183	$ 1,355,733	$ 1,386,060	$ 1,424,993	$ 1,417,361	$ 1,472,876	$ 1,455,946
Judicial	**96,110**	103,571	121,714	112,734	97,474	91,707	96,201	103,077	123,640	104,591
Public safety	**6,269,746**	5,515,442	5,268,876	5,282,765	5,327,544	4,953,432	5,315,309	5,246,043	5,299,486	4,996,201
Public works	**2,288,588**	2,403,390	2,515,879	2,608,923	2,876,346	2,900,831	3,828,463	3,677,625	3,480,863	3,843,201
Health and welfare	**23,470**	12,325	14,713	16,296	13,571	12,010	15,638	11,555	16,530	14,904
Culture and recreation	**575,482**	427,499	389,367	382,685	389,091	418,912	485,611	441,207	428,110	379,755
Housing and development	**1,211,958**	1,030,921	785,841	755,074	541,373	483,185	568,750	518,594	491,352	456,953
Interest on long-term debt	**116,266**	64,856	120,015	178,624	208,995	222,051	245,921	266,783	284,722	300,072
Total governmental activities expenses	**11,930,002**	11,075,883	10,762,480	10,834,284	10,810,127	10,468,188	11,980,886	11,682,245	11,597,579	11,551,623
Business-type activities:										
Utilities	**36,101,902**	32,120,416	31,479,006	29,794,440	30,534,057	29,840,533	30,418,076	29,575,971	28,520,470	28,256,164
Solid Waste	**4,311,889**	4,052,539	3,864,628	3,851,963	3,604,884	4,189,968	4,334,093	4,554,533	4,819,518	4,371,576
GUTA	- (7)	333,199	296,924	79,193	54,165	45,617	48,989	41,179	53,699	-
Total business-type activities expenses	**40,413,791**	36,506,154	35,640,558	33,725,596	34,193,106	34,076,118	34,801,158	34,171,683	33,393,687	32,627,740
Total primary government expenses	$ **52,343,793**	$ 47,582,037	$ 46,403,038	$ 44,559,880	$ 45,003,233	$ 44,544,306	$ 46,782,044	$ 45,853,928	$ 44,991,266	$ 44,179,363
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ **745,943**	$ 747,865	$ 801,829	$ 702,850	$ 711,630	$ 739,038	$ 603,191	$ 646,816	$ 549,883	$ 524,931
Judicial	**332,014**	275,966	287,674	405,299	408,191	455,532	342,480	509,174	461,730	464,820
Public safety	**59,583**	73,869	50,448	125,489	97,188	77,546	46,638	82,798	57,119	58,667
Public works	**23,748**	61,123	30,411	35,930	31,530	22,471	39,805	13,810	15,380	11,470
Culture and recreation	**12,496**	15,520	12,920	8,785	12,313	12,313	2,775	1,775	1,650	875
Housing and development	**233,299**	328,659	227,155	212,784	70,504	126,510	43,724	-	-	-
Operating grants and contributions	**587,422**	133,651	169,506	182,306	74,634	73,074	377,316	187,652	334,014	125,117
Capital grants and contributions	**2,490,759**	1,998,249	1,686,099	3,907,075	2,255,155	1,880,433	1,121,183	1,006,495	1,316,349	236,642
Total governmental activities program revenues	**4,485,264**	3,634,902	3,266,042	5,580,518	3,661,145	3,386,917	2,577,112	2,448,520	2,736,125	1,422,522
Business-type activities:										
Charges for services:										
Utilities	**42,193,778**	37,997,407	37,484,700	35,898,925	35,424,676	33,267,174	31,737,327	31,714,571	30,822,621 (2)	30,583,031
Solid Waste	**4,481,913**	4,580,937	4,272,845	4,413,332	4,207,418	4,402,965	4,481,351	4,848,063	5,136,546 (3)	4,689,342
GUTA	- (7)	119,824	120,868	73,468	36,965	56,992	61,133	21,535	15,460 (4)	-
Capital grants and contributions	**644,842**	41,862	43,351	512,575	489,720	492,841	1,066,897	1,211,082	651,018	481,350
Total business-type activities program revenues	**47,320,533**	42,740,030	41,921,764	40,898,300	40,158,779	38,219,972	37,346,708	37,795,251	36,625,645	35,753,723
Total primary government program revenues	$ **51,805,797**	$ 46,374,932	$ 45,187,806	$ 46,478,818	$ 43,819,924	$ 41,606,889	$ 39,923,820	$ 40,243,771	$ 39,361,770	$ 37,176,245

CITY OF MONROE, GEORGIA

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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Net (expense)/revenue										
Governmental activities	**$ (7,444,738)**	$ (7,440,981)	$ (7,496,438)	$ (5,253,766)	$ (7,148,982)	$ (7,081,271)	$ (9,403,774)	$ (9,233,725)	$ (8,861,454)	$ (10,129,101)
Business-type activities	**6,906,742**	6,233,876	6,281,206	7,172,704	5,965,673	4,143,854	2,545,550	3,623,568	3,231,958	3,125,983
Total primary government net (expense) revenue	**$ (537,996)**	$ (1,207,105)	$ (1,215,232)	$ 1,918,938	$ (1,183,309)	$ (2,937,417)	$ (6,858,224)	$ (5,610,157)	$ (5,629,496)	$ (7,003,118)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	**$ 3,448,522**	$ 3,184,467	$ 2,985,136	$ 3,158,414	$ 3,216,546	$ 3,254,266	$ 2,931,008	$ 2,865,418	$ 2,987,370	$ 2,957,251
Sales taxes	**2,379,975**	2,176,049	2,011,809	2,049,892	2,050,222	1,944,524	2,227,932	2,141,501	2,140,642	3,714,049
Franchise taxes	**333,951**	317,921	303,920	282,669	263,862	281,939	220,358	240,578	241,805	224,043
Other taxes	**1,079,020**	1,006,432	970,831	898,936	852,020	815,235	788,216	753,374	736,234	760,134
Unrestricted investment earnings	**2**	78	-	-	-	-	-	130	1,751	5,913
Miscellaneous	**109,182**	91,966	56,691	-	164,450	276,084	205,930	229,369	347,464	255,658
Gain on sale of capital assets	-	32,366	-	89,099	25,051	101,227	6,823	-	-	7,709
Transfers	**2,409,445**	1,665,967	1,795,522	1,680,148	1,867,001	1,627,644	2,918,105	1,682,370	1,704,065	1,357,462
Total governmental activities	**9,760,097**	8,475,246	8,123,909	8,159,158	8,439,152	8,300,919	9,298,372	7,912,740	8,159,331	9,282,219
Business-type activities:										
Investment earnings	**388,841**	265,069	175,847	76,109	43,644	32,148	38,506	61,067	72,110	87,161
Gain on sale of capital assets	**1,607**	5,831	49,625	-	-	-	-	-	320,220	603,360
Transfers	**(2,409,445)**	(1,665,967)	(1,795,522)	(1,680,148)	(1,867,001)	(1,627,644)	(2,918,105) (1)	(1,682,370)	(1,704,065)	(1,357,462)
Total business-type activities	**(2,018,997)**	(1,395,067)	(1,570,050)	(1,604,039)	(1,823,357)	(1,595,496)	(2,879,599) (1)	(1,621,303)	(1,311,735)	(666,941)
Total primary government	**$ 7,741,100**	$ 7,080,179	$ 6,553,859	$ 6,555,119	$ 6,615,795	$ 6,705,423	$ 6,418,773	$ 6,291,437	$ 6,847,596	$ 8,615,278
Change in Net Position										
Governmental activities	**$ 2,315,359**	$ 1,034,265	$ 627,471	$ 2,905,392	$ 1,290,170	$ 1,219,648	$ (105,402)	$ (1,320,985)	$ (702,123)	$ (846,882)
Business-type activities	**4,887,745**	4,838,809	4,711,156	5,568,665	4,142,316	2,548,358	(334,049)	2,002,265	1,920,223	2,459,042
Total primary government	**$ 7,203,104**	$ 5,873,074	$ 5,338,627	$ 8,474,057	$ 5,432,486 (6)	$ 3,768,006 (5)	$ (439,451)	$ 681,280	$ 1,218,100	$ 1,612,160

(1) Economic conditions caused a decrease in new construction and therefore reducing revenue from tap fees and capital contributions.
(2) The City raised water and sewer rates.
(3) The City raised solid waste rates.
(4) 2010 was the first year for its new regional training facility.
(5) The City eliminated several positions city wide and redesigned health insurance benefits contributing to in an increase in net position which is in line with historic trends.
(6) Utility rates were restructured coupled with an increase in telecommunication customer base.
(7) During 2018, the GUTA fund was consolidated with the Utilities Fund.

CITY OF MONROE, GEORGIA

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

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Other Tax	Total
2009	2,957,251	3,714,049	224,043	760,134	7,655,477
2010	2,987,370	2,140,642 (2)	241,805	736,234	6,106,051
2011	2,865,418	2,141,501	240,578	753,374	6,000,871
2012	2,931,008	2,227,932	220,358	788,216	6,167,514
2013	3,254,266	1,944,524	281,939	815,235	6,295,964
2014	3,216,546	2,050,222	263,862	852,020	6,382,650
2015	3,158,414	2,049,892	282,669	898,936	6,389,911
2016	2,985,136 (1)	2,011,809	303,920	970,831	6,271,696
2017	3,184,467	2,176,049	317,921	1,006,432	6,684,869
2018	**3,448,522**	**2,379,975**	**333,951**	**1,079,020**	**7,241,468**

(1) Property tax decrease in 2016 due to a decrease in title ad-valorem tax (TAVT) due to a change in the State formula

(2) Sales tax decrease in 2010 was due to reduction in the amount of SPLOST collected

CITY OF MONROE, GEORGIA

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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General fund										
Nonspendable	**$ 115,624**	$ 112,615	$ 99,052	$ 79,697	$ 93,464	$ 524,692	$ 565,569	$ 541,999 (8)	$ 487,204	$ 360,414
Restricted	**310,734**	92,741	47,850 (1)	197,243	199,305	68,408	185,354	147,833	93,280	190,227
Assigned	**5,500**	10,739	17,108	10,359	5,209	2,800	275	272	3,142	-
Unassigned	**2,311,710**	2,537,155	2,807,490	2,570,778	2,607,515 (3)	1,907,321 (4)	969,763 (6)	498,956 (9)	802,954	1,041,342
Total general fund	**$ 2,743,568**	$ 2,753,250	$ 2,971,500	$ 2,858,077	$ 2,905,493	$ 2,503,221	$ 1,720,961	$ 1,189,060	$ 1,386,580	$ 1,591,983
Nonmajor governmental funds										
Nonspendable	**$ -**	$ -	$ -	$ -	$ -	$ 329,445	$ -	$ -	$ -	$ -
Restricted	**4,050,153** (10)	5,459,551	4,519,626 (2)	177,061	1,955,349	1,522,547 (5)	148,936 (7)	156,649	153,141	156,703
Assigned	**-**	-	-	-	-	-	5,130	2,363	2,157	4,123
Total nonmajor governmental funds	**$ 4,050,153**	$ 5,459,551	$ 4,519,626	$ 177,061	$ 1,955,349	$ 1,851,992	$ 154,066	$ 159,012	$ 155,298	$ 160,826

(1) Restricted for General Obligation debt service. Decrease due to refunding of General Obligation Bonds.

(2) Increase in capital projects in the SPLOST fund for street enhancement projects.

(3) The increase in unassigned fund balance of the general fund was due to the advance from solid waste, shown in non spendable prior years being repaid.

(4) The increase in unassigned fund balance of the general fund was due to a change in health insurance benefits.

(5) The increase in restricted fund balance of the nonmajor governmental funds was due to an increase in cash in the SPLOST Fund.

(6) The increase in unassigned fund balance of the general fund was due to a transfer from the Capital Improvement Account in the Enterprise Fund.

(7) The decreasing restricted fund balance in nonmajor governmental funds is due to the completion of projects for which there were no offsetting revenues.

(8) The variances in nonspendable fund balance in the general fund is due to advances to the Solid Waste Fund.

(9) The decrease in unassigned fund balance of the general fund was due to excess health insurance costs for which there were no offsetting revenues.

(10) The decrease in restricted fund balance of the is due to the expending of funds on capital projects in 2018.

CITY OF MONROE, GEORGIA

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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Revenues										
Taxes	**$ 7,189,628**	$ 6,689,354	$ 6,357,296	$ 6,502,341	$ 6,348,447	$ 6,325,445	$ 6,108,042	$ 6,281,497	$ 6,123,772 (8)	$ 7,699,696
Licenses and permits	**217,263**	165,100	248,648 (2)	122,927	138,792	196,760	111,449	180,880	133,385	115,645
Intergovernmental	**3,001,050** (9)	2,093,558	1,850,796 (3)	3,974,481	2,064,479	1,953,507	1,498,499	1,182,147	1,224,363 (9)	307,309
Fines and forfeitures	**371,036**	294,986	321,644	494,682	488,314	514,691	371,711	554,003	500,670	504,874
Charges for services	**694,141**	779,484	647,933	676,607	690,311	710,246	595,453	497,875	451,707	437,664
Interest income	**2**	78	-	-	-	-	-	130	1,751	5,913
Miscellaneous	**310,956**	385,249	253,712	336,449	176,163	241,020	205,930	229,369	347,464	258,238
Total revenues	**11,784,076**	10,407,809	9,680,029	12,107,487	9,906,506	9,941,669	8,891,084	8,925,901	8,783,112	9,329,339
Expenditures										
General government	**1,191,278**	2,764,072	1,433,553	1,508,238	1,212,677	1,136,495	1,205,908	1,146,185	1,227,762	1,201,703
Judicial	**96,480**	105,338	121,372	115,074	97,474	91,707	96,201	103,077	123,640	104,591
Public safety	**6,719,909**	5,653,123	4,951,030	5,186,269	5,036,599	4,753,252	5,238,938	5,198,818	5,126,640	4,916,959
Public works	**1,762,131**	1,946,854	1,704,309	1,889,017	1,916,788	1,968,151	2,879,181	2,697,704	2,383,556	2,990,673
Health and welfare	**23,840**	12,325	14,713	16,296	13,571	12,010	15,638	11,555	16,530	14,904
Culture and recreation	**337,518**	445,762	372,073	396,114	364,867	393,915	437,876	392,804	427,526	348,115
Housing and development	**1,179,170**	1,035,645	656,720	633,359	561,720	483,288	569,341	513,349	490,840	454,176
Intergovernmental	**-**	-	-	-	-	-	-	-	138,907 (10)	-
Capital outlay	**3,512,703**	333,013	652,189	789,827	1,035,642	445,571	128,408	66,479	121,027	118,346
Debt service										
Principal retirements	**1,025,524**	810,000	961,791	902,070	838,524	525,000	470,000	410,000	355,000	310,000
Issuance Costs	**-**	-	34,693 (4)	-	-	-	-	-	-	-
Interest and fiscal charges	**87,496**	32,725	145,959	182,929	215,725	228,877	252,103	272,265	289,482	304,208
Total expenditures	**15,936,049**	13,138,857	11,048,402	11,619,193	11,293,587	10,038,266	11,293,594	10,812,236	10,700,910	10,763,675
Excess of revenues over (under) expenditures	**(4,151,973)**	(2,731,048)	(1,368,373)	488,294	(1,387,081)	(96,597)	(2,402,510)	(1,886,335)	(1,917,798)	(1,434,336)

CITY OF MONROE, GEORGIA

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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Other financing sources (uses)										
Issuance of note payable	**-**	1,500,000 (1)	-	-	-	-	-	-	-	-
Issuance of long-term debt	**-**	-	2,513,000 (5)	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	**-**	-	(2,478,307) (5)	-	-	-	-	-	-	-
Capital leases	**322,523**	245,900	-	-	-	772,385	-	-	-	-
Proceeds from sale of capital assets	**925**	32,366	-	89,099	25,709	176,754	11,360	10,159	2,802	7,709
Transfers in	**3,271,585**	2,807,434	2,774,323	2,737,479	2,659,802	2,506,264	3,640,105 (7)	2,390,995	2,458,316	2,097,121
Transfers out	**(862,140)**	(1,141,467)	(978,801)	(1,057,331)	(792,801)	(878,620)	(722,000)	(708,625)	(754,251)	(739,659)
Total other financing sources (uses)	**2,732,893**	3,444,233	1,830,215	1,769,247	1,892,710	2,576,783	2,929,465	1,692,529	1,706,867	1,365,171
Net change in fund balances	**$ (1,419,080)**	$ 713,185	$ 461,842	$ 2,257,541	$ 505,629	$ 2,480,186 (6)	$ 526,955 (7)	$ (193,806)	$ (210,931)	$ (69,165)
Debt service as a percentage of noncapital expenditures	9.54%	7.69%	10.99%	10.02%	10.28%	7.86%	6.47%	6.35%	6.09%	5.77%

(1) Purchase of the Walton Plaza property & building

(2) Large increase in building permits, specifically a major hospital renovaton for a regional mental health center and a new addition to the new hospital

(3) Large decrease in intergovernmental due to in 2015 the City received a 2007 SPLOST settlement in the amount of $2.1 million

(4) Issuance costs broken out for 2016 only, prior years not updated

(5) Result of refunding of General Obligation Bonds in December 2016

(6) Decrease in health insurance expense, reduction of employee count along with other cost saving measures

(7) Additional transfer in from business type activities increased fund balance

(8) Sales tax decrease in 2010 due to reduction in the amount of SPLOST collected

(9) Increase in grant funds

(10) Prior year payment to Walton County to supplement debt service payment on SPLOST bonds

CITY OF MONROE, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN YEARS
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Occupation Tax	Insurance Premium Tax	Franchise Tax	Alcoholic Beverage Tax	Other Taxes	Total
2009	2,982,426	2,609,135	81,800	632,440	224,043	315,945	853,907	7,699,696
2010	2,925,133	1,827,746 (5)	79,725	614,059	241,805	310,500	124,802	6,123,772
2011	3,000,325	1,869,516	78,900	620,730	240,578	313,318	158,130	6,281,497
2012	2,811,677	1,904,411	76,800	659,319	220,358	323,521	111,956	6,108,042
2013	3,226,884 (3)	1,624,397 (4)	79,100	682,662	281,939	320,128	110,335	6,325,445
2014	3,139,290	1,732,915	81,700	712,964	263,862	317,307	100,409	6,348,447
2015	3,218,624	1,694,943	84,150	761,685	282,669	314,926	105,321	6,462,318
2016	3,045,230	1,672,504	86,200	825,052	303,920	296,799	127,591	6,357,296
2017	3,155,876 (2)	1,782,464	87,339	852,827	317,921	347,533	99,342	6,643,302
2018	**3,355,741** (2)	**2,027,527** (1)	**93,850**	**919,876**	**333,951**	**308,455**	**150,228**	**7,189,628**

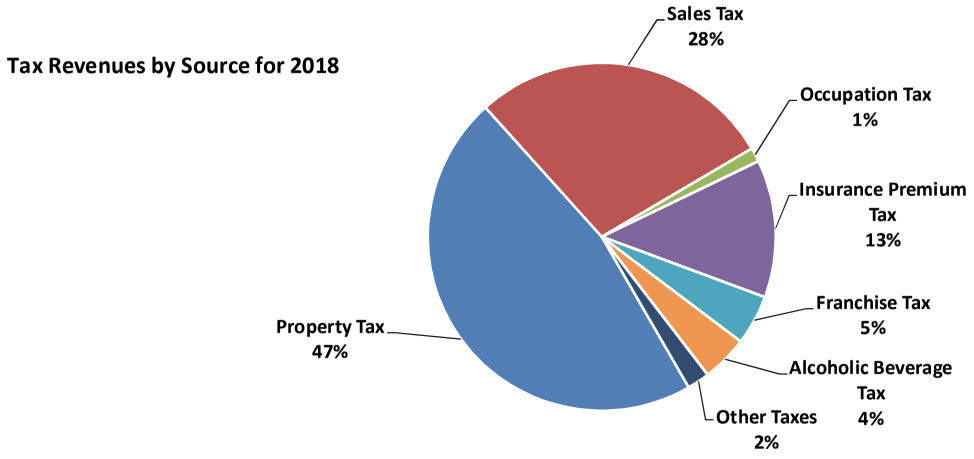
(1) Sales tax increase due to Local Option Sales Tax (LOST) collections, effect of increased local sales

(2) Property tax increased with collections performed by Walton County Tax Commissioner's office

(3) Property tax increase in 2013 was due to a large abated property becoming taxable

(4) Sales tax decrease in 2013 was due to the renegotiation of allocation from Walton County

(5) Sales tax decrease due to a combination of Local Option Sales Tax (LOST) collections down around $170 thousand and fewer projects funded by Special Local Option Sales Tax (SPLOST)



CITY OF MONROE, GEORGIA

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

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other Property (1)	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2009	$ 161,673,076	$ 139,580,443	73,839,067	$ 32,131,394	$ 3,953,327	$ 403,270,653	6.997	$ 1,008,176,633	40%
2010	146,326,775	139,440,236	77,025,123	29,152,513	7,335,008	384,609,639 (3)	7.240	961,524,098	40%
2011	129,835,247	135,178,569	69,790,797	28,142,060	6,823,832	356,122,841 (3)	7.612	890,307,103	40%
2012	109,425,675	132,208,471	76,182,889	27,209,932	8,170,494	336,856,473 (3)	8.231	842,141,183	40%
2013	107,348,542	125,669,505	58,924,814	29,444,826	7,518,692	313,868,995 (3)	8.470	784,672,488	40%
2014	111,572,435	151,640,759	65,604,578	24,586,089	13,654,853 (2)	339,749,008	8.353	849,372,520	40%
2015	122,503,729	149,253,961	63,854,238	20,097,713	13,888,756	341,820,885	8.115	854,552,213	40%
2016	138,620,409	155,101,971	77,120,434	17,224,710	21,630,049	366,437,475	7.802	916,093,688	40%
2017	162,883,341	157,978,674	90,977,408	16,089,194	31,688,869	396,239,748	7.421	990,599,370	40%
2018	**172,994,149**	**165,084,770**	**88,379,597**	**14,737,546**	**22,627,411**	**418,568,651**	**7.277**	**1,046,421,628**	**40%**

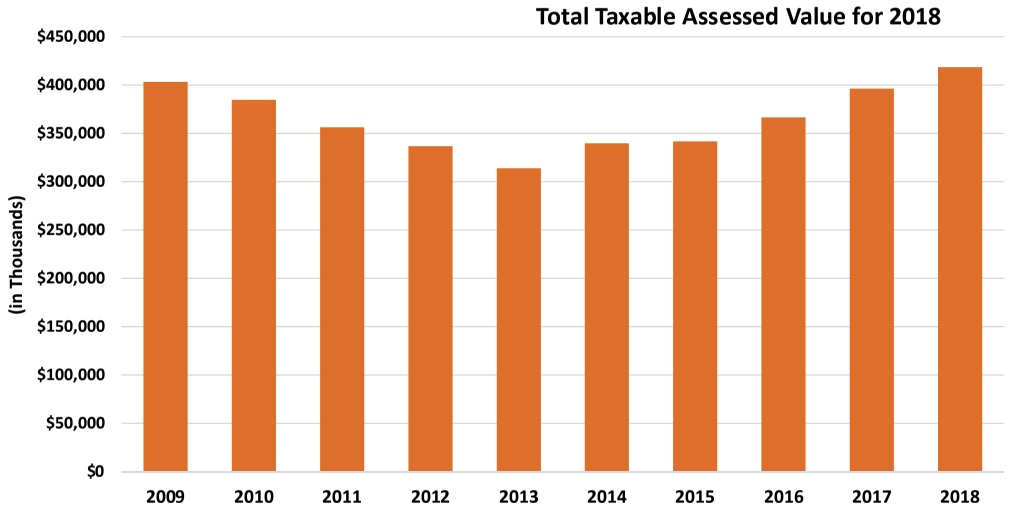
Source: Walton County Tax Assessors Office

Note: Property in the City is reassessed periodically. Property is assessed at 40% of the fair market value; therefore, the assessed values are equal to 40% of the estimated actual value. Tax rates are per $1,000 of assessed value.

(1) Other property consists of historic, agricultural, conservation use, utility, motor vehicle and mobile homes.

(2) Increase in exempt real property due to Wal-Mart Dist failed to file for freeport exemption

(3) Decrease in digest values due to reassessments.



CITY OF MONROE, GEORGIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS(1)
PER $1,000 OF ASSESSED VALUE
LAST TEN YEARS

	City of Monroe, Georgia			Overlapping Rates (1)					Total Direct & Overlapping Rates
					School District				
Fiscal Year	Operating Millage	Debt Service Millage	Total City Millage	County	Operating Millage	Debt Service Millage	Total School Millage	State	
2009	5.403	1.594	6.997	10.231	18.250	2.200	20.450	0.25	37.928
2010	5.512	1.728	7.240	10.542	18.600	2.200	20.800	0.25	38.832
2011	5.565	2.047	7.612	11.135	19.600	2.200	21.800	0.25	40.797
2012	6.020	2.211	8.231	11.998	19.300	3.500	22.800	0.20	43.229
2013	5.971	2.499	8.470	11.928	19.802	3.700	23.502	0.15	44.050
2014	6.017	2.336	8.353	11.773	19.502	3.500	23.002	0.10	43.228
2015	5.734	2.381	8.115	11.194	19.250	3.350	22.600	0.05	41.959
2016	5.582	2.220	7.802	11.325	18.900	3.200	22.100	-	41.227
2017	5.418	2.003	7.421	10.905	18.700	2.900	21.600	-	39.926
2018	**5.298**	**1.979**	**7.277**	**10.905**	**18.600**	**2.600**	**21.200**	**-**	**39.382**

Source: Walton County Tax Assessors Office & Ga Dept of Revenue website

Note: Assessed values are established by the County Assessors on January 1 of each year at 40% of the actual value.

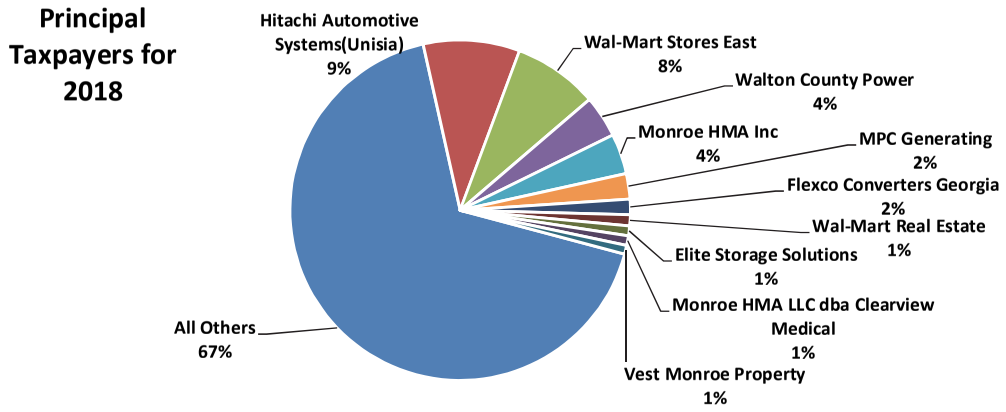
(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Monroe.

CITY OF MONROE, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND NINE YEARS AGO
(amounts expressed in thousands)

	2018			2009		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
Hitachi Automotive Systems(Unisia)	$ 38,360	1	9.16 %	$		- %
Wal-Mart Stores East	33,751	2	8.06	21,288	3	4.91
Walton County Power	16,707	3	3.99	32,576	1	7.52
Monroe HMA Inc	15,974	4	3.82			-
MPC Generating	10,145	5	2.42	25,095	2	5.79
Flexco Converters Georgia	6,131	6	1.46			-
Wal-Mart Real Estate	4,407	7	1.05	5,174	8	1.19
Elite Storage Solutions	3,904	8	0.93			-
Monroe HMA LLC dba Clearview Medical	3,791	9	0.91	5,724	6	1.32
Vest Monroe Property	3,537	10	0.85			-
Unisia of Georgia Corp				11,476	4	2.65
E. Kenneth Murray				6,571	5	1.52
Windstream Georgia				5,476	7	1.26
Walton Ventures, Inc				4,256	9	0.98
Home Depot				3,664	10	0.85
Totals	$ 136,707		32.66 %	$ 121,300		27.99 %

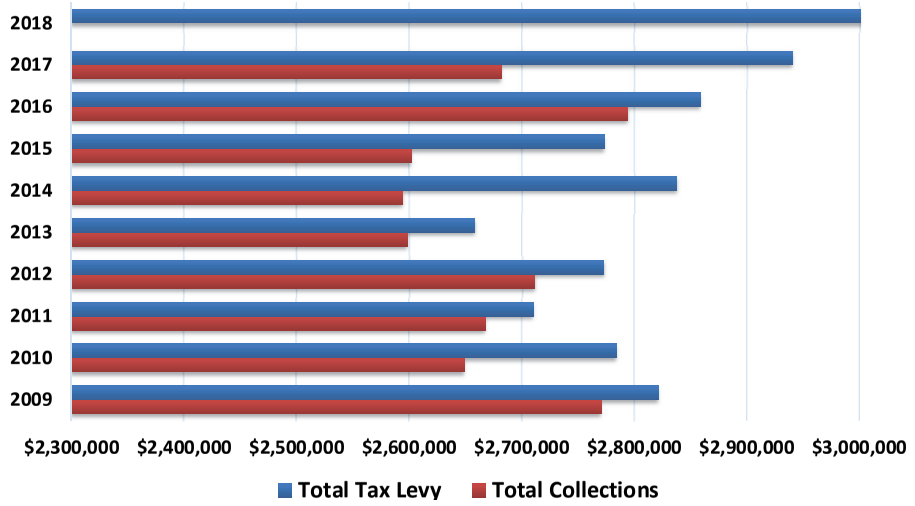
Source: Walton County Tax Commisioner's Office



CITY OF MONROE, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	$ 2,821,685	$ 2,434,128	86.3 %	$ 336,549	$ 2,770,677	98.2 %
2010	2,784,574	2,294,092	82.4	355,261	2,649,352	95.1
2011	2,710,807	2,310,988	85.3	356,863	2,667,850	98.4
2012	2,772,666	2,429,276	87.6	282,236	2,711,511	97.8
2013	2,658,470	2,371,648	89.2	226,707	2,598,355	97.7
2014	2,837,923	2,381,738	83.9	212,885	2,594,623	91.4
2015	2,773,876	2,391,671	86.2	210,648	2,602,319	93.8
2016	2,858,945	2,610,797	91.3	183,762	2,794,559	97.7
2017	2,940,495	2,645,638	90.0	36,447	2,682,085	91.2
2018	**3,045,924**	**2,755,055**	**90.5**	**-**	**2,755,055**	**90.5**

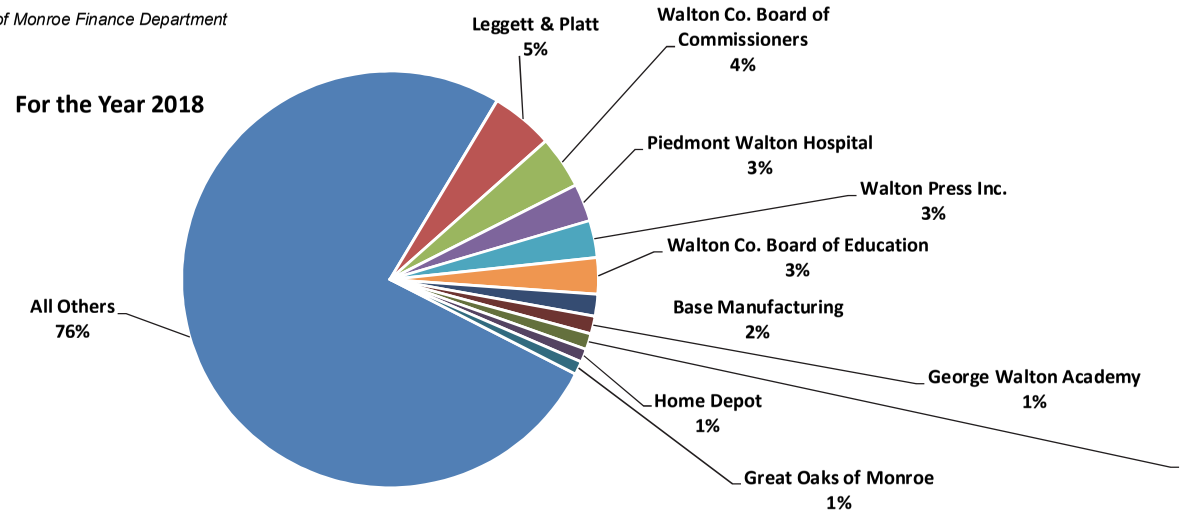


CITY OF MONROE, GEORGIA

TOP TEN ELECTRIC CUSTOMERS
CURRENT AND NINE YEARS AGO

	2018				2009			
Customer	Usage in MWh	Annual Revenue (in thousands)	Rank	Percentage of Total Revenues	Usage in MWh	Annual Revenue (in thousands)	Rank	Percentage of Total Revenuse
Leggett & Platt	**10,851**	**$ 846**	**1**	**4.84 %**	8,352	452	3	3.32 %
Walton Co. Board of Commissioners	**6,260**	**714**	**2**	**4.09**	6,371	612	2	4.49
Piedmont Walton Hospital	**4,881**	**509**	**3**	**2.91**				
Walton Press Inc.	**4,724**	**504**	**4**	**2.89**	2,861	269	5	1.98
Walton Co. Board of Education	**4,325**	**492**	**5**	**2.82**	6,491	671	1	4.93
Base Manufacturing	**2,567**	**298**	**6**	**1.71**	1,898	202	6	1.48
George Walton Academy	**2,015**	**239**	**7**	**1.37**	1,703	187	7	1.37
Vest Monroe Realty LLC	**1,932**	**218**	**8**	**1.25**				
Home Depot	**1,592**	**178**	**9**	**1.02**	2,124	95	10	0.70
Great Oaks of Monroe	**1,393**	**178**	**10**	**1.02**				
Wallton Medical					4,458	300	4	2.20
Southern Family Markets (BiLo)					1,981	153	8	1.12
Quality Foods					1,740	138	9	1.01
Totals	**40,540**	**4,176**		**23.91**	37,979	3,079		22.61
All Others	**113,994**	**13,292**		**76.09**	104,811	10,540		77.39
Annual Totals	**154,534**	**$ 17,468**		**100.00 %**	142,790	$ 13,619		100.00 %

Source: City of Monroe Finance Department

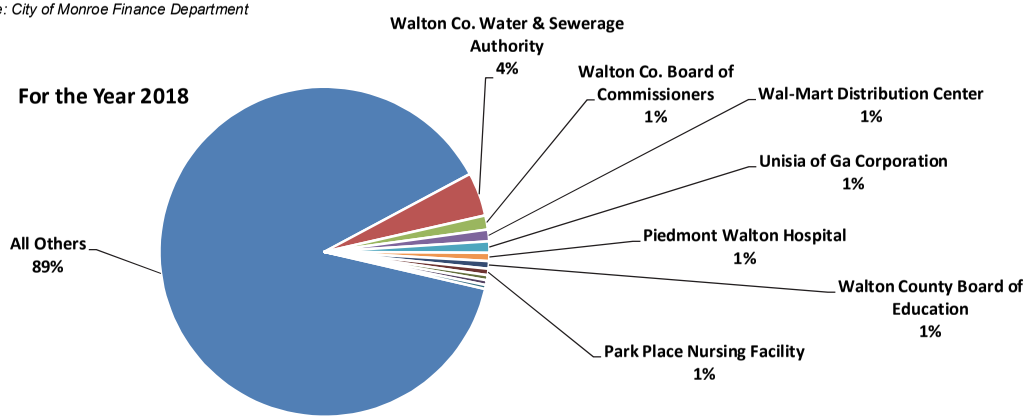


CITY OF MONROE, GEORGIA

TOP TEN WATER CUSTOMERS
CURRENT AND NINE YEARS AGO

	2018				2009			
Customer	Usage in Gallons (thousands)	Annual Revenue (thousands)	Rank	Percentage of Total Revenues	Usage in Gallons (thousands)	Annual Revenue (thousands)	Rank	Percentage of Total Revenues
Walton Co. Water & Sewerage Authority	**54,309**	**$ 201**	**1**	**4.26 %**	480,496	986	1	28.28 %
Walton Co. Board of Commissioners	**8,477**	**66**	**2**	**1.40**	17,278	84	2	2.41
Wal-Mart Distribution Center	**9,581**	**54**	**3**	**1.14**	8,422	33	6	0.95
Unisia of Ga Corporation	**9,023**	**53**	**4**	**1.12**				
Piedmont Walton Hospital	**5,809**	**37**	**5**	**0.78**				
Walton County Board of Education	**3,578**	**36**	**6**	**0.76**	10,307	54	3	1.55
Park Place Nursing Facility	**3,430**	**29**	**7**	**0.61**	2,033	13	7	0.37
Doyle Energy Facility	**2,616**	**24**	**8**	**0.51**				
George Walton Academy	**3,183**	**22**	**9**	**0.47**	2,064	10	10	0.29
Endwell Associates Inc	**3,022**	**17**	**10**	**0.36**				
Walton Regional Medical					18,038	53	4	1.52
Base Manufacturing					9,020	34	5	0.98
Home Depot					3,659	11	8	0.32
Great Oaks					2,554	11	9	0.32
Totals	**103,028**	**539**		**11.41**	553,871	1,289		36.98
All Others	**535,972**	**4,182**		**88.59**	582,147	2,197		63.02
Annual Totals	**639,000**	**4,721**		**100.00 %**	1,147,000	$ 3,486		100.00 %

Source: City of Monroe Finance Department

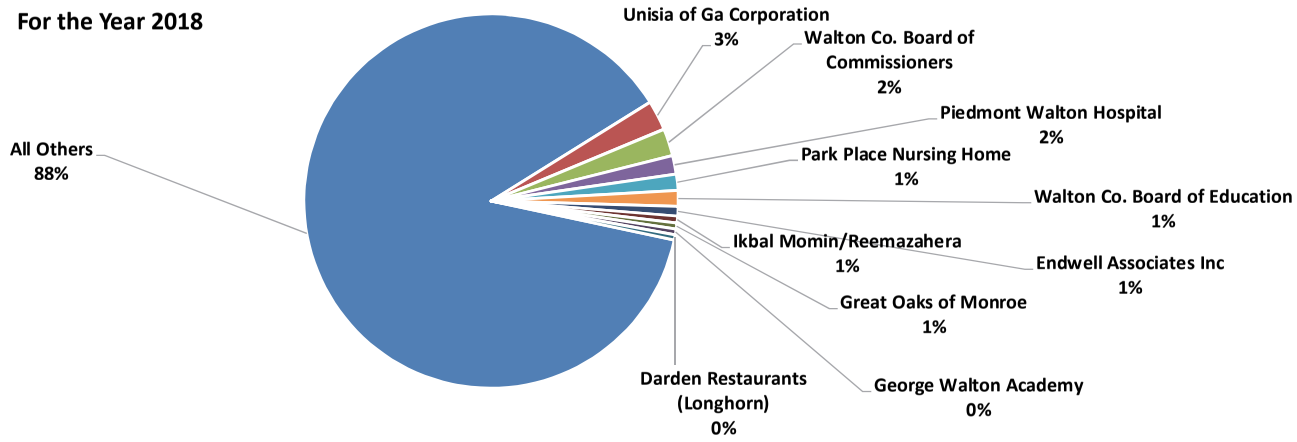


CITY OF MONROE, GEORGIA

TOP TEN SEWER CUSTOMERS
CURRENT AND NINE YEARS AGO

	2018				2009			
Customer	Usage in Gallons (thousands)	Annual Revenue (thousands)	Rank	Percentage of Total Revenues	Usage in Gallons (thousands)	Annual Revenue (thousands)	Rank	Percentage of Total Revenues
Unisia of Ga Corporation	**9,023**	**$ 100**	**1**	**2.59 %**				
Walton Co. Board of Commissioners	**6,885**	**91**	**2**	**2.36**	8,136	$ 74	2	3.50 %
Piedmont Walton Hospital	**5,171**	**62**	**3**	**1.61**				0.00
Park Place Nursing Home	**3,430**	**54**	**4**	**1.40**	2,032	23	5	1.09
Walton Co. Board of Education	**2,720**	**52**	**5**	**1.35**	6,506	69	3	3.26
Endwell Associates Inc	**3,022**	**32**	**6**	**0.83**				
Ikbal Momin/Reemazahera	**2,183**	**23**	**7**	**0.60**				
Great Oaks of Monroe	**1,791**	**20**	**8**	**0.52**	1,677	13	9	0.61
George Walton Academy	**1,194**	**19**	**9**	**0.49**	1,941	18	7	0.85
Darden Restaurants (Longhorn)	**1,555**	**17**	**10**	**0.44**				
Walton Regional Medical					13,925	99	1	4.68
Base Manufacturing					8,206	61	4	2.89
Doyle Energy Facility					1,743	20	6	0.95
Home Depot					1,772	14	8	0.66
Fresenius Medical Care					1,522	12	10	0.57
Totals	**36,974**	**470**		**12.19**	47,460	403		19.06
All Others		**3,386**		**87.81**		1,711		80.94
Annual Totals		**$ 3,856**		**100.00 %**		$ 2,114		100.00 %

Source: City of Monroe Finance Department

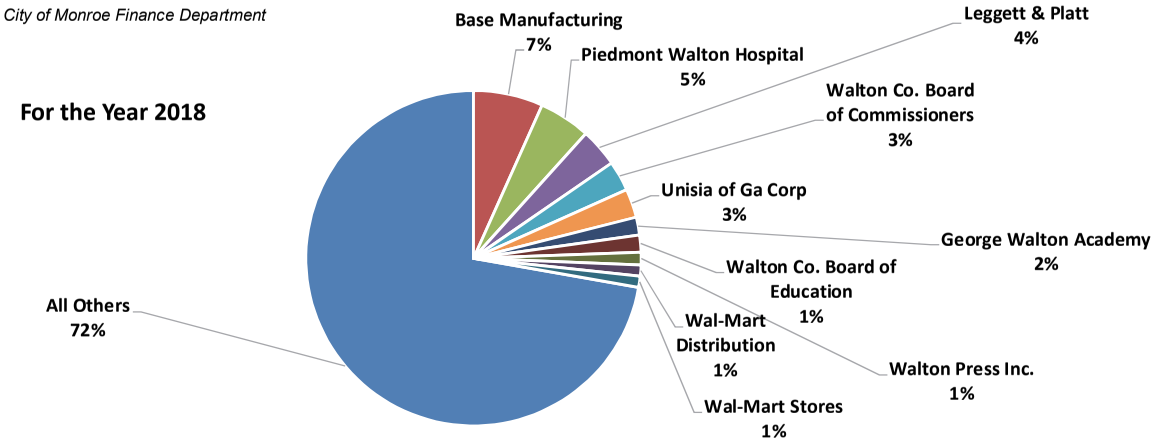


CITY OF MONROE, GEORGIA

TOP TEN GAS CUSTOMERS
CURRENT AND NINE YEARS AGO

	2018				2009			
Customer	Usage in MCF	Annual Revenue (thousands)	Rank	Percentage of Total Revenues	Usage in MCF	Annual Revenue (thousands)	Rank	Percentage of Total Revenues
Base Manufacturing	**22,972**	**210**	**1**	**6.71 %**	18,832	$ 187	2	3.16 %
Piedmont Walton Hospital	**15,657**	**156**	**2**	**4.98**				
Leggett & Platt	**12,563**	**116**	**3**	**3.70**	12,387	159	4	2.68
Walton Co. Board of Commissioners	**8,585**	**91**	**4**	**2.91**	8,554	105	6	1.77
Unisia of Ga Corp	**8,708**	**87**	**5**	**2.78**	3,999	52	9	0.88
George Walton Academy	**5,158**	**54**	**6**	**1.72**	4,052	50	10	0.84
Walton Co. Board of Education	**4,801**	**51**	**7**	**1.63**	6,345	82	7	1.38
Walton Press Inc.	**3,841**	**38**	**8**	**1.21**				
Wal-Mart Distribution	**3,387**	**34**	**9**	**1.09**				
Wal-Mart Stores	**3,172**	**33**	**10**	**1.05**	5,608	69	8	1.16
A Warrior Roofing					19,604	192	1	3.24
Walton Regional Medical					14,214	172	3	2.90
Universal Rundle					10,596	139	5	2.35
Totals	**88,844**	**870**		**27.78**	104,191	1,207		20.36
All Others	**236,257**	**2,261**		**72.22**	248,333	4,716		79.64
Annual Totals	**325,101**	**$ 3,131**		**100.00 %**	364,681	$ 5,923		100.00 %

Source: City of Monroe Finance Department



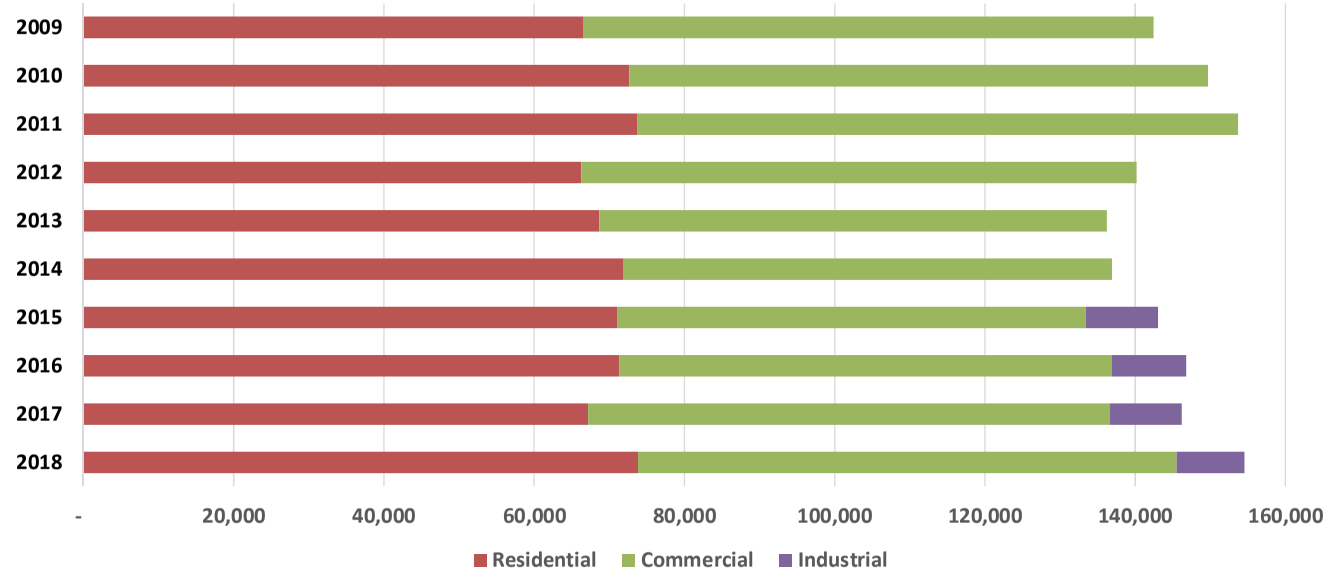
CITY OF MONROE, GEORGIA

ELECTRIC MWH SOLD BY TYPE OF CUSTOMER
LAST TEN YEARS

	Fiscal Year									
Type of Customer	**2018**	2017	2016	2015	2014	2013	2012	2011	2010	2009
Residential	**73,816**	67,191	71,297	71,109	71,914	68,679	66,309	73,685	72,690	66,608
Commercial	**71,693**	69,461	65,589	62,282	64,971	67,529	73,865	80,000	76,979	75,807
Industrial	**9,025**	9,543	9,896	9,651	8,479	8,221	5,589 (1)	-	-	-
Total	**154,534**	146,195	146,782	143,042	145,364	144,429	145,763	153,685	149,669	142,415

(1) Beginning in 2012, the industrial classification was added. Previously this customer was included in commercial.

Source: City of Monroe Finance Department



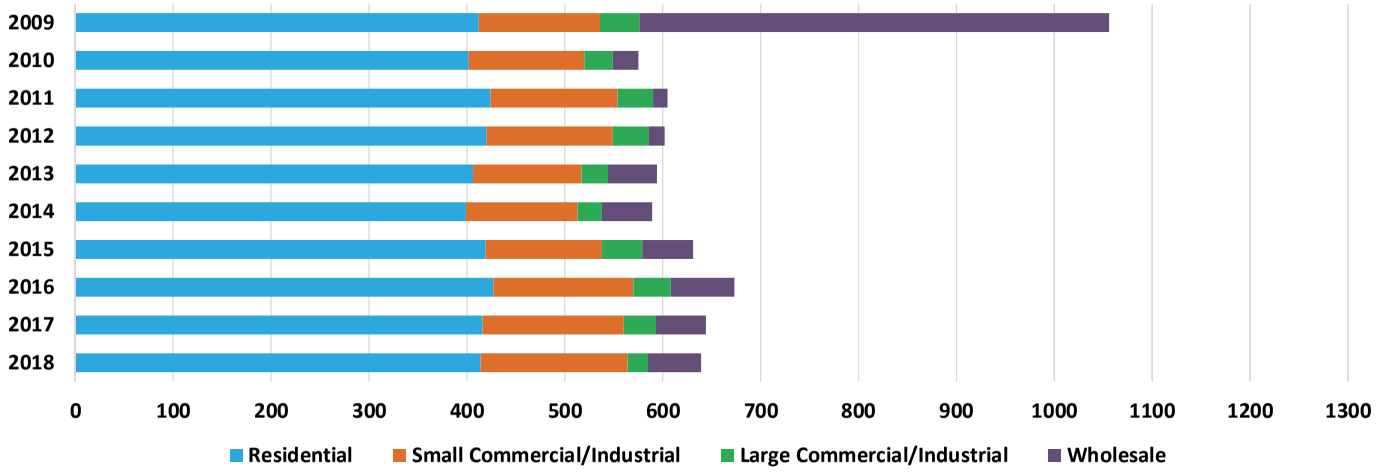
CITY OF MONROE, GEORGIA

WATER GALLONS SOLD BY TYPE OF CUSTOMER
LAST TEN YEARS
(amounts expressed in millions)

	Fiscal Year									
Type of Customer	**2018**	2017	2016	2015	2014	2013	2012	2011	2010	2009
Residential	**414**	416	427	419	399	406	420	424	402	412
Small Commercial (1)	**150**	144	143	119	114	111	129	130	118	124
Large Commercial & Industrial (1)	**21**	33	38	41	25	27	37	36	29	40
Wholesale	**54**	51	65	52	51	50 (1)	16	15	26 (2)	480
Total	**639**	644	673	631	589	594	602	605	575	1,056

(1) Walton County Water & Sewer Authority purchased a greater amount of wholesale during 2013.
(2) Walton County Water & Sewer Authority purchased a small amount of wholesale during 2010.

Source: City of Monroe Finance Department



CITY OF MONROE, GEORGIA

GAS MCF SOLD BY TYPE OF CUSTOMER
LAST TEN YEARS

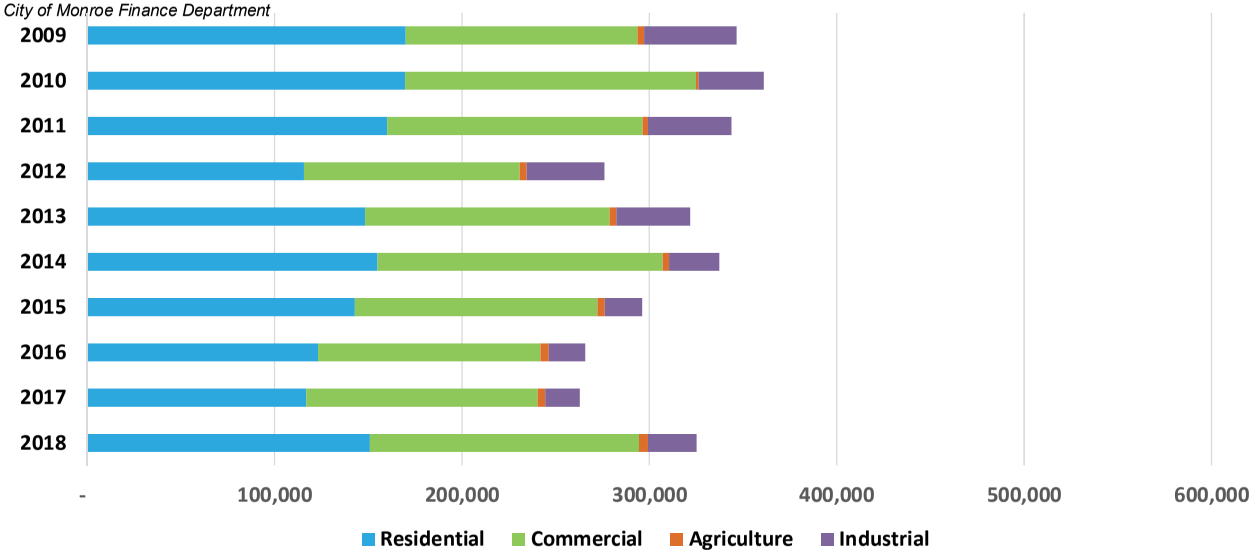
	Fiscal Year									
Type of Customer	**2018**	2017	2016	2015	2014	2013	2012	2011	2010	2009
Residential	**150,822** (1)	116,889	123,276	142,784	154,956	148,391	115,644 (2)	160,106	169,568	169,916
Commercial	**143,580**	123,504	118,610	129,427	152,196	130,356	115,164 (2)	136,208	155,223 (3)	123,767
Agriculture	**4,790**	4,092	4,448	4,046	3,341	3,517	3,782	2,987	1,460	3,487
Industrial	**25,909**	18,428	19,411	19,837	26,870	39,539	41,500 (2)	44,485	34,774 (3)	49,270
Interruptible	-	-	-	-	-	-	-	-	-	-
Total	**325,101**	262,913	265,745	296,094	337,363	321,803	276,090	343,786	361,025	346,440

(1) Increase as a result of colder winter conditions

(2) Decrease as a result of milder weather conditions

(3) Large customer switched from Industrial Rate to Commercial Rate

Source: City of Monroe Finance Department



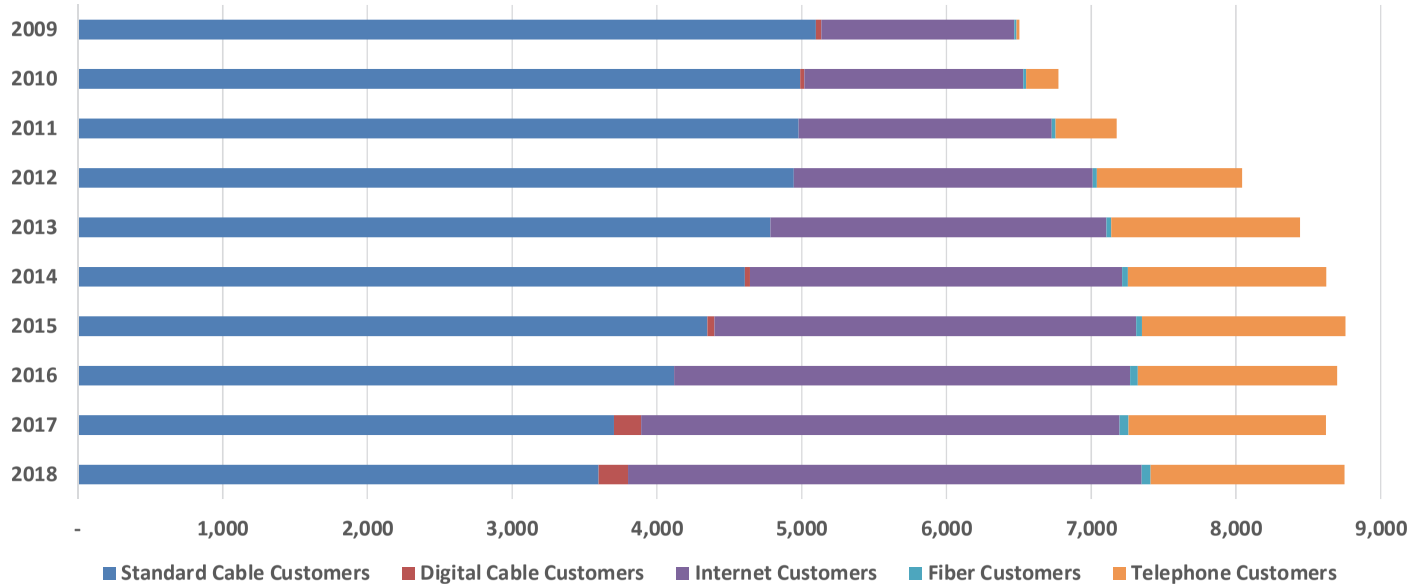
CITY OF MONROE, GEORGIA

TELECOMMUNICATION SALES
LAST TEN YEARS

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Standard Cable Customers	**3,598**	3,703	4,119	4,348	4,607	4,784	4,944	4,978	4,989	5,098
Digital Cable Customers	**202**	188 (2)	-	49	36	-	-	-	29	38
Internet Customers	**3,547**	3,303 (3)	3,149	2,912	2,570	2,321	2,066	1,749	1,511	1,332
Fiber Customers	**62**	62	54	41	39	33	29	25	20	15
Telephone Customers	**1,340**	1,365	1,375	1,405	1,371	1,304	1,003	424	224	20 (1)
Annual Sales (in thousands)	**$ 5,511**	$ 5,276	$ 5,138	$ 4,911	$ 4,839	$ 4,628	$ 4,065	$ 3,800	$ 3,463	$ 3,252

(1) Telephone service started in 2009 with 2010 the first full year for new customers.
(2) Digital service started again in 2017
(3) Wireless Internet service started in 2017

Source: City of Monroe Finance Department



CITY OF MONROE, GEORGIA

RESIDENTIAL UTILITY RATES
LAST TEN YEARS

	Electric				Gas			Water		Sewer	
Fiscal Year	Monthly Base Rate	First 700 KWH or less	Over 700 KWH (Summer)	Over 700 KWH (Winter)	Monthly Base Rate	Rate per CCF (Summer)	Rate per CCF (Winter)	Monthly Base Rate	Rate per 1,000 Gallons	Monthly Base Rate	Rate per 1,000 Gallons
2009	$ 9.00	$ 0.0685	$ 0.0950	$ 0.0560	$ 10.00	$ 0.375	$ 0.375	$ 12.00	$ 1.95 (3)	$ 12.00	$ 3.58
2010	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	14.00 (5)	1.95 (3)	14.00 (5)	3.58
2011	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	14.00	1.95 (3)	14.00	3.58
2012	10.00 (4)	0.0900 (4)	0.1280 (4)	0.0780 (4)	10.00	0.375	0.375	14.00	1.95 (3)	14.00	3.58
2013	10.00	0.0900	0.1280	0.0780	10.00	0.375	0.375	14.00	1.95 (3)	14.00	3.58
2014	10.00	0.0900	0.1280	0.0780	12.00 (1)	0.375	0.375	15.00 (1)	2.07 (2)	15.00 (1)	3.58
2015	10.00	0.0900	0.1280	0.0780	12.00	0.375	0.375	15.00	2.07	15.00	3.58
2016	10.00	0.0900	0.1280	0.0780	12.00	0.375	0.375	15.00	2.07	15.00	3.58
2017	10.00	0.0900	0.1280	0.0780	12.00	0.375	0.375	15.00	2.07	15.00	3.58
2018	**10.00**	**0.0900**	**0.1280**	**0.0780**	**12.00**	**0.375**	**0.375**	**15.00**	**2.07**	**15.00**	**3.58**

Note: Rates are plus fuel adjustment and applicable sales tax

(1) Base rate increased on 1/1/2014

(2) Rates based on 0 - 2,000 gallons, residential in-city and do not include out-of-city or commercial rates. Rates increased 01/01/2014

(3) Rates based on 0 - 3,000 gallons, residential in-city and do not include out-of-city or commercial rates.

(4) Base rate and consumption rates increased on 01/01/2012

(5) Base rate increased on 01/01/2010

CITY OF MONROE, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	Governmental Activities			Business-type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Notes Payable	Capital Leases	Utility Revenue Bonds	Notes Payable	Capital Leases			
2009	$ 6,140,000	$ -	$ -	$ 25,275,000	$ 1,027,574	$ -	$ 32,442,574	7.63 %	$ 2,397
2010	5,785,000	-	-	23,785,000	987,931	-	30,557,931	7.15	2,309
2011	5,375,000	-	-	22,332,100	2,340,221	-	30,047,321	6.56	2,251
2012	5,008,878	-	-	21,020,428	2,354,430	-	28,383,736	5.93	2,126
2013	4,460,633	-	772,385	19,278,131	2,431,888	-	26,943,037	5.59	2,018
2014	3,853,240	-	518,861	17,545,917	3,707,085	-	25,625,103	5.27	1,903
2015	3,189,021	-	261,791	15,863,975	3,998,323	-	23,313,110	5.21	1,706
2016	2,513,000	-	-	16,770,000	1,643,516	-	20,926,516	4.48	1,532
2017	1,703,000	1,500,000	245,900	14,810,000	1,537,127	-	19,796,027	4.07	1,469
2018	**868,000**	**1,425,000**	**452,899**	**13,010,000**	**1,430,205**	**-**	**17,186,104**	**3.28**	**1,275**

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

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

CITY OF MONROE, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2009	$ 6,140,000	$ 402	$ 6,139,598	0.61 %	$ 454
2010	5,785,000	661	5,784,339	0.60	437
2011	5,375,000	396	5,374,604	0.60	403
2012	5,008,878	293	5,008,585	0.59	375
2013	4,460,633	116	4,460,517	0.57	334
2014	3,853,240	116	3,853,124	0.45	286
2015	3,189,021	116	3,188,905	0.37	233
2016	2,513,000	116	2,512,884	0.27	184
2017	1,703,000	115	1,702,885	0.17	126
2018	**868,000**	**115**	**867,885**	**0.08**	**64**

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for Property Value Data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

CITY OF MONROE, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

Governmental Unit	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City of Monroe (1)	Amount Applicable to City of Monroe
Debt repaid with property taxes:			
Walton County	-	13.43%	-
Walton County Board of Education	$ 40,915,000	14.46%	$ 5,916,309
Overlapping debt	40,915,000		5,916,309
Direct:			
City of Monroe	2,745,899	100.00%	2,745,899
Total direct and overlapping debt	$ 43,660,899		$ 8,662,208

Source: Assessed value data used to estimate applicable percentages provided by the Walton County Tax Assessors and the Georgia Department of Revenue Property Tax Division. Debt outstanding data obtained from Walton County's financial statements.

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

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

CITY OF MONROE, GEORGIA

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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Debt Limit	**$ 44,120**	$ 42,793	$ 38,807	$ 35,571	$ 35,340	$ 32,139	$ 34,503	$ 36,295	$ 39,195	$ 39,194
Total Net Debt Applicable to Limit	**868**	3,203	2,513	4,288	4,286	4,461	4,905	5,375	5,785	5,785
Legal Debt Margin	**$ 43,252**	$ 39,590	$ 36,294	$ 31,283	$ 31,054	$ 27,678	$ 29,598	$ 30,920	$ 33,410	$ 33,409
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	**1.97%**	7.48%	6.48%	12.05%	12.13%	13.88%	14.22%	14.81%	14.76%	14.76%

Assessed Value	**$ 418,569**	$ 396,240
Add Back: Exempt Real Property	**22,627**	31,689
Total Assessed Value	**441,196**	427,929
Debt Limit (10% of Total Assessed Value)	**44,120**	42,793
Debt Applicable to Limit:		
General Obligation Debt	**868**	1,703
Less: Amount Set Aside for Repayment of General Obligation Debt	**-**	(93)
Total Net Debt Applicable to Limit	**868**	1,610
Legal Debt Margin	**$ 43,252**	$ 41,183

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

CITY OF MONROE, GEORGIA

COMBINED UTILITY REVENUE BOND COVERAGE
LAST TEN YEARS
(amounts expressed in thousands)

Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Bond Coverage Ratio
				Principal	Interest	Total	
2009	$ 30,602	$ 24,254	$ 6,348	$ 1,435	$ 1,170	$ 2,605	2.44
2010	30,473	24,614	5,859	1,490	1,117	2,607	2.25
2011	31,538	25,584	5,954	1,592	1,025	2,617	2.28
2012	31,500	26,756	4,744	1,660	910	2,570	1.85
2013	33,233	26,264	6,969	1,701	873	2,574	2.71
2014	35,357	27,342	8,015	1,691	837	2,528	3.17
2015	35,974	26,544	9,430	1,635	797	2,432	3.88
2016	37,661	27,216	10,445	1,715	721	2,436	4.29
2017	37,996	29,268	8,728	1,960	359	2,319	3.76
2018	**42,150**	**33,018**	**9,132**	**1,800**	**319**	**2,119**	**4.31**

(1) Total revenues include interest, but not tap fees.

(2) Operating expenses do not include depreciation.

(3) Represents principal and interest for revenue bonds only.

CITY OF MONROE, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Fiscal Year	Population (1)	Personal Income* (in thousands)	Per Capita Personal Income (2)*	Median Age (1)	Housing Units (1)	Unemployment Rate (3)*	Wage & Salary Employment # of Jobs (2)*
2009	13,534	$ 425,306	$ 31,425	32	4,637	10.3 %	24,047
2010	13,234	427,392	32,295	33	6,006	10.2	23,660
2011	13,349	458,338	34,335	33	6,250	9.9	24,286
2012	13,349	478,962	35,880	33	6,250	8.3	23,750
2013	13,349	482,339	36,133	33	6,212	7.5	24,443
2014	13,466	486,567	36,133	35	6,131	6.5	24,443
2015	13,664	447,728	32,767	36	6,446	5.3	25,178
2016	13,664	467,623	34,223	35	6,512	4.8	22,335
2017	13,478	485,801	36,044	32	5,379	3.8	33,151
2018	**13,484**	**524,137**	**38,871**	**36**	**9,611**	**3.3**	**36,430**

(1) Source: U.S. Census Bureau - all numbers are estimates from the Census Bureau except for 2010.

(2) Source: Bureau of Economic Analysis

(3) Source: BLS/Georgia Stats UGA

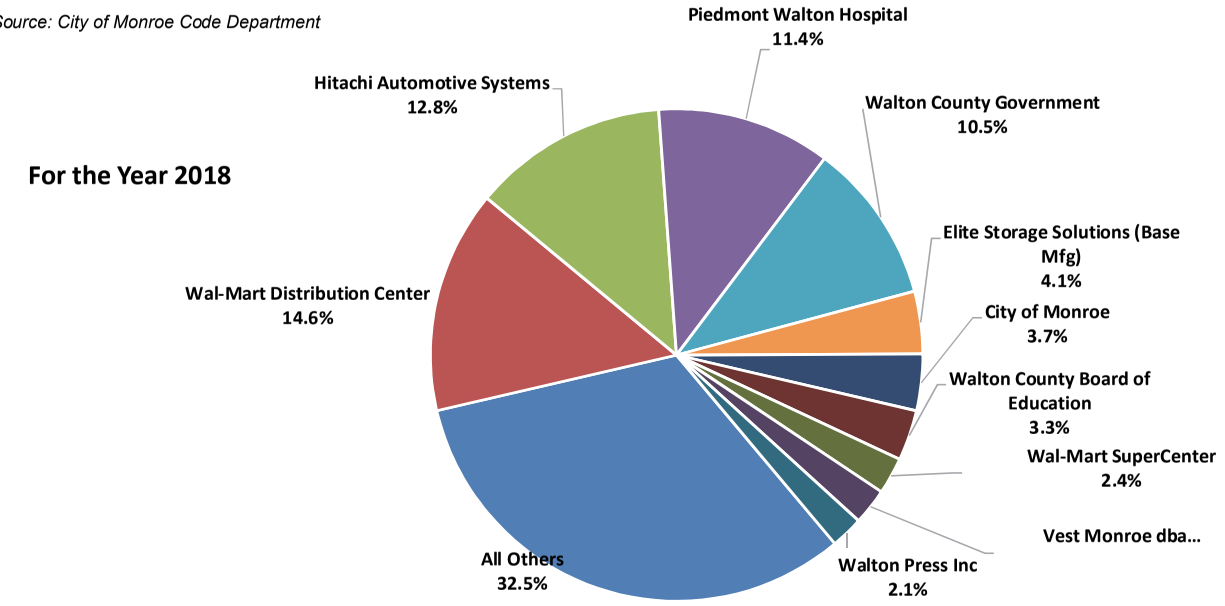
* Data only available at the County level

CITY OF MONROE, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2018 Employees	2018 Rank	2018 Percentage of Total City Employment	2009 Employees	2009 Rank	2009 Percentage of Total City Employment
Wal-Mart Distribution Center	**907**	**1**	**14.6 %**	886	1	%
Hitachi Automotive Systems	**796**	**2**	**12.8**			8.5
Piedmont Walton Hospital	**709**	**3**	**11.4**			4.5
Walton County Government	**654**	**4**	**10.5**	725	2	15.5
Elite Storage Solutions (Base Mfg)	**255**	**5**	**4.1**	139	9	3.7
City of Monroe	**230**	**6**	**3.7**	224	7	1.8
Walton County Board of Education	**205**	**7**	**3.3**	456	3	3.9
Wal-Mart SuperCenter	**150**	**8**	**2.4**	259	6	
Vest Monroe dba Ridgeview Institute	**148**	**9**	**2.4**			10.3
Walton Press Inc	**132**	**10**	**2.1**	137	10	1.9
State of Georgia				392	4	1.8
Monroe HMA				289	5	
Angel Food Ministries				212	8	2.7
Totals	**4,186**		**67.5 %**	3,719		54.6 %

Source: City of Monroe Code Department

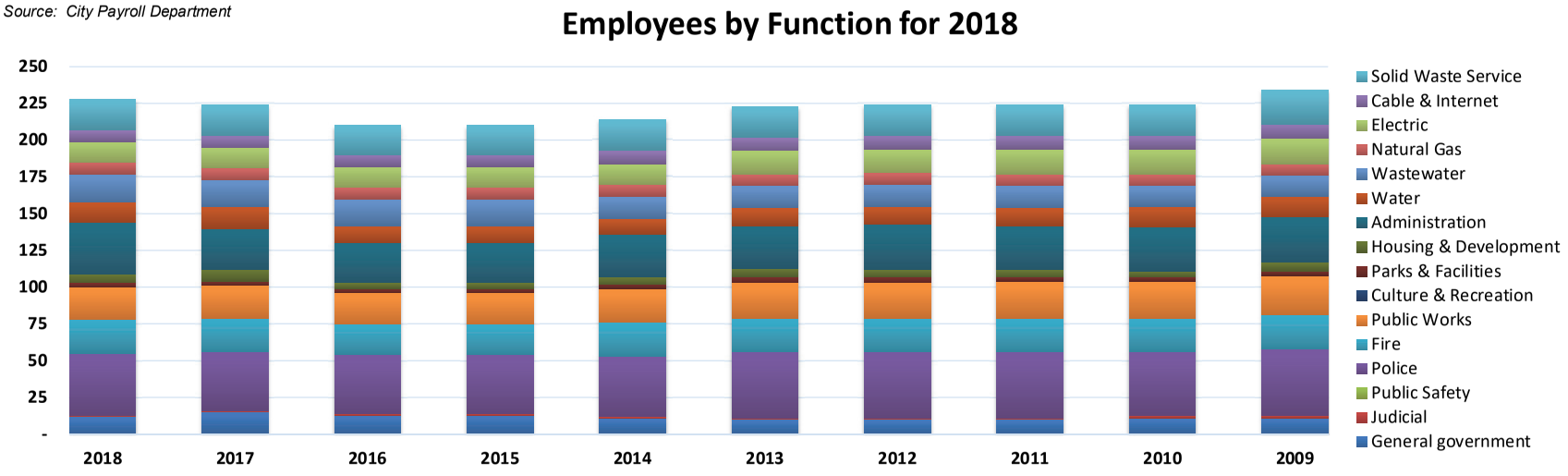


CITY OF MONROE, GEORGIA

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

	Fiscal Year									
Function	**2018**	2017	2016	2015	2014	2013	2012	2011	2010	2009
General government	**13**	12	15	13	13	11	10	10	10	11
Judicial	**1**	1	1	1	1	1	1	1	1	2
Public Safety										
Police	**46**	42	40	40	40	41	45	45	45	43
Fire	**29**	23	23	21	21	23	23	23	23	23
Public Works	**17**	22	22	21	21	23	24	24	25	25
Culture & Recreation										
Parks & Facilities	**1**	3	3	3	3	3	4	4	3	3
Housing & Development	**5**	6	8	4	4	5	6	5	5	4
Utilities										
Administration	**39**	35	28	27	27	29	29	31	30	30
Water	**14**	14	15	12	12	11	12	12	12	14
Wastewater	**16**	19	18	18	18	15	15	15	15	14
Natural Gas	**7**	8	8	8	8	8	8	8	8	8
Electric	**13**	14	14	14	14	14	16	16	17	17
Cable & Internet	**8**	8	8	8	8	9	9	9	9	9
Solid Waste Service	**21**	21	21	20	20	21	21	21	21	21
Totals	**230**	228	224	210	210	214	223	224	224	224

Source: City Payroll Department



CITY OF MONROE, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
Function	**2018**	2017	2016	2015	2014	2013	2012	2011	2010	2009
Police										
Number of dispatches	**40,569**	38,403	38,353	47,513	45,624	46,763	42,509	45,298	50,769	54,165
Number of traffic citations issued	**6,269**	3,478	2,087	3,624	4,510	3,738	2,715	4,189	4,330	3,843
Fire										
Number of fire/EMS dispatches	**2,721**	2,596	2,531	2,223	2,063	2,045	2,030	1,736	1,436	1,361
Highways & Streets										
Street resurfacing (lane miles)	**2.36**	2.52	1.64	2.12	2.18	2.28	2.30	2.30	2.82	8.84
Housing & Development										
Value of new building construction (000's)	$ **24,577**	$ 12,638	$ 43,219 (1)	$ 7,110	$ 13,797 (2)	$ 36,969	$ 5,000	$ 2,535	$ 2,582	$ 7,766
Number of permits issued	**174**	149	98	76	149 (3)	53	12	31	26	24
Utilities										
Cable & Internet										
Number of customers standard cable	**3,598**	3,703	4,119	4,348	4,607	4,784	4,945	4,978	4,989	5,098
Number of customers digital cable	**202**	188	-	49	36	-	-	-	29	38
Number of Internet customers	**3,639**	3,303	3,149	2,912	2,609	2,354	2,094	1,774	1,531	1,264
Number of phone customers	**1,343**	1,365	1,375	1,405	1,371	1,304	1,003	424 (5)	224 (5)	20 (5)
Electric										
Number of customers	**6,290**	6,286	6,252	6,191	6,154	6,117	6,059	5,978	5,933	5,848
Average daily consumption (KWh)	**446,257**	400,533	416,643	405,877	398,256	382,002	385,935	406,702	395,562	390,152
Natural gas										
Number of customers	**3,760**	3,756	3,716	3,692	3,700	3,708	2,732	3,720 (6)	3,760 (6)	4,094
Average daily consumption (MCF)	**891**	720	747	831	924	881	756	941	989	949
Wastewater										
Number of customers	**6,937**	6,863	6,834	6,804	6,757	6,762	6,644	6,550	6,459	6,434
Average daily sewage treatment (MGD)	**1.850**	1.770	1.700	1.700	1.600	1.540	1.314	1.413	1.571	1.510
Water										
Number of customers	**9,239**	9,136	9,059	8,986	8,941	8,876	8,783	8,665	8,560	8,312
Average daily consumption (000's)	**1,752**	1,763	1,842	1,731	1,615	1,628	1,652	1,658	1,566	2,893
Solid Waste Service										
Refuse collected (tons)	**13,004**	11,993	10,181	11,604	11,032	10,858	10,302	10,394	11,173	11,738
Recyclables collected (tons)	**1,681**	1,852	1,463	1,562	1,545 (4)	167	168	265	188	243
Number of residential customers	**5,542**	5,530	5,378	5,361	5,381	5,348	5,211	5,129	5,120	5,168
Number of commercial customers	**653**	622	650	625	655	682	665	609	604	583
Number of transfer station customers	**14**	15	15	15	16	16	14	19	20	23

Source: Various City Departments

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

(1) Increase in permit valuation due to increased project square footage and types of projects performed

(2) Decrease in permit valuation due to permits purchased in 2013 for Hitachi expansion

(3) Increase in permits issued due to physican's building at the hospital and increase in construction

(4) Increase in number of tons due to reporting all recovered materials in 2014, prior years was only curbside recycling

(5) Phone service started in 2009 with first full year in 2010

(6) Decrease in number of customers due to sale of Oconee County gas system to Atlanta Gas Light in 2009

CITY OF MONROE, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
Function	**2018**	2017	2016	2015	2014	2013	2012	2011	2010	2009
Administration										
Vehicles	**12**	12	12							
Code										
Vehicles	**3**	5	5							
Fire										
Stations	**1**	1	1	1	1	1	1	1	1	1
Vehicles	**5**	8	8							
Police										
Stations	**1**	1	1	1	1	1	1	1	1	1
Vehicles	**54**	43	52	44	46	45	40	40	40	40
Streets & Transportation										
Streets (miles)	**81**	81	80	80	80 (1)	75	75	75	75	75
Streetlights	**1124**	1,136	1,136	1,136	1,136	1,136	1,136	1,134	1,134	1,134
Traffic Signals	**3**	3	3	3	3	3	3	3	3	3
Vehicles	**16**	28	28							
Utilities										
Cable										
Cable (miles)	**273**	270	267	267	267	267	267	267	267	267
Vehicles	**6**	10	10							
Electric										
Lines (miles)	**188**	186	185	185	185	185	185	185	185	185
Substations	**3**	3	3	3	3	3	3	3	3	3
Vehicles	**23**	21	21							
Natural Gas										
Mains (miles)	**114**	114	114	114	114	114	114	113	107	107 (3)
Vehicles	**8**	8	8							
Stormwater										
Vehicles	**1**	2	2							
Telecom										
Vehicles	**1**	1	1							
Wastewater										
Sanitary sewer (miles)	**140**	140	140	140	140 (2)	154	154	154	153	153
Maximum daily treatment capacity (MGD)	**3.4**	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Vehicles	**16**	16	16							
Water										
Mains (miles)	**218**	218	218	218	215 (2)	241	241	241	240	240
Maximum daily treatment capacity (MGD)	**10**	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Treated water storage capacity (MG)	**1.5**	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Reservoir (raw) storage capacity (MG)	**795**	795.0	795.0	795.0	795.0	795.0	795.0	795.0	795.0	795.0
Vehicles	**8**	11	11							

CITY OF MONROE, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
Function	**2018**	2017	2016	2015	2014	2013	2012	2011	2010	2009
Solid Waste Service										
Collection trucks	**8**	11	11	11	11	11	11	11	11	9
Recycling trucks	**1**	1	1	2	1	1	1	1	1	1
Transfer stations	**1**	1	1	1	1	1	1	1	1	1
Yard Trimmings trucks	**3**	3	3							
Administration vehicles	**2**	2	2							
GUTA-Georgia Utility Training Academy										
Vehicles	**1**	1	1							

Source: Various City Departments

Note: Capital asset indicators are not available for the general government and housing and development functions.

(1) Increase in miles of streets due to streets dedicated to the City

(2) Decrease in mile of mains due to corrected data from GIS in 2014

(3) Decrease in mile of mains due to sale of Oconee County Gas System to Atlanta Gas Light