



City of Elberton, Georgia

Comprehensive Annual Financial Report

For the fiscal year ended
June 30, 2018

Prepared by:

Department of Finance

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Part I

Introductory Section



CITY OF ELBERTON, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2018

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Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Elberton
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

CITY OF ELBERTON, GEORGIA

CITY OFFICIALS

June 30, 2018

MAYOR

Larry L. Guest

CITY COUNCIL

Troy Colquitt, Mayor Pro Tempore

Carey Butler

Bobby G. Hunt

Kyle Parham

Rick Prince

CITY MANAGER

Lanier W. Dunn, CPA

CITY ATTORNEY

John Stephen Jenkins, Sr.

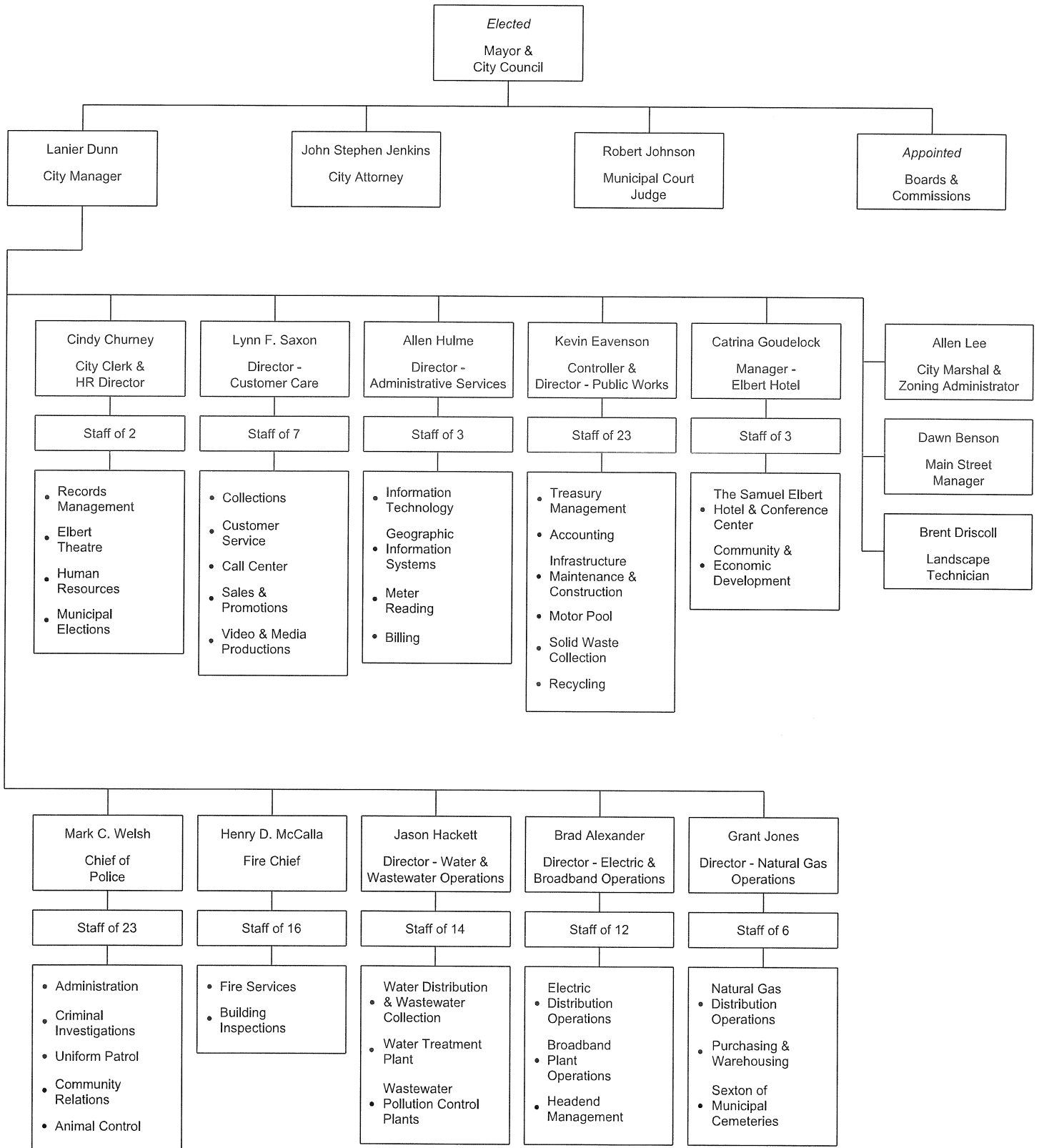
MUNICIPAL COURT JUDGE

Robert A. Johnson

City of Elberton, Ga.

Organizational Chart

as of June 30, 2018





CITY OF ELBERTON

P. O. Box 70

230 N. McIntosh Street

ELBERTON, GA 30635

Phone: 706-213-3100

Fax: 706-213-3125

November 2, 2018

The Honorable Larry L. Guest, Mayor
Members of the City Council, and
Citizens of the City of Elberton

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of the City of Elberton, Georgia, for the fiscal year ended June 30, 2018, is submitted for review as mandated by both local ordinance and state statutes. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

To provide a reasonable basis for making these representations concerning the finances of the City, the City of Elberton 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 Elberton's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

In the Financial Section immediately after the independent auditor's report is a management's discussion and analysis which provides a narrative introduction, overview, and analysis of the basic financial statements. Management's discussion and analysis begins on page 4. The Elberton Code of Ordinances and the Official Code of Georgia, annotated, require an annual audit of the books of account, financial records and transactions of all funds and activities of the City by independent certified public accountants selected by the Mayor and Council. This requirement has been met, and the independent auditor's report has been included in the Financial Section of this report.

This report has been prepared with the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA), in accordance with generally accepted accounting principles and current financial reporting standards as set forth by the Governmental Accounting Standards Board (GASB).

PROFILE OF THE GOVERNMENT

The City of Elberton is located in the northeast part of the State of Georgia, within the boundaries of Elbert County. According to the 2010 U.S. Census, Elberton has a population of 4,653 while Elbert County has 20,166. Elberton is approximately 35 miles east of Athens, Georgia, and about 100 miles east of Atlanta. Elberton was chartered by the State of Georgia in 1803. The governing authority of the City is composed of a Mayor and five Council Members, who appoint a Manager to administer the daily operations of the City.

The City of Elberton provides a full range of governmental and utility services. These include general government administration, police and fire protection, sanitation and recycling services, animal control, streets and public works, cemetery services, parks and recreation, planning and zoning, and a municipal court system. Elberton Utilities, a department of the City of Elberton, provides electric, natural gas, water and wastewater services to customers in the City as well as a large portion of Elbert County. ElbertonNET Technology Services, a department of the City, provides telecommunications, cable television, and Internet, and voice-over-IP phone services to customers in the City and parts of Elbert County.

The annual budget serves as the foundation for the City of Elberton's financial planning and control. All agencies of the City of Elberton are required to submit requests for appropriation to the City Manager in April of each year. The City Manager uses these requests as a starting point for developing a proposed budget. The City Manager then presents this proposed budget to the council for review during the month of May. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30, the close of the City of Elberton's fiscal year. The appropriated budget is prepared by fund, function, and department. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

This report includes all the funds of the City of Elberton. Following standards established by the Governmental Accounting Standards Board and others, the City of Elberton has reviewed the relationship between itself and other local agencies to determine the amount of control or dependency on the City. The procedures to determine the amount of control or dependency have been outlined in the notes in the Financial Section. As stated in the notes to the basic financial statements, the City of Elberton Housing Authority has not been included in the City's financial statements. The City has included the Downtown Development Authority in this financial report as a discretely presented component unit because that legally separate entity has a high level of financial dependency from the City, and the authority board members are appointed by the Mayor and Council of the City.

ECONOMIC CONDITION AND OUTLOOK

The City's economy continues to be based on the granite industry, which began operation in 1898. In 1951 the Elberton Granite Association, Inc., was formed to encourage cooperation between quarries and manufacturers. A total of 120 separate firms and quarries are operating businesses in granite production or its allied services in Elbert County. Approximately 1,800 persons are employed in the granite industry, with an annual payroll of \$57 million. Statistics indicate that Georgia's stone industry, centered in the Elberton granite district, continues to lead

the nation in total production. The financial well-being of Elberton is heavily dependent on a stable granite industry.

The City's purchase of and continuing investment in the Elberton Industrial Park underscores the City's commitment to economic growth in the area. Elberton Utilities and ElbertonNET will continue to work closely with local industry to provide needed infrastructure for expansion at local plants. Elberton's Industrial Park is home to the nationally famous "Bubba Burger." "Bubba Burgers," made in Elberton, are shipped all over the eastern seaboard and Midwestern U.S.

The Downtown Development Authority has operated the Main Street Elberton organization for over twenty years. The City employs a full time director to manage the Main Street program and to work with businesses in the historic downtown area to plan and promote events that attract commerce to the downtown area. Main Street also recruits small businesses to occupy vacant commercial spaces in the area. Annually, Main Street Elberton is recognized as an "Accredited National Main Street Program" by the National Trust for Historic Preservation.

MAJOR EVENTS OR INITIATIVES

The City continued to provide daily services to 5,000 citizens in the City as well as over 6,100 utility accounts in the City and Elbert County. The impact the City has on this community is evident on a daily basis in the majority of homes, businesses, and organizations in the area. Following are highlights of major projects or events in fiscal year 2018.

The City of Elberton began receiving proceeds from the 2017 special purpose local option sales tax in fiscal year 2018. This special sales tax, approved by Elbert County voters, was budgeted to fund \$3.4 million of capital projects over the next six years in the City of Elberton. The proceeds from the 2017 special purpose local option sales tax (SPLOST) are scheduled to conclude in June, 2023. Several capital projects during fiscal year 2018 were funded by the 2017 sales tax. Included in these projects were purchases of vehicles and equipment for the police and fire departments. The sales tax funded several small street resurfacing projects. Additionally, the sales tax funded the purchase of a hydro excavator for the sewer division and funded replacement of water valves at the water filter plant. The City also began renovation of the second floor apartments in the W.O. Jones building, which will be funded through the SPLOST proceeds.

The divisions of Elberton Utilities concluded several projects in fiscal year 2018 that are part of long term renewal plans. The electric division continues working on a system protection and coordination project to increase the safety, longevity and reliability of the city's electric grid. During fiscal year 2018, the electric division completed the reconductoring of electric distribution lines from the substation. The natural gas division completed the natural gas bare steel main replacement project in 2018 to rid the system of all the original bare steel lines installed in the 1950s to meet current safety and operating standards. Additionally, the natural gas division extended new gas service mains to several poultry farms within the county.

ElbertonNET continues to explore expansion possibilities within the rural areas of Elbert County. Additionally, the digital TV conversion upgrade for ElbertonNET was completed in 2018.

AWARDS AND ACKNOWLEDGEMENTS

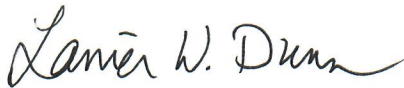
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Elberton for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017, for the fifteenth consecutive year. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for review.

We would like to thank the Mayor and the members of the City Council for their interest and support in this report on the financial condition of the City. The Mayor and Council should also be acknowledged for their valuable contributions in the planning and conducting of the financial affairs of the City in a responsible and progressive manner.

Respectfully submitted,



Lanier W. Dunn, CPA
City Manager



Kevin Eavenson
Controller

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Part II

Financial Section



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Independent Auditor's Report

Honorable Mayor and
Members of the City Council
City of Elberton, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Elberton, Georgia, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Elberton, Georgia, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison of the General Fund for the year then ended in conformity 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 and the required supplementary information on pages 4 through 13 and 69 through 74, respectively 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 Elberton, Georgia's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, the statistical section, and the schedule of projects financed with special purpose local option sales tax are presented for purposes of additional analysis and are not a required part of the financial statements.

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

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

We also have previously audited, in accordance with auditing standards generally accepted in the United States, the City of Elberton, Georgia's basic financial statements for the year ended June 30, 2017, which are not presented with the accompanying financial statements. In our report dated November 2, 2017, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Elberton, Georgia's basic financial statements as a whole. The individual fund financial statements and schedules related to the 2017 basic financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund financial statements and schedules related to the 2017 basic financial statements are the responsibility of management and were derived from and are related directly to the underlying accounting and other records used to prepare the 2017 basic financial statements. The 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2018, on our consideration of the City of Elberton, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Elberton, Georgia's internal control over financial reporting and compliance.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
November 2, 2018

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CITY OF ELBERTON

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ELBERTON, GA 30635

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Management of the City of Elberton is pleased to provide this narrative discussion and analysis of the City's financial activities for the fiscal year ended June 30, 2018. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

- The assets of the City of Elberton exceeded its liabilities at the close of the fiscal year by \$43.8 million (reported as "*net position*"). Of this amount, \$13.2 million (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$2,424,302 as a result of this year's activities.
- The City's governmental funds report combined ending fund balances of \$1,682,100. Approximately 53.8% of this amount, \$905,229, is available for spending at the City's discretion (*unassigned fund balance*), within the purposes of the funds.
- The City's proprietary funds report net position of \$37.4 million at the end of the fiscal year, an increase of \$2,189,936 as a result of the current year's operations.
- The City's liabilities totaled \$15.6 million on June 30, 2018. Most of these liabilities (80% or \$12.5 million) consist of revenue bonds, notes payable, capital leases, or interest on those obligations to finance improvements or extensions of the City's business-type activities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Elberton's basic financial statements. The City of Elberton'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* include the *statement of net position* and the *statement of activities*. One of the most important questions asked about the City's finances is "Is the City as a whole better off or worse off as a result of the year's activities?" The *statement of net position* and the *statement of activities* report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. The City's *net position*, which is the difference between assets, what the citizens own, and liabilities, what the citizens owe, is one way to measure the City's *financial 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. Other non-financial factors, however, such as changes in the City's property tax base and the condition of the City's capital assets (roads, buildings, and utility systems) must be considered to assess the *overall health* of the City.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements divide the City into two kinds of activities:

- **Governmental activities:** most of the City's basic services are reported here, including police, fire, infrastructure maintenance, parks and recreation, cemetery, and general administration. Taxes, grants, and interfund transfers from the utility system finance most of these activities.
- **Business-type activities:** the City charges a fee to customers to cover all or most of the cost of certain services it provides. The City's utility and solid waste services are reported here.

The government-wide financial statements can be found on pages 14-16 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required to be established by state law. The City of Elberton uses three categories of funds: governmental funds, proprietary funds, and a fiduciary fund.

In fund financial statements, information is presented in separate columns for each of the major funds. Data from non-major funds are combined into a single, aggregated column for presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

Governmental funds. Most of the City's basic *governmental activities* reported in the government-wide statements are accounted for in *governmental funds*, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. The relationship (or differences) between *governmental activities* (reported in the *statement of net position* and the *statement of activities*) and *governmental funds* is described in a reconciliation following the fund financial statements. The City uses five governmental funds, of which the general fund is considered a major fund, whose basic financial statements can be found on pages 17-22 of this report.

Proprietary funds. When the City charges customers for the full or partial cost of the services it provides whether to outside customers or to other units of the City, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the *statement of net position* and the *statement of activities* using the accrual basis of accounting. *Enterprise funds* are a type of proprietary fund used to account for functions reported as *business-type activities* in the government-wide statements. The City uses five enterprise funds to account for separate business-type activities and are reported in the basic proprietary fund financial statements on pages 23-27 of this report.

Fiduciary fund. The City is a trustee, or fiduciary, for the municipal court agency fund. The City's fiduciary activity is reported in a separate Statement of Fiduciary Assets and Liabilities on page 28. This activity is excluded from the City's other financial statements because the City cannot use these assets to finance its operations.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-68 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including combining financial statements for non-major funds referred to earlier. Individual fund statements and schedules are presented following the required supplementary information. These statements and schedules contain much more detailed financial information about individual services or divisions of the City.

This report includes two schedules (pages 18 and 20) that reconcile the amounts reported on the governmental fund financial statements (modified accrual basis of accounting) with the governmental activities reported on the government-wide financial statements (accrual basis of accounting). The following summarizes the impact of transitioning from modified accrual to accrual accounting:

- Capital assets used in governmental activities on the government-wide statements are not reported on the fund financial statements.
- Unless due and payable, long-term liabilities appear only in the government-wide statements.
- Capital outlay spending results in capital assets on the government-wide statements but is reported as expenditures on the governmental fund financial statements.
- Some expenses reported in the government-wide statements represent increases in liabilities on the government-wide statements but are not reported as expenditures in governmental funds because they do not require the use of current financial resources.

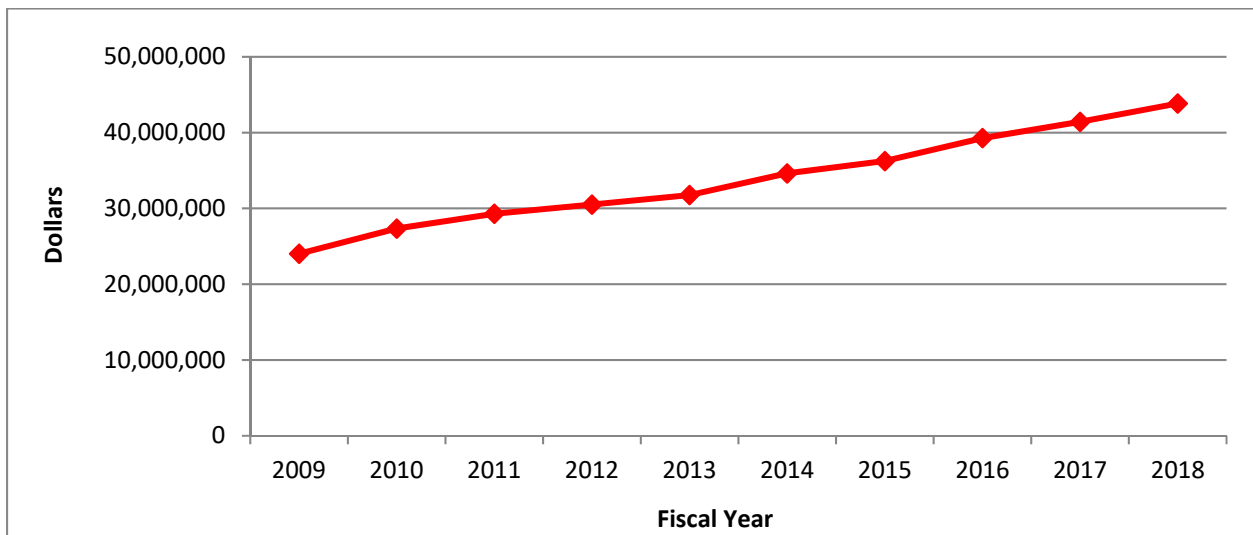
GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Elberton, assets exceeded liabilities by \$43,847,042 at the close of the most recent fiscal year.

City of Elberton
 Net Position as of June 30, 2018 and 2017
 (in Thousands)

	Governmental		Business-type		Total	
	Activities		Activities			
	2018	2017	2018	2017	2018	2017
Current and Other Assets	\$ 2,810	\$ 2,481	\$ 18,634	\$ 17,084	\$ 21,444	\$ 19,565
Net Capital Assets	4,628	4,791	34,144	34,895	38,772	39,686
Total Assets	7,438	7,272	52,778	51,979	60,216	59,251
Deferred outflows of resources	383	546	378	482	761	1,028
Long-term Liabilities	275	555	10,965	12,461	11,240	13,016
Other Liabilities	307	366	4,012	4,166	4,319	4,532
Total Liabilities	582	921	14,977	16,627	15,559	17,548
Deferred inflows of resources	797	689	773	619	1,570	1,308
Net investment in capital assets	4,628	4,457	21,725	21,118	26,353	25,575
Restricted Net Position	608	956	3,711	3,480	4,319	4,436
Unrestricted Net Position	1,206	794	11,969	10,617	13,175	11,411
Total Net Position	\$ 6,442	\$ 6,207	\$ 37,405	\$ 35,215	\$ 43,847	\$ 41,422

Total Net Position – Ten Fiscal Years



The largest portion of the City’s net position (60%) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position totaling \$4,319,465 is constrained by legal requirements and is not available for day-to-day operations of the City. The remaining balance of *unrestricted net position* (\$13,174,637) may be used to meet the City’s ongoing obligations to citizens and creditors. The

fiscal year. The portion of unrestricted net position resulting from the City's governmental activities was \$1,205,925 at the close of the fiscal year.

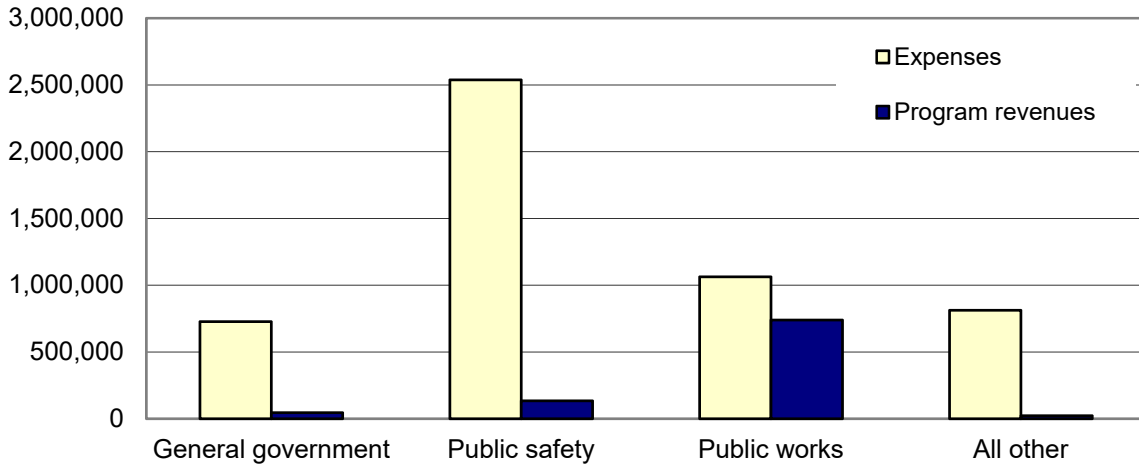
The City's net position increased by \$2,424,302 during the current fiscal year. Governmental activities resulted in an increase in net position of \$234,366 while business-type activities resulted in an increase of net position of \$2,189,936. The following table was derived from the government-wide Statement of Activities and reflects how the City's net position changed during the fiscal year.

City of Elberton
Changes in Net Position for the Fiscal Years ended June 30, 2018 and 2017
(in Thousands)

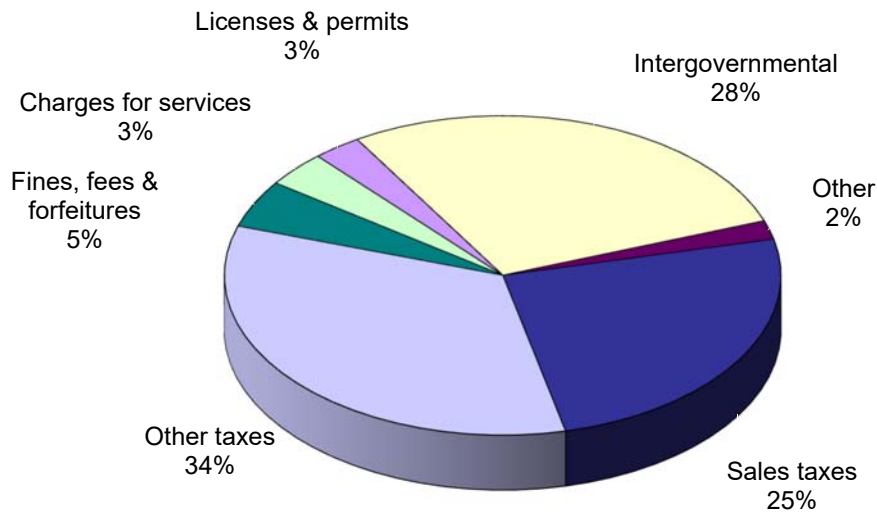
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program Revenues:						
Charges for Services	\$ 269	\$ 271	\$ 28,688	\$ 27,486	\$ 28,957	\$ 27,757
Operating Grants and Contributions	0	0	430	702	\$ 430	702
Capital Grants and Contributions	673	656	0	81	673	737
General Revenues:						
Taxes	1,400	1,318	0	0	1,400	1,318
Interest and Investment Earnings	6	3	287	207	293	210
Net change in the value of investments	0	0	(112)	(132)	(112)	(132)
Miscellaneous	40	69	14	23	54	92
Total Revenues	2,388	2,317	29,307	28,367	31,695	30,684
Expenses:						
General Government	727	733	0	0	727	733
Judicial	73	73	0	0	73	73
Public Safety	2,538	2,490	0	0	2,538	2,490
Public Works	1,063	964	0	0	1,063	964
Health and Welfare	65	62	0	0	65	62
Culture and Recreation	268	262	0	0	268	262
Housing and Development	402	288	0	0	402	288
Interest on long-term debt	4	8	0	0	4	8
Combined Public Utilities	0	0	17,956	18,375	17,956	18,375
ElbertonNET Technology Services	0	0	4,301	3,742	4,301	3,742
Solid Waste	0	0	864	884	864	884
Elbert Theatre	0	0	78	81	78	81
Elbert Hotel	0	0	931	584	931	584
Total Expenses	5,140	4,880	24,130	23,666	29,270	28,546
Indirect Cost Allocation	(625)	(619)	625	619	0	0
Increase (Dec) in Net Position Before Transfers	(2,127)	(1,944)	4,552	4,082	2,425	2,138
Transfers	2,362	2,463	(2,362)	(2,463)	0	0
Change in Net Position	235	519	2,190	1,619	2,425	2,138
Net Position - July 1	6,207	5,688	35,215	33,596	41,422	39,284
Net Position - June 30	\$ 6,442	\$ 6,207	\$ 37,405	\$ 35,215	\$ 43,847	\$ 41,422

Governmental Activities. Governmental activities increased the net position of the City by \$234,366. Revenues for the City’s governmental activities increased by 3% (\$70,539) over fiscal year 2017. Expenses for governmental activities increased by 5% (\$260,251) during fiscal year 2018.

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities

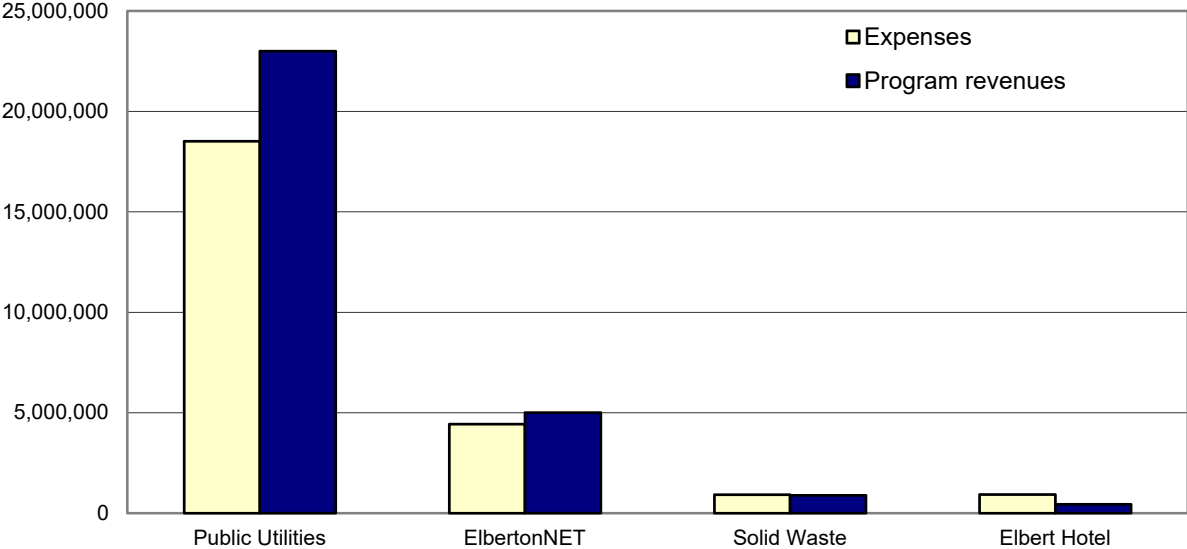


Business-type activities. Business-type activities increased the City’s net position by \$2,189,936. Key elements of this increase are as follows:

- Sales for business-type activities were \$28.7 million, which was an increase of \$1,201,802 from the prior fiscal year sales.
- Sales in the combined public utility fund for electric, water, sewer, and natural gas services increased by \$423,569 or 2% from last fiscal year. Electric sales decreased 0.5%, natural gas sales increased by 16%, and water/sewer sales decreased by 2%.

- Income in the combined public utility fund before transfers to the general fund was \$4.5 million, or 15% higher than last year’s income of \$3.9 million.
- The ElbertonNET technology services enterprise fund experienced sales of \$5,003,088, an increase of 10% over the prior year sales of \$4,540,110.
- Sales for the Solid Waste operations totaled \$885,530 a decrease of \$26,829, or 3% under the prior fiscal year.
- Sales in the Elbert Hotel fund totaled \$441,680 which accounts for the first full year of operations.

Expenses and Program Revenues – Business-type Activities



FINANCIAL ANALYSIS OF THE GOVERNMENT’S INDIVIDUAL FUNDS

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

Governmental funds. The City uses governmental funds 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 spending at the end of the fiscal year. The City of Elberton uses five governmental funds: the general fund, the 2011 special purpose local option sales tax (SPLOST) capital projects fund, the 2017 SPLOST capital projects fund, the hotel/motel tax special revenue fund, and the revolving loan special revenue fund.

At the end of the current fiscal year, the City’s general fund reported an ending fund balance of \$1,073,034, an increase of \$11,690 or 1% in comparison with the prior year. Approximately 84% of this amount (\$905,229) constitutes *unassigned fund balance*, which is available for spending at the City’s discretion. The remainder of fund balance is either (a) *nonspendable* to indicate that these amounts cannot be spent because they are either not in a spendable form such as inventory and prepaid insurance, (b) are legally or contractually *restricted* for a particular purpose such as special purpose sales tax proceeds, or (c) are *assigned* for a particular purpose or project by management.

As a measure of the general fund’s liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 19% of total general fund expenditures for the current fiscal year.

As in previous fiscal years, the City of Elberton levied no property tax to finance current operations. Therefore, the City’s general fund relied heavily on transfers from the proprietary funds (or business-type activities) to finance the governmental activities of the City such as public safety and public works. The transfer from the combined public utility enterprise fund was \$2,520,000 which is \$15,000 more than the transfer in fiscal year 2017.

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

The change in net position in the proprietary funds is depicted in the following table. Factors concerning the performance of the proprietary funds have already been addressed in the discussion of the City of Elberton’s business-type activities.

	Combined Public Utility System	ElbertonNET Tech Services	All Other Proprietary	Total
Operating Revenues	\$ 22,283,589	\$ 5,003,088	\$ 1,415,184	\$ 28,701,861
Operating Expenses	18,222,867	4,431,819	1,694,477	24,349,163
Operating income (loss)	4,060,722	571,269	(279,293)	4,352,698
Non-operating income (loss)	428,949	0	(230,106)	198,843
Transfers in (out)	(2,857,605)	0	496,000	(2,361,605)
Change in net position	1,632,066	571,269	(13,399)	2,189,936
Net Position, July 1	32,842,521	2,135,405	237,439	35,215,365
Net Position, June 30	\$ 34,474,587	\$ 2,706,674	\$ 224,040	\$ 37,405,301

GENERAL FUND BUDGETARY HIGHLIGHTS

There was one budget amendment approved during the fiscal year to account for revenues and expenditures that were not planned in the original budget. Total appropriations did not increase for the fiscal year. However, the amendment was to account for a one-time transfer of \$40,000 from the general fund to the solid waste fund in the fiscal year that was not originally budgeted.

General fund revenues ended the year at 0.1%, or \$2,445, below budget. Additionally, expenditures in the general fund were \$19,918, or 0.4%, under budget for the fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City of Elberton’s investment in capital assets for its governmental and business-type activities as of June 30, 2018, totals \$38,771,911 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, and distribution systems for electricity, natural gas, water, sewer, and

broadband services. This total also includes \$377,692 in intangible assets, primarily for the City's raw water storage rights at Lake Richard B. Russell. More detailed information about the city's capital assets is presented in the notes to the basic financial statements.

During the fiscal year, the City invested \$1,439,608 in new capital assets. Investment for business-type activities totaled \$1,223,827 while \$215,781 was for governmental activities. Major capital asset events during the current fiscal year included the following:

Governmental Activities – \$215,781 total

- \$24,767 for the purchase of 17 North Public Square for a pedestrian walkway
- \$1,000 for the acquisition of a lot on Burke Street
- \$178,372 for the purchase of five vehicles for the police department
- \$11,642 to begin rehabilitation of a section of storm sewer on North McIntosh Street

Business-type Activities – \$1,223,827 total

- \$83,880 to purchase vehicles and equipment for the water department
- \$79,895 to replace valves at the water treatment plant
- \$62,253 to continue work to reconductor and rehabilitate two electric circuits out of substation #1
- \$165,612 for new vehicles for the electric department
- \$438,107 to fund the mandated replacement of natural gas bare steel mains
- \$57,629 to construct new gas service mains to several poultry farms
- \$76,071 to purchase remote monitoring devices for the natural gas system
- \$35,431 to purchase vehicles and equipment for the gas department
- \$92,870 to extend 4-inch natural gas mains in northern Elbert County
- \$43,846 for the digital TV conversion upgrade for ElbertonNET
- \$57,323 to rebuild the passive tap system for ElbertonNET
- \$30,910 for the installation of a new HVAC system at the Elbert Theatre

Additional information on the City's capital assets can be found in Note 8 on pages 49-50 of this report.

Debt Administration. At the end of the current fiscal year, the City had total bonded debt outstanding of \$3,560,000. This entire amount was for the Series 2011 Combined Public Utility System Revenue Bonds secured solely by the specified revenue sources of the water and sewer, electric, and natural gas systems. There was no outstanding general obligation debt backed by the full faith and credit of the City.

In addition to revenue bonds, the City has entered into several capital lease-purchase agreements to replace aged natural gas lines and to purchase vehicles. The balance of these leases at June 30, 2018 was \$1,342,813.

The City has two outstanding notes payable with the Georgia Environmental Facilities Authority for water system improvements and for sewer plants improvements. The balance of these notes at June 30, 2018 was \$2,917,981.

The City has entered into an intergovernmental agreement with the Elberton Downtown Development Authority (DDA) to finance renovations and improvements at the Samuel Elbert Hotel. A Revenue Note was issued by the DDA for this purpose, and due to the contractual obligation of the City to make these note payments, the note payable is recognized by the City in

its Elbert Hotel Enterprise Fund. The balance of this note payable at June 30, 2018 was \$4,594,720.

Other long-term obligations of the City include accrued vacation pay and contractual liability for the Elberton-Elbert County landfill post-closure care. More detailed information about the City's long-term liabilities is presented in the notes to the basic financial statements.

Additional information on the City's long-term debt can be found in Note 10 on pages 52-56 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The local economy remained stable in fiscal year 2018 with increased activity along Elbert Street and in the downtown business district. Sales taxes for fiscal year 2018 increased approximately 9% over fiscal year 2017. The local unemployment rate decreased to 5.3% in 2018 from 6.2% in 2017.

During 2018 the City's utility system did not experience any losses of its top customers, and no new large customers were added. Several projects are in process to add extensions to the natural gas system to serve poultry farms. The businesses located in the Elberton Industrial Park and several large granite companies continue to provide stable employment and are vital utility customers of the City.

The overall City budget for fiscal year 2019 increased by 1% over fiscal year 2018. The rates and fees schedule for the general fund and utility services were reviewed in preparation for the 2019 budget. As a result, adjustments were made to the fees schedule in the general fund to account for parking violations. This was the only fee adjustment to the general fund. Additionally, rate structure changes were adopted for the City's sewer service, natural gas service, and residential solid waste service. All other rates for City utilities and services will remain unchanged.

Other than the rate changes outlined above and certain capital grant revenues and expenditures, the overall policy of next year's budget will remain the same as this year. Property taxes will not be levied, and the general fund will operate on transfers from business-type operations.

REQUESTS FOR INFORMATION

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the City Manager, Post Office Box 70, 203 Elbert Street, Elberton, Georgia 30635-0070.

BASIC FINANCIAL STATEMENTS

CITY OF ELBERTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2018

	Primary Government			Component Unit Downtown Development Authority
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash	\$ 755,929	\$ 644,756	\$ 1,400,685	\$ 61,225
Certificates of deposit	0	40,000	40,000	0
Investments	0	9,486,810	9,486,810	0
Restricted assets				
Cash	25	480,463	480,488	0
Investments	0	4,045,839	4,045,839	0
Receivables (net)				
Accounts	3,448	2,672,653	2,676,101	0
Taxes	80,694	0	80,694	0
Intergovernmental	101,572	0	101,572	0
Interest	0	84	84	0
Notes	112,898	0	112,898	0
Prepaid items	141,337	2,038	143,375	0
Inventories	26,443	648,530	674,973	0
Internal balances	316,528	(316,528)	0	0
Other current assets	0	17,413	17,413	0
Total current assets	<u>1,538,874</u>	<u>17,722,058</u>	<u>19,260,932</u>	<u>61,225</u>
Noncurrent assets				
Notes receivable	326,352	0	326,352	0
Net pension asset	945,283	911,688	1,856,971	0
Capital assets				
Non-depreciable	834,914	1,229,940	2,064,854	167,495
Depreciable (net)	<u>3,792,619</u>	<u>32,914,438</u>	<u>36,707,057</u>	<u>403,940</u>
Total noncurrent assets	<u>5,899,168</u>	<u>35,056,066</u>	<u>40,955,234</u>	<u>571,435</u>
Total assets	<u>7,438,042</u>	<u>52,778,124</u>	<u>60,216,166</u>	<u>632,660</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension experience differences	253,838	254,306	508,144	0
Pension contributions subsequent to measurement date	<u>129,060</u>	<u>123,885</u>	<u>252,945</u>	<u>0</u>
Total deferred outflows of resources	<u>382,898</u>	<u>378,191</u>	<u>761,089</u>	<u>0</u>
LIABILITIES				
Current liabilities				
Payables				
Accounts	47,221	1,323,658	1,370,879	0
Intergovernmental	0	34,396	34,396	0
Retainages	0	3,457	3,457	0
Sales tax	0	65,706	65,706	0
Interest	0	9,084	9,084	0
Accrued salaries and expenses	122,655	92,333	214,988	0
Compensated absences	123,658	116,334	239,992	0
Customer deposits payable	0	14,029	14,029	1,950
Other current liabilities	13,250	38,062	51,312	0
Notes payable	0	368,711	368,711	85,071
Capital lease payable	0	276,501	276,501	0
Liabilities payable from restricted assets				
Customer deposits payable	0	763,252	763,252	0
Interest payable	0	51,868	51,868	0
Bonds payable	<u>0</u>	<u>855,000</u>	<u>855,000</u>	<u>0</u>
Total current liabilities	<u>306,784</u>	<u>4,012,391</u>	<u>4,319,175</u>	<u>87,021</u>

CITY OF ELBERTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2018

	Primary Government			Component Unit Downtown Development Authority
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities				
Compensated absences	\$ 52,997	\$ 49,858	\$ 102,855	\$ 0
Contractual liability	222,328	0	222,328	0
Notes payable	0	7,143,990	7,143,990	437,192
Capital lease payable	0	1,066,312	1,066,312	0
Bonds payable	0	2,705,000	2,705,000	0
Total noncurrent liabilities	275,325	10,965,160	11,240,485	437,192
Total liabilities	582,109	14,977,551	15,559,660	524,213
DEFERRED INFLOWS OF RESOURCES				
Pension experience differences	106,073	94,513	200,586	0
Pension assumption changes	142,476	126,753	269,229	0
Pension investment return differences	548,541	552,197	1,100,738	0
Total deferred inflows of resources	797,090	773,463	1,570,553	0
NET POSITION				
Net investment in capital assets	4,627,533	21,725,407	26,352,940	49,172
Restricted for:				
MEAG Generation Trust	0	3,282,587	3,282,587	0
Public Safety	25	0	25	0
Housing and Development	493,784	0	493,784	0
Capital projects	114,474	0	114,474	0
Debt service	0	428,595	428,595	0
Unrestricted	1,205,925	11,968,712	13,174,637	59,275
Total net position	\$ 6,441,741	\$ 37,405,301	\$ 43,847,042	\$ 108,447

CITY OF ELBERTON, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2018

FUNCTIONS/PROGRAMS	Expenses	Indirect Costs	Program Revenues			Net (Expense) Revenue
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government						
Governmental activities						
General Government	\$ 727,427	\$ (499,545)	\$ 45,703	\$ 0	\$ 0	\$ (182,179)
Judicial	73,485	0	0	0	0	(73,485)
Public Safety	2,537,656	0	133,963	385	0	(2,403,308)
Public Works	1,062,867	(125,828)	66,180	117	673,384	(197,358)
Health and Welfare	65,100	0	0	0	0	(65,100)
Culture and Recreation	267,559	0	0	0	0	(267,559)
Housing and Development	402,360	0	23,186	0	0	(379,174)
Interest on long-term debt	4,132	0	0	0	0	(4,132)
Total governmental activities	<u>5,140,586</u>	<u>(625,373)</u>	<u>269,032</u>	<u>502</u>	<u>673,384</u>	<u>(3,572,295)</u>
Business-type activities						
Combined Public Utilities						
Electric	12,921,059	223,583	15,178,416	430,194	0	2,463,968
Water and Sewer	2,864,143	109,291	3,179,301	0	0	205,867
Natural Gas	2,170,830	109,569	3,912,137	0	0	1,631,738
ElbertonNET Technology						
Services	4,300,746	131,073	5,003,088	0	0	571,269
Solid Waste	863,501	51,857	885,530	0	0	(29,828)
Elbert Theatre	78,076	0	87,974	0	0	9,898
Elbert Hotel	931,150	0	441,680	0	0	(489,470)
Total business-type activities	<u>24,129,505</u>	<u>625,373</u>	<u>28,688,126</u>	<u>430,194</u>	<u>0</u>	<u>4,363,442</u>
Total primary government	<u>29,270,091</u>	<u>0</u>	<u>28,957,158</u>	<u>430,696</u>	<u>673,384</u>	<u>791,147</u>
Component Unit						
Downtown Development Authority						
	57,004	0	54,083	2,390	0	(531)
			Governmental Activities	Business-Type Activities	Total	Component Unit
Change in net position			<u>\$ (3,572,295)</u>	<u>\$ 4,363,442</u>	<u>\$ 791,147</u>	<u>\$ (531)</u>
General revenues						
Taxes						
Title ad valorem			69,636	0	69,636	0
Sales			597,251	0	597,251	0
Franchise			92,799	0	92,799	0
Occupational			131,521	0	131,521	0
Insurance premium			304,258	0	304,258	0
Alcoholic beverage			122,954	0	122,954	0
Hotel/Motel			76,622	0	76,622	0
Other			4,436	0	4,436	0
Interest and investment earnings			5,930	286,650	292,580	10
Net increase (decrease) in the fair value of investments			0	(112,286)	(112,286)	0
Payments from City of Elberton			0	0	0	131,645
Gain (loss) on sale of assets			11,009	0	11,009	0
Miscellaneous			28,640	13,735	42,375	0
Transfers			2,361,605	(2,361,605)	0	0
Total general revenues and transfers			<u>3,806,661</u>	<u>(2,173,506)</u>	<u>1,633,155</u>	<u>131,655</u>
Change in net position			234,366	2,189,936	2,424,302	131,124
Net position - beginning			<u>6,207,375</u>	<u>35,215,365</u>	<u>41,422,740</u>	<u>(22,677)</u>
Net position - ending			<u>\$ 6,441,741</u>	<u>\$ 37,405,301</u>	<u>\$ 43,847,042</u>	<u>\$ 108,447</u>

See accompanying notes to the financial statements.

CITY OF ELBERTON, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2018

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
ASSETS			
Cash	\$ 612,223	\$ 143,706	\$ 755,929
Restricted assets			
Cash	25	0	25
Receivables (net)			
Accounts	3,448	0	3,448
Taxes	74,162	6,532	80,694
Intergovernmental	0	101,572	101,572
Notes	84,000	355,250	439,250
Prepaid items	141,337	0	141,337
Inventories	26,443	0	26,443
Due from other funds	354,214	8,060	362,274
	<u>354,214</u>	<u>8,060</u>	<u>362,274</u>
Total assets	<u>\$ 1,295,852</u>	<u>\$ 615,120</u>	<u>\$ 1,910,972</u>
LIABILITIES			
Accounts payable	\$ 46,913	\$ 308	\$ 47,221
Accrued salaries and payroll liabilities	122,655	0	122,655
Due to other funds	40,000	5,746	45,746
Other liabilities	13,250	0	13,250
	<u>13,250</u>	<u>0</u>	<u>13,250</u>
Total liabilities	<u>222,818</u>	<u>6,054</u>	<u>228,872</u>
FUND BALANCES			
Nonspendable:			
Inventory	26,443	0	26,443
Prepaid items	141,337	0	141,337
Restricted for:			
Public Safety	25	0	25
Housing and Development	0	493,784	493,784
Capital projects	0	114,474	114,474
Assigned for Housing and Development	0	808	808
Unassigned	905,229	0	905,229
	<u>905,229</u>	<u>0</u>	<u>905,229</u>
Total fund balances	<u>1,073,034</u>	<u>609,066</u>	<u>1,682,100</u>
Total liabilities and fund balances	<u>\$ 1,295,852</u>	<u>\$ 615,120</u>	<u>\$ 1,910,972</u>

CITY OF ELBERTON, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2018

Total fund balance - total governmental funds		\$ 1,682,100
Some assets are not financial resources and, therefore, are not reported in the funds.		
These are:		
Capital assets, net of accumulated depreciation		4,627,533
Net pension asset		945,283
Long-term liabilities are not due and payable in the current period and are not reported in the funds.		
These are:		
Compensated absences	\$ (176,655)	
Contractual liability	<u>(222,328)</u>	(398,983)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. These are:		
Deferred outflows of resources:		
Pension contributions subsequent to measurement date	129,060	
Pension experience differences	253,838	
Deferred inflows of resources:		
Pension experience differences	(106,073)	
Pension assumption changes	(142,476)	
Pension investment return differences	<u>(548,541)</u>	<u>(414,192)</u>
Net position of governmental activities		<u>\$ 6,441,741</u>

CITY OF ELBERTON, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2018

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
REVENUES			
Taxes	\$ 1,322,856	\$ 76,622	\$ 1,399,478
Licenses and permits	67,261	0	67,261
Fines, fees and forfeitures	115,047	0	115,047
Charges for services	711,197	0	711,197
Intergovernmental	0	673,338	673,338
Interest	5,930	162	6,092
Contributions	1,285	0	1,285
Other	28,640	0	28,640
Total revenues	<u>2,252,216</u>	<u>750,122</u>	<u>3,002,338</u>
EXPENDITURES			
Current			
General Government	763,729	0	763,729
Judicial	78,402	0	78,402
Public Safety	2,571,983	0	2,571,983
Public Works	814,101	0	814,101
Health and Welfare	65,100	0	65,100
Culture and Recreation	170,165	0	170,165
Housing and Development	305,558	38,311	343,869
Capital outlay	0	511,204	511,204
Debt service	0	338,228	338,228
Total expenditures	<u>4,769,038</u>	<u>887,743</u>	<u>5,656,781</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,516,822)</u>	<u>(137,621)</u>	<u>(2,654,443)</u>
Other financing sources (uses)			
Transfers in	2,557,503	0	2,557,503
Transfers out	(40,000)	(155,898)	(195,898)
Sale of capital assets	11,009	0	11,009
Total other financing sources (uses)	<u>2,528,512</u>	<u>(155,898)</u>	<u>2,372,614</u>
Net change in fund balance	11,690	(293,519)	(281,829)
Fund balances, July 1	<u>1,061,344</u>	<u>902,585</u>	<u>1,963,929</u>
Fund balances, June 30	<u>\$ 1,073,034</u>	<u>\$ 609,066</u>	<u>\$ 1,682,100</u>

CITY OF ELBERTON, GEORGIA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2018

Net change in fund balances - total governmental funds \$ (281,829)

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

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.

Capital outlays	\$	215,784	
Depreciation		<u>(379,012)</u>	(163,228)

Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

Pension contributions	\$	169,135	
Cost of benefits earned net of employee contributions		<u>175,509</u>	344,644

The proceeds of debt issuance provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term

Debt repayments	334,096
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Payments of contractual liabilities are an expenditure in the governmental funds, but the payments reduce long-term liabilities in the statements of net position.

Payment of contractual liabilities	8,725
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Some expenses reported in the statements of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.

Change in compensated absences	<u>(8,042)</u>
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Change in net position of governmental activities	<u><u>\$ 234,366</u></u>
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CITY OF ELBERTON, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2018

	Budget		Actual	Variance with
	Original	Final		Final Budget
REVENUES				
Taxes	\$ 1,322,000	\$ 1,322,000	\$ 1,322,856	\$ 856
Licenses and permits	60,500	60,500	67,261	6,761
Fines, fees and forfeitures	125,100	125,100	115,047	(10,053)
Charges for services	732,461	732,461	711,197	(21,264)
Interest	2,500	2,500	5,930	3,430
Contributions	0	0	1,285	1,285
Other	12,100	12,100	28,640	16,540
Total revenues	2,254,661	2,254,661	2,252,216	(2,445)
EXPENDITURES				
Current				
General Government				
Mayor and Council	159,080	169,580	169,492	88
City Manager's Office	153,950	153,950	152,468	1,482
Finance	211,021	211,021	210,915	106
Human Resources	59,784	64,084	64,022	62
City Clerk	100,306	102,106	102,099	7
Elections	1,100	1,500	1,477	23
City Attorney	20,000	29,000	28,331	669
City Hall Maintenance	41,334	36,334	34,925	1,409
Judicial				
Municipal Court	78,005	78,405	78,402	3
Public Safety				
Police - Administration	359,146	366,346	366,295	51
Police - Uniform Division	969,847	989,847	989,492	355
Police - Criminal Investigations	155,497	148,497	148,328	169
Police - Community Relations	61,557	66,207	66,193	14
Police - Detention	26,500	21,500	21,362	138
Fire	955,507	917,507	915,291	2,216
Animal Control	61,433	65,033	65,022	11
Public Works				
Administrative	114,060	104,060	102,351	1,709
Infrastructure Maintenance	401,544	350,244	349,651	593
Parks and Rights-of-Way	57,700	60,150	60,122	28
Motor Pool	167,770	167,770	163,246	4,524
Street Lighting	29,000	14,550	12,863	1,687
Cemetery	124,776	125,876	125,868	8
Health and Welfare				
Agency allocations	65,100	65,100	65,100	0
Culture and Recreation				
Elbert Theatre	95,334	96,684	96,665	19
Agency allocations	73,500	73,500	73,500	0
Housing and Development				
Zoning/Special Projects	70,760	70,760	69,921	839
Code Enforcement	143,700	116,700	113,008	3,692
Economic Development	71,645	122,645	122,629	16
Total expenditures	4,828,956	4,788,956	4,769,038	19,918

CITY OF ELBERTON, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2018

	Budget		Actual	Variance with
	Original	Final		Final Budget
Excess (deficiency) of revenues over (under) expenditures	\$ (2,574,295)	\$ (2,534,295)	\$ (2,516,822)	\$ 17,473
Other financing sources (uses)				
Transfers in (out)				
Transfers in	2,545,000	2,545,000	2,557,503	12,503
Transfers out	0	(40,000)	(40,000)	0
Sales of capital assets	30,000	30,000	11,009	(18,991)
Contingency	(705)	(705)	0	705
Total other financing sources (uses)	<u>2,574,295</u>	<u>2,534,295</u>	<u>2,528,512</u>	<u>(5,783)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0	11,690	11,690
Fund balances, July 1	<u>0</u>	<u>0</u>	<u>1,061,344</u>	<u>1,061,344</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 1,073,034</u></u>	<u><u>\$ 1,073,034</u></u>

CITY OF ELBERTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2018

	Combined Public Utilities	ElbertonNET Technology Services	Elbert Hotel	Nonmajor Proprietary Funds	Totals
ASSETS					
Current assets					
Cash	\$ 588,981	\$ 0	\$ 27,984	\$ 27,791	\$ 644,756
Certificates of deposit	40,000	0	0	0	40,000
Investments	9,486,810	0	0	0	9,486,810
Restricted assets					
Cash	480,463	0	0	0	480,463
Investments	4,045,839	0	0	0	4,045,839
Receivables (net)					
Accounts	2,183,859	420,125	4	68,665	2,672,653
Interest	84	0	0	0	84
Inventories	575,631	66,715	4,834	1,350	648,530
Prepays	0	0	2,038	0	2,038
Due from other funds	486,785	0	1,627	40,000	528,412
Other current assets	17,413	0	0	0	17,413
Total current assets	17,905,865	486,840	36,487	137,806	18,566,998
Noncurrent assets					
Other assets					
Net pension asset	634,749	112,118	33,875	130,946	911,688
Advances to other funds	3,507,263	0	0	0	3,507,263
Capital assets					
Non-depreciable	759,333	339,207	107,500	23,900	1,229,940
Depreciable (net)	22,020,168	5,596,241	5,034,775	263,254	32,914,438
Total noncurrent assets	26,921,513	6,047,566	5,176,150	418,100	38,563,329
Total assets	44,827,378	6,534,406	5,212,637	555,906	57,130,327
DEFERRED OUTFLOWS OF RESOURCES					
Pension experience differences	169,996	27,659	22,008	34,643	254,306
Pension contributions subsequent to measurement date	85,843	11,824	9,093	17,125	123,885
Total deferred outflows of resources	255,839	39,483	31,101	51,768	378,191
LIABILITIES					
Current liabilities					
Payables					
Accounts	1,094,308	200,289	8,730	20,331	1,323,658
Intergovernmental	0	34,396	0	0	34,396
Retainages	3,457	0	0	0	3,457
Sales tax	59,842	0	5,864	0	65,706
Interest	0	0	8,969	115	9,084
Accrued salaries	55,806	11,670	11,206	13,651	92,333
Compensated absences	84,276	14,333	2,445	15,280	116,334
Customer deposits payable	0	3,473	10,556	0	14,029
Other current liabilities	38,062	0	0	0	38,062
Due to other funds	224,389	0	418,535	202,016	844,940
Capital leases payable	235,614	0	0	40,887	276,501
Note payable	140,099	0	228,612	0	368,711
Liabilities payable from restricted assets:					
Customer deposits payable	763,252	0	0	0	763,252
Interest payable	51,868	0	0	0	51,868
Bonds payable	855,000	0	0	0	855,000
Total current liabilities	3,605,973	264,161	694,917	292,280	4,857,331

CITY OF ELBERTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2018

	Combined Public Utilities	ElbertonNET Technology Services	Elbert Hotel	Nonmajor Proprietary Funds	Totals
Noncurrent liabilities					
Compensated absences	\$ 36,118	\$ 6,143	\$ 1,048	\$ 6,549	\$ 49,858
Advances from other funds	0	3,507,263	0	0	3,507,263
Notes payable	2,777,882	0	4,366,108	0	7,143,990
Bonds payable	2,705,000	0	0	0	2,705,000
Capital lease payable	949,478	0	0	116,834	1,066,312
Total noncurrent liabilities	<u>6,468,478</u>	<u>3,513,406</u>	<u>4,367,156</u>	<u>123,383</u>	<u>14,472,423</u>
Total liabilities	<u>10,074,451</u>	<u>3,777,567</u>	<u>5,062,073</u>	<u>415,663</u>	<u>19,329,754</u>
DEFERRED INFLOWS OF RESOURCES					
Pension experience differences	70,502	9,903	0	14,108	94,513
Pension assumption changes	94,507	11,589	2,062	18,595	126,753
Pension investment return differences	369,170	68,156	38,208	76,663	552,197
Total deferred inflows of resources	<u>534,179</u>	<u>89,648</u>	<u>40,270</u>	<u>109,366</u>	<u>773,463</u>
NET POSITION					
Net investment in capital assets	15,112,971	5,935,448	547,555	129,433	21,725,407
Restricted for:					
Debt service	428,595	0	0	0	428,595
MEAG Generation Trust	3,282,587	0	0	0	3,282,587
Unrestricted	15,650,434	(3,228,774)	(406,160)	(46,788)	11,968,712
Total net position	<u>\$ 34,474,587</u>	<u>\$ 2,706,674</u>	<u>\$ 141,395</u>	<u>\$ 82,645</u>	<u>\$ 37,405,301</u>

CITY OF ELBERTON, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2018

	Combined Public Utilities	ElbertonNET Technology Services	Elbert Hotel	Nonmajor Proprietary Funds	Totals
OPERATING REVENUES					
Charges for sales and services	\$ 22,269,854	\$ 5,003,088	\$ 441,680	\$ 973,504	\$ 28,688,126
Miscellaneous revenues	13,735	0	0	0	13,735
Total operating revenues	22,283,589	5,003,088	441,680	973,504	28,701,861
OPERATING EXPENSES					
Costs of sales and services	14,642,321	3,652,885	199,822	443,071	18,938,099
Personal services	2,153,117	420,831	286,745	483,074	3,343,767
Depreciation	1,374,129	318,613	218,108	63,657	1,974,507
Other	53,300	39,490	0	0	92,790
Total operating expenses	18,222,867	4,431,819	704,675	989,802	24,349,163
Operating income (loss)	4,060,722	571,269	(262,995)	(16,298)	4,352,698
Non-operating revenues (expenses)					
Interest revenue	286,649	0	1	0	286,650
Intergovernmental revenue	430,194	0	0	0	430,194
Net increase (decrease) in the fair value of investments	(112,286)	0	0	0	(112,286)
Interest expense	(175,608)	0	(226,475)	(3,632)	(405,715)
Total non-operating revenues (expenses)	428,949	0	(226,474)	(3,632)	198,843
Net income (loss) before transfers	4,489,671	571,269	(489,469)	(19,930)	4,551,541
Transfers in (out)					
Transfers in	118,395	0	456,000	40,000	614,395
Transfers out	(2,976,000)	0	0	0	(2,976,000)
Total transfers	(2,857,605)	0	456,000	40,000	(2,361,605)
Change in net position	1,632,066	571,269	(33,469)	20,070	2,189,936
Net position, July 1	32,842,521	2,135,405	174,864	62,575	35,215,365
Net position, June 30	\$ 34,474,587	\$ 2,706,674	\$ 141,395	\$ 82,645	\$ 37,405,301

CITY OF ELBERTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2018

	Combined Public Utilities	ElbertonNET Technology Services	Elbert Hotel	Nonmajor Proprietary Funds	Totals
Cash flows from operating activities:					
Receipts from customers	\$ 22,071,775	\$ 4,963,711	\$ 439,858	\$ 978,011	\$ 28,453,355
Payments to suppliers	(14,646,459)	(3,628,132)	(194,191)	(453,231)	(18,922,013)
Payments to employees	(2,382,400)	(462,555)	(306,990)	(526,498)	(3,678,443)
Other receipts	13,735	0	0	0	13,735
Other payments	(53,300)	(39,490)	0	0	(92,790)
Net cash provided (used) by operating activities	<u>5,003,351</u>	<u>833,534</u>	<u>(61,323)</u>	<u>(1,718)</u>	<u>5,773,844</u>
Cash flows from non-capital financing activities:					
Receipts from other funds	430,194	0	80,295	69,292	579,781
Receipts from other government	746,247	0	0	0	746,247
Payments to other funds	(3,086,352)	(732,366)	0	(7,432)	(3,826,150)
Net cash provided (used) by non-capital financing activities	<u>(1,909,911)</u>	<u>(732,366)</u>	<u>80,295</u>	<u>61,860</u>	<u>(2,500,122)</u>
Cash flows from capital and related financing activities:					
Receipts from other funds	138,395	0	440,982	0	579,377
Payments to other funds	(20,000)	0	0	0	(20,000)
Payment of capital related accounts payable	(138,917)	0	0	0	(138,917)
Acquisition of capital assets	(1,088,291)	(101,168)	0	(30,910)	(1,220,369)
Interest paid	(187,172)	0	(226,894)	(3,661)	(417,727)
Principal payments - bonds	(835,000)	0	0	0	(835,000)
Principal payments - notes payable	(138,305)	0	(214,507)	0	(352,812)
Principal payments - capital leases	(230,814)	0	0	(40,063)	(270,877)
Net cash provided (used) by capital and related financing activities	<u>(2,500,104)</u>	<u>(101,168)</u>	<u>(419)</u>	<u>(74,634)</u>	<u>(2,676,325)</u>
Cash flows from investing activities:					
Interest received	286,649	0	1	0	286,650
Proceeds from sale of investments	40,000	0	0	0	40,000
Purchase of investments	(1,470,625)	0	0	0	(1,470,625)
Net cash provided (used) by investing activities	<u>(1,143,976)</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>(1,143,975)</u>
Net increase (decrease) in cash	(550,640)	0	18,554	(14,492)	(546,578)
Cash, July 1	1,620,084	0	9,430	42,283	1,671,797
Cash, June 30	<u>\$ 1,069,444</u>	<u>\$ 0</u>	<u>\$ 27,984</u>	<u>\$ 27,791</u>	<u>\$ 1,125,219</u>

CITY OF ELBERTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2018

	Combined Public Utilities	ElbertonNET Technology Services	Elbert Hotel	Nonmajor Proprietary Funds	Totals
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 4,060,722	\$ 571,269	\$ (262,995)	\$ (16,298)	\$ 4,352,698
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	1,374,129	318,613	218,108	63,657	1,974,507
(Increase) decrease in accounts receivable	(216,390)	(39,652)	(4)	4,507	(251,539)
(Increase) decrease in prepaids	0	0	2,297	0	2,297
(Increase) decrease in inventories	42,547	39,572	(99)	(374)	81,646
(Increase) decrease in other current assets	(79)	0	0	0	(79)
(Increase) decrease in net pension asset/liability	(412,726)	(70,084)	(33,875)	(84,619)	(601,304)
(Increase) decrease in pension contributions made subsequent to measurement date	10,594	1,793	(9,093)	2,172	5,466
Increase (decrease) in accounts payable	(46,606)	(19,571)	1,218	(9,786)	(74,745)
Increase (decrease) in intergovernmental payable	0	4,752	0	0	4,752
Increase (decrease) in sales tax payable	5,427	0	2,215	0	7,642
Increase (decrease) in other current liabilities	(3,631)	0	0	0	(3,631)
Increase (decrease) in accrued salaries	2,180	(1,220)	4,014	317	5,291
Increase (decrease) in pension experience differences	(205,965)	(34,977)	(22,008)	(42,228)	(305,178)
Increase (decrease) in pension assumption differences	19,298	3,277	2,062	3,956	28,593
Increase (decrease) in pension investment return differences	357,576	60,724	38,208	73,313	529,821
Increase (decrease) in compensated absences payable	(240)	(1,237)	447	3,665	2,635
Increase (decrease) in customer deposits payable	16,515	275	(1,818)	0	14,972
Total adjustments	942,629	262,265	201,672	14,580	1,421,146
Net cash provided (used) by operating activities	\$ 5,003,351	\$ 833,534	\$ (61,323)	\$ (1,718)	\$ 5,773,844
Cash reconciliation:					
Cash	\$ 588,981	\$ 0	\$ 27,984	\$ 27,791	\$ 644,756
Restricted assets					
Cash	480,463	0	0	0	480,463
Total cash	\$ 1,069,444	\$ 0	\$ 27,984	\$ 27,791	\$ 1,125,219

Noncash investing, capital, and financing activities:

The net increase (decrease) in the fair value of investments totaled \$112,286.

Acquisition of capital assets through accounts payable totaled \$3,457.

CITY OF ELBERTON, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2018

	<u>Municipal Court Agency Fund</u>
ASSETS	
Cash and cash equivalents	\$ <u>8,432</u>
LIABILITIES	
Due to other agencies	\$ <u><u>8,432</u></u>

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

1. Description of Government Unit

The City of Elberton was incorporated under the laws of the State of Georgia in 1803 and operates under an elected Mayor-Council form of government. The City provides a full range of governmental services, including public safety, highways and streets, public improvements, recreation, planning and zoning, and general administrative services, as well as electric, water and sewerage, natural gas, telecommunications, and sanitation services provided through enterprise funds.

2. Summary of Significant Accounting Policies

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Elberton Downtown Development Authority

The Elberton Downtown Development Authority was established as a legally separate entity, which operates pursuant to the Official Code of Georgia Annotated. The Authority consists of seven members, who are appointed by the Mayor and Council, and an executive director. The Downtown Development Authority provides for the vitalization of the downtown area of the City of Elberton. In many respects, the Authority functions similar to a City department through regular participation in department director meetings, accounting, payroll, etc. The Authority is included in the reporting entity due to the nature and significance of its relationship, which constitutes a financial burden, with the City of Elberton. The City has assumed the obligation of providing the necessary contributions to fund any deficits from the operation of the Downtown Development Authority.

The Elberton Downtown Development Authority is reported in a separate column to emphasize that it is legally separate from the City. Individual financial statements are presented as part of the City's Annual Financial Report in the sections labeled "Component Unit" (See Exhibit I). The Elberton Downtown Development Authority has a June 30th year-end. Individual financial statements may be obtained by contacting the Elberton Downtown Development Authority, PO Box 70, Elberton, GA 30635.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has one discretely presented component unit. While the Downtown Development Authority is not considered to be a major component unit, it is nevertheless shown in a separate column in the government-wide financial statements.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

C. Basis of Presentation – Government-wide Financial Statements, continued

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's Combined Public Utilities and ElbertonNET Technology Services Enterprise Funds and the other functions of the government. Elimination of these charges would distort the direct costs of program revenues reported for the various functions concerned.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental fund:

General Fund - The general operating fund of the City is used to account for all financial resources not accounted for and reported in another fund.

The City reports the following major proprietary funds:

Combined Public Utility System Enterprise Fund - This fund is used to account for activities connected with the development, operation, and maintenance of the City's Electric, Water and Sewer, and Natural Gas Systems pursuant to requirements of the revenue bond ordinance.

ElbertonNET Technology Services Enterprise Fund - This fund is used to account for the activities connected with the development, operation, and maintenance of the City's cable television, high-speed Internet, Voice-over-Internet Protocol phone, and fiber optic-based telecommunications services.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Elbert Hotel Enterprise Fund - This fund is used to account for the activities connected with the construction and operations of the Samuel Elbert Hotel located in downtown Elberton.

Additionally, the City reports the following fund types:

Governmental Fund Types

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditures for specific purposes.

Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition or construction of capital facilities (other than those financed by the proprietary funds).

Proprietary Fund Types

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Fiduciary Fund Types

Agency Funds - Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held either for the City or for others. The City has the Municipal Court Agency Fund.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Component Units

The Elberton Downtown Development Authority is accounted for using a current financial resources measurement focus and uses the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

F. Revenues and Expenditures/Expenses

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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Certain indirect costs have been included as part of program expenses reported for the various functional activities.

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 to customers for sales and services. Operating expenses for enterprise funds and include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

G. Budgets and Budgetary Accounting

The City Council adopts an annual operating budget for all governmental fund types, prior to July 1, except for the Capital Projects Funds. The Capital Projects Funds are budgeted by the City Council when capital projects are approved. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted by the passage of a resolution.

In mid April each year, the departments submit their budget requests to the Finance Director. The Finance Department compiles a complete citywide budget and submits the proposed budget to the City Manager for review. Meetings are held between the City Manager, Finance Director, and department heads in May to review the proposed budget. City ordinance requires the City Manager to submit the proposed budget to the City Council forty days prior to the beginning of the next fiscal year. The proposed budget is made available to the public for review during this period. During June, the Mayor and Council conduct two public hearings to discuss the proposed budget and to obtain input from the citizens of the City of Elberton. These hearings are publicized in the local newspaper at least one week before each hearing. The final proposed budget is then adopted by the City Council on or before June 30 during a regular Council meeting, which is also open to the public.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level. All operating budget transfers between departments must be approved by City Council. Formal budgetary integration is employed as a management control device during the year.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control, which is the department level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year-end. The City does not use the encumbrance system of accounting.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

H. Cash and Investments

Cash and cash equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents and investments with an original maturity at three months or less. Investments are reported at fair value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital project investments is included in the investment accounts.

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

The City reports investments using net asset value (NAV) when NAV is calculated in a manner consistent with fair value measurement guidelines, fair value is not readily determinable, and it is not probable for the investment to be sold at an amount other than NAV.

I. Property Taxes

Amounts received from the local option sales tax which are required to be used to roll back property taxes exceeded the City's normal tax levy resulting in no property tax levy during the current fiscal year.

J. Intergovernmental Receivables

Receivables for state and federal grants are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

K. Inventories

Inventories for the General Fund are valued at average cost and recorded as expenditures when consumed. Inventories of the Combined Public Utility System Enterprise Fund are valued at cost on the first-in, first-out method.

L. Prepaid Items

Payments made to vendors that benefit future reporting periods are recorded as prepaid items. Prepaid items in the governmental funds are accounted for using the consumption method.

M. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements

GASB Statement No. 34 required the City to report and depreciate new infrastructure assets effective with the fiscal year ended June 30, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the City. Neither their historical costs nor related depreciation has historically been reported in the financial statements. The City implemented the requirements for retroactive reporting of major general infrastructure assets during the fiscal year ended June 30, 2007. The City elected not to report general infrastructure assets placed into service prior to July 1, 1980.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at acquisition value on the date donated.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

M. Capital Assets, continued

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life in Years	Capitalization Threshold
Utility distribution system	10 to 50	\$ 10,000 – 20,000
Land improvements	5 to 50	10,000
Buildings	30 to 50	10,000
Equipment	2 to 10	5,000
Vehicles	5 to 10	5,000
Infrastructure	10 to 50	10,000 – 30,000
Land	N/A	1
Nondepreciable intangibles	N/A	5,000

The costs of normal maintenance and repairs that do not add value or materially extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City reports deferred outflows of resources related to their defined benefit pension plans.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows of resources related to their defined benefit pension plans.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

O. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

P. Fund Balance Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Q. Restricted Assets and Restricted Net Position

Restricted assets for bond redemption of the Combined Utility System Enterprise Fund represent resources set aside for the repayment of revenue bonds outstanding. The assets are maintained in a separate bank account and their use is limited by application of bond covenants. Restricted assets for the MEAG Generation Trust represent resources held in separate investment accounts for future MEAG construction projects. See Note 3 for further discussion.

Restricted net position is equal to the excess of the restricted assets funded from operations over the liabilities to be paid with restricted assets which are due in one year or less. Restricted assets exclude bond proceeds for calculation of restricted net position.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

R. Fund Balances – Governmental Funds

The City of Elberton implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2012. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable, by the City are nonspendable in form. The City has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the City Council, the City of Elberton's highest level of decision making authority, which include the language "committed for the purpose of". Commitments may be modified or rescinded only through adoption of a subsequent resolution, which shall refer to the original resolution by its number, title, and date of original adoption. A resolution committing amounts must be adopted prior to the end of the fiscal year; however, the amount to be committed may be determined within 90 days of fiscal year-end.

Assigned – includes amounts that the City intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the City's adopted policy, amounts may be assigned by the City Manager, under the authorization of the City Council, through a written memorandum. Amounts appropriated to eliminate a projected deficit in the subsequent fiscal year's budget shall constitute assignments and are documented by adoption of the City's annual operating budget. The City Manager has determined that all equity amounts reported in special revenue funds, capital project funds, debt service funds, or permanent funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

R. Fund Balances – Governmental Funds, continued

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that should report positive amounts this category of fund balance.

S. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

In the fund financial statements, governmental fund types, bond premiums and discounts are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

T. Compensation for Future Absences

It is the City's policy to permit employees to accumulate earned but unused vacation benefits which will be paid to the employees upon separation from City service. Accumulated unpaid vacation pay amounts are accrued when incurred by the City in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with expendable available financial resources.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

2. Summary of Significant Accounting Policies (continued)

U. Capital Contributions

Federal, state and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

V. Comparative Data and Reclassifications

Comparative total data of the prior period has been presented in the accompanying individual fund financial statements in order to provide an understanding of changes in the City's financial position and operations. Certain prior fiscal year amounts have been reclassified to conform with the current fiscal year presentation.

W. Pension Plans

For purposes of measuring the net pension liability, and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Georgia Municipal Employees Benefit System (GMEBS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by GMEBS. 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.

3. Deposit and Investment Risk

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a financial institution failure, the City's deposits may not be returned. The City investment policies require that all deposits be federally insured or fully collateralized.

Interest Rate Risk

The City's investment policies place no limits on the maximum maturity of investments as a means of managing its exposure to fair value losses arising from increasing interest rates.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

3. Deposit and Investment Risk (continued)

Credit Risk

The City's investment policies authorize investment in the following securities approved by the State of Georgia for local governments. Authorized investments include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia or other states, and pooled investment programs of the State of Georgia. The City's policies do not establish a minimum credit rating for investments. Investments are reported at fair value.

Concentration of Credit Risk

City's policies place no limits on the amount the may invest in any one issuer, but require that the investment portfolio be diversified.

Foreign Currency Risk

The City's investment policies do not allow for investments denominated in a foreign currency.

The City participates in the State of Georgia Local Government Investment Pool. Assets in this pool are invested in Georgia Fund 1, created by OCGA 36-83-8, which is a stable net asset investment pool that follows Standard and Poor's criteria for AAAf rated money market funds. Georgia Fund 1 is managed by the Georgia Office of the State Treasurer. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company.

The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on \$1.00 per share. Georgia Fund 1 is managed by the Georgia Office of the State Treasurer. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

3. Deposit and Investment Risk (continued)

Georgia Fund 1 is rated AAf by Standard & Poor's. The weighted average maturity at the end of the current fiscal year was 10 days. At the end of the current fiscal year, the City's balance in Georgia Fund 1 was \$857,635.

The City is a participant in the Municipal Electric Authority of Georgia (MEAG). The MEAG board approves an annual system budget from which MEAG bills its participants. At the end of the year, adjustments are made by MEAG to each participant's billings to agree with actual cost. Whenever MEAG recovers funds from the City in excess of its actual costs to serve the City, the City may elect to have their funds deposited in MEAG's Voluntary Flexible Operating Account or Generation Trust Account fund in lieu of receiving a refund. The voluntary stabilization fund is used to reduce future costs of the City at its discretion while also earning interest. The City is authorized to direct MEAG to retain or use the discretionary funds. The generation trust account is used to offset the City's share of future MEAG generation projects.

The Municipal Competitive Trust accounts are held in the Intermediate, Intermediate Extended Maturity, and Short-term Portfolios; these portfolios are not rated. At the end of the current fiscal year, the average weighted maturity of the Intermediate, Intermediate Extended Maturity, and Short-term Portfolios were 6.68, 58.74, and 0.31 months, respectively. The investments in each of the funds consist primarily of debt securities such as U.S. Treasuries, U.S Agency obligations, municipal bonds, and time deposits with financial institutions. The funds in these accounts are invested in securities that are typically held to maturity. At the end of the current fiscal year, the City's balances in the Voluntary Flexible Operating Accounts were \$10,250,062, and in the Generation Trust Accounts were \$3,282,587. The City of Elberton has no unfunded commitments or restriction on its ability to sell the investments in the Municipal Competitive Trust accounts.

Investments measured at net asset value at the end of the current fiscal year consist of the following:

Investment Type	Fair Value
Municipal Competitive Trust	
Short-term Portfolio	\$ 1,643,741
Intermediate Portfolio	2,949,832
Intermediate Extended Portfolio	8,939,076
Total Investments	\$ 13,532,649

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

4. Accounts Receivable

Net accounts receivable at the end of the current fiscal year consist of the following:

Major Funds		
General	\$ 6,948	
Less: Allowance for Uncollectibles	<u>(3,500)</u>	\$ 3,448
Enterprise Funds		
Combined Public Utilities	2,719,099	
Less: Allowance for Uncollectibles	(535,240)	
ElbertonNET Technology Services	651,745	
Less: Allowance for Uncollectibles	(231,620)	
Elbert Hotel	<u>4</u>	2,603,988
Nonmajor Funds		
Solid Waste	92,485	
Less: Allowance for Uncollectibles	<u>(23,820)</u>	<u>68,665</u>
Total primary government		<u><u>\$ 2,676,101</u></u>

5. Intergovernmental Receivables

Intergovernmental receivables at the end of the current fiscal year consist of the following:

Nonmajor Funds	
2017 SPLOST	
Elbert County	<u><u>\$ 101,572</u></u>

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

6. Interfund Receivables, Payables, and Transfers

A summary of interfund receivables and payables at the end of the current fiscal year is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Combined Public Utilities	\$ 216,329
	Elbert Hotel	132,139
	Nonmajor Governmental	5,746
Combined Public Utilities	Elbert Hotel	286,396
	Nonmajor Proprietary	200,389
Elbert Hotel	Nonmajor Proprietary	1,627
Nonmajor Governmental	Combined Public Utilities	8,060
Nonmajor Proprietary	General	<u>40,000</u>
Subtotal		<u><u>\$ 890,686</u></u>

The balance reported as Due to/Due from represent loans between the borrower fund and the lender fund. The balance between the Combined Public Utility System Fund and the ElbertonNET Technology Services Fund resulted from transactions to fund operations and is reported as an advance to other fund in the Combined Utilities Fund and an advance from other fund in the ElbertonNET Technology Services Fund and it is not expected to be repaid within one year. All other balances are expected to be repaid within one year.

Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

6. Interfund Receivables, Payables, and Transfers, continued

A summary of interfund transfers is as follows:

<u>Transfer out Fund</u>	<u>Transfer in Fund</u>	<u>Amount</u>
General	Nonmajor Proprietary	\$ 40,000
Combined Public Utilities	General	2,520,000
	Elbert Hotel	456,000
Nonmajor Governmental	General	37,503
	Combined Public Utilities	118,395
		<u>\$ 3,171,898</u>

Interfund transfers were used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

7. Intradepartmental Billings

Total operating revenues and total operating expenses in the Combined Public Utilities Enterprise Fund includes \$59,153, \$14,488, and \$534,910 of intradepartmental billings for water and sewer, natural gas, and electric usage, respectively. Total operating revenues and total operating expenses in the ElbertonNET Technology Services Enterprise Fund include \$76,844 of intradepartmental billings for cable television and high-speed internet usage.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

8. Capital Assets

Capital asset activity for the primary government for the current fiscal year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Non-depreciable assets				
Land	\$ 737,007	\$ 25,768	\$ 0	\$ 762,775
Construction in progress	382,947	72,140	(382,948)	72,139
Total non-depreciable assets	<u>1,119,954</u>	<u>97,908</u>	<u>(382,948)</u>	<u>834,914</u>
Depreciable assets				
Buildings	2,114,741	0	0	2,114,741
Land improvements	1,175,351	0	0	1,175,351
Vehicles and equipment	2,901,294	117,877	(59,070)	2,960,101
Infrastructure	2,750,477	382,947	0	3,133,424
Total depreciable assets	<u>8,941,863</u>	<u>500,824</u>	<u>(59,070)</u>	<u>9,383,617</u>
Accumulated depreciation				
Buildings	(1,151,466)	(70,316)	0	(1,221,782)
Land improvements	(903,128)	(41,625)	0	(944,753)
Vehicles and equipment	(1,975,841)	(178,288)	59,070	(2,095,059)
Infrastructure	(1,240,621)	(88,783)	0	(1,329,404)
Total accumulated depreciation	<u>(5,271,056)</u>	<u>(379,012)</u>	<u>59,070</u>	<u>(5,590,998)</u>
Total depreciable assets, net	<u>3,670,807</u>	<u>121,812</u>	<u>0</u>	<u>3,792,619</u>
Governmental activities capital assets, net	<u>\$ 4,790,761</u>	<u>\$ 219,720</u>	<u>\$ (382,948)</u>	<u>\$ 4,627,533</u>
Business-type activities				
Non-depreciable assets				
Land	\$ 385,335	\$ 0	\$ 0	\$ 385,335
Construction in progress	813,711	159,806	(506,604)	466,913
Intangible assets	377,692	0	0	377,692
Total non-depreciable assets	<u>1,576,738</u>	<u>159,806</u>	<u>(506,604)</u>	<u>1,229,940</u>
Depreciable assets				
Buildings	5,448,765	0	0	5,448,765
Land improvements	110,732	0	0	110,732
Distribution system	50,578,184	1,254,791	(15,434)	51,817,541
Vehicles and equipment	4,077,745	315,833	(198,623)	4,194,955
Total depreciable assets	<u>60,215,426</u>	<u>1,570,624</u>	<u>(214,057)</u>	<u>61,571,993</u>
Accumulated depreciation				
Buildings	(770,477)	(154,124)	0	(924,601)
Land improvements	(52,400)	(4,757)	0	(57,157)
Distribution system	(23,269,251)	(1,466,821)	15,434	(24,720,638)
Vehicles and equipment	(2,804,977)	(348,805)	198,623	(2,955,159)
Total accumulated depreciation	<u>(26,897,105)</u>	<u>(1,974,507)</u>	<u>214,057</u>	<u>(28,657,555)</u>
Total depreciable assets, net	<u>33,318,321</u>	<u>(403,883)</u>	<u>0</u>	<u>32,914,438</u>
Business-type activities capital assets, net	<u>\$ 34,895,059</u>	<u>\$ (244,077)</u>	<u>\$ (506,604)</u>	<u>\$ 34,144,378</u>

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

8. Capital Assets (continued)

Capital asset activity for the Downtown Development Authority Component Unit for the current fiscal year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Downtown Development Authority Component Unit				
Non-depreciable assets				
Land	\$ 20,000	\$ 17,100	\$ 0	\$ 37,100
Construction in progress	0	130,395	0	130,395
Total non-depreciable assets	<u>20,000</u>	<u>147,495</u>	<u>0</u>	<u>167,495</u>
Depreciable assets				
Buildings	784,693	18,226	0	802,919
Less accumulated depreciation				
Buildings	(360,700)	(38,279)	0	(398,979)
Total depreciable assets, net	<u>423,993</u>	<u>(20,053)</u>	<u>0</u>	<u>403,940</u>
Downtown Development Authority Component Unit capital assets, net	<u>\$ 443,993</u>	<u>\$ 127,442</u>	<u>\$ 0</u>	<u>\$ 571,435</u>

Depreciation expense was charged to functions/programs as follows:

Primary Government

Governmental activities

General Government	\$ 14,514
Public Safety	121,350
Public Works	131,887
Culture and Recreation	104,874
Housing and Development	6,387
Total depreciation expense for governmental activities	<u>\$ 379,012</u>

Business-type activities

Combined Public Utilities	
Electric Department	\$ 305,332
Water and Sewer Department	866,500
Natural Gas Department	202,297
Solid Waste	63,485
ElbertonNet Technology Services	318,613
Elbert Theatre	172
Elbert Hotel	218,108
Total depreciation expense for business-type activities	<u>\$ 1,974,507</u>

Downtown Development Authority Component Unit \$ 38,279

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

9. Capital and Operating Leases Agreements

Business-type Activities

The City has entered into a lease-purchase agreement to finance the replacement of aged natural gas lines in Elberton. The terms of the agreement meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, which defines a capital lease generally as one which transfers benefits and risk of ownership to the lessee. The balance of the lease at end of the current fiscal year is \$1,342,813.

The following is a schedule of the future minimum lease payments together with the present value of the net minimum lease payments as of the end of the current fiscal year:

Fiscal Year Ending June 30,	Business-type Activities
2019	\$ 301,535
2020	301,535
2021	301,535
2022	290,604
2023	214,811
Total minimum lease payments	1,410,020
Less amounts representing interest	(67,207)
Present value of minimum lease payments	\$ 1,342,813

Total assets leased under capital leases are \$2,764,895 and are classified as follows:

	Business-type Activities	
	Cost	Accumulated Depreciation
Distribution system	\$ 2,479,901	\$ 129,350
Vehicles and equipment	284,994	128,926
Total assets under capital leases	\$ 2,764,895	\$ 258,276

Amortization of leased equipment under capital leases is included in depreciation expense.

The City's lease agreements, other than such agreements described above, are relatively minor commitments (generally for office machines) and are in compliance with state law.

CITY OF ELBERTON, GEORGIA
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June 30, 2018

10. Long-Term Debt

Revenue Bonds

Business-type Activities

Revenue bonds issued for business-type activities are comprised of the following individual issues at the end of the current fiscal year:

\$8,355,000 2011 Combined Utility System Refunding Revenue series bonds due in annual installments of \$740,000 to \$930,000 through January 1, 2022; interest at 2.725% (\$3,560,000 outstanding).

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

Year Ending June 30,	Principal	Interest	Total
2019	\$ 855,000	\$ 97,010	\$ 952,010
2020	875,000	73,711	948,711
2021	900,000	49,867	949,867
2022	930,000	25,343	955,343
Totals	<u>\$ 3,560,000</u>	<u>\$ 245,931</u>	<u>\$ 3,805,931</u>

Notes Payable

Business-type Activities

The City entered into an agreement the Georgia Environmental Finance Authority (GEFA) in the amount of \$2,500,000 for improvements to the City's water system. GEFA agreed to forgive \$500,000 of the loan. The City has drawn \$2,500,000 on this agreement and recognized \$500,000 in principal forgiveness. Monthly installments of principal and interest are due beginning on the first day of the calendar month following the date that the loan is fully disbursed (the Amortization Commencement Date) for 240 months; interest at 1.11%. Monthly installments began on November 1, 2016 (\$1,849,756 outstanding).

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

10. Long-Term Debt (continued)

Notes Payable, continued

The City entered into a second agreement the Georgia Environmental Finance Authority (GEFA) in the amount of \$1,400,000 for improvements to the City's sewage system. GEFA agrees to forgive \$280,000 of the loan if all funds are drawn. The City has drawn \$1,400,000 on this agreement and recognized \$280,000 in principal forgiveness. Monthly installments of principal and interest are due beginning on the first day of the calendar month following the date that the loan is fully disbursed (the Amortization Commencement Date) for 239 months; interest at 1.63%. Monthly installments began on June 1, 2017 (\$1,068,225 outstanding).

The City entered into an agreement with Northeast Georgia Bank in the amount of \$4,900,000 for the City of Elberton Facility Redevelopment Project. The proceeds will be used by the City for the acquisition, installation, refurbishment, redevelopment and equipping of the hotel located at 4 South Public Square, Elberton, Georgia. The City has drawn \$4,900,000 on this agreement. Quarterly installments of interest began on April 15, 2016 and continued through December 2016. Monthly installments of principal and interest are due beginning on the 15th day of the calendar month following January 1, 2017 through December 2032 with interest at 4.75% through December 2020. Beginning January 1, 2021, the interest on the note will be the Prime Rate plus 1.5% through December 2025. On January 1, 2026, the interest will be the Prime Rate plus 1.5% through the termination date of the note. Total principal outstanding at end of the current fiscal year is \$4,594,720.

Annual debt service requirements for notes payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 368,711	\$ 250,346	\$ 619,057
2020	381,630	237,428	619,058
2021	395,110	223,947	619,057
2022	409,181	209,876	619,057
2023	423,870	195,188	619,058
2024-2028	2,363,408	731,879	3,095,287
2029-2033	2,556,926	256,968	2,813,894
2034-2037	613,865	25,784	639,649
Totals	<u>\$ 7,512,701</u>	<u>\$ 2,131,416</u>	<u>\$ 9,644,117</u>

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

10. Long-Term Debt (continued)

Notes Payable, continued

Elberton Downtown Development Authority Component Unit

The Elberton Downtown Development Authority has entered into a lending agreement with the City of Elberton to refinance a lending agreement with Pinnacle Bank in the original amount of \$65,000. At the end of the current fiscal year, the balance of this note is \$44,000. Monthly installments of \$138 interest are due through May 31, 2019, unpaid principal and interest are due June 30, 2019; interest at 3.00%.

The Elberton Downtown Development Authority has entered into a lending agreement with the City of Elberton to help finance the planning of the renovation of the upstairs of the William O. Jones building in downtown Elberton, GA, in the original amount of \$51,250. At the end of the current fiscal year, the balance of this note is \$51,250. Monthly installments of \$449 principal and interest are due through June 1, 2028; interest at 1.00%.

The Elberton Downtown Development Authority has entered into a lending agreement with the Georgia Department of Community Affairs to refinance a lending agreement with Pinnacle Bank in the original amount of \$180,854. At the end of the current fiscal year, the balance of this note is \$83,013. Monthly installments of \$1,164 principal and interest are due through September 1, 2019, unpaid principal and interest are due October 1, 2019; interest at 2.00%.

The Elberton Downtown Development Authority has also entered into a lending agreement with the City of Elberton for improvements to the William O. Jones Building in the original amount of \$480,000. At the end of the current fiscal year, the balance of this note is \$304,000. Monthly installments of \$2,000 are due through February 28, 2031; interest at 0.00%.

The Elberton Downtown Development Authority has entered into a lending agreement with the City of Elberton to assist with the acquisition and renovation of the building located at 23 North Public Square in downtown Elberton, GA, in the original amount of \$40,000. At the end of the current fiscal year, the balance of this note is \$40,000. Monthly installments of \$33 interest are due through May 31, 2019, unpaid principal and interest are due June 30, 2019; interest at 1.00%.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

10. Long-Term Debt (continued)

Notes Payable, continued

Annual debt service requirements for notes payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 85,071	\$ 4,092	\$ 89,163
2020	139,786	1,301	141,087
2021	28,996	391	29,387
2022	29,047	341	29,388
2023	29,097	290	29,387
2024-2028	146,266	673	146,939
2029-2031	64,000	0	64,000
Totals	<u>\$ 522,263</u>	<u>\$ 7,088</u>	<u>\$ 529,351</u>

Changes in Long-Term Debt

The following is a summary of changes in long-term debt of the City for the current fiscal year:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental Activities					
Contractual liability	\$ 231,053	\$ 0	\$ (8,725)	\$ 222,328	\$ 0
Capital lease obligations	334,096	0	(334,096)	0	0
Compensated absences	168,613	126,071	(118,029)	176,655	123,658
Total Governmental Activities	<u>\$ 733,762</u>	<u>\$ 126,071</u>	<u>\$ (460,850)</u>	<u>\$ 398,983</u>	<u>\$ 123,658</u>
Business-type Activities					
Revenue bonds	\$ 4,395,000	\$ 0	\$ (835,000)	\$ 3,560,000	\$ 855,000
Notes payable	7,865,513	0	(352,812)	7,512,701	368,711
Capital lease obligations	1,613,690	0	(270,877)	1,342,813	276,501
Compensated absences	163,557	117,125	(114,490)	166,192	116,334
Total Business-type Activities	<u>\$ 14,037,760</u>	<u>\$ 117,125</u>	<u>\$ (1,573,179)</u>	<u>\$ 12,581,706</u>	<u>\$ 1,616,546</u>
Downtown Development Authority Component Unit					
Notes payable	<u>\$ 521,430</u>	<u>\$ 40,000</u>	<u>\$ (39,167)</u>	<u>\$ 522,263</u>	<u>\$ 85,071</u>

Total interest incurred and expensed in the governmental activities and the business-type activities during the current fiscal year was \$4,132 and \$405,715, respectively.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

10. Long-Term Debt (continued)

Revenue bond discounts/premiums are amortized over the life of the related debt using the straight-line method. Compensated absences are liquidated by those funds that have salary and wage expenditures. In prior years, long-term liabilities, such as compensated absences, of the governmental activities were liquidated in the General Fund.

11. Nonspendable, Restricted, Committed, and Assigned Fund Balances

The following is a summary of nonspendable, restricted, and assigned fund balances of the governmental funds at the end of the current fiscal year:

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:			
Inventory	\$ 26,443	\$ 0	\$ 26,443
Prepaid items	141,337	0	141,337
	<u>167,780</u>	<u>0</u>	<u>167,780</u>
Restricted for:			
Public Safety			
Police facilities and equipment	25	0	25
Housing and Development			
Downtown development	0	480,000	480,000
Tourism and City promotion	0	13,784	13,784
Capital projects	0	114,474	114,474
	<u>25</u>	<u>608,258</u>	<u>608,283</u>
Assigned for:			
Housing and Development			
Tourism and City promotion	0	808	808
	<u>0</u>	<u>808</u>	<u>808</u>

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

12. Landfill Closure and Post-Closure Care Costs

At June 30, 1995, the City owned and operated a landfill site located on approximately 200 acres of land north of Elberton. The landfill had been operated at the site since 1990. State and federal laws and regulations require the operator to close the landfill once its capacity is reached and to monitor and maintain the site for thirty subsequent years. The City recognized a portion of the closure and post closure care costs in each operating period even though actual payouts would not occur until the landfill was closed. The amount recognized each year was based on the landfill capacity used as of the balance sheet date.

Effective July 1, 1995, Elbert County, Georgia, became the owner and operator of the sanitary landfill. All assets of the landfill and related capital leases were transferred to the County as of that date.

The agreement with Elbert County calls for the City and the County to each assume one-half of the closure and post closure care costs of the landfill cells (cells 1 - 8) existing on July 1, 1995, for future years. The City has recorded a contractual obligation to Elbert County of \$222,328. The obligation will be adjusted annually based upon current data and engineering studies. The landfill is closed and has no estimated remaining life. This liability is reported as a non-current contractual liability in the Governmental Activities on the Statement of Net Position.

13. Risk Management and Self-Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. As of May 1, 2003, the City has elected to manage its risk financing activities through the purchase of commercial insurance.

The City has joined the Georgia Municipal Association (GMA) Group Self-Insurance Workers' Compensation Fund, a group self-insured program authorized by state statute and administered by GMA. The fund provides workers' compensation statutory coverage to local government entities in Georgia as an alternative to the standard commercial insurance market. The membership owns and controls the fund, resulting in dividends (or renewal credits) returned to the fund members, significantly reducing the cost of coverage for the membership. The cost of coverage is based on individual loss experience and underwriting.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
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13. Risk Management and Self-Insurance (continued)

Membership includes proactive safety and risk control service which includes loss control field service, individual member problem analysis, and on-site and regional training. Workers' compensation claims are reported to and administered by GMA employees.

The City's deductible for workers' compensation claims is \$500,000. At the end of the current fiscal year, the City has no losses that are probable or estimable and accordingly has not recognized any liability.

14. Pension Plan

Plan Description. The City is a participating member of the Georgia Municipal Employees Benefit System (GMEBS), a state-wide agent, multiple-employer retirement system, administered by the Georgia Municipal Association. This is a defined benefit pension plan, which provides retirement, disability and death benefits to plan members and beneficiaries. The City has established provisions, which assign the authority to the City Council members to establish and amend the benefit provisions of the plan.

Control over the operation and administration of the plan is vested with GMEBS along with custody of the plan assets. The plan provides that the City has no liability with respect to payments or benefits or otherwise under the plan except to pay over to GMEBS such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems Standards Law and provide benefits thereunder. If terminated, the plan provides that if there are funds remaining after the satisfaction of all liabilities, such funds shall not revert to the City but shall be allocated to employees. All employees are eligible for immediate participation. Officials are covered under the plan and are eligible for immediate participation.

There are no loans to any of the City officials or other "party-in-interest," and there are no prohibited transactions. The plan assets do not include any securities or investments in the City of Elberton. The funds are managed by independent money managers.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

14. Pension Plan (continued)

The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. The 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.

At January 1, 2018, the date of the most recent actuarial valuation, there were 228 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	93
Terminated vested participants entitled to but not yet receiving benefits	29
Active participants	106
Total number of participants	228

Benefits Provided. The plan provides retirement and death benefits. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 65 with no reduction in benefit. Members with thirty years of total service are eligible to retire at age 62 with no reduction in benefit. Officials are eligible to retire at age 65 with no reduction of benefits. Members are eligible for early retirement with reduced benefits based on the early retirement reduction table at age 55 after 10 years of service. The benefit formula is 1.25% - 1.75% with a ten year vesting schedule for terminations on or after January 1, 2001. The benefit formula is 1.00% - 1.75% with a ten year vesting schedule for terminations prior to January 1, 2001.

Contributions. Employees make no contributions to the plan. The City is required to contribute the remaining amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law. The City's actuarially determined contribution rate for the current fiscal year was \$365,616 or 7.54% of covered payroll. The Council provides for the benefits and funding policy through City ordinance and maintains the authority to change the policy. The administrative expenses set by contract with GMEBS are in addition to the state-required annual funding requirement. This funding policy, as specified by ordinance, has been the same since the inception of the plan.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

14. Pension Plan (continued)

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At the end of the current fiscal year, the City reported a net pension asset of \$1,856,971. The net pension asset was measured as of September 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. For the current fiscal year, the City recognized pension income of \$349,987. For the Governmental Activities, the net pension liability is liquidated by the General Fund.

At the end of the current fiscal year, the City reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 508,144	\$ (200,586)
Changes of assumptions	0	(269,229)
Net difference between projected and actual earnings on pension plan investments	0	(1,100,738)
City contributions subsequent to the measurement date	252,945	0
Totals	\$ 761,089	\$ (1,570,553)

The \$252,945 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net position liability in the subsequent fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending June 30		
2019	\$	(277,563)
2020		(193,307)
2021		(322,316)
2022		(269,223)
Totals	\$	(1,062,409)

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

14. Pension Plan (continued)

Actuarial Assumptions. The total pension liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Projected salary increases	2.75% plus service based merit increases
Cost of living adjustments	2.75%
Net investment rate of return	7.50%

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

The mortality and economic actuarial assumptions used in the January 1, 2018 valuation were based on the results of an actuarial experience study for the period of January 1, 2010 through June 30, 2014.

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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

14. Pension Plan (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	45%	6.71%
International equity	20%	7.71%
Real estate	10%	5.21%
Global fixed income	5%	3.36%
Domestic fixed income	<u>20%</u>	2.11%
Total	<u><u>100%</u></u>	

Discount Rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

14. Pension Plan (continued)

Changes in Net Pension Liability (Asset)

	Total Pension Liability (Asset)	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balances at 9/30/16	\$ 18,064,253	\$ 18,704,728	\$ (640,475)
Changes for the year:			
Service cost	164,994	0	164,994
Interest	1,359,452	0	1,359,452
Changes of assumptions	(358,973)	0	(358,973)
Changes of benefits terms	90,421	0	90,421
Differences between expected and actual experience	617,994	0	617,994
Contributions—employer	0	358,526	(358,526)
Net investment income	0	2,767,707	(2,767,707)
Benefit payments, including refunds of employee contributions	(1,045,886)	(1,045,886)	0
Administrative expense	0	(35,849)	35,849
Net changes	828,002	2,044,498	(1,216,496)
Balances at 9/30/17	\$ 18,892,255	\$ 20,749,226	\$ (1,856,971)

Plan fiduciary net position as a percentage of the total pension asset	109.83%
Covered payroll	\$ 4,221,554
Employer's net pension asset as percentage of covered payroll	(43.99%)

Sensitivity of the Net Pension Asset/Liability to Changes in the Discount Rate. The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.50 percent) or one percentage-point higher (8.50 percent) than the current rate:

	Discount Rate	Net Pension Liability (Asset)
1% decrease	6.50%	\$ 365,051
Current discount rate	7.50%	(1,856,971)
1% increase	8.50%	(3,707,367)

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Georgia Municipal Employees Benefit System financial report

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

14. Pension Plan (continued)

Other Plans. In addition to the plan above, various City employees are covered under the Peace Officers' Annuity and Benefit Fund of Georgia. Further information regarding this plan can be obtained from the plan's annual report. These plans are immaterial to the financial statements.

15. Deferred Compensation Plan

The City also provides retirement benefits for its employees through a deferred compensation, defined contribution plan. The Plan was created under Internal Revenue Code Sections 457 and 401(a). The Plan is administered by the Georgia Municipal Association (GMA), an independent third party. The City began participation in the plan during fiscal year 2004. All employees who work at least 30 hours per week are eligible to participate in the Plan. The City Council provides for the benefits and funding policy through a City ordinance and maintains the authority to change the policy.

Under the terms of the Plan, employees may defer a portion of their salary through voluntary contributions to the Plan. Employees may defer a maximum of 25% of their salary, up to the maximum allowable by federal law. After completing 30 days of service, the City will contribute 100% of the employee's contributions for the first 2% of compensation, then 50% of the employee's contributions for the next 4% of compensation, per year.

There is a cap of 4% of total compensation per eligible employee for City contributions. Employee contributions are vested 100% at the time of contribution. Employer contributions are vested on a schedule of 20% after the first year of service and an additional 20% each year thereafter; employer contributions are fully vested after 5 years of service. Amounts held in the Plan are not available to the employees until termination, retirement, death, or unforeseeable emergency.

During the fiscal year, the City contributed \$202,142 to the plan based on covered salaries of \$3,964,094. Plan members made voluntary contributions of \$209,030 to the plan. Total payroll was \$5,271,059.

The City has no fiduciary relationship with the plans, and plan assets are not available to the City or its general creditors. The Plans assets are held in trust by the administrator for the exclusive benefit of the participants of the Plans.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

16. Post Employment Health Care Benefits

The City does not provide post-employment benefits other than pensions and those mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA).

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured on or before the 10th day of the month for the actual month covered. This program is offered for the duration of 18 months after the employee's termination date. There is no associated cost to the City under this program.

17. Hotel/Motel Lodging Tax

The City has levied a 6% lodging tax, in accordance with Official Code of Georgia Annotated (OCGA) Section 48-13-51(3.7). The City is required to spend an amount equal to the amount by which the total taxes collected under the Code section exceed the taxes which would be collected at a rate of 3 percent for the purpose of promoting tourism, conventions, and trade shows, or for facilities used for these purposes. A summary of the transactions for the current fiscal year were as follows:

Lodging tax receipts	\$ 76,622
Disbursements to Chamber of Commerce, for Elbert Theatre, and for other tourism and visitor programs	\$ 75,814 98.9% of tax receipts

18. Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Northeast Georgia Regional Commission and is required to pay annual dues thereto. During the current fiscal year, the city paid \$4,456 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the NEGRC financial statements can be obtained from the Northeast Georgia Regional Commission, 305 Research Drive, Athens, Georgia 30605.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

19. Related Organizations

The City of Elberton Housing Authority is considered a related organization to the City of Elberton. The City appoints members to the Authority, but does not have the ability to impose its will or create a financial benefit or burden for the Authority. The Authority provides low-income housing for the individuals in the City of Elberton. The City received no payments for services provided during the current fiscal year.

20. Commitments and Contingencies

Commitments

The City has entered into Power Sales Contracts with the Municipal Electric Authority of Georgia (MEAG). The contracts require the City to purchase from MEAG all of the City's bulk power supply, other than power supplied by Federally-owned generation projects. MEAG is authorized to establish rates and charges so as to produce revenues sufficient to cover its costs. The City's payment obligations are general obligations to the payment of which the City's full faith and credit and taxing powers are pledged. The City purchased bulk power totaling \$10,688,645 from MEAG during the current fiscal year. The City's future minimum payment obligations to the Authority will be based on the Authority's costs and the City's yearly demand for bulk power supply.

The City has adopted the provisions of a Municipal Competitive Trust agreement between the City and MEAG. MEAG established the Trust for the mutual benefit of MEAG and its wholesale customers who elect to become participants. The Trust was created to provide a means to mitigate the expected differential between "after deregulation" market rates for power and the associated costs of generating that power.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

20. Commitments and Contingencies (continued)

Commitments, continued

The Trust created four types of accounts that are held by MEAG in the name of the City. The flexible operating trust account includes funds that are available to the City for operating costs and rate stabilization. At the end of the current fiscal year, the balance in this account was \$10,250,062. This amount is included in unrestricted investments in the Combined Public Utilities Fund. The generation trust account is used to offset the City's share of future MEAG generation projects. At the end of the current fiscal year, the balance in this account was \$3,282,587. This amount is included in restricted investments in the Combined Public Utilities Fund.

The two additional accounts created were the credit support operating and the reserve funded debt account. The funds in the credit support operating account are restricted for use to offset rate increases exceeding certain criteria and for loans for capital improvements that will reduce future operating costs. The credit support operating account was closed in the fiscal year ended June 30, 2016. The funds in the reserve funded debt account can only be applied to charges related to MEAG's bond obligations. The balance of the reserve funded debt account at the end of the current fiscal year was \$154,099. Due to the restricted nature of these funds, the reserve funded debt account is not shown in the Combined Public Utilities Fund.

CITY OF ELBERTON, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

20. Commitments and Contingencies (continued)

Contingencies

The City has extended a nonexchange financial guarantee to the Development Authority of Elbert County, Elberton, and Bowman through an intergovernmental agreement dated July 1, 2010 whereby the City along with Elbert County Board of Commissioners agrees to provide credit support for the Authority to issue a taxable revenue bond in the amount of \$2,000,000 for the purpose of purchasing a manufacturing facility to be leased to MollerTech South, LLC. Pursuant to O.C.G.A. Section 48-5-350, the City has the power to levy and collect three mills per dollar on the assessed value of the taxable property in the City to provide for financial assistance to the Authority, which is the legal authority for extending the guarantee. The City and County have agreed to make payments to the Authority in amounts sufficient to enable the Authority to pay debt service on the bond in the event both the Company and its guarantor, MollerTech North America, Inc., default on their obligations to make lease payments. The City and County are each required to make one-half of such payments. The length of time of the guarantee is the later of (a) the final maturity date of the Bond or (b) the date that all amounts owing under the Bond have been paid. The final maturity date of the Bond is October 30, 2020. The intergovernmental contract provides that the City, or any defaulting party, may take whatever action at law or in equity may appear necessary or desirable to collect the contract payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the County, the City or the Authority under the intergovernmental contract. The balance on the bond at the end of the current fiscal year was \$805,567, interest at 5.00% per annum. The Company was current on all lease payments at the end of the current fiscal year, and the Authority was current on all bond payments at the end of the current fiscal year. The City has a contingent liability at the end of the current fiscal year of \$402,783. A contingent liability is a possible obligation that arises from past events, and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the City. The City does not recognize this potential obligation on its balance sheet because it is not probable that an outflow of resources will be required to settle the obligation. This obligation was paid in full on September 6, 2018, relieving the City of its financial guarantee to pay the outstanding balance in the event of default.

The City's legal counsel has stated that there are presently no determinable lawsuits.

Required Supplementary Information



CITY OF ELBERTON, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2018
(Unaudited)

	Fiscal Year End	
	2018	2017
Total pension liability		
Service cost	\$ 164,994	\$ 173,629
Interest	1,359,452	1,347,052
Differences between expected and actual experience	617,994	(387,757)
Changes of assumptions	(358,973)	0
Changes of benefit terms	90,421	0
Benefit payments, including refunds of employee contributions	(1,045,886)	(899,965)
Net change in total pension liability	828,002	232,959
Total pension liability - beginning	18,064,253	17,831,294
Total pension liability - ending (a)	\$ 18,892,255	\$ 18,064,253
Plan fiduciary net position		
Contributions - employer	\$ 358,526	\$ 344,865
Net investment income	2,767,707	1,912,937
Benefit payments, including refunds of employee contributions	(1,045,886)	(899,965)
Administrative expense	(35,849)	(21,184)
Net change in total pension liability	2,044,498	1,336,653
Plan fiduciary net position - beginning	18,704,728	17,368,075
Plan fiduciary net position - ending (b)	\$ 20,749,226	\$ 18,704,728
Net pension liability (asset) - ending : (a) - (b)	\$ (1,856,971)	\$ (640,475)
Plan's fiduciary net position as a percentage of the total pension liability	109.83%	103.55%
Covered payroll	\$ 4,221,554	\$ 4,200,078
Net pension liability as a percentage of covered payroll	-43.99%	-15.25%

Note: Fiscal year 2015 was the first year of implementation. Therefore, years prior to 2015 are not reported.

Fiscal Year End	
2016	2015
\$ 185,301	\$ 200,459
1,299,615	1,345,099
0	(358,709)
151,751	(847,478)
(117,838)	0
(913,514)	(939,024)
605,315	(599,653)
17,225,979	17,825,632
<u>\$ 17,831,294</u>	<u>\$ 17,225,979</u>
\$ 358,930	\$ 348,379
221,538	1,863,860
(913,514)	(939,024)
(24,006)	(19,423)
(357,052)	1,253,792
17,725,127	16,471,335
<u>\$ 17,368,075</u>	<u>\$ 17,725,127</u>
<u>\$ 463,219</u>	<u>\$ (499,148)</u>
97.40%	102.90%
\$ 4,545,318	\$ 4,461,208
10.19%	-11.19%

CITY OF ELBERTON, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2018
(Unaudited)

	Fiscal Year End	
	2018	2017
Actuarially determined contribution	\$ 365,616	\$ 337,948
Contributions in relation to the actuarially determined contribution	(365,616)	(337,948)
Contribution deficiency (excess)	\$ 0	\$ 0
Covered payroll	\$ 4,848,402	\$ 4,633,317
Contributions as a percentage of covered payroll	7.54%	7.29%

Note: Fiscal year 2015 was the first year of implementation. Therefore, years prior to 2015 are not reported.

Fiscal Year End	
2016	2015
\$ 365,616	\$ 365,924
(365,616)	(365,924)
<u>\$ 0</u>	<u>\$ 0</u>
\$ 4,454,847	\$ 4,461,208
8.21%	8.20%

CITY OF ELBERTON, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2018

1. Valuation Date

The actuarially determined contribution rate was determined as of January 1, 2018, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ended June 30, 2019.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Projected unit credit

Amortization method = Closed level dollar for remaining unfunded liability

Remaining amortization period = N/A

Asset valuation method = Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Net investment rate of return = 7.50%

Projected salary increases = 2.75% plus service based merit increases

Cost of living adjustments = 2.75%

Retirement age for inactive vested participants = 65

Mortality = Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and on year for females. Disabled mortality rates were based on the RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

CITY OF ELBERTON, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2018

3. Changes in Benefits

There were no changes in benefit provisions in the last two fiscal years.

4. Changes of Assumptions

Amounts reported for the fiscal year ending in 2018 and later reflect the following assumption changes based on an actuarial study conducted in September 2017:

The investment return assumption was decreased from 7.75% to 7.50%.

The inflation assumption was decreased from 3.25% to 2.75%.

The social security wage base rate increase assumption was reduced from 3.25% to 2.75%.

The salary increase rates were reduced by .50% for all years of service, consistent with the reduction in the inflation assumption.

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Supplementary Information



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COMBINING STATEMENTS

Nonmajor Governmental Funds

Nonmajor Enterprise Funds

CITY OF ELBERTON, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018

	<u>Special Revenue</u>		<u>Capital Projects</u>		<u>Total Nonmajor Funds</u>
	<u>Hotel/ Motel Tax</u>	<u>Revolving Loan</u>	<u>2017 SPLOST</u>	<u>2011 SPLOST</u>	
ASSETS					
Cash	\$ 0	\$ 124,750	\$ 18,956	\$ 0	\$ 143,706
Receivables					
Taxes	6,532	0	0	0	6,532
Intergovernmental	0	0	101,572	0	101,572
Notes	0	355,250	0	0	355,250
Due from other funds	8,060	0	0	0	8,060
Total assets	<u>\$ 14,592</u>	<u>\$ 480,000</u>	<u>\$ 120,528</u>	<u>\$ 0</u>	<u>\$ 615,120</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 0	\$ 0	\$ 308	\$ 0	\$ 308
Due to other funds	0	0	5,746	0	5,746
Total liabilities	<u>0</u>	<u>0</u>	<u>6,054</u>	<u>0</u>	<u>6,054</u>
Fund balances					
Restricted for:					
Housing and Development	13,784	480,000	0	0	493,784
Capital Projects	0	0	114,474	0	114,474
Assigned for:					
Housing and Development	808	0	0	0	808
Total fund balances	<u>14,592</u>	<u>480,000</u>	<u>114,474</u>	<u>0</u>	<u>609,066</u>
Total liabilities and fund balances	<u>\$ 14,592</u>	<u>\$ 480,000</u>	<u>\$ 120,528</u>	<u>\$ 0</u>	<u>\$ 615,120</u>

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2018

	<u>Special Revenue</u>		<u>Capital Projects</u>		<u>Total Nonmajor Funds</u>
	<u>Hotel/ Motel Tax</u>	<u>Revolving Loan</u>	<u>2017 SPLOST</u>	<u>2011 SPLOST</u>	
REVENUES					
Taxes	\$ 76,622	\$ 0	\$ 0	\$ 0	\$ 76,622
Intergovernmental	0	0	673,338	0	673,338
Interest	0	0	117	45	162
Total revenues	<u>76,622</u>	<u>0</u>	<u>673,455</u>	<u>45</u>	<u>750,122</u>
EXPENDITURES					
Current					
Housing and Development	38,311	0	0	0	38,311
Capital outlay	0	0	386,877	124,327	511,204
Debt service	0	0	0	338,228	338,228
Total expenditures	<u>38,311</u>	<u>0</u>	<u>386,877</u>	<u>462,555</u>	<u>887,743</u>
Excess (deficiency) of revenues over (under) expenditures	<u>38,311</u>	<u>0</u>	<u>286,578</u>	<u>(462,510)</u>	<u>(137,621)</u>
Other financing sources (uses)					
Transfers out	<u>(37,503)</u>	<u>0</u>	<u>(118,395)</u>	<u>0</u>	<u>(155,898)</u>
Excess (deficiency) of revenues and other financing sources over (under) other financing sources over (under) expenditures and other financing uses	808	0	168,183	(462,510)	(293,519)
Fund balances, July 1	<u>13,784</u>	<u>480,000</u>	<u>(53,709)</u>	<u>462,510</u>	<u>902,585</u>
Fund balances, June 30	<u>\$ 14,592</u>	<u>\$ 480,000</u>	<u>\$ 114,474</u>	<u>\$ 0</u>	<u>\$ 609,066</u>

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
June 30, 2018

	Solid Waste	Elbert Theatre	Total Nonmajor Proprietary Funds
ASSETS			
Current assets			
Cash	\$ 0	\$ 27,791	\$ 27,791
Receivables (net)			
Accounts	68,665	0	68,665
Inventories	0	1,350	1,350
Due from other funds	40,000	0	40,000
	<u>108,665</u>	<u>29,141</u>	<u>137,806</u>
Total current assets			
Noncurrent assets			
Capital assets			
Non-depreciable	23,900	0	23,900
Depreciable (net)	232,516	30,738	263,254
Other assets			
Net pension asset	130,946	0	130,946
	<u>387,362</u>	<u>30,738</u>	<u>418,100</u>
Total noncurrent assets			
	<u>496,027</u>	<u>59,879</u>	<u>555,906</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension experience differences	34,643	0	34,643
Pension contributions subsequent to measurement date	17,125	0	17,125
	<u>51,768</u>	<u>0</u>	<u>51,768</u>
Total deferred outflows of resources			
LIABILITIES			
Current liabilities			
Payables			
Accounts	19,465	866	20,331
Interest	115	0	115
Accrued salaries	11,552	2,099	13,651
Compensated absences	15,280	0	15,280
Due to other funds	198,777	3,239	202,016
Capital leases payable	40,887	0	40,887
	<u>286,076</u>	<u>6,204</u>	<u>292,280</u>
Total current liabilities			

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
June 30, 2018

	Solid Waste	Elbert Theatre	Total Nonmajor Proprietary Funds
Noncurrent liabilities			
Compensated absences	\$ 6,549	\$ 0	\$ 6,549
Capital lease payable	116,834	0	116,834
Total noncurrent liabilities	<u>123,383</u>	<u>0</u>	<u>123,383</u>
Total liabilities	<u>409,459</u>	<u>6,204</u>	<u>415,663</u>
DEFERRED INFLOWS OF RESOURCES			
Pension experience differences	14,108	0	14,108
Pension assumption changes	18,595	0	18,595
Pension investment return differences	<u>76,663</u>	<u>0</u>	<u>76,663</u>
Total deferred inflows of resources	<u>109,366</u>	<u>0</u>	<u>109,366</u>
NET POSITION			
Net investment in capital assets	98,695	30,738	129,433
Unrestricted	<u>(69,725)</u>	<u>22,937</u>	<u>(46,788)</u>
Total net position	<u>\$ 28,970</u>	<u>\$ 53,675</u>	<u>\$ 82,645</u>

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
For the fiscal year ended June 30, 2018

	Solid Waste	Elbert Theatre	Total Nonmajor Proprietary Funds
OPERATING REVENUES			
Charges for sales and services	\$ 885,530	\$ 87,974	\$ 973,504
OPERATING EXPENSES			
Costs of sales and services	386,716	56,355	443,071
Personal services	461,525	21,549	483,074
Depreciation	63,485	172	63,657
Total operating expenses	911,726	78,076	989,802
Operating income (loss)	(26,196)	9,898	(16,298)
Non-operating revenues (expenses)			
Interest expense	(3,632)	0	(3,632)
Net income (loss) before transfers	(29,828)	9,898	(19,930)
Transfers in (out)			
Transfers in	40,000	0	40,000
Change in net position	10,172	9,898	20,070
Net position, July 1	18,798	43,777	62,575
Net position, June 30	\$ 28,970	\$ 53,675	\$ 82,645

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the fiscal year ended June 30, 2018

	<u>Solid Waste</u>	<u>Elbert Theatre</u>	<u>Total Nonmajor Proprietary Funds</u>
Cash flows from operating activities:			
Receipts from customers	\$ 890,037	\$ 87,974	\$ 978,011
Payments to suppliers	(393,833)	(59,398)	(453,231)
Payments to employees	(507,048)	(19,450)	(526,498)
Net cash provided (used) by operating activities	<u>(10,844)</u>	<u>9,126</u>	<u>(1,718)</u>
Cash flows from non-capital financing activities:			
Receipts from other funds	62,000	7,292	69,292
Payments to other funds	(7,432)	0	(7,432)
Net cash provided (used) by non-capital financing activities	<u>54,568</u>	<u>7,292</u>	<u>61,860</u>
Cash flows from capital and related financing activities:			
Interest paid	(3,661)	0	(3,661)
Acquisition of capital assets	0	(30,910)	(30,910)
Principal payments - capital leases	(40,063)	0	(40,063)
Net cash provided (used) by capital and related financing activities	<u>(43,724)</u>	<u>(30,910)</u>	<u>(74,634)</u>
Net increase (decrease) in cash	0	(14,492)	(14,492)
Cash, July 1	<u>0</u>	<u>42,283</u>	<u>42,283</u>
Cash, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 27,791</u></u>	<u><u>\$ 27,791</u></u>

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the fiscal year ended June 30, 2018

	<u>Solid Waste</u>	<u>Elbert Theatre</u>	<u>Total Nonmajor Proprietary Funds</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (26,196)	\$ 9,898	\$ (16,298)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	63,485	172	63,657
(Increase) decrease in accounts receivable	4,507	0	4,507
(Increase) decrease in inventories	0	(374)	(374)
(Increase) decrease in net pension asset/liability	(84,619)	0	(84,619)
(Increase) decrease in pension contributions made subsequent to measurement date	2,172		2,172
Increase (decrease) in accounts payable	(7,117)	(2,669)	(9,786)
Increase (decrease) in accrued salaries	(1,782)	2,099	317
Increase (decrease) in pension experience differences	(42,228)	0	(42,228)
Increase (decrease) in pension assumption differences	3,956	0	3,956
Increase (decrease) in pension investment return differences	73,313	0	73,313
Increase (decrease) in compensated absences payable	3,665	0	3,665
Total adjustments	<u>15,352</u>	<u>(772)</u>	<u>14,580</u>
Net cash provided (used) by operating activities	<u>\$ (10,844)</u>	<u>\$ 9,126</u>	<u>\$ (1,718)</u>

GENERAL FUND

The general operating fund of the City is used to account for all financial resources except those required to be accounted for in another fund.

**CITY OF ELBERTON, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash	\$ 612,223	\$ 537,356
Restricted cash	25	25
Receivables (net)		
Accounts	3,448	3,901
Taxes	74,162	64,139
Notes	84,000	48,692
Prepaid items	141,337	140,451
Inventory, at cost	26,443	24,797
Due from other funds	354,214	483,952
	<u>354,214</u>	<u>483,952</u>
Total assets	<u>\$ 1,295,852</u>	<u>\$ 1,303,313</u>
LIABILITIES		
Accounts payable	\$ 46,913	\$ 53,177
Accrued salaries and payroll liabilities	122,655	114,041
Due to other funds	40,000	62,000
Other liabilities	13,250	12,751
	<u>13,250</u>	<u>12,751</u>
Total liabilities	<u>222,818</u>	<u>241,969</u>
FUND BALANCES		
Nonspendable:		
Inventory	26,443	24,797
Prepaid items	141,337	140,451
Restricted for public safety	25	25
Unassigned	905,229	896,071
	<u>905,229</u>	<u>896,071</u>
Total fund balances	<u>1,073,034</u>	<u>1,061,344</u>
Total liabilities and fund balances	<u>\$ 1,295,852</u>	<u>\$ 1,303,313</u>

CITY OF ELBERTON, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
REVENUES		
Taxes	\$ 1,322,856	\$ 1,258,347
Licenses and permits	67,261	57,785
Fines, fees and forfeitures	115,047	112,020
Charges for services	711,197	720,912
Interest	5,930	3,374
Contributions	1,285	350
Other	28,640	7,941
	<u>2,252,216</u>	<u>2,160,729</u>
Total revenues		
EXPENDITURES		
Current		
General Government	763,729	754,976
Judicial	78,402	76,613
Public Safety	2,571,983	2,442,340
Public Works	814,101	857,529
Health and Welfare	65,100	61,968
Culture and Recreation	170,165	162,355
Housing and Development	305,558	284,300
	<u>4,769,038</u>	<u>4,640,081</u>
Total expenditures		
Excess (deficiency) of revenues over (under) expenditures	<u>(2,516,822)</u>	<u>(2,479,352)</u>
Other financing sources (uses)		
Transfers in (out)		
Hotel/Motel Fund	37,503	29,585
Combined Public Utility System Fund	2,520,000	2,505,000
Solid Waste Fund	(40,000)	(62,000)
Sale of capital assets	11,009	60,618
	<u>2,528,512</u>	<u>2,533,203</u>
Total other financing sources (uses)		
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	11,690	53,851
Fund balances, July 1	<u>1,061,344</u>	<u>1,007,493</u>
Fund balances, June 30	<u>\$ 1,073,034</u>	<u>\$ 1,061,344</u>

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	<u>2018</u>			<u>2017</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES				
Taxes				
Intangibles tax	\$ 5,500	\$ 4,436	\$ (1,064)	\$ 4,542
Franchise tax	101,000	92,799	(8,201)	91,906
Occupational tax	120,500	131,521	11,021	122,502
Insurance premium tax	300,000	304,258	4,258	285,732
Title ad valorem tax	80,000	69,636	(10,364)	70,116
Liquor tax	20,000	19,006	(994)	21,690
Beer and wine tax	125,000	103,949	(21,051)	112,152
Local option sales tax	570,000	597,251	27,251	549,707
Total taxes	<u>1,322,000</u>	<u>1,322,856</u>	<u>856</u>	<u>1,258,347</u>
Licenses and permits				
Building permits	15,000	22,986	7,986	14,790
Alcoholic beverage licenses	40,000	41,000	1,000	39,500
Other permits	5,500	3,275	(2,225)	3,495
Total licenses and permits	<u>60,500</u>	<u>67,261</u>	<u>6,761</u>	<u>57,785</u>
Fines, fees and forfeitures				
Parking fines	500	1,610	1,110	815
Court and DUI fines	121,600	110,437	(11,163)	108,205
Probation fees	3,000	3,000	0	3,000
Total fines, fees, and forfeitures	<u>125,100</u>	<u>115,047</u>	<u>(10,053)</u>	<u>112,020</u>
Charges for services				
Reimbursement of joint expenses	625,373	625,373	0	619,696
Cemetery sales and services	80,000	65,180	(14,820)	85,289
Public safety	11,500	14,765	3,265	13,332
Other	15,588	5,879	(9,709)	2,595
Total charges for services	<u>732,461</u>	<u>711,197</u>	<u>(21,264)</u>	<u>720,912</u>
Interest	<u>2,500</u>	<u>5,930</u>	<u>3,430</u>	<u>3,374</u>
Contributions	<u>0</u>	<u>1,285</u>	<u>1,285</u>	<u>350</u>
Other				
Miscellaneous	12,100	28,640	16,540	7,941
Total revenues	<u>\$ 2,254,661</u>	<u>\$ 2,252,216</u>	<u>\$ (2,445)</u>	<u>\$ 2,160,729</u>

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
Mayor and Council				
Personal services	\$ 123,102	\$ 120,644	\$ 2,458	\$ 106,899
Contractual services	46,228	48,833	(2,605)	44,703
Materials and supplies	250	15	235	137
Total Mayor and Council	<u>169,580</u>	<u>169,492</u>	<u>88</u>	<u>151,739</u>
City Manager's Office				
Personal services	147,165	147,636	(471)	144,902
Contractual services	5,785	2,646	3,139	2,908
Materials and supplies	1,000	2,186	(1,186)	1,211
Total City Manager's Office	<u>153,950</u>	<u>152,468</u>	<u>1,482</u>	<u>149,021</u>
Finance				
Personal services	157,681	158,446	(765)	156,888
Contractual services	52,240	52,104	136	52,627
Materials and supplies	1,100	365	735	684
Total Finance	<u>211,021</u>	<u>210,915</u>	<u>106</u>	<u>210,199</u>
Human Resources				
Personal services	50,048	51,994	(1,946)	54,286
Contractual services	12,436	9,658	2,778	6,115
Materials and supplies	1,600	2,370	(770)	1,440
Total Human Resources	<u>64,084</u>	<u>64,022</u>	<u>62</u>	<u>61,841</u>
City Clerk				
Personal services	97,193	97,108	85	95,756
Contractual services	705	927	(222)	617
Materials and supplies	4,208	4,064	144	4,098
Total City Clerk	<u>102,106</u>	<u>102,099</u>	<u>7</u>	<u>100,471</u>
Elections				
Personal services	500	550	(50)	0
Contractual services	800	741	59	340
Materials and supplies	200	186	14	0
Total Elections	<u>1,500</u>	<u>1,477</u>	<u>23</u>	<u>340</u>
City Attorney				
Contractual services	29,000	28,331	669	48,691
Total City Attorney	<u>29,000</u>	<u>28,331</u>	<u>669</u>	<u>48,691</u>

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
General Government - continued				
City Hall Maintenance				
Contractual services	\$ 24,674	\$ 24,449	\$ 225	\$ 23,588
Materials and supplies	11,660	10,476	1,184	9,086
Total City Hall Maintenance	<u>36,334</u>	<u>34,925</u>	<u>1,409</u>	<u>32,674</u>
 Total General Government	 <u>767,575</u>	 <u>763,729</u>	 <u>3,846</u>	 <u>754,976</u>
Judicial				
Municipal Court				
Personal services	72,185	72,414	(229)	72,695
Contractual services	6,220	5,988	232	3,918
Total Judicial	<u>78,405</u>	<u>78,402</u>	<u>3</u>	<u>76,613</u>
Public Safety				
Police - Administration				
Personal services	186,258	181,192	5,066	162,221
Contractual services	156,511	160,744	(4,233)	157,428
Materials and supplies	23,577	24,359	(782)	21,405
Total Police - Administration	<u>366,346</u>	<u>366,295</u>	<u>51</u>	<u>341,054</u>
 Police - Uniform Division				
Personal services	931,259	913,691	17,568	813,103
Contractual services	20,000	31,634	(11,634)	27,406
Materials and supplies	38,588	44,167	(5,579)	37,247
Total Police - Uniform Division	<u>989,847</u>	<u>989,492</u>	<u>355</u>	<u>877,756</u>
 Police - Criminal Investigations				
Personal services	138,237	140,018	(1,781)	141,876
Contractual services	2,740	2,843	(103)	2,190
Materials and supplies	7,520	5,467	2,053	7,498
Total Police - Criminal Investigations	<u>148,497</u>	<u>148,328</u>	<u>169</u>	<u>151,564</u>
 Police - Community Relations				
Personal services	63,262	64,206	(944)	59,640
Contractual services	250	79	171	0
Materials and supplies	2,695	1,908	787	1,373
Total Police - Community Relations	<u>66,207</u>	<u>66,193</u>	<u>14</u>	<u>61,013</u>

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Public Safety - continued				
Police - Detention				
Contractual services	\$ 21,500	\$ 21,362	\$ 138	\$ 13,370
Fire				
Personal services	864,091	859,403	4,688	883,842
Contractual services	30,334	30,738	(404)	28,521
Materials and supplies	23,082	25,150	(2,068)	33,256
Total Fire	<u>917,507</u>	<u>915,291</u>	<u>2,216</u>	<u>945,619</u>
Animal Control				
Personal services	55,318	52,059	3,259	43,631
Contractual services	5,515	9,099	(3,584)	4,881
Materials and supplies	4,200	3,864	336	3,452
Total Animal Control	<u>65,033</u>	<u>65,022</u>	<u>11</u>	<u>51,964</u>
Total Public Safety	<u>2,574,937</u>	<u>2,571,983</u>	<u>2,954</u>	<u>2,442,340</u>
Public Works				
Administrative				
Personal services	60,198	59,137	1,061	60,497
Contractual services	17,594	19,772	(2,178)	29,280
Materials and supplies	17,268	14,717	2,551	14,721
Payments to others	9,000	8,725	275	8,651
Total Administration	<u>104,060</u>	<u>102,351</u>	<u>1,709</u>	<u>113,149</u>
Infrastructure Maintenance				
Personal services	299,415	304,663	(5,248)	326,175
Contractual services	16,854	14,721	2,133	14,946
Materials and supplies	33,975	30,267	3,708	25,702
Total Infrastructure Maintenance	<u>350,244</u>	<u>349,651</u>	<u>593</u>	<u>366,823</u>
Parks and Rights-of-Way				
Personal services	0	557	(557)	0
Contractual services	54,650	54,413	237	51,214
Materials and supplies	5,500	5,152	348	6,568
Total Parks and Rights of Way	<u>60,150</u>	<u>60,122</u>	<u>28</u>	<u>57,782</u>

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Public Works - continued				
Motor Pool				
Personal services	\$ 108,245	\$ 111,117	\$ (2,872)	\$ 110,744
Contractual services	36,453	30,012	6,441	36,378
Materials and supplies	23,072	22,117	955	26,191
Total Motor Pool	<u>167,770</u>	<u>163,246</u>	<u>4,524</u>	<u>173,313</u>
Street Lighting				
Contractual services	550	0	550	0
Materials and supplies	14,000	12,863	1,137	15,028
Total Street Lighting	<u>14,550</u>	<u>12,863</u>	<u>1,687</u>	<u>15,028</u>
Cemetery				
Personal services	46,440	49,504	(3,064)	43,425
Contractual services	74,370	72,990	1,380	82,434
Materials and supplies	5,066	3,374	1,692	5,575
Total Cemetery	<u>125,876</u>	<u>125,868</u>	<u>8</u>	<u>131,434</u>
Total Public Works	<u>822,650</u>	<u>814,101</u>	<u>8,549</u>	<u>857,529</u>
Health and Welfare				
Agency allocations				
Elbert County Hospital Authority	57,600	57,600	0	54,468
Community Partnership	1,500	1,500	0	1,500
Elbert County Aging Program	6,000	6,000	0	6,000
Total Health and Welfare	<u>65,100</u>	<u>65,100</u>	<u>0</u>	<u>61,968</u>
Culture and Recreation				
Elbert Theatre				
Personal services	63,335	62,430	905	59,670
Contract services	15,949	14,526	1,423	12,911
Materials and supplies	17,400	19,709	(2,309)	16,274
Total Elbert Theatre	<u>96,684</u>	<u>96,665</u>	<u>19</u>	<u>88,855</u>
Agency allocations				
Library	66,000	66,000	0	66,000
Sister City Program	7,500	7,500	0	7,500
Total agency allocations	<u>73,500</u>	<u>73,500</u>	<u>0</u>	<u>73,500</u>
Total Culture and Recreation	<u>170,184</u>	<u>170,165</u>	<u>19</u>	<u>162,355</u>

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Housing and Development				
Zoning/City Marshal				
Personal services	\$ 65,254	\$ 65,631	\$ (377)	\$ 63,162
Contractual services	2,440	1,983	457	2,202
Materials and supplies	2,566	2,307	259	2,084
Payments to others	500	0	500	0
Total Zoning/Special Projects	70,760	69,921	839	67,448
Code Enforcement				
Personal services	55,726	53,913	1,813	52,281
Contractual services	59,367	56,861	2,506	74,027
Materials and supplies	1,607	1,234	373	1,354
Capital outlay	0	1,000	(1,000)	8,156
Total Code Enforcement	116,700	113,008	3,692	135,818
Economic Development				
Mainstreet Elberton	122,645	122,629	16	81,034
Total Housing and Development	310,105	305,558	4,547	284,300
Total expenditures	\$ 4,788,956	\$ 4,769,038	\$ 19,918	\$ 4,640,081

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SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Hotel/Motel Tax Fund - *This fund is used to collect Hotel/Motel taxes which are used to help support trade and tourism in the City of Elberton.*

Revolving Loan Fund – *This fund is used to record activities connected with US Department of Housing and Urban Development Community Development Block Grant. The objective of the grant is to develop employment opportunities, principally to persons of low and moderate income.*

CITY OF ELBERTON, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

	2018	2017
ASSETS		
Taxes receivable	\$ 6,532	\$ 4,915
Due from other funds	8,060	8,869
Total assets	\$ 14,592	\$ 13,784
FUND BALANCES		
Restricted for Housing and Development	\$ 13,784	\$ 13,784
Assigned for Housing and Development	808	0
Total fund balances	\$ 14,592	\$ 13,784

CITY OF ELBERTON, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018

(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Hotel/motel taxes	\$ 77,000	\$ 76,622	\$ (378)	\$ 59,669
EXPENDITURES				
Current				
Housing and Development				
Elbert Theatre				
Contract services	27,500	17,898	9,602	3,992
Chamber of Commerce				
Payments to other agencies	11,000	20,413	(9,413)	15,000
Total expenditures	<u>38,500</u>	<u>38,311</u>	<u>189</u>	<u>18,992</u>
Excess (deficiency) of revenues over (under) expenditures	38,500	38,311	(189)	40,677
Other financing sources (uses)				
Transfers in (out)				
General Fund	<u>(38,500)</u>	<u>(37,503)</u>	<u>997</u>	<u>(29,585)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	808	808	11,092
Fund balances, July 1	<u>0</u>	<u>13,784</u>	<u>13,784</u>	<u>2,692</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 14,592</u></u>	<u><u>\$ 14,592</u></u>	<u><u>\$ 13,784</u></u>

CITY OF ELBERTON, GEORGIA
REVOLVING LOAN SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

	2018	2017
ASSETS		
Cash	\$ 124,750	\$ 152,000
Notes receivable	355,250	379,250
Total assets	\$ 480,000	\$ 531,250
LIABILITIES		
Due to other funds	\$ 0	\$ 51,250
FUND BALANCES		
Restricted for Housing and Development	480,000	480,000
Total liabilities and fund balances	\$ 480,000	\$ 531,250

CITY OF ELBERTON, GEORGIA
REVOLVING LOAN SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	\$ 24,000	\$ 0	\$ (24,000)	\$ 0
EXPENDITURES				
Current				
Housing and Development	24,000	0	24,000	0
Excess (deficiency) of revenues over (under) expenditures	0	0	0	0
Fund balances, July 1	0	480,000	480,000	480,000
Fund balances, June 30	<u>\$ 0</u>	<u>\$ 480,000</u>	<u>\$ 480,000</u>	<u>\$ 480,000</u>

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CAPITAL PROJECTS FUND

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by the proprietary or fiduciary funds).

2011 Special Purpose Local Option Sales Tax Fund - *This fund is used to account for long-term projects financed by the passage of the 2011 special purpose local option sales tax.*

2017 Special Purpose Local Option Sales Tax Fund - *This fund is used to account for long-term projects financed by the passage of the 2017 special purpose local option sales tax.*

CITY OF ELBERTON, GEORGIA
2011 SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

	2018	2017
ASSETS		
Cash	\$ 0	\$ 376,151
Intergovernmental receivable	0	93,324
Total assets	\$ 0	\$ 469,475
 LIABILITIES		
Accounts payable	\$ 0	\$ 6,965
 FUND BALANCES		
Restricted for capital projects	0	462,510
Total liabilities and fund balances	\$ 0	\$ 469,475

CITY OF ELBERTON, GEORGIA
2011 SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2018 and 2017

	2018	2017
REVENUES		
Intergovernmental	\$ 0	\$ 656,054
Interest	45	68
	45	656,122
Total revenues	45	656,122
EXPENDITURES		
Capital outlay		
Public Safety	0	87,399
Public Works	124,327	47,292
Culture and Recreation	0	2,530
Debt service		
Public Safety	338,228	67,247
	462,555	204,468
Total expenditures	462,555	204,468
Excess (deficiency) of revenues over (under) expenditures	(462,510)	451,654
Other financing sources (uses)		
Transfers in (out)		
Combined Utilities Fund	0	20,000
	0	20,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(462,510)	471,654
Fund balances, July 1	462,510	(9,144)
	462,510	(9,144)
Fund balances, June 30	\$ 0	\$ 462,510

CITY OF ELBERTON, GEORGIA
2017 SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash	\$ 18,956	\$ 0
Intergovernmental receivable	101,572	0
	<u>101,572</u>	<u>0</u>
Total assets	<u>\$ 120,528</u>	<u>\$ 0</u>
LIABILITIES		
Accounts payable	\$ 308	\$ 0
Due to other funds	5,746	53,709
	<u>5,746</u>	<u>53,709</u>
Total liabilities	<u>6,054</u>	<u>53,709</u>
FUND BALANCES		
Restricted for capital projects	114,474	0
Unassigned	0	(53,709)
	<u>0</u>	<u>(53,709)</u>
Total fund balances	<u>114,474</u>	<u>(53,709)</u>
Total liabilities and fund balances	<u>\$ 120,528</u>	<u>\$ 0</u>

CITY OF ELBERTON, GEORGIA
2017 SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
REVENUES		
Intergovernmental	\$ 673,338	\$ 0
Interest	117	0
	<u>673,455</u>	<u>0</u>
Total revenues		
EXPENDITURES		
Capital outlay		
Public Safety	227,707	19,405
Public Works	56,206	0
Culture and Recreation	102,964	34,304
	<u>386,877</u>	<u>53,709</u>
Total expenditures		
Excess (deficiency) of revenues over (under) expenditures	286,578	(53,709)
Other financing sources (uses)		
Transfers in (out)		
Combined Utilities Fund	<u>(118,395)</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	168,183	(53,709)
Fund balances, July 1	<u>(53,709)</u>	<u>0</u>
Fund balances, June 30	<u>\$ 114,474</u>	<u>\$ (53,709)</u>

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ENTERPRISE FUNDS

Enterprise Funds account for City operations which are financed and operated in a manner similar to private business enterprises.

Combined Public Utility System Fund - *This fund is used to account for the operations of the City's Electric, Water and Sewer, and Natural Gas Systems pursuant to requirements of the revenue bond ordinance.*

Solid Waste Fund - *This fund is used to account for the operation of the City's residential and commercial sanitation services and recycling operations.*

ElbertonNET Technology Services Fund - *This fund is used to account for the operation of the City's cable television service and high-speed internet service systems.*

Elbert Theatre Fund - *This fund is used to account for the operation of the City's historic theatre.*

Elbert Hotel Fund – *This fund is used to account for the construction and operation of the City's historic Samuel Elbert Hotel located in downtown Elberton.*

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2018 and 2017

ASSETS	<u>2018</u>	<u>2017</u>
Current assets		
Cash	\$ 588,981	\$ 900,819
Certificates of deposit	40,000	40,000
Investments	9,486,810	8,407,525
Receivables		
Accounts (net)	2,183,859	1,967,469
Interest	84	84
Inventories	575,631	618,178
Due from other funds	486,785	508,279
Other current assets	17,413	17,334
	<u>13,379,563</u>	<u>12,459,688</u>
Restricted assets		
MEAG Generation Trust		
Investments	3,282,587	3,060,048
Construction Fund		
Cash	0	236,249
Bond Redemption		
Cash	480,463	483,016
Customer Deposits		
Investments	763,252	746,737
	<u>4,526,302</u>	<u>4,526,050</u>
Capital assets		
Land	247,035	247,035
Intangible assets	377,692	377,692
Buildings	503,721	503,721
Distribution system	43,321,597	42,159,271
Vehicles and equipment	2,115,034	1,939,034
Construction in progress	134,606	495,107
Accumulated depreciation	(23,920,184)	(22,659,978)
	<u>22,779,501</u>	<u>23,061,882</u>
Other assets		
Net pension asset	634,749	222,023
Advances to other funds	3,507,263	4,239,629
	<u>4,142,012</u>	<u>4,461,652</u>
Total assets	<u>44,827,378</u>	<u>44,509,272</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension experience differences	169,996	26,818
Pension contributions subsequent to measurement date	85,843	96,437
	<u>255,839</u>	<u>123,255</u>

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2018 and 2017

LIABILITIES	<u>2018</u>	<u>2017</u>
Current liabilities		
Payables		
Accounts	\$ 1,094,308	\$ 1,193,893
Retainages	3,457	85,938
Sales tax	59,842	54,415
Accrued salaries	55,806	53,626
Compensated absences	84,276	84,444
Other current liabilities	38,062	41,693
Due to other funds	224,389	342,354
Note payable	140,099	138,305
Capital lease payable	235,614	230,814
	<u>1,935,853</u>	<u>2,225,482</u>
Total current liabilities		
Current liabilities payable from restricted assets		
Customer deposits payable	763,252	746,737
Interest payable	51,868	63,432
Bonds payable	855,000	835,000
	<u>1,670,120</u>	<u>1,645,169</u>
Total liabilities payable from restricted assets		
Noncurrent liabilities		
Compensated absences	36,118	36,190
Capital lease payable	949,478	1,185,092
Notes payable	2,777,882	2,917,981
Bonds payable	2,705,000	3,560,000
	<u>6,468,478</u>	<u>7,699,263</u>
Total noncurrent liabilities		
Total liabilities	<u>10,074,451</u>	<u>11,569,914</u>
DEFERRED INFLOWS OF RESOURCES		
Pension experience differences	70,502	133,289
Pension assumption changes	94,507	75,209
Pension investment return differences	369,170	11,594
	<u>534,179</u>	<u>220,092</u>
Total deferred inflows of resources		
NET POSITION		
Net investment in capital assets	15,112,971	14,292,022
Restricted for:		
Debt service	428,595	419,584
MEAG Generation Trust	3,282,587	3,060,048
Unrestricted	15,650,434	15,070,867
	<u>15,650,434</u>	<u>15,070,867</u>
Total net position	<u>\$ 34,474,587</u>	<u>\$ 32,842,521</u>

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
Charges for sales and services	\$ 22,269,854	\$ 21,846,285
Miscellaneous revenues	13,735	9,144
Total operating revenues	<u>22,283,589</u>	<u>21,855,429</u>
OPERATING EXPENSES		
Costs of sales and services	14,642,321	15,066,508
Personal services	2,153,117	2,214,056
Depreciation	1,374,129	1,274,783
Miscellaneous expenses	53,300	51,280
Total operating expenses	<u>18,222,867</u>	<u>18,606,627</u>
Operating income (loss)	<u>4,060,722</u>	<u>3,248,802</u>
Non-operating revenues (expenses)		
Intergovernmental revenue	430,194	701,292
Interest revenue	286,649	207,189
Net increase (decrease) in the fair value of investments	(112,286)	(131,856)
Interest expense	(175,608)	(203,285)
Gain on sale of capital assets	0	14,230
Debt issue costs	0	(3,500)
Total non-operating revenues (expenses)	<u>428,949</u>	<u>584,070</u>
Net income (loss) before capital contributions and transfers	4,489,671	3,832,872
Capital contributions		
Intergovernmental	0	80,948
Net income (loss) before transfers	<u>4,489,671</u>	<u>3,913,820</u>
Transfers in (out)		
General Fund	(2,520,000)	(2,505,000)
Elbert Hotel Fund	(456,000)	(456,000)
2017 SPLOST Fund	118,395	0
2011 SPLOST Fund	0	(20,000)
Total transfers	<u>(2,857,605)</u>	<u>(2,981,000)</u>
Change in net position	1,632,066	932,820
Net position, July 1	<u>32,842,521</u>	<u>31,909,701</u>
Net position, June 30	<u>\$ 34,474,587</u>	<u>\$ 32,842,521</u>

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
ELECTRIC UTILITY DEPARTMENT
COMPARATIVE SCHEDULES OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
Charges for sales and services	\$ 15,178,416	\$ 15,252,364
Miscellaneous revenues	6,876	5,944
Total operating revenues	<u>15,185,292</u>	<u>15,258,308</u>
OPERATING EXPENSES		
Costs of sales and services	11,647,779	12,288,841
Personal services	1,149,001	1,146,724
Depreciation	305,332	289,971
Miscellaneous expenses	42,530	40,680
Total operating expenses	<u>13,144,642</u>	<u>13,766,216</u>
Operating income (loss)	<u>2,040,650</u>	<u>1,492,092</u>
Non-operating revenues (expenses)		
Intergovernmental revenue	430,194	701,292
Interest revenue	278,557	204,118
Gain on sale of capital assets	0	14,230
Net increase (decrease) in the fair value of investments	(112,286)	(131,856)
Total non-operating revenues (expenses)	<u>596,465</u>	<u>787,784</u>
Net income (loss) before transfers	<u>2,637,115</u>	<u>2,279,876</u>
Transfers in (out)		
Elbert Hotel Fund	(456,000)	(456,000)
General Fund	(1,600,000)	(1,685,000)
Total transfers	<u>(2,056,000)</u>	<u>(2,141,000)</u>
Change in net position	<u>\$ 581,115</u>	<u>\$ 138,876</u>

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
WATER AND SEWER UTILITY DEPARTMENT
COMPARATIVE SCHEDULES OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
Charges for sales and services	\$ 3,179,301	\$ 3,230,494
Miscellaneous revenues	71	179
Total operating revenues	<u>3,179,372</u>	<u>3,230,673</u>
OPERATING EXPENSES		
Costs of sales and services	1,154,362	1,077,002
Personal services	771,734	815,026
Depreciation	866,500	805,710
Miscellaneous expenses	5,230	6,470
Total operating expenses	<u>2,797,826</u>	<u>2,704,208</u>
Operating income (loss)	<u>381,546</u>	<u>526,465</u>
Non-operating revenues (expenses)		
Interest revenue	8,092	3,071
Interest expense	(175,608)	(203,285)
Debt issue costs	0	(3,500)
Total non-operating revenues (expenses)	<u>(167,516)</u>	<u>(203,714)</u>
Net income (loss) before capital contributions and transfers	214,030	322,751
Capital contributions		
Intergovernmental	0	80,948
Net income (loss) before transfers	<u>214,030</u>	<u>403,699</u>
Transfers in (out)		
General Fund	(20,000)	(20,000)
2017 SPLOST Fund	118,395	0
2011 SPLOST Fund	0	(20,000)
Total transfers	<u>98,395</u>	<u>(40,000)</u>
Change in net position	<u>\$ 312,425</u>	<u>\$ 363,699</u>

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
NATURAL GAS UTILITY DEPARTMENT
COMPARATIVE SCHEDULES OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2018 and 2017

	2018	2017
OPERATING REVENUES		
Charges for sales and services	\$ 3,912,137	\$ 3,363,427
Miscellaneous revenues	6,788	3,021
Total operating revenues	3,918,925	3,366,448
OPERATING EXPENSES		
Costs of sales and services	1,840,180	1,700,665
Personal services	232,382	252,306
Depreciation	202,297	179,102
Miscellaneous expenses	5,540	4,130
Total operating expenses	2,280,399	2,136,203
Operating income (loss)	1,638,526	1,230,245
Transfers in (out)		
General Fund	(900,000)	(800,000)
Change in net position	\$ 738,526	\$ 430,245

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITIES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Receipts from customers	\$ 22,071,775	\$ 22,044,119
Payments to suppliers	(14,646,459)	(15,324,419)
Payments to employees	(2,382,400)	(2,398,445)
Other receipts	13,735	9,144
Other payments	<u>(53,300)</u>	<u>(51,280)</u>
Net cash provided (used) by operating activities	<u>5,003,351</u>	<u>4,279,119</u>
Cash flows from non-capital financing activities:		
Receipts from other governments	430,194	701,292
Receipts from other funds	746,247	156,577
Payments to other funds	<u>(3,086,352)</u>	<u>(3,049,178)</u>
Net cash provided (used) from non-capital financing activities	<u>(1,909,911)</u>	<u>(2,191,309)</u>
Cash flows from capital and related financing activities:		
Receipts from other governments	0	80,948
Receipts from other funds	138,395	0
Payments to other funds	(20,000)	0
Proceeds from sale of capital assets	0	14,230
Payment of capital related accounts payable	(138,917)	(479,969)
Acquisition of capital assets	(1,088,291)	(1,396,718)
Debt issue costs	0	(3,500)
Interest paid	(187,172)	(213,696)
Issuance of notes payable	0	323,796
Principal payments - leases	(230,814)	(226,112)
Principal payments - notes payable	(138,305)	(63,715)
Principal payments - bonds	<u>(835,000)</u>	<u>(815,000)</u>
Net cash provided (used) by capital and related financing activities	<u>(2,500,104)</u>	<u>(2,779,736)</u>
Cash flows from investing activities:		
Interest received	286,649	207,322
Proceeds from sale of investments	40,000	80,000
Purchase of investments	<u>(1,470,625)</u>	<u>(1,036,133)</u>
Net cash provided (used) by investing activities	<u>(1,143,976)</u>	<u>(748,811)</u>
Net increase (decrease) in cash	(550,640)	(1,440,737)
Cash, July 1	<u>1,620,084</u>	<u>3,060,821</u>
Cash, June 30	<u><u>\$ 1,069,444</u></u>	<u><u>\$ 1,620,084</u></u>

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITIES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 4,060,722	\$ 3,248,802
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	1,374,129	1,274,783
(Increase) decrease in accounts receivable	(216,390)	186,785
(Increase) decrease in inventories	42,547	(118,989)
(Increase) decrease in other current assets	(79)	1,824
(Increase) decrease in net pension asset/liability	(412,726)	(385,039)
(Increase) decrease in pension contributions made subsequent to measurement date	10,594	(7,239)
Increase (decrease) in accounts payable	(46,606)	(140,746)
Increase (decrease) in sales tax payable	5,427	6,919
Increase (decrease) in accrued salaries	2,180	5,982
Increase (decrease) in compensated absences payable	(240)	(8,233)
Increase (decrease) in pension experience differences	(205,965)	83,406
Increase (decrease) in pension assumption differences	19,298	(73,914)
Increase (decrease) in pension investment return differences	357,576	200,648
Increase (decrease) in deposits payable	16,515	9,223
Increase (decrease) in other current liabilities	(3,631)	(5,093)
Total adjustments	<u>942,629</u>	<u>1,030,317</u>
Net cash provided (used) by operating activities	<u>\$ 5,003,351</u>	<u>\$ 4,279,119</u>
Cash reconciliation:		
Cash	\$ 588,981	\$ 900,819
Construction Fund		
Cash	0	236,249
Bond Redemption		
Cash	<u>480,463</u>	<u>483,016</u>
Total cash	<u>\$ 1,069,444</u>	<u>\$ 1,620,084</u>

Noncash investing, capital, and financing activities:

The net increase (decrease) in the fair value of investments totaled \$112,286 and \$131,856 for the fiscal years ended June 30, 2018 and 2017, respectively.

Acquisition of capital assets through accounts payable totaled \$3,457 and \$138,917 for the fiscal years ended June 30, 2018 and 2017, respectively.

CITY OF ELBERTON, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2018 and 2017

ASSETS	<u>2018</u>	<u>2017</u>
Current assets		
Accounts receivable (net)	\$ 68,665	\$ 73,172
Due from other funds	40,000	62,000
Total current assets	<u>108,665</u>	<u>135,172</u>
Capital assets		
Land	23,900	23,900
Land improvements	67,031	67,031
Buildings	86,886	86,886
Vehicles and equipment	542,302	632,002
Accumulated depreciation	<u>(463,703)</u>	<u>(489,918)</u>
Total capital assets (net of accumulated depreciation)	<u>256,416</u>	<u>319,901</u>
Other assets		
Net pension asset	<u>130,946</u>	<u>46,327</u>
Total assets	<u>496,027</u>	<u>501,400</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension experience differences	34,643	5,288
Pension contributions subsequent to measurement date	<u>17,125</u>	<u>19,297</u>
Total deferred outflows of resources	<u>51,768</u>	<u>24,585</u>
LIABILITIES		
Current liabilities		
Accounts payable	19,465	26,582
Accrued salaries	11,552	13,334
Compensated absences	15,280	12,715
Capital leases payable	40,887	40,062
Interest payable	115	144
Due to other funds	<u>198,777</u>	<u>206,209</u>
Total current liabilities	<u>286,076</u>	<u>299,046</u>
Noncurrent liabilities		
Compensated absences	6,549	5,449
Capital leases payable	<u>116,834</u>	<u>157,722</u>
Total noncurrent liabilities	<u>123,383</u>	<u>163,171</u>
Total liabilities	<u>409,459</u>	<u>462,217</u>
DEFERRED INFLOWS OF RESOURCES		
Pension experience differences	14,108	26,981
Pension assumption changes	18,595	14,639
Pension investment return differences	<u>76,663</u>	<u>3,350</u>
Total deferred inflows of resources	<u>109,366</u>	<u>44,970</u>
NET POSITION		
Net investment in capital assets	98,695	122,117
Unrestricted	<u>(69,725)</u>	<u>(103,319)</u>
Total net position	<u>\$ 28,970</u>	<u>\$ 18,798</u>

CITY OF ELBERTON, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2018 and 2017

OPERATING REVENUES	<u>2018</u>	<u>2017</u>
Charges for sales and services		
Residential service	\$ 478,019	\$ 475,280
Commercial service	323,089	326,195
Sale of recyclables	70,123	95,825
Garbage container sales	14,299	15,059
	<u>885,530</u>	<u>912,359</u>
Total operating revenues	<u>885,530</u>	<u>912,359</u>
 OPERATING EXPENSES		
Costs of sales and services	386,716	423,354
Personal services	461,525	445,053
Depreciation	63,485	63,651
	<u>911,726</u>	<u>932,058</u>
Total operating expenses	<u>911,726</u>	<u>932,058</u>
Operating income (loss)	(26,196)	(19,699)
Non-operating revenues (expenses)		
Interest expense	(3,632)	(4,441)
	<u>(3,632)</u>	<u>(4,441)</u>
Net income (loss) before transfers	(29,828)	(24,140)
Transfers in (out)		
General Fund	40,000	62,000
	<u>40,000</u>	<u>62,000</u>
Change in net position	10,172	37,860
Net position, July 1	18,798	(19,062)
	<u>18,798</u>	<u>(19,062)</u>
Net position, June 30	<u>\$ 28,970</u>	<u>\$ 18,798</u>

CITY OF ELBERTON, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Receipts from customers	\$ 890,037	\$ 910,129
Payments to suppliers	(393,833)	(401,616)
Payments to employees	<u>(507,048)</u>	<u>(477,969)</u>
Net cash provided (used) by operating activities	<u>(10,844)</u>	<u>30,544</u>
Cash flows from non-capital financing activities:		
Payments to other funds	(7,432)	(48,821)
Receipts from other funds	<u>62,000</u>	<u>62,000</u>
Net cash provided (used) from non-capital financing activities	<u>54,568</u>	<u>13,179</u>
Cash flows from capital and related financing activities:		
Interest paid	(3,661)	(4,469)
Principal payments - capital leases	<u>(40,063)</u>	<u>(39,254)</u>
Net cash provided (used) by capital and related financing activities	<u>(43,724)</u>	<u>(43,723)</u>
Net increase (decrease) in cash	0	0
Cash, July 1	<u>0</u>	<u>0</u>
Cash, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

CITY OF ELBERTON, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (26,196)	\$ (19,699)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	63,485	63,651
(Increase) decrease in accounts receivable	4,507	(2,230)
(Increase) decrease in net pension asset/liability	(84,619)	(78,883)
(Increase) decrease in pension contributions made subsequent to measurement date	2,172	(1,483)
Increase (decrease) in accounts payable	(7,117)	21,738
Increase (decrease) in pension experience differences	(42,228)	17,087
Increase (decrease) in pension assumption differences	3,956	(15,142)
Increase (decrease) in pension investment return differences	73,313	41,106
Increase (decrease) in accrued salaries	(1,782)	2,688
Increase (decrease) in compensated absences payable	3,665	1,711
	<u>15,352</u>	<u>50,243</u>
Total adjustments		
Net cash provided (used) by operating activities	<u>\$ (10,844)</u>	<u>\$ 30,544</u>

CITY OF ELBERTON, GEORGIA
ELBERTONNET TECHNOLOGY SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2018 and 2017

ASSETS	<u>2018</u>	<u>2017</u>
Current assets		
Accounts receivable (net)	\$ 420,125	\$ 380,473
Inventories	66,715	106,287
Total current assets	<u>486,840</u>	<u>486,760</u>
Capital assets		
Land	6,900	6,900
Buildings	519,065	519,065
Vehicles and equipment	504,658	504,658
Construction in progress	332,307	318,604
Distribution system	8,495,944	8,418,913
Accumulated depreciation	<u>(3,923,426)</u>	<u>(3,615,247)</u>
Total capital assets (net of accumulated depreciation)	<u>5,935,448</u>	<u>6,152,893</u>
Other assets		
Net pension asset	<u>112,118</u>	<u>42,034</u>
Total assets	<u>6,534,406</u>	<u>6,681,687</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Pension experience differences	27,659	3,344
Pension contributions subsequent to measurement date	<u>11,824</u>	<u>13,617</u>
Total deferred outflows of resources	<u>39,483</u>	<u>16,961</u>
 LIABILITIES		
Current liabilities		
Payables		
Accounts	200,289	219,860
Intergovernmental	34,396	29,644
Accrued salaries	11,670	12,890
Compensated absences	14,333	15,199
Customer deposits	<u>3,473</u>	<u>3,198</u>
Total current liabilities	<u>264,161</u>	<u>280,791</u>
Noncurrent liabilities		
Compensated absences	6,143	6,514
Advances from other funds	<u>3,507,263</u>	<u>4,239,629</u>
Total noncurrent liabilities	<u>3,513,406</u>	<u>4,246,143</u>
Total liabilities	<u>3,777,567</u>	<u>4,526,934</u>

CITY OF ELBERTON, GEORGIA
ELBERTONNET TECHNOLOGY SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2018 and 2017

	2018	2017
DEFERRED INFLOWS OF RESOURCES		
Pension experience differences	\$ 9,903	\$ 20,565
Pension assumption changes	11,589	8,312
Pension investment return differences	68,156	7,432
Total deferred inflows of resources	89,648	36,309
NET POSITION		
Investment in capital assets	5,935,448	6,152,893
Unrestricted	(3,228,774)	(4,017,488)
Total net position	\$ 2,706,674	\$ 2,135,405

CITY OF ELBERTON, GEORGIA
ELBERTONNET TECHNOLOGY SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2018 and 2017

	2018	2017
OPERATING REVENUES		
Charges for sales and services	\$ 5,003,088	\$ 4,540,110
Total operating revenues	5,003,088	4,540,110
OPERATING EXPENSES		
Costs of sales and services	3,652,885	3,122,253
Personal services	420,831	396,973
Depreciation	318,613	319,340
Miscellaneous expenses	39,490	30,680
Total operating expenses	4,431,819	3,869,246
Operating income (loss)	571,269	670,864
Non-operating revenues (expenses)		
Interest expense	0	(1,210)
Change in net position	571,269	669,654
Net position, July 1	2,135,405	1,465,751
Net position, June 30	\$ 2,706,674	\$ 2,135,405

CITY OF ELBERTON, GEORGIA
ELBERTONNET TECHNOLOGY SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Receipts from customers	\$ 4,963,711	\$ 4,521,112
Payments to suppliers	(3,628,132)	(3,111,613)
Payments to employees	(462,555)	(424,713)
Other payments	(39,490)	(30,680)
Net cash provided (used) by operating activities	<u>833,534</u>	<u>954,106</u>
Cash flows from non-capital financing activities:		
Receipts from other funds	0	49,307
Payments to other funds	(732,366)	0
Net cash provided (used) by non-capital financing activities	<u>(732,366)</u>	<u>49,307</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(101,168)	(403,552)
Interest paid	0	(1,691)
Principal payments - capital lease obligations	0	(598,170)
Net cash provided (used) by capital and related financing activities	<u>(101,168)</u>	<u>(1,003,413)</u>
Net increase (decrease) in cash	0	0
Cash, July 1	<u>0</u>	<u>0</u>
Cash, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	<u>\$ 571,269</u>	<u>\$ 670,864</u>
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	318,613	319,340
(Increase) decrease in accounts receivable	(39,652)	(19,598)
(Increase) decrease in inventories	39,572	(54,874)
(Increase) decrease in net pension asset/liability	(70,084)	(64,697)
(Increase) decrease in pension contributions made subsequent to measurement date	1,793	(1,216)
Increase (decrease) in accounts payable	(19,571)	63,708
Increase (decrease) in intergovernmental payable	4,752	1,806
Increase (decrease) in customer deposits	275	600
Increase (decrease) in accrued salaries	(1,220)	1,883
Increase (decrease) in pension experience differences	(34,977)	22,694
Increase (decrease) in pension assumption differences	3,277	826
Increase (decrease) in pension investment return differences	60,724	11,790
Increase (decrease) in compensated absences payable	(1,237)	980
Total adjustments	<u>262,265</u>	<u>283,242</u>
Net cash provided (used) by operating activities	<u><u>\$ 833,534</u></u>	<u><u>\$ 954,106</u></u>

CITY OF ELBERTON, GEORGIA
ELBERT THEATRE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
For the fiscal years ended June 30, 2018 and 2017

ASSETS	<u>2018</u>	<u>2017</u>
Current assets		
Cash	\$ 27,791	\$ 42,283
Due from other fund	0	4,053
Inventories	1,350	976
Total current assets	<u>29,141</u>	<u>47,312</u>
Capital assets		
Vehicles and equipment	30,910	0
Accumulated depreciation	(172)	0
Total capital assets (net of accumulated depreciation)	<u>30,738</u>	<u>0</u>
Total assets	<u>59,879</u>	<u>47,312</u>
LIABILITIES		
Current liabilities		
Accounts payable	866	3,535
Accrued salaries	2,099	0
Due to other fund	3,239	0
Total current liabilities	<u>6,204</u>	<u>3,535</u>
NET POSITION		
Investment in capital assets	30,738	0
Unrestricted	22,937	43,777
Total net position	<u>\$ 53,675</u>	<u>\$ 43,777</u>

CITY OF ELBERTON, GEORGIA
ELBERT THEATRE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2018 and 2017

OPERATING REVENUES	<u>2018</u>	<u>2017</u>
Charges for sales and services	\$ 87,974	\$ 99,349
Total operating revenues	<u>87,974</u>	<u>99,349</u>
 OPERATING EXPENSES		
Costs of sales and services	56,355	61,180
Personal services	21,549	19,359
Depreciation	<u>172</u>	<u>0</u>
Total operating expenses	<u>78,076</u>	<u>80,539</u>
Change in net position	9,898	18,810
Net position, July 1	<u>43,777</u>	<u>24,967</u>
Net position, June 30	<u><u>\$ 53,675</u></u>	<u><u>\$ 43,777</u></u>

CITY OF ELBERTON, GEORGIA
ELBERT THEATRE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Receipts from customers	\$ 87,974	\$ 99,349
Payments to suppliers	(59,398)	(59,433)
Payments to employees	(19,450)	(19,359)
Net cash provided (used) by operating activities	9,126	20,557
Cash flows from non-capital financing activities:		
Receipts from other funds	7,292	0
Payments to other funds	0	(774)
Net cash provided (used) by non-capital financing activities	7,292	(774)
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(30,910)	0
Net increase (decrease) in cash	(14,492)	19,783
Cash, July 1	42,283	22,500
Cash, June 30	\$ 27,791	\$ 42,283
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 9,898	\$ 18,810
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	172	0
(Increase) decrease in inventories	(374)	570
Increase (decrease) in accounts payable	(2,669)	1,177
Increase (decrease) in accrued salaries	2,099	0
Total adjustments	(772)	1,747
Net cash provided (used) by operating activities	\$ 9,126	\$ 20,557

CITY OF ELBERTON, GEORGIA
ELBERT HOTEL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
For the fiscal years ended June 30, 2018 and 2017

ASSETS	<u>2018</u>	<u>2017</u>
Current assets		
Cash	\$ 27,984	\$ 9,430
Accounts receivable	4	0
Prepaid items	2,038	4,335
Due from other funds	1,627	0
Inventories	4,834	4,735
Total current assets	<u>36,487</u>	<u>18,500</u>
Capital assets		
Land	107,500	107,500
Land improvements	43,700	43,700
Building	4,339,093	4,339,093
Machinery and equipment	1,002,051	1,002,051
Accumulated depreciation	(350,069)	(131,961)
Total capital assets (net of accumulated depreciation)	<u>5,142,275</u>	<u>5,360,383</u>
Other assets		
Net pension asset	33,875	0
Total assets	<u>5,212,637</u>	<u>5,378,883</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Pension experience differences	22,008	0
Pension contributions subsequent to measurement date	9,093	0
Total deferred outflows of resources	<u>31,101</u>	<u>0</u>
 LIABILITIES		
Current liabilities		
Payables		
Accounts	8,730	7,512
Interest	8,969	9,388
Sales tax	5,864	3,649
Customer deposits	10,556	12,374
Accrued salaries	11,206	7,192
Compensated absences	2,445	2,132
Notes payable	228,612	218,028
Due to other funds	418,535	351,631
Total current liabilities	<u>694,917</u>	<u>611,906</u>
Noncurrent liabilities		
Compensated absences	1,048	914
Notes payable	4,366,108	4,591,199
Total noncurrent liabilities	<u>4,367,156</u>	<u>4,592,113</u>
Total liabilities	<u>5,062,073</u>	<u>5,204,019</u>

CITY OF ELBERTON, GEORGIA
ELBERT HOTEL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
For the fiscal years ended June 30, 2018 and 2017

	2018	2017
DEFERRED INFLOWS OF RESOURCES		
Pension assumption changes	\$ 2,062	\$ 0
Pension investment return differences	38,208	0
Total deferred inflows of resources	40,270	0
NET POSITION		
Net investment in capital assets	547,555	551,156
Unrestricted	(406,160)	(376,292)
Total net position	\$ 141,395	\$ 174,864

CITY OF ELBERTON, GEORGIA
ELBERT HOTEL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
Charges for sales and services	\$ 427,349	\$ 81,969
Rent	14,331	6,252
Total operating revenues	<u>441,680</u>	<u>88,221</u>
OPERATING EXPENSES		
Costs of sales and services	199,822	179,166
Personal services	286,745	92,887
Depreciation	218,108	103,692
Total operating expenses	<u>704,675</u>	<u>375,745</u>
Operating income (loss)	<u>(262,995)</u>	<u>(287,524)</u>
Non-operating revenues (expenses)		
Interest revenue	1	44
Interest expense	(226,475)	(208,644)
Total non-operating expenses	<u>(226,474)</u>	<u>(208,600)</u>
Net income (loss) before transfers	(489,469)	(496,124)
Transfers in (out)		
Combined Public Utility System Fund	<u>456,000</u>	<u>456,000</u>
Change in net position	(33,469)	(40,124)
Net position, July 1	<u>174,864</u>	<u>214,988</u>
Net position, June 30	<u><u>\$ 141,395</u></u>	<u><u>\$ 174,864</u></u>

CITY OF ELBERTON, GEORGIA
ELBERT HOTEL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Receipts from customers	\$ 439,858	\$ 94,343
Payments to suppliers	(194,191)	(177,075)
Payments to employees	(306,990)	(82,649)
Other receipts	0	6,252
Net cash provided (used) by operating activities	<u>(61,323)</u>	<u>(159,129)</u>
Cash flows from non-capital financing activities:		
Receipts from other funds	<u>80,295</u>	<u>156,583</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	0	(1,229,492)
Receipts from other funds	440,982	389,669
Payment of capital related accounts payable	0	(709,678)
Interest paid	(226,894)	(231,392)
Issuance of note payable	0	1,661,575
Principal payments - note payable	(214,507)	0
Debt issue costs	0	(90,773)
Net cash provided (used) by capital and related financing activities	<u>(419)</u>	<u>(210,091)</u>
Cash flows from investing activities:		
Interest received	<u>1</u>	<u>44</u>
Net increase (decrease) in cash	18,554	(212,593)
Cash, July 1	<u>9,430</u>	<u>222,023</u>
Cash, June 30	<u><u>\$ 27,984</u></u>	<u><u>\$ 9,430</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	<u>\$ (262,995)</u>	<u>\$ (287,524)</u>
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	218,108	103,692
(Increase) decrease in accounts receivable	(4)	0
(Increase) decrease in prepaid items	2,297	(4,335)
(Increase) decrease in inventories	(99)	(4,735)
(Increase) decrease in net pension asset/liability	(33,875)	0
(Increase) decrease in pension contributions made subsequent to measurement date	(9,093)	0
Increase (decrease) in accounts payable	1,218	7,512
Increase (decrease) in sales tax payable	2,215	3,649
Increase (decrease) in accrued salaries	4,014	7,192
Increase (decrease) in compensated absences payable	447	3,046
Increase (decrease) in pension experience differences	(22,008)	0
Increase (decrease) in pension assumption differences	2,062	0
Increase (decrease) in pension investment return differences	38,208	0
Increase (decrease) in customer deposits	(1,818)	12,374
Total adjustments	<u>201,672</u>	<u>128,395</u>
Net cash provided (used) by operating activities	<u><u>\$ (61,323)</u></u>	<u><u>\$ (159,129)</u></u>

AGENCY FUNDS

These funds are used to account for assets held by the City as an agent to be expended or invested in accordance with the conditions of its agency capacity.

Municipal Court Fund - *This fund is used to account, on a temporary basis, for fines collected by the Municipal Court that ultimately are transmitted to the General Fund or another agency.*

CITY OF ELBERTON, GEORGIA
MUNICIPAL COURT AGENCY FUND
COMPARATIVE STATEMENTS OF ASSETS AND LIABILITIES
June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash	\$ 8,432	\$ 16,365
LIABILITIES		
Due to other agencies	<u>\$ 8,432</u>	<u>\$ 16,365</u>

CITY OF ELBERTON, GEORGIA
MUNICIPAL COURT AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the fiscal year ended June 30, 2018

	Balance July 1	Additions	Deletions	Balance June 30
ASSETS				
Cash	\$ 16,365	\$ 159,682	(167,615)	\$ 8,432
LIABILITIES				
Due to other agencies	\$ 16,365	\$ 159,682	(167,615)	\$ 8,432

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COMPONENT UNIT

Downtown Development Authority - *This component unit is used to account for governmental revenues and contributions reserved for City business development.*

CITY OF ELBERTON, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

	2018	2017
ASSETS		
Cash	\$ 61,225	\$ 58,271
Accounts receivable	0	39
Total assets	\$ 61,225	\$ 58,310
 LIABILITIES		
Accounts payable	\$ 0	\$ 1,600
Deposits payable	1,950	1,950
Total liabilities	1,950	3,550
 FUND BALANCES		
Assigned for Housing and Development	59,275	54,760
Total liabilities and fund balances	\$ 61,225	\$ 58,310

CITY OF ELBERTON, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY (A COMPONENT UNIT)
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	\$ 24,000	\$ 24,000	\$ 0	\$ 24,000
Charges for service	22,400	8,464	(13,936)	1,639
Rents	10,375	20,695	10,320	17,750
Event revenue	31,500	24,924	(6,576)	27,117
Contributions	0	2,390	2,390	0
Interest revenue	0	10	10	0
Total revenues	88,275	80,483	(7,792)	70,506
EXPENDITURES				
Current				
Economic Development				
Contract services	14,875	10,786	4,089	33,190
Materials and supplies	16,625	4,864	11,761	2,358
Capital outlay	55,207	58,076	(2,869)	0
Debt service	41,568	42,242	(674)	42,524
Total expenditures	128,275	115,968	12,307	78,072
Excess (deficiency) of revenues over (under) expenditures	(40,000)	(35,485)	4,515	(7,566)
Other financing sources (uses)				
Proceeds from note payable	40,000	40,000	0	51,250
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	4,515	4,515	43,684
Fund balances, July 1	0	54,760	54,760	11,076
Fund balances, June 30	\$ 0	\$ 59,275	\$ 59,275	\$ 54,760

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Part III

Statistical Section



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City of Elberton
Statistical Section
(Unaudited)

This section of the City of Elberton's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This section includes data for the City (i.e. the primary government) only and does not include the City's discretely presented component unit. This information has not been audited by the independent auditor.

Contents

	<u>Page</u>
Financial Trends	125-139
These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.	
Revenue Capacity	140-143
These tables contain information that may assist the reader in assessing the viability of the City's most significant "own-source" revenue sources and trends of these sources. Property taxes are not a source of revenue for the City; however, property tax valuation and tax rate information is included as an indicator of the City's growth and overall economic condition.	
Debt Capacity	144-150
These tables present information which may assist the reader in analyzing the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	151-152
These tables offer demographic and economic indicators that can be used for financial analysis and to provide a better understanding of the City's present and ongoing financial status.	
Operating Information	153-158
These tables contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	
Other Information	159-160

Source: Unless otherwise noted, the information in these tables is derived from the annual financial reports for the corresponding years.

City of Elberton
Net Position by Component
Last Ten Fiscal Years

	FISCAL YEAR		
	2018	2017	2016
Governmental Activities			
Net investment in capital assets	\$ 4,627,533	\$ 4,456,665	\$ 4,699,117
Restricted	608,283	956,319	480,025
Unrestricted	1,205,925	794,391	508,437
Total Governmental Activities Net Position	6,441,741	6,207,375	5,687,579
Business-type Activities			
Net investment in capital assets	21,725,407	21,118,188	19,533,634
Restricted	3,711,182	3,479,632	3,287,785
Unrestricted	11,968,712	10,617,545	10,774,926
Total Business-Type Activities Net Position	37,405,301	35,215,365	33,596,345
Primary Government			
Net investment in capital assets	26,352,940	25,574,853	24,232,751
Restricted	4,319,465	4,435,951	3,767,810
Unrestricted	13,174,637	11,411,936	11,283,363
Total Primary Government Net Position	\$ 43,847,042	\$ 41,422,740	\$ 39,283,924

FISCAL YEAR						
2015	2014	2013	2012	2011	2010	2009
\$ 4,794,106	\$ 4,230,037	\$ 4,289,328	\$ 4,474,881	\$ 4,138,536	\$ 3,924,223	\$ 3,935,047
825,553	1,067,009	882,783	940,916	1,214,456	851,529	730,810
108,315	469,531	412,159	374,476	483,631	517,319	447,389
<u>5,727,974</u>	<u>5,766,577</u>	<u>5,584,270</u>	<u>5,790,273</u>	<u>5,836,623</u>	<u>5,293,071</u>	<u>5,113,246</u>
18,676,675	17,877,860	17,350,028	16,525,113	15,555,835	15,262,590	14,315,837
2,957,667	2,702,871	2,317,674	2,020,369	1,383,145	504,668	305,477
8,886,182	8,281,490	6,518,491	6,170,317	6,516,711	6,280,127	4,288,720
<u>30,520,524</u>	<u>28,862,221</u>	<u>26,186,193</u>	<u>24,715,799</u>	<u>23,455,691</u>	<u>22,047,385</u>	<u>18,910,034</u>
23,470,781	22,107,897	21,639,356	20,999,994	19,694,371	19,186,813	18,250,884
3,783,220	3,769,880	3,200,457	2,961,285	2,597,601	1,356,197	1,036,287
8,994,497	8,751,021	6,930,650	6,544,793	7,000,342	6,797,446	4,736,109
<u>\$ 36,248,498</u>	<u>\$ 34,628,798</u>	<u>\$ 31,770,463</u>	<u>\$ 30,506,072</u>	<u>\$ 29,292,314</u>	<u>\$ 27,340,456</u>	<u>\$ 24,023,280</u>

City of Elberton
Changes in Net Position
Last Ten Fiscal Years

	FISCAL YEAR		
	2018	2017	2016
Expenses			
Governmental Activities:			
General Government	\$ 727,426	\$ 733,183	\$ 696,460
Judicial	73,485	72,632	67,311
Public Safety	2,537,656	2,490,299	2,355,893
Public Works	1,062,867	963,917	1,067,173
Health and Welfare	65,100	61,968	65,687
Culture and Recreation	267,559	262,259	269,221
Housing and Development	402,360	288,416	253,670
Interest on Long-term Debt	4,132	7,660	8,891
Total Governmental Activities	<u>5,140,585</u>	<u>4,880,334</u>	<u>4,784,306</u>
Business-type Activities:			
Combined Public Utilities			
Electric	12,921,059	13,546,027	13,592,179
Water and Sewer	2,864,143	2,801,783	2,759,461
Natural Gas	2,170,830	2,026,826	1,903,129
ElbertonNET Technology Services	4,300,746	3,741,769	3,566,175
Industrial Park	0	0	0
Solid Waste	863,501	884,266	804,982
Elbert Theatre	78,076	80,539	77,321
Elbert Hotel	931,150	584,389	137,102
Total Business-type Activities	<u>24,129,505</u>	<u>23,665,599</u>	<u>22,840,349</u>
Total Primary Government Expenses	<u>29,270,090</u>	<u>28,545,933</u>	<u>27,624,655</u>
Indirect Costs			
Governmental Activities:			
General Government	(499,545)	(486,383)	(493,185)
Public Works	<u>(125,828)</u>	<u>(133,313)</u>	<u>(129,750)</u>
Total Governmental Activities Indirect Cost	<u>(625,373)</u>	<u>(619,696)</u>	<u>(622,935)</u>
Business-type Activities:			
Combined Public Utilities			
Electric	223,583	220,189	230,783
Water and Sewer	109,291	109,210	107,795
Natural Gas	109,569	109,377	115,851
ElbertonNET Technology Services	131,073	128,687	116,033
Solid Waste	51,857	52,233	52,473
Total Business-type Activities Indirect Cost	<u>625,373</u>	<u>619,696</u>	<u>622,935</u>
Total Primary Government Indirect Cost	<u>0</u>	<u>0</u>	<u>0</u>
Program Revenues			
Governmental Activities:			
Charges for Services:			
General Government	45,703	42,005	43,360
Public Safety	133,963	127,646	102,197
Public Works	66,180	86,279	83,133
Housing and Development	23,186	15,090	15,703
Operating Grants and Contributions	502	350	1,620
Capital Grants and Contributions	673,384	656,122	672,356
Total Governmental Activities	<u>942,918</u>	<u>927,492</u>	<u>918,369</u>
Program Revenues	<u>942,918</u>	<u>927,492</u>	<u>918,369</u>
Business-type Activities:			
Charges for Services:			
Electric	15,178,416	15,252,364	15,081,243
Water and Sewer	3,179,301	3,230,494	3,162,388
Natural Gas	3,912,137	3,363,427	3,335,754
ElbertonNET Technology Services	5,003,088	4,540,110	4,231,947
Solid Waste	885,530	912,359	853,355
Elbert Theatre	87,974	99,349	94,232
Elbert Hotel	441,680	88,221	0
Operating Grants and Contributions	430,194	701,292	933,762
Capital Grants and Contributions	0	80,948	306,822
Total Business-type Activities	<u>29,118,320</u>	<u>28,268,564</u>	<u>27,999,503</u>
Program Revenues	<u>29,118,320</u>	<u>28,268,564</u>	<u>27,999,503</u>
Total Primary Government			
Program Revenues	<u>30,061,238</u>	<u>29,196,056</u>	<u>28,917,872</u>

Exhibit J-2, continued

FISCAL YEAR						
2015	2014	2013	2012	2011	2010	2009
\$ 661,068	\$ 673,908	\$ 657,516	\$ 697,793	\$ 782,934	\$ 776,304	\$ 758,352
63,335	106,386	107,728	104,279	99,901	101,982	100,939
2,439,366	2,539,885	2,476,946	2,395,267	2,509,964	2,442,237	2,355,213
966,313	1,067,150	1,151,627	1,166,098	1,155,171	1,178,530	1,315,287
60,275	58,144	67,100	9,000	11,900	9,900	9,900
221,761	174,478	186,059	167,465	163,831	161,416	151,363
251,937	259,179	249,642	247,896	205,442	246,774	415,226
10,097	11,278	8,667	92	437	2,716	5,485
<u>4,674,152</u>	<u>4,890,408</u>	<u>4,905,285</u>	<u>4,787,890</u>	<u>4,929,580</u>	<u>4,919,859</u>	<u>5,111,765</u>
14,279,534	12,991,858	13,179,039	13,064,053	12,136,219	11,302,256	11,840,875
2,721,254	2,740,178	2,734,886	2,816,229	2,797,193	2,808,412	2,840,855
2,414,678	3,193,275	2,861,258	2,734,236	3,075,133	3,329,597	3,923,296
3,362,855	3,040,601	2,855,925	2,623,765	2,435,188	2,166,187	1,945,176
0	0	0	0	459,399	7,047	7,048
816,844	837,283	778,294	768,886	757,211	774,633	737,010
44,895	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>23,640,060</u>	<u>22,803,195</u>	<u>22,409,402</u>	<u>22,007,169</u>	<u>21,660,343</u>	<u>20,388,132</u>	<u>21,294,260</u>
<u>28,314,212</u>	<u>27,693,603</u>	<u>27,314,687</u>	<u>26,795,059</u>	<u>26,589,923</u>	<u>25,307,991</u>	<u>26,406,025</u>
(473,292)	(477,578)	(451,965)	(464,060)	(546,280)	(456,853)	(450,154)
<u>(119,422)</u>	<u>(141,520)</u>	<u>(227,844)</u>	<u>(204,846)</u>	<u>(202,378)</u>	<u>(225,423)</u>	<u>(221,872)</u>
<u>(592,714)</u>	<u>(619,098)</u>	<u>(679,809)</u>	<u>(668,906)</u>	<u>(748,658)</u>	<u>(682,276)</u>	<u>(672,026)</u>
221,039	212,571	220,989	244,671	294,516	263,319	259,899
119,743	118,470	124,911	143,042	147,294	137,540	135,338
103,448	103,949	123,707	174,494	196,945	180,607	178,075
81,986	80,701	129,713	50,756	54,817	48,630	47,642
66,498	103,407	80,489	55,943	55,086	52,180	51,072
<u>592,714</u>	<u>619,098</u>	<u>679,809</u>	<u>668,906</u>	<u>748,658</u>	<u>682,276</u>	<u>672,026</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
41,775	45,358	45,815	53,823	55,109	60,476	55,965
124,749	191,337	204,784	178,550	227,569	235,767	232,192
41,394	65,170	51,235	52,891	72,514	64,151	59,175
15,428	10,495	11,443	17,933	12,393	45,249	44,145
420	2,852	34,276	62,948	44,386	100,177	72,158
<u>715,225</u>	<u>602,260</u>	<u>580,179</u>	<u>797,939</u>	<u>714,791</u>	<u>22,584</u>	<u>877,058</u>
<u>938,991</u>	<u>917,472</u>	<u>927,732</u>	<u>1,164,084</u>	<u>1,126,762</u>	<u>528,404</u>	<u>1,340,693</u>
15,320,274	16,005,007	15,839,368	15,566,693	15,721,112	15,570,785	14,462,334
3,082,577	2,887,595	2,843,066	2,817,914	2,778,123	2,854,234	2,878,146
4,063,544	4,899,169	4,189,304	3,440,528	4,331,615	4,803,798	5,279,518
3,790,730	3,328,687	3,121,582	2,740,805	2,401,396	1,954,681	1,675,254
853,822	822,177	727,591	769,818	801,319	789,409	739,446
52,951	0	0	0	0	0	0
0	0	0	0	0	0	0
1,170,756	0	0	0	0	0	0
<u>254,181</u>	<u>138,067</u>	<u>0</u>	<u>258,408</u>	<u>38,833</u>	<u>11,167</u>	<u>0</u>
<u>28,588,835</u>	<u>28,080,702</u>	<u>26,720,911</u>	<u>25,594,166</u>	<u>26,072,398</u>	<u>25,984,074</u>	<u>25,034,698</u>
<u>29,527,826</u>	<u>28,998,174</u>	<u>27,648,643</u>	<u>26,758,250</u>	<u>27,199,160</u>	<u>26,512,478</u>	<u>26,375,391</u>

City of Elberton
Changes in Net Position
Last Ten Fiscal Years

	FISCAL YEAR		
	2018	2017	2016
Change in Net Position			
Net (expense) Revenue - Governmental Activities	\$ (3,572,294)	\$ (3,333,146)	\$ (3,243,002)
Net (expense) Revenue - Business-type Activities	4,363,442	3,983,269	4,536,219
Total Primary Government Net (Expense) Revenue	<u>791,148</u>	<u>650,123</u>	<u>1,293,217</u>
General Revenues and Other Changes in Net Position			
Governmental Activities			
Taxes:			
Title ad valorem	69,636	70,116	80,432
Sales	597,251	549,707	577,700
Franchise	92,799	91,906	98,172
Occupational	131,521	122,502	119,704
Insurance Premium	304,258	285,732	263,786
Alcoholic Beverages	122,954	133,842	136,212
Hotel/Motel	76,622	59,668	55,836
Other	4,436	4,541	4,465
Interest and Investment Earnings	5,930	3,374	2,435
Gain on Sale of Assets	11,009	60,618	49,369
Miscellaneous	28,639	7,936	11,216
Transfers	2,361,605	2,463,000	1,803,280
Total Government Activities	<u>3,806,660</u>	<u>3,852,942</u>	<u>3,202,607</u>
Business-type Activities			
Interest and Investment Earnings	286,650	207,233	152,902
Net increase (decrease) in the fair value of investments	(112,286)	(131,856)	177,697
Gain on Sale of Assets	0	14,230	0
Miscellaneous	13,735	9,144	12,283
Transfers	(2,361,605)	(2,463,000)	(1,803,280)
Total Business-type Activities	<u>(2,173,506)</u>	<u>(2,364,249)</u>	<u>(1,460,398)</u>
Total Primary Government General Revenues	<u>1,633,154</u>	<u>1,488,693</u>	<u>1,742,209</u>
Change in Net Position			
Governmental Activities	234,366	519,796	(40,395)
Business-type Activities	2,189,936	1,619,020	3,075,821
Total Primary Government Change in Net Position	<u>2,424,302</u>	<u>2,138,816</u>	<u>3,035,426</u>
Net Position - beginning (original)			
Governmental Activities	6,207,375	5,687,579	5,727,974
Business-type Activities	35,215,365	33,596,345	30,520,524
Total Primary Government Beginning Net Position (original)	<u>41,422,740</u>	<u>39,283,924</u>	<u>36,248,498</u>
Prior Period Adjustments			
Governmental Activities	0	0	0
Business-type Activities	0	0	0
Total Primary Government Prior Period Adjustments	<u>0</u>	<u>0</u>	<u>0</u>
Net Position - beginning (restated)			
Governmental Activities	6,207,375	5,687,579	5,727,974
Business-type Activities	35,215,365	33,596,345	30,520,524
Total Primary Government Beginning Net Position (restated)	<u>41,422,740</u>	<u>39,283,924</u>	<u>36,248,498</u>
Change in Net Position - ending			
Governmental Activities	6,441,741	6,207,375	5,687,579
Business-type Activities	37,405,301	35,215,365	33,596,345
Total Primary Government Ending Net Position	<u>\$ 43,847,042</u>	<u>\$ 41,422,740</u>	<u>\$ 39,283,924</u>

FISCAL YEAR						
2015	2014	2013	2012	2011	2010	2009
\$ (3,142,447)	\$ (3,353,838)	\$ (3,297,744)	\$ (2,954,900)	\$ (3,054,160)	\$ (3,709,179)	\$ (3,099,046)
<u>4,356,061</u>	<u>4,658,409</u>	<u>3,631,700</u>	<u>2,918,091</u>	<u>3,663,397</u>	<u>4,913,666</u>	<u>3,068,412</u>
<u>1,213,614</u>	<u>1,304,571</u>	<u>333,956</u>	<u>(36,809)</u>	<u>609,237</u>	<u>1,204,487</u>	<u>(30,634)</u>
102,458	105,085	31,875	0	0	0	0
529,378	550,972	577,225	592,734	633,998	1,345,161	1,182,430
90,654	89,389	91,243	90,041	84,338	86,620	88,790
117,607	125,781	110,828	74,804	73,352	79,349	85,706
246,913	240,020	231,813	218,245	255,324	262,968	265,457
151,413	142,639	149,169	153,664	143,118	141,394	158,225
49,138	46,283	51,865	45,344	58,650	72,661	66,655
3,739	4,096	7,061	5,294	3,160	3,829	5,888
2,095	2,117	2,317	2,646	2,500	4,092	3,172
38,113	0	0	0	10,123	1,800	0
9,374	23,773	19,415	9,288	17,953	17,034	49,716
<u>2,344,713</u>	<u>2,205,490</u>	<u>1,818,930</u>	<u>1,716,490</u>	<u>2,315,196</u>	<u>1,874,096</u>	<u>2,037,985</u>
<u>3,685,595</u>	<u>3,535,645</u>	<u>3,091,741</u>	<u>2,908,550</u>	<u>3,597,712</u>	<u>3,889,004</u>	<u>3,944,024</u>
119,388	135,465	86,101	38,738	33,603	66,891	91,420
6,185	73,896	(128,447)	0	0	0	0
27,284	0	17,213	2,404	1,220	5,225	2,510
9,745	13,748	16,140	17,365	25,282	25,665	33,625
<u>(2,344,713)</u>	<u>(2,205,490)</u>	<u>(1,818,930)</u>	<u>(1,716,490)</u>	<u>(2,315,196)</u>	<u>(1,874,096)</u>	<u>(2,037,985)</u>
<u>(2,182,111)</u>	<u>(1,982,381)</u>	<u>(1,827,923)</u>	<u>(1,657,983)</u>	<u>(2,255,091)</u>	<u>(1,776,315)</u>	<u>(1,910,430)</u>
<u>1,503,484</u>	<u>1,553,264</u>	<u>1,263,818</u>	<u>1,250,567</u>	<u>1,342,621</u>	<u>2,112,689</u>	<u>2,033,594</u>
543,148	181,807	(206,003)	(46,350)	543,552	179,825	844,978
<u>2,173,950</u>	<u>2,676,028</u>	<u>1,803,777</u>	<u>1,260,108</u>	<u>1,408,306</u>	<u>3,137,351</u>	<u>1,157,982</u>
<u>2,717,098</u>	<u>2,857,835</u>	<u>1,597,774</u>	<u>1,213,758</u>	<u>1,951,858</u>	<u>3,317,176</u>	<u>2,002,960</u>
5,766,577	5,584,270	5,790,273	5,836,623	5,293,071	5,113,246	4,268,268
<u>28,862,221</u>	<u>26,186,193</u>	<u>24,715,799</u>	<u>23,455,691</u>	<u>22,047,385</u>	<u>18,910,034</u>	<u>17,752,052</u>
<u>34,628,798</u>	<u>31,770,463</u>	<u>30,506,072</u>	<u>29,292,314</u>	<u>27,340,456</u>	<u>24,023,280</u>	<u>22,020,320</u>
(581,751)	0	0	0	0	0	0
<u>(515,647)</u>	<u>0</u>	<u>(333,383)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(1,097,398)</u>	<u>0</u>	<u>(333,383)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
5,184,826	5,584,270	5,790,273	5,836,623	5,293,071	5,113,246	4,268,268
<u>28,346,574</u>	<u>26,186,193</u>	<u>24,382,416</u>	<u>23,455,691</u>	<u>22,047,385</u>	<u>18,910,034</u>	<u>17,752,052</u>
<u>33,531,400</u>	<u>31,770,463</u>	<u>30,172,689</u>	<u>29,292,314</u>	<u>27,340,456</u>	<u>24,023,280</u>	<u>22,020,320</u>
5,727,974	5,766,077	5,584,270	5,790,273	5,836,623	5,293,071	5,113,246
<u>30,520,524</u>	<u>28,862,221</u>	<u>26,186,193</u>	<u>24,715,799</u>	<u>23,455,691</u>	<u>22,047,385</u>	<u>18,910,034</u>
<u>\$ 36,248,498</u>	<u>\$ 34,628,298</u>	<u>\$ 31,770,463</u>	<u>\$ 30,506,072</u>	<u>\$ 29,292,314</u>	<u>\$ 27,340,456</u>	<u>\$ 24,023,280</u>

City of Elberton
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	FISCAL YEAR		
	2018	2017	2016
General Fund			
Reserved			
Unreserved			
Nonspendable (1)	\$ 167,780	\$ 165,248	\$ 147,473
Restricted (1)	25	25	25
Unassigned (1)	905,229	896,071	859,995
Total General Fund	<u>1,073,034</u>	<u>1,061,344</u>	<u>1,007,493</u>
 All Other Governmental Funds			
Unreserved, Reported in:			
Special Revenue Fund			
Capital Project Funds		(53,709)	(49,144)
Nonspendable (1)			40,000
Restricted (1)	608,258	956,294	480,000
Assigned (1)	808		2,692
Total All Other Governmental Funds	<u>609,066</u>	<u>902,585</u>	<u>473,548</u>
 Total Governmental Fund Balances	<u><u>\$ 1,682,100</u></u>	<u><u>\$ 1,963,929</u></u>	<u><u>\$ 1,481,041</u></u>

Note 1: The City adopted GASB 54 for reporting of fund balance classifications in 2011.

FISCAL YEAR						
2015	2014	2013	2012	2011	2010	2009
					\$ 144,344	\$ 393,228
					865,048	569,642
\$ 146,986	\$ 146,234	\$ 190,731	\$ 158,855	\$ 170,860		
25	25	25	50	50		
696,935	706,758	645,418	663,004	801,597		
<u>843,946</u>	<u>853,017</u>	<u>836,174</u>	<u>821,909</u>	<u>972,507</u>	<u>1,009,392</u>	<u>962,870</u>
					485,210	485,210
					366,319	245,600
825,528	1,066,984	882,758	940,866	448,000		
4,288	12,869	4,407	3,061	766,455		
<u>829,816</u>	<u>1,079,853</u>	<u>887,165</u>	<u>943,927</u>	<u>1,218,523</u>	<u>851,529</u>	<u>730,810</u>
<u>\$ 1,673,762</u>	<u>\$ 1,932,870</u>	<u>\$ 1,723,339</u>	<u>\$ 1,765,836</u>	<u>\$ 2,191,030</u>	<u>\$ 1,860,921</u>	<u>\$ 1,693,680</u>

City of Elberton
Changes in Fund Balances - Governmental Funds (1)
Last Ten Fiscal Years

	FISCAL YEAR		
	2018	2017	2016
Revenues			
Taxes	\$ 1,399,478	\$ 1,318,016	\$ 1,336,308
Licenses and permits	67,261	57,785	58,890
Fines, fees and forfeitures	115,047	112,020	92,915
Charges for services	711,197	720,912	720,025
Intergovernmental	673,338	656,054	672,241
Interest	6,092	3,442	2,550
Contributions	1,285	350	1,625
Other	28,640	7,941	11,217
Total Revenues	3,002,338	2,876,520	2,895,771
Expenditures			
General Government	763,729	754,976	703,782
Judicial	78,402	76,613	70,554
Public Safety	2,571,983	2,442,340	2,339,551
Public Works	814,101	857,529	845,280
Health and Welfare	65,100	61,968	65,687
Culture and Recreation	170,165	162,355	163,982
Housing and Development	343,869	303,292	289,497
Debt Service - Principal	334,096	59,588	58,357
Debt Service - Interest	4,132	7,659	8,891
Capital Outlay	511,204	190,930	747,542
Total Expenditures	5,656,781	4,917,250	5,293,123
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,654,443)	(2,040,730)	(2,397,352)
Other Financing Sources (Uses)			
Transfers In	2,557,503	2,554,585	2,437,433
Transfers Out	(195,898)	(91,585)	(282,171)
Sale of Capital Assets	11,009	60,618	49,369
Issuance of Capital Leases	0	0	0
Total Other Financing Sources (Uses)	2,372,614	2,523,618	2,204,631
Net Change in Fund Balances	(281,829)	482,888	(192,721)
Fund Balances, July 1	1,963,929	1,481,041	1,673,762
Fund Balances, June 30	\$ 1,682,100	\$ 1,963,929	\$ 1,481,041
Debt service as a percentage of noncapital expenditures	6.22%	1.39%	1.43%

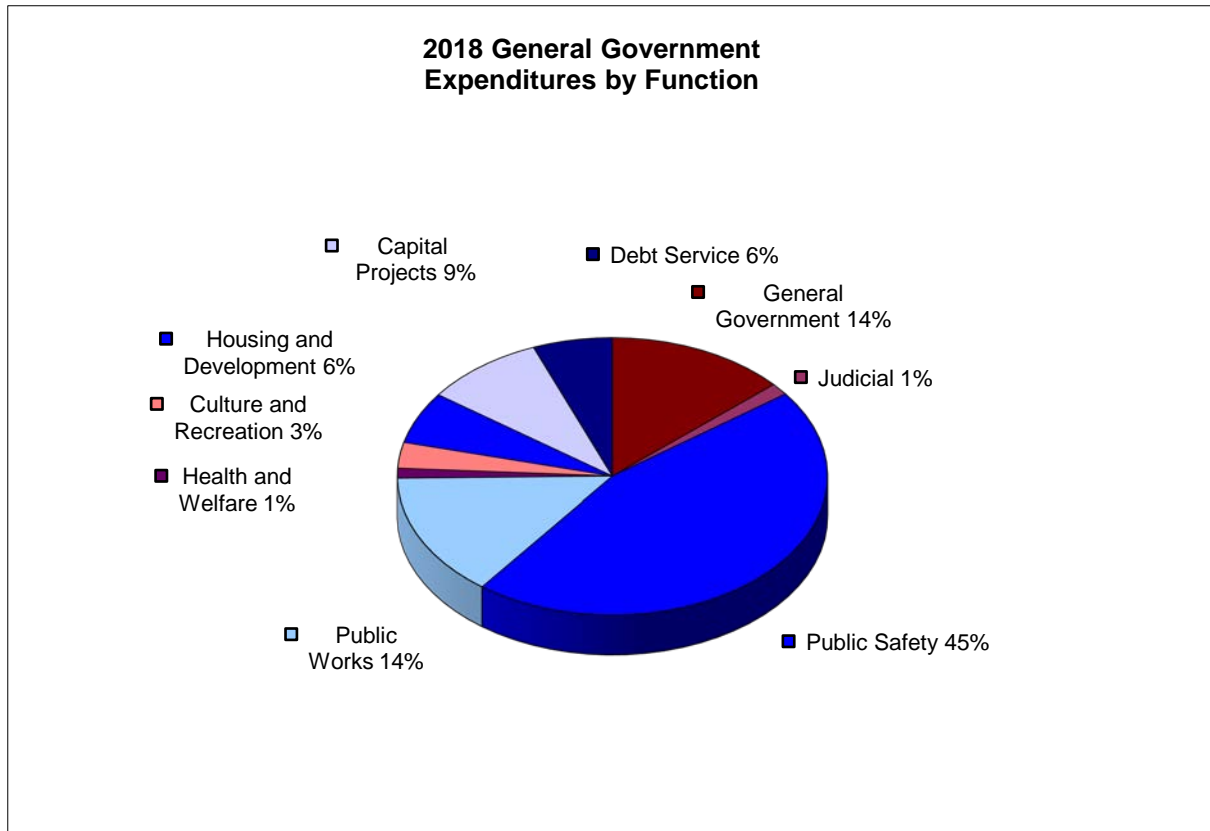
Note (1): Includes general, special revenue, and capital projects funds.

		FISCAL YEAR											
		2015	2014	2013	2012	2011	2010	2009					
\$	1,291,300	\$	1,304,264	\$	1,251,079	\$	1,180,126	\$	1,251,941	\$	1,317,624	\$	1,264,618
	57,350		54,238		57,725		70,936		67,553		103,994		100,084
	108,590		169,016		191,822		161,225		195,234		202,828		203,387
	650,708		708,204		743,539		739,942		853,456		781,097		760,032
	649,238		604,528		613,827		860,372		747,837		796,805		1,406,679
	2,249		2,349		2,660		2,996		3,695		4,092		3,172
	420		352		285		0		0		0		0
	13,186		13,968		6,203		9,453		28,097		17,348		49,786
	<u>2,773,041</u>		<u>2,856,919</u>		<u>2,867,140</u>		<u>3,025,050</u>		<u>3,147,813</u>		<u>3,223,788</u>		<u>3,787,758</u>
	672,278		651,547		633,371		688,978		872,270		795,652		739,722
	66,599		105,292		106,007		104,845		100,857		102,716		100,616
	2,437,382		2,364,581		2,354,039		2,285,569		2,390,993		2,309,661		2,234,428
	915,303		982,393		1,016,610		1,083,913		1,091,821		1,117,742		1,281,083
	60,275		58,144		67,100		9,000		11,900		9,900		9,900
	154,024		123,278		146,973		143,053		139,290		146,215		142,491
	267,994		244,853		243,343		239,926		195,955		242,834		412,796
	57,151		55,970		4,612		7,300		10,650		86,590		45,538
	10,097		11,278		8,667		92		437		2,716		5,485
	783,372		265,348		730,831		604,058		152,138		118,417		457,778
	<u>5,424,475</u>		<u>4,862,684</u>		<u>5,311,553</u>		<u>5,166,734</u>		<u>4,966,311</u>		<u>4,932,443</u>		<u>5,429,837</u>
	(2,651,434)		(2,005,765)		(2,444,413)		(2,141,684)		(1,818,498)		(1,708,655)		(1,642,079)
	2,436,552		2,408,989		2,303,819		2,168,581		2,289,493		2,304,843		2,344,502
	(82,339)		(203,499)		(484,889)		(452,091)		(151,009)		(430,747)		(306,517)
	38,113		9,806		13,212		0		10,123		1,800		131,000
	0		0		569,774		0		0		0		0
	<u>2,392,326</u>		<u>2,215,296</u>		<u>2,401,916</u>		<u>1,716,490</u>		<u>2,148,607</u>		<u>1,875,896</u>		<u>2,168,985</u>
	(259,108)		209,531		(42,497)		(425,194)		330,109		167,241		526,906
	1,932,870		1,723,339		1,765,836		2,191,030		1,860,921		1,693,680		1,166,774
\$	<u>1,673,762</u>	\$	<u>1,932,870</u>	\$	<u>1,723,339</u>	\$	<u>1,765,836</u>	\$	<u>2,191,030</u>	\$	<u>1,860,921</u>	\$	<u>1,693,680</u>
	1.47%		1.48%		0.29%		0.16%		0.24%		1.90%		1.30%

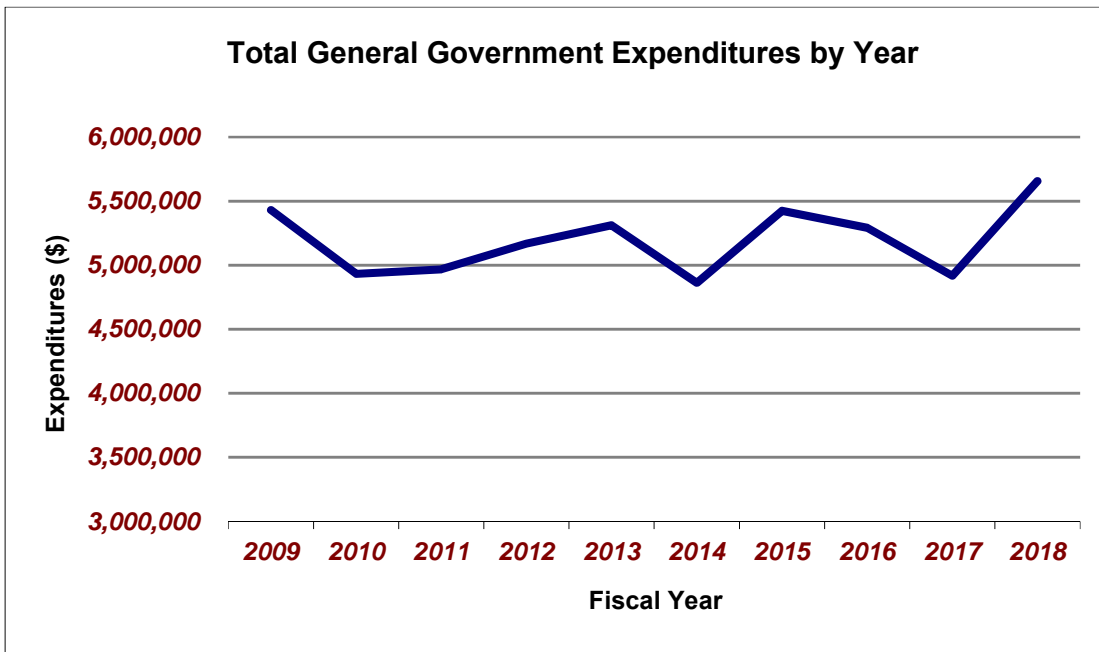
City of Elberton, Georgia
General Government Expenditures by Function (1)
Last Ten Fiscal Years

Fiscal Year	General Government	Judicial	Public Safety	Public Works	Health and Welfare
2009	739,722	100,616	2,234,428	1,281,083	9,900
2010	795,652	102,716	2,309,661	1,117,742	9,900
2011	872,270	100,857	2,390,993	1,091,821	11,900
2012	688,978	104,845	2,285,569	1,083,913	9,000
2013	633,371	106,007	2,354,039	1,016,610	67,100
2014	651,547	105,292	2,364,581	982,393	58,144
2015	672,278	66,599	2,437,382	915,303	60,275
2016	703,782	70,554	2,339,551	845,280	65,687
2017	754,976	76,613	2,442,340	857,529	61,968
2018	763,729	78,402	2,571,983	814,101	65,100

Note (1): Includes general, special revenue, and capital projects funds.



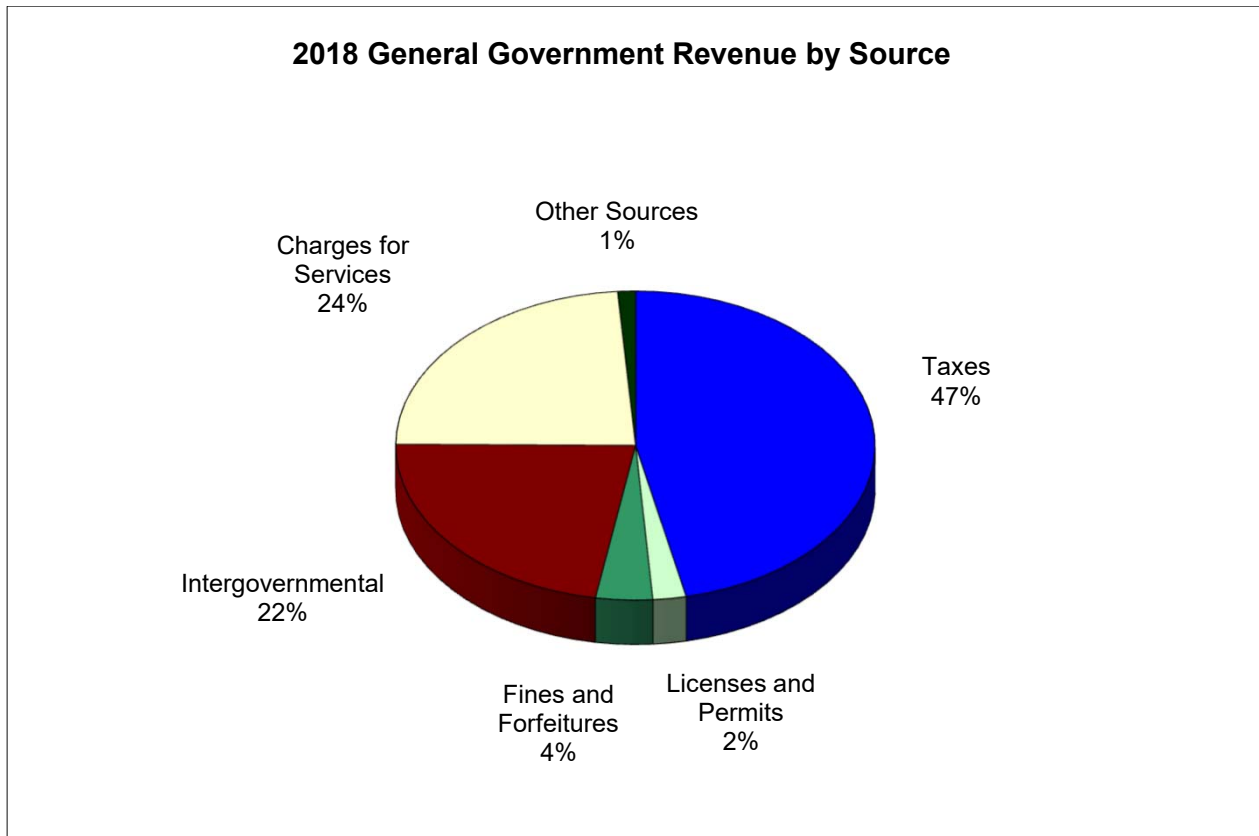
Culture and Recreation	Housing and Development	Capital Projects	Debt Service	Total
142,491	412,796	457,778	51,023	5,429,837
146,215	242,834	118,417	89,306	4,932,443
139,290	195,955	152,138	11,087	4,966,311
143,053	239,926	604,058	7,392	5,166,734
146,973	243,343	730,831	13,279	5,311,553
123,278	244,853	265,348	67,248	4,862,684
154,024	267,994	783,372	67,248	5,424,475
163,982	289,497	747,542	67,248	5,293,123
162,355	303,292	190,930	67,247	4,917,250
170,165	343,869	511,204	338,228	5,656,781



City of Elberton, Georgia
General Government Revenue by Source (1)
Last Ten Fiscal Years

Fiscal Year	Taxes	Licenses and Permits	Fines and Forfeitures	Intergovernmental	Charges for Services	Other Sources	Total
2009	1,264,618	100,084	203,387	1,406,679	760,032	52,958	3,787,758
2010	1,317,624	103,994	202,828	796,805	781,097	21,440	3,223,788
2011	1,251,941	67,553	195,234	747,837	853,456	31,792	3,147,813
2012	1,180,126	70,936	161,225	860,372	739,942	12,449	3,025,050
2013	1,251,079	57,725	191,822	613,827	743,539	9,148	2,867,140
2014	1,304,264	54,238	169,016	604,528	708,204	16,669	2,856,919
2015	1,291,300	57,350	108,590	649,238	650,708	15,855	2,773,041
2016	1,336,308	58,890	92,915	672,241	720,025	15,392	2,895,771
2017	1,318,016	57,785	112,020	656,054	720,912	11,733	2,876,520
2018	1,399,478	67,261	115,047	673,338	711,197	36,017	3,002,338

Note (1): Includes general, special revenue, and capital projects funds.

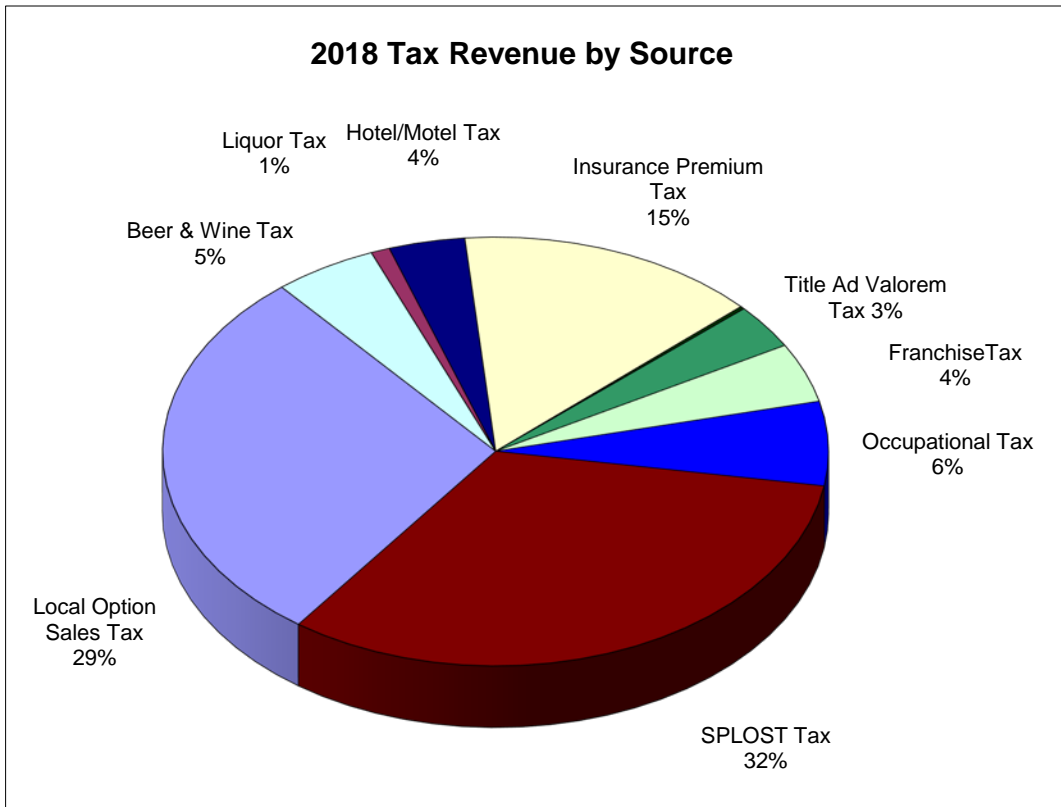


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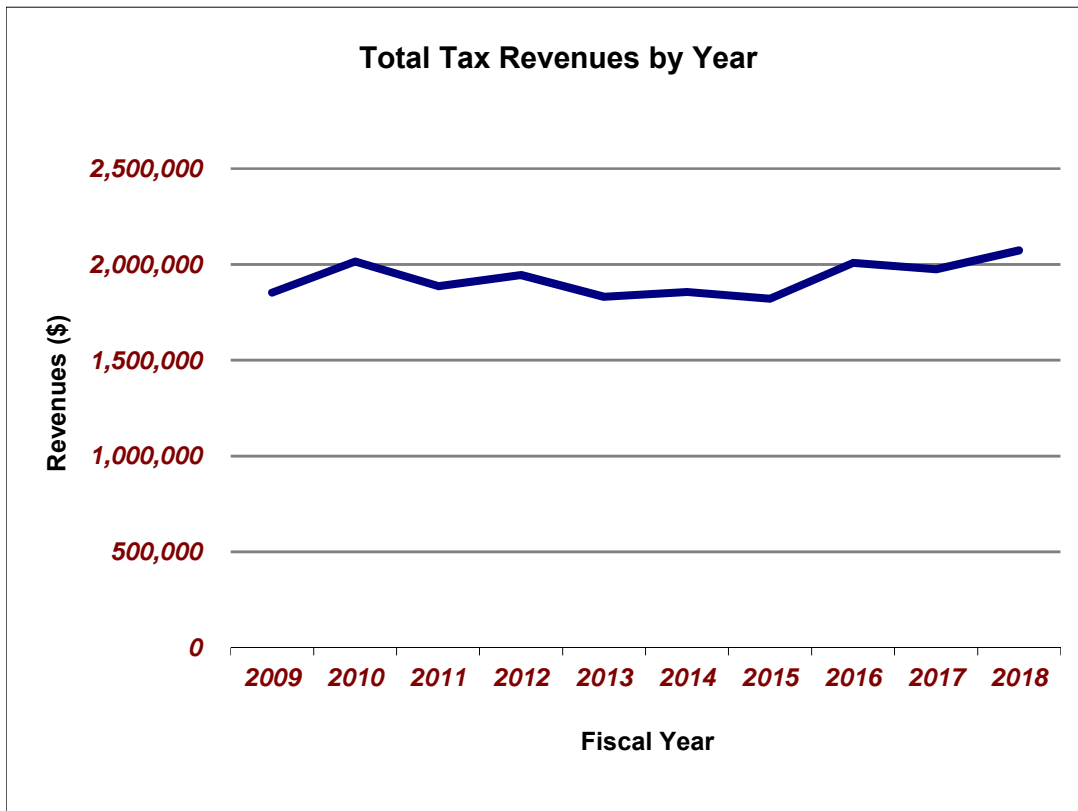
City of Elberton, Georgia
General Government Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year	Beer & Wine Tax	Liquor Tax	Hotel/Motel Tax (1)	Insurance Premium Tax	Intangible Tax
2009	136,964	21,261	66,655	265,457	5,888
2010	120,035	21,359	72,661	262,968	3,829
2011	121,973	21,145	58,651	255,324	3,160
2012	129,709	23,955	45,344	218,245	5,294
2013	129,775	19,394	51,865	231,813	7,061
2014	125,992	16,647	46,282	240,020	4,096
2015	132,047	19,366	49,138	246,913	3,739
2016	113,771	22,441	55,837	263,786	4,465
2017	112,152	21,690	59,669	285,732	4,542
2018	103,949	19,006	76,622	304,258	4,436

Note (1): Reported in the Hotel/Motel Tax Special Revenue Fund.
 Note (2): Reported as intergovernmental revenue in the SPLOST Capital Projects Funds.
 Note (3): In fiscal year 2013, the title ad valorem tax on motor vehicles became effective March 2013.



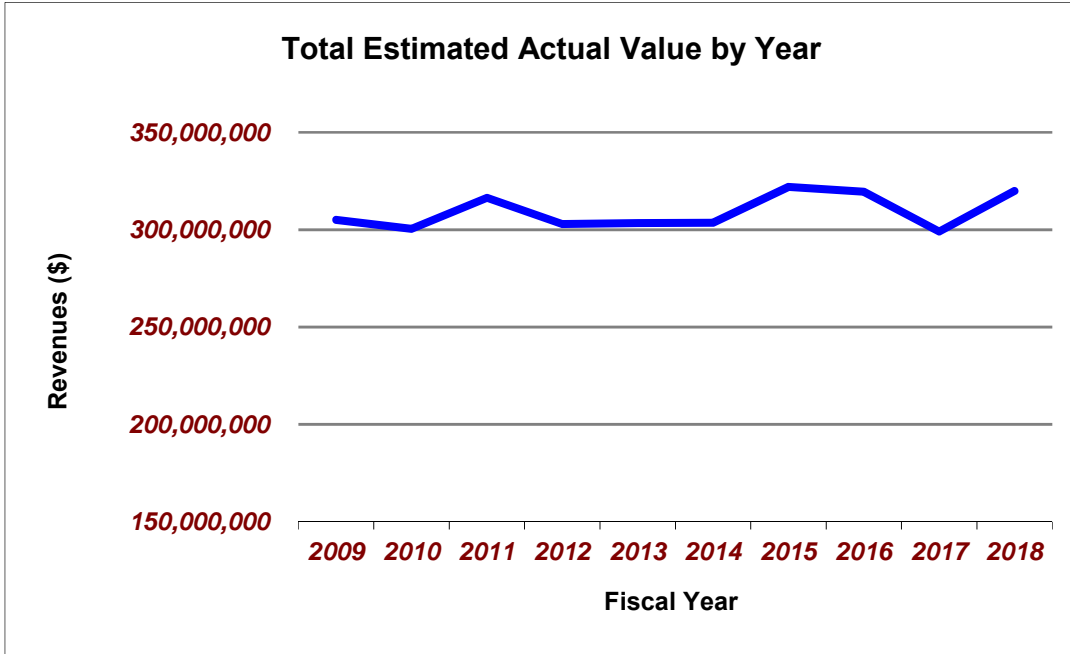
Title Ad Valorem Tax (3)	Franchise Tax	Occupational Tax	SPLOST Tax (2)	Local Option Sales Tax	Total
0	88,790	85,706	588,533	593,897	1,853,151
0	86,620	79,349	696,942	670,803	2,014,566
0	84,338	73,352	634,095	633,998	1,886,036
0	90,041	74,804	763,629	592,734	1,943,755
31,875	91,243	110,828	579,455	577,225	1,830,534
105,085	89,389	125,781	550,972	550,972	1,855,236
102,458	90,654	117,607	529,253	529,378	1,820,553
80,432	98,172	119,704	672,241	577,700	2,008,549
70,116	91,906	122,502	656,054	549,707	1,974,070
69,636	92,799	131,521	673,338	597,251	2,072,816



City of Elberton, Georgia
Assessed and Estimated Actual Value of Taxable Property
Digest Years 2009 - 2018

Calendar Year of Digest	Real Property	Motor Vehicles	Mobile Homes	Public Utilities
2009	108,796,885	9,682,470	329,556	3,207,627
2010	109,001,131	8,183,060	332,583	2,697,887
2011	115,566,725	8,075,750	208,676	2,697,887
2012	107,168,885	7,840,330	205,713	5,963,813
2013	107,293,014	7,888,040	172,078	5,991,509
2014	108,348,155	6,913,940	156,160	5,991,509
2015	117,102,330	5,114,940	174,615	6,390,465
2016	117,212,123	4,009,730	168,519	6,390,465
2017	112,263,431	3,046,050	132,474	4,185,489
2018	121,331,524	2,361,690	242,322	3,977,895

Source: Elbert County Tax Digest



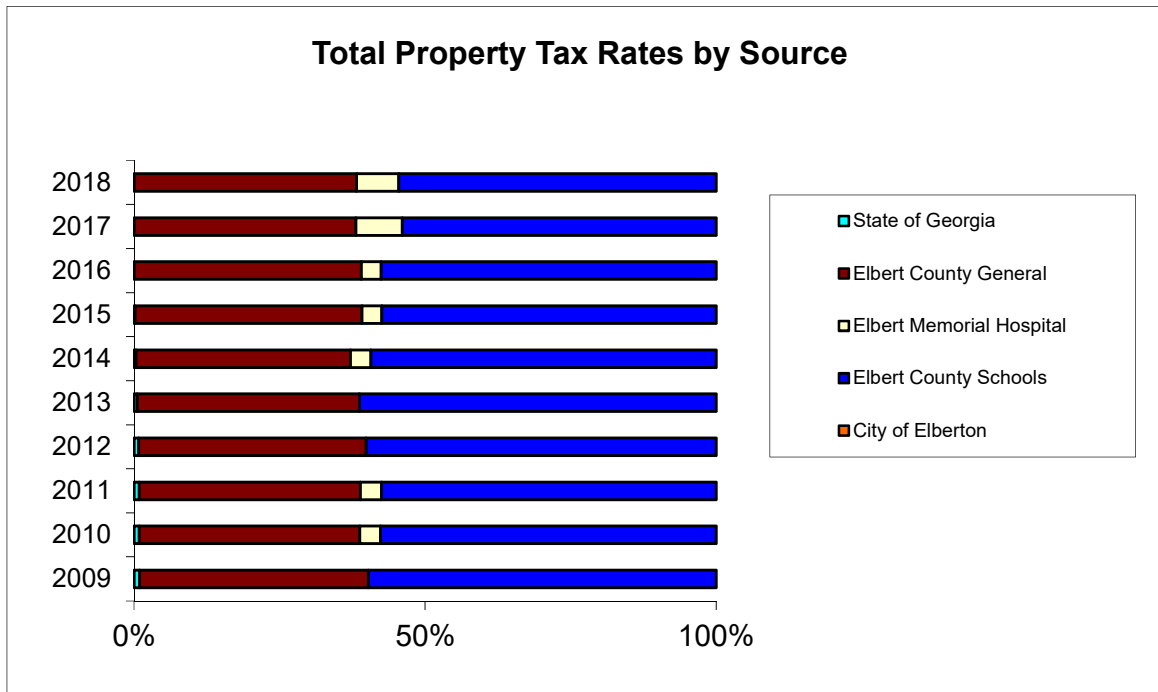
<u>Total Property</u>	<u>Less: Exemptions</u>	<u>Total Taxable Property</u>	<u>Total Estimated Actual Value</u>	<u>Total Direct Tax Rate</u>
122,016,538	(4,873,097)	117,143,441	305,041,345	0.00
120,214,661	(3,839,856)	116,374,805	300,536,653	0.00
126,549,038	(8,162,096)	118,386,942	316,372,595	0.00
121,178,741	(4,334,640)	116,844,101	302,946,853	0.00
121,344,641	(5,205,734)	116,138,907	303,361,603	0.00
121,409,764	(6,261,621)	115,148,143	303,524,410	0.00
128,782,350	(7,982,703)	120,799,647	321,955,875	0.00
127,780,837	(10,886,992)	116,893,845	319,452,093	0.00
119,627,444	(6,934,039)	112,693,405	299,068,610	0.00
127,913,431	(7,067,537)	120,845,894	319,783,578	0.00

City of Elberton, Georgia
Property Tax Rates
(per \$1,000 of Assessed Value)
Digest Years 2009 - 2018

Calendar Year of Digest	State of Georgia	Elbert County (Incorporated area)			Elbert County Schools	City of Elberton	Total Tax Rate (1)
		Elbert County General	Elbert Memorial Hospital	Total County Tax Rate			
2009	0.25	10.50	0.00	10.50	15.95	0.00	26.70
2010	0.25	10.50	1.00	11.50	16.00	0.00	27.74
2011	0.25	10.57	1.00	11.57	16.00	0.00	27.81
2012	0.20	10.44	0.00	10.44	16.06	0.00	26.70
2013	0.15	10.41	0.00	10.41	16.72	0.00	27.28
2014	0.10	10.43	1.00	11.43	16.80	0.00	28.33
2015	0.05	11.44	1.00	12.44	16.86	0.00	29.35
2016	0.00	11.45	1.00	12.45	16.90	0.00	29.35
2017	0.00	11.98	2.50	14.48	16.94	0.00	31.42
2018	0.00	11.13	2.10	13.23	15.87	0.00	29.10

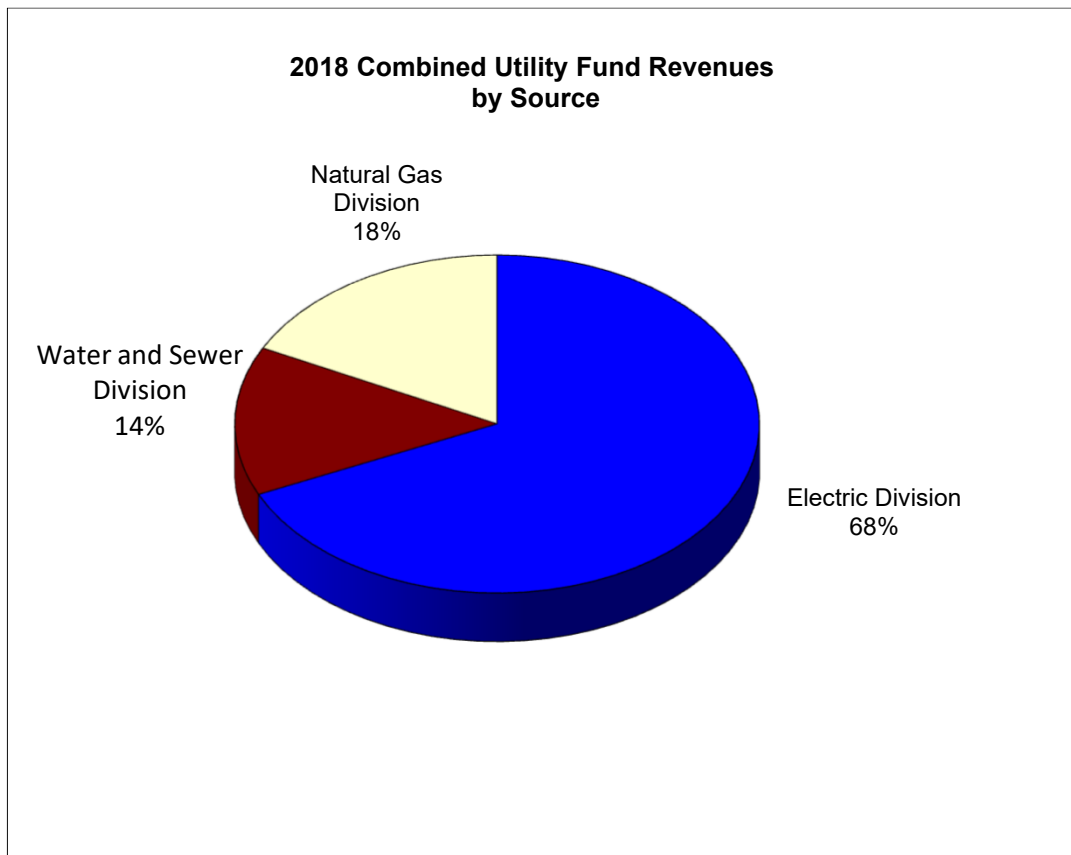
Source: Elbert County Tax Digest

Note (1): Tax rates are expressed in rate per \$1,000.



City of Elberton, Georgia
Combined Utility Fund Operating Revenue by Source
Last Ten Fiscal Years

Fiscal Year	Electric Division	Water and Sewer Division	Natural Gas Utility Division	Total
2009	14,469,316	2,885,781	5,288,635	22,643,732
2010	15,577,263	2,861,000	4,806,629	23,244,892
2011	15,737,432	2,783,284	4,335,416	22,856,132
2012	15,573,869	2,823,743	3,444,888	21,842,500
2013	15,845,922	2,845,625	4,196,331	22,887,878
2014	16,011,682	2,888,320	4,904,861	23,804,863
2015	15,324,173	3,082,987	4,068,943	22,476,103
2016	15,087,099	3,162,542	3,342,027	21,591,668
2017	15,258,308	3,230,673	3,366,448	21,855,429
2018	15,185,292	3,179,372	3,918,925	22,283,589



City of Elberton, Georgia
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business-type Activities			Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
	Capital Leases	Water & Sewer Bonds	Notes Payable	Capital Leases			
2009	104,540	9,665,000	0	3,774,468	13,544,008	2.38%	2,979
2010	17,950	9,110,000	0	4,082,771 ⁽²⁾	13,210,721	2.37%	2,839
2011	7,300	8,535,000	0	3,329,935	11,872,235	2.08%	2,598
2012	0	8,220,000	0	2,565,299	10,785,299	1.82%	2,392
2013	565,162 ⁽³⁾	7,500,000	0	1,917,369	9,982,531	1.68%	2,219
2014	509,192	6,760,000	507,499 ⁽⁴⁾	1,562,987	9,339,678	1.51%	2,070
2015	452,041	5,995,000	1,568,991	3,041,061 ⁽⁵⁾	11,057,093	1.81%	2,466
2016	393,684	5,210,000	6,034,630 ⁽⁶⁾	2,477,256	14,115,570	2.24%	3,170
2017	334,096	4,395,000	7,865,513	1,613,690	14,208,299	N/A	3,215
2018	0	3,560,000	7,512,701	1,342,813	12,415,514	N/A	2,867

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

Note (1): See the Demographic Statistics on exhibit J-16 for personal income and population information.

Note (2): Capital leases to finance the expansion of the broadband and cable television distribution system.

Note (3): Capital lease to purchase a new fire ladder truck for the fire department.

Note (4): Note payable through Georgia Environmental Finance Authority for improvements to water system.

Note (5): Capital lease to finance the replacement of natural gas bare steel lines.

Note (6): Note payable through Northeast Georgia Bank for the refurbishment of the Samuel Elbert Hotel and GEFA for sewer plant improvements.

City of Elberton, Georgia
Computation of Legal Debt Margin
June 30, 2018

Net assessed value	\$	120,845,894
Debt limit - 10% of total assessed value		12,084,589
Total General Obligation bonds outstanding		<u>0</u>
Legal debt margin	\$	<u>12,084,589</u>
Ratio of Legal Debt Margin to Debt Limit		100.00%

**Direct General Obligation and
Guaranteed Revenue Debt Outstanding**

		Debt per Capita
General Obligation Debt	\$	<u>0</u>
Guaranteed Revenue Debt:		
Series 2011 Combined Public Utility System Revenue Bonds	<u>3,560,000</u>	<u>822</u>
Total General Obligation and Guaranteed Revenue Debt	<u>\$</u>	<u>\$</u>
	3,560,000	822

City of Elberton
Legal Debt Margin Information
Last Ten Fiscal Years

	FISCAL YEAR		
	2018	2017	2016
Debt Limit	\$ 12,084,589	\$ 11,269,341	\$ 11,689,385
Total Net Debt applicable to limit	<u>0</u>	<u>0</u>	<u>0</u>
Legal debt margin	<u>12,084,589</u>	<u>11,269,341</u>	<u>11,689,385</u>
Ratio of Legal Debt Margin to Debt Limit	100%	100%	100%

FISCAL YEAR						
2015	2014	2013	2012	2011	2010	2009
\$ 12,079,965	\$ 11,514,814	\$ 11,613,891	\$ 11,684,410	\$ 11,838,694	\$ 11,637,481	\$ 11,714,344
0	0	0	0	0	0	0
12,079,965	11,514,814	11,613,891	11,684,410	11,838,694	11,637,481	11,714,344
100%	100%	100%	100%	100%	100%	100%

City of Elberton, Georgia
Revenue Bond Coverage
2001 Series Bonds for Water & Sewer Division
2011 Series Bonds for Water & Sewer Division
Combined Public Utility System Fund
Last Ten Fiscal Years

Fiscal Years	Debt Service			Water & Sewer Division			
	Principal	Interest	Total	Operating Revenue	Less: Operating Expenses	Net Available Revenue	Debt Coverage
2009	530,000	483,680	1,013,680	2,885,781	1,749,189	1,136,592	1.12
2010	555,000	459,515	1,014,515	2,861,000	1,737,481	1,123,519	1.11
2011	575,000	434,714	1,009,714	2,783,284	1,752,208	1,031,076	1.02
2012	605,000	364,467	969,467	2,823,743	1,842,516	981,227	1.01
2013	720,000	214,185	934,185	2,845,625	1,909,350	936,275	1.00
2014	740,000	194,293	934,293	2,888,320	1,893,551	994,769	1.06
2015	765,000	173,787	938,787	3,082,987	1,847,536	1,235,451	1.32
2016	785,000	152,668	937,668	3,162,542	1,857,962	1,304,580	1.39
2017	815,000	130,868	945,868	3,230,673	1,898,498	1,332,175	1.41
2018	835,000	108,387	943,387	3,179,372	1,931,326	1,248,046	1.32

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements. Operating Expenses do not include interest or depreciation.

Combined Public Utility System Fund

Operating Revenue	Less: Operating Expenses	Net Available Revenue	Debt Coverage
22,643,732	17,591,463	5,052,269	4.98
23,244,892	16,439,395	6,805,497	6.71
22,856,132	17,029,446	5,826,686	5.77
21,842,500	17,602,914	4,239,586	4.37
22,887,878	17,856,527	5,031,351	5.39
23,804,863	19,259,642	4,545,221	4.86
22,476,103	18,460,071	4,016,032	4.28
21,591,668	17,265,663	4,326,005	4.61
21,855,429	17,331,844	4,523,585	4.78
22,283,589	16,848,738	5,434,851	5.76

City of Elberton, Georgia
Direct and Overlapping Governmental Debt
As of June 30, 2018

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Available</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Elbert County Schools	\$ -	0%	\$ -
Elbert County	\$ -	0%	\$ -
Subtotal, overlapping debt			<u>\$ -</u>
City of Elberton direct debt			<u>\$ -</u>
Total direct and overlapping debt			<u><u>\$ -</u></u>

Source: Debt outstanding data provided by Elbert County Schools and Elbert County Finance Offices.

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 Elberton. The 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.

Note: The outstanding debt reported from overlapping authorities includes bonds, notes, and capital leases as reported on their Governmental Activities Sheet.

City of Elberton, Georgia

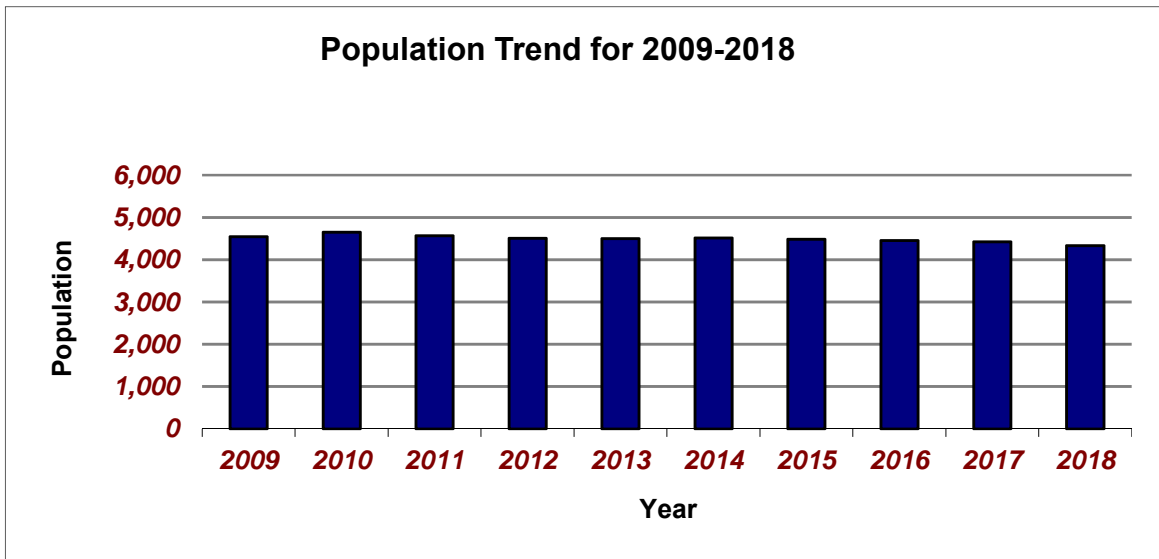
Demographic Statistics

Last Ten Fiscal Years

Fiscal Year	Population (1)	Unemployment Rate (2)	Median Household Income (3)	Per Capita Income (4)	Total Personal Income (4) (amounts in thousands)	School Enrollment (5)
2009	4,546	11.7%	32,865	28,008	569,548	3,424
2010	4,653	12.4%	30,543	27,754	558,390	3,341
2011	4,570	14.6%	32,046	28,713	570,984	3,278
2012	4,509	13.1%	35,053	30,099	592,472	3,220
2013	4,499	11.4%	35,817	30,416	593,531	3,105
2014	4,512	9.2%	35,170	31,716	616,501	3,049
2015	4,484	8.2%	35,388	31,519	610,330	3,009
2016	4,453	6.7%	35,739	32,857	628,988	3,079
2017	4,420	6.2%	N/A	N/A	N/A	3,064
2018	4,331	5.3%	N/A	N/A	N/A	3,113

- (1) U. S. Census Bureau
- (2) Georgia Department of Labor, for entire Elbert County
- (3) U. S. Census Bureau, for entire Elbert County
- (4) U. S. Dept. of Commerce, Bureau of Economic Analysis
- (5) Elbert County Board of Education, for entire Elbert County

N/A = information not available



City of Elberton, Georgia
Principal Employers
For the Current Year and Nine Years Ago

Employer	2018			2009		
	Number of Employees (1)	Rank	Percentage of Total for Principal Employers	Number of Employees (2)	Rank	Percentage of Total for Principal Employers
Pilgrims Pride Corp	403	1	27.01%	620	1	45.12%
Star Granite Company	176	2	11.80%			
MollerTech South LLC	163	3	10.92%			
Bubba Foods	143	4	9.58%	94	5	6.84%
Eagle Granite Company	131	5	8.78%			
Elbert Memorial Hospital	108	6	7.24%	206	2	14.99%
Everlasting Granite	102	7	6.84%			
Keystone Memorials	96	8	6.43%	96	4	6.99%
Pinnacle Bank	94	9	6.30%			
Whitlow Electric	76	10	5.09%	57	7	4.15%
Pamas & Company				33	10	2.40%
Carlise Coating				40	9	2.91%
Turner Concrete				55	8	4.00%
Walmart				115	3	8.37%
Imex				58	6	4.22%
Total for Principal Employers	1,492		100%	1,374		100%

Source:

(1) City of Elberton

(2) Elbert County Chamber of Commerce

Note: Governmental employers are not included in the ranking

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City of Elberton
Full-time Equivalent Employees by Function
Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of June 30				
	2018	2017	2016	2015	2014
Primary government					
General Government	4	5	5	5	5
Judicial	1	1	1	1	1
Public Safety					
Animal Control	1	1	1	1	1
Police	22	22	22	22	22
Fire	16	16	16	16	16
Public Works	11	10	10	11	11
Culture and Recreation	1	1	1	1	1
Housing and Development	2	2	2	2	2
Combined Public Utilities	42	41	41	40	40
ElbertonNET Technology Services	6	6	6	6	5
Solid Waste	12	12	12	12	12
Total primary government	<u>118</u>	<u>117</u>	<u>117</u>	<u>117</u>	<u>116</u>
Component unit					
Downtown Development Authority	<u>5</u>	<u>7</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total employees	<u><u>123</u></u>	<u><u>124</u></u>	<u><u>118</u></u>	<u><u>118</u></u>	<u><u>117</u></u>

Source: City of Elberton Annual Budget

Full-time Equivalent Employees as of June 30				
2013	2012	2011	2010	2009
5	5	6	7	8
1	1	1	1	1
1	1	1	1	1
22	22	22	23	22
16	16	16	19	19
12	14	14	14	15
1	1	1	1	1
2	2	2	2	2
46	47	48	48	48
6	6	6	6	7
12	11	11	11	11
<u>124</u>	<u>126</u>	<u>128</u>	<u>133</u>	<u>135</u>
<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<u>125</u>	<u>127</u>	<u>129</u>	<u>134</u>	<u>136</u>

City of Elberton, Georgia
Operating Indicators by Function
Last Ten Fiscal Years

Function	FISCAL YEAR		
	2018	2017	2016
Police			
Number of Citations	2,072	1,551	1,046
Number of Calls for Service	9,931	8,838	8,302
Fire			
Number of Calls Answered	279	244	255
Number of Inspections Conducted	351	390	390
Electrical Service:			
Number of customers	4,426	4,385	4,400
Kilowatt hours sold	132,103,616	131,665,366	129,984,996
Water & Sewer Service:			
Number of water customers	3,498	3,472	3,468
Gallons of water sold	452,177,803	468,472,317	453,497,843
Natural Gas Service:			
Number of customers	3,909	3,907	3,938
Cubic feet sold	354,843,047	318,836,967	354,308,102

Source: Various City Departments

FISCAL YEAR						
2015	2014	2013	2012	2011	2010	2009
1,398	1,599	2,660	2,081	2,529	2,095	2,203
7,774	6,323	6,750	7,535	8,542	4,852	5,218
244	263	238	204	295	299	255
514	418	465	212	288	316	534
4,384	4,372	4,432	4,477	4,484	4,508	4,554
135,569,236	142,837,883	150,210,061	150,187,217	149,315,808	149,630,117	151,699,419
3,458	3,444	3,464	3,508	3,524	3,521	3,553
439,992,472	418,102,962	440,791,336	460,021,368	451,648,930	469,613,481	478,893,842
3,931	3,928	3,973	4,045	4,036	4,069	4,091
395,448,001	439,296,494	394,789,619	331,140,000	374,576,000	428,663,000	397,483,000

City of Elberton
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	FISCAL YEAR		
	2018	2017	2016
Public safety			
Number of police stations	1	1	1
Number of fire stations	1	1	1
Highways and streets			
Miles of streets	53	53	53
Culture and Recreation			
Parks	4	4	4
Park acreage	29.42	29.42	29.42
Baseball/Softball fields	4	4	4
Tennis courts	6	6	6
Community Playgrounds	4	4	4
Electrical System			
# of Substations	3	3	3
# of Circuits	12	12	12
Miles of Distribution Line	164	164	164
Water and Sewerage System (MGD - Millions of Gallons per Day)			
Water System:			
Miles of water mains	124	124	124
Number of water treatment plants	1	1	1
Maximum daily capacity of treatment plants in gallons	3MGD	3MGD	3MGD
Sewer System:			
Miles of sanitary sewers	69	69	69
Number of wastewater treatment plants	2	2	2
Maximum daily capacity of treatment plant in gallons	1.5MGD	1.5MGD	1.5MGD
Natural Gas System			
Number of regulator stations	7	7	7
Miles of natural gas lines	195	195	195
Broadband System			
Miles of fiber optics	145	145	145
Miles of coaxial cable	188	188	188
Number of active nodes	33	33	33

Source: Various City Departments.

Note 1: No capital asset indicators are available for the general government function.

Note 2: Miles of gas, water and sanitary sewer mains were verified and updated in 2011 utilizing new GIS software. Actual extensions did not occur in 2011.

Note 3: Miles of city streets were verified and updated in 2013 utilizing new GIS software. Actual extensions did not occur in 2013.

FISCAL YEAR						
2015	2014	2013 ⁽³⁾	2012	2011 ⁽²⁾	2010	2009
1	1	1	1	1	1	1
1	1	1	1	1	1	1
53	53	53	35	35	35	35
4	4	4	4	4	4	4
29.42	29.42	29.42	29.42	29.42	29.42	29.42
4	4	4	4	4	4	4
6	6	6	6	6	6	6
4	4	4	4	4	3	3
3	3	3	3	3	3	3
12	12	12	12	12	12	12
164	164	163	163	163	163	163
124	124	124	121	121	107	107
1	1	1	1	1	1	1
3MGD	3MGD	3MGD	3MGD	3MGD	3MGD	3MGD
69	69	69	68	68	62	62
2	2	2	2	2	2	2
1.5MGD	1.5MGD	1.5MGD	1.5MGD	1.5MGD	1.5MGD	1.5MGD
7	7	7	7	7	7	7
195	195	195	192	192	182	181
145	145	110	104	99	95	70
188	186	184	165	151	151	106
33	31	27	25	24	22	15

City of Elberton, Georgia
Property Value - Construction
Last Ten Fiscal Years

Fiscal Year	Number of Permits	Estimated Construction Costs
2009	450	3,398,222
2010	197	7,445,351
2011	188	1,419,547
2012	122	2,916,596
2013	92	1,770,712
2014	100	3,056,851
2015	108	1,633,134
2016	114	6,178,322
2017	111	1,219,316
2018	120	3,297,476

Source: City of Elberton Building Inspection Office

City of Elberton, Georgia
Miscellaneous Statistics
June 30, 2018

Date of incorporation	December 10, 1803
Form of government	Mayor--Council--Manager
Population (Census 2010)	4,653
Area	3.5 square miles
Fire protection:	
Number of certified firefighters	17
Police protection:	
Number of sworn police officers	22
Education:	
Elementary schools (PreK - 5)	2
Number of teachers	56
Number of students	853
Middle schools (6 - 8)	1
Number of teachers	57
Number of students	942
High schools (9 - 12)	1
Number of teachers	56
Number of students	823
Schools of post-secondary education	1
Recreation and Culture:	
Libraries	1
Recreation centers	4
Municipal cemeteries	2
Total acreage	24.10
Number of employees:	
Full-time	124
Part-time	8

Source: Various city departments and local institutions

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Part IV

Other Reporting Section



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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with *Government Auditing Standards*

Honorable Mayor and
Members of the City Council
City of Elberton, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Elberton, Georgia, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Elberton, Georgia's basic financial statements and have issued our report thereon dated November 2, 2018.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia

November 2, 2018

STATE REPORTING SECTION

CITY OF ELBERTON, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL
PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2018

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
2011 SPLOST					
Infrastructure Improvements	\$ 358,000	\$ 358,000	\$ 62,690	\$ 124,327	\$ 187,017
Recreation Facilities and Equipment	595,000	595,000	815,033	0	815,033
Downtown Elberton Revitalization	300,000	300,000	204,548	0	204,548
Public Safety Equipment	750,000	750,000	704,188	338,228	1,042,416
Public Works Equipment	125,000	125,000	797,590	0	797,590
Broadband Distribution System Improvements	350,000	350,000	324,856	0	324,856
Water and Sewer Distribution System Improvements	1,350,000	1,350,000	325,466	0	325,466
Total	\$ 3,828,000	\$ 3,828,000	\$ 3,234,371	\$ 462,555	\$ 3,696,926

* Estimated cost represents the portion of these projects to be financed with Special Purpose Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

CITY OF ELBERTON, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL
PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2018

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
2017 SPLOST					
Sidewalk Improvements	\$ 50,000	\$ 50,000	\$ 0	\$ 0	\$ 0
Cemetery Improvements	50,000	50,000	0	0	0
Street Improvements	250,000	250,000	0	0	0
Stormwater Improvements	150,000	150,000	0	375	375
Recreation Facilities and Equipment	120,000	120,000	0	0	0
Elbert Theatre Equipment	100,000	100,000	34,304	0	34,304
Downtown Elberton Revitalization	200,000	200,000	0	102,964	102,964
Fire Buildings and Equipment	100,000	100,000	0	49,295	49,295
Street Lighting Improvements	150,000	150,000	0	0	0
Public Works Facility Improvements	100,000	100,000	0	0	0
Police Vehicles and Equipment	350,000	350,000	19,405	178,412	197,817
Water Vehicles and Equipment	75,200	75,200	0	0	0
Public Works Vehicles and Equipment	250,000	250,000	0	0	0
Broadband Distribution					
System Improvements	750,000	750,000	0	0	0
Water and Sewer					
Distribution System					
Improvements	750,000	750,000	0	118,395	118,395
Total	\$ 3,445,200	\$ 3,445,200	\$ 53,709	\$ 449,441	\$ 503,150
Current year expenditures				\$ 449,441	
Expenditures financed through other revenues, financing sources, and transfers from other funds				55,831	
Total 2017 SPLOST Capital Projects Fund Expenditures and Transfers Out				\$ 505,272	

* Estimated cost represents the portion of these projects to be financed with Special Purpose Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

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