

CITY OF FITZGERALD, GEORGIA
Annual Financial Report
For The Fiscal Year Ended
December 31, 2017

MEEKS CPA, LLP
CERTIFIED PUBLIC ACCOUNTANTS
Ocilla, Georgia

CITY OF FITZGERALD, GEORGIA
Annual Financial Report
For the Fiscal Year Ended December 31, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Council
City of Fitzgerald, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Fitzgerald, Georgia as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Fitzgerald, Georgia, as of December 31, 2017, and the respective changes

in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, and historical pension information 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Fitzgerald, Georgia's basic financial statements. The combining and individual fund financial statements and schedules and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2019, on our consideration of the City of Fitzgerald, Georgia's internal control over financial reporting

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

MEEKS CPA, LLP

Ocilla, Georgia
January 8, 2019

BASIC FINANCIAL STATEMENTS

CITY OF FITZGERALD, GEORGIA
Statement of Net Position
December 31, 2017

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Primary Government	Downtown Development Authority	Fitzgerald & Ben Hill Development Authority
ASSETS					
Cash and Cash Equivalents	\$ 3,958,016	\$ 27,521,713	\$ 31,479,729	\$ 711	\$ 1,086,018
Receivables (Net of Allowance for Uncollectibles)	787,860	4,217,194	5,005,054	--	14,121
Due From Component Units	55,067	--	55,067	--	--
Inventories	--	749,187	749,187	--	--
Property Held For Resale	1,135,232	--	1,135,232	--	4,467,600
Prepaid Items	109,654	204,866	314,520	--	--
Other Current Assets	18,012	--	18,012	--	--
Restricted Assets	--	589,893	589,893	--	--
Capital Assets Not Being Depreciated	660,573	1,576,332	2,236,905	1,374,394	833,406
Capital Assets Net of Accumulated Depreciation	34,166,755	16,231,369	50,398,124	771,754	57,357
Total Assets	40,891,169	51,090,554	91,981,723	2,146,859	6,458,502
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Charges	--	565,742	565,742	--	--
Pension	461,792	547,506	1,009,298	--	--
Total Deferred Outflows of Resources	461,792	1,113,248	1,575,040	--	--
LIABILITIES					
Accounts Payable	140,871	1,992,922	2,133,793	--	1,081
Accrued Liabilities	56,834	41,786	98,620	--	--
Intergovernmental Payable	5,643	--	5,643	--	--
Other Current Liabilities	124,018	--	124,018	--	--
Internal Balances	129,523	(129,523)	--	--	--
Due To Primary Government	--	--	--	55,067	--
Customer Deposits	--	577,273	577,273	--	--
Unearned Revenue	--	--	--	--	6,000
Noncurrent Liabilities					
Due Within One Year	245,383	202,579	447,962	75,115	16,344
Due in More Than One Year	1,927,859	5,595,589	7,523,448	408,667	284,181
Total Liabilities	2,630,131	8,280,626	10,910,757	538,849	307,606
DEFERRED INFLOWS OF RESOURCES					
Pension	156,005	198,422	354,427	--	--
Total Deferred Inflows of Resources	156,005	198,422	354,427	--	--
NET POSITION					
Net Investment in Capital Assets	34,148,922	17,789,608	51,938,530	1,662,366	890,763
Restricted For					
Public Safety	9,211	--	9,211	--	--
Economic Development	79,147	--	79,147	--	--
Capital Outlay	2,051,066	--	2,051,066	--	--
Revolving Loan Program	--	455,706	455,706	--	--
Unrestricted	2,278,479	25,479,440	27,757,919	(54,356)	5,260,133
Total Net Position	\$ 38,566,825	\$ 43,724,754	\$ 82,291,579	\$ 1,608,010	\$ 6,150,896

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Statement of Activities
For the Year Ended December 31, 2017

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION				
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government			Component Units	
					Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Fitzgerald & Ben Hill Development Authority
Primary Government									
Governmental Activities									
General Government	\$ 1,051,648	\$ 31,687	\$ 18,054	\$ 330,770	\$ (671,137)	\$ --	\$ (671,137)		
Judicial	--	77,400	--	--	77,400	--	77,400		
Public Safety	3,713,340	525,957	11,078	165,901	(3,010,404)	--	(3,010,404)		
Public Works	3,575,711	1,303,090	--	898,696	(1,373,925)	--	(1,373,925)		
Health and Welfare	42,566	63	147,459	3,266	108,222	--	108,222		
Culture and Recreation	1,163,773	245,923	169,352	477,817	(270,681)	--	(270,681)		
Housing and Development	1,673,661	81,786	3,773	193,770	(1,394,332)	--	(1,394,332)		
Interest on Long-Term Debt	9,176	--	--	--	(9,176)	--	(9,176)		
Total Governmental Activities	<u>11,229,875</u>	<u>2,265,906</u>	<u>349,716</u>	<u>2,070,220</u>	<u>(6,544,033)</u>	<u>--</u>	<u>(6,544,033)</u>		
Business-Type Activities									
Electric	21,058,086	22,721,319	1,005,663	--	--	2,668,896	2,668,896		
Gas	5,095,340	4,385,761	--	--	--	(709,579)	(709,579)		
Water	1,248,349	1,442,766	--	--	--	194,417	194,417		
Sewer	1,187,635	938,184	--	--	--	(249,451)	(249,451)		
Landfill	1,226,646	1,169,044	--	--	--	(57,602)	(57,602)		
Airport	372,551	129,912	19,557	306,302	--	83,220	83,220		
EIP Revolving Loan	--	17,368	--	--	--	17,368	17,368		
Total Business-Type Activities	<u>30,188,607</u>	<u>30,804,354</u>	<u>1,025,220</u>	<u>306,302</u>	<u>--</u>	<u>1,947,269</u>	<u>1,947,269</u>		
Total Primary Government	<u>\$ 41,418,482</u>	<u>\$ 33,070,260</u>	<u>\$ 1,374,936</u>	<u>\$ 2,376,522</u>	<u>(6,544,033)</u>	<u>1,947,269</u>	<u>(4,596,764)</u>		
Component Units									
Downtown Development Authority	\$ 24,270	\$ --	\$ --	\$ 1,341,174				\$ 1,316,904	\$ --
Fitzgerald & Ben Hill Development Authority	2,103,667	1,405,284	338,534	2,254				--	(357,595)
Total Component Units	<u>\$ 2,127,937</u>	<u>\$ 1,405,284</u>	<u>\$ 338,534</u>	<u>\$ 1,343,428</u>				<u>1,316,904</u>	<u>(357,595)</u>
General Revenues									
Taxes									
Property					1,487,735	--	1,487,735	--	--
Franchise					155,537	--	155,537	--	--
General Sales and Use					973,031	--	973,031	--	--
Selective Sales and Use					220,857	--	220,857	--	--
Business					775,116	--	775,116	--	--
Penalties and Interest on Delinquent Taxes					12,507	--	12,507	--	--
Investment Income					14,266	26,782	41,048	--	8,813
Miscellaneous					2,734	71,715	74,449	600	--
Gain on Disposition of Capital Assets					4,700	14,236	18,936	--	--
Transfers					1,507,092	(1,507,092)	--	--	--
Total General Revenues and Transfers					<u>5,153,575</u>	<u>(1,394,359)</u>	<u>3,759,216</u>	<u>600</u>	<u>8,813</u>
Changes in Net Position					(1,390,458)	552,910	(837,548)	1,317,504	(348,782)
Net Position - Beginning					39,957,283	43,171,844	83,129,127	290,506	6,499,678
Net Position - Ending					<u>\$ 38,566,825</u>	<u>\$ 43,724,754</u>	<u>\$ 82,291,579</u>	<u>\$ 1,608,010</u>	<u>\$ 6,150,896</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Balance Sheet
Governmental Funds
December 31, 2017

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,368,154	\$ 2,589,862	\$ 3,958,016
Receivables (Net of Allowance for Uncollectibles)	403,639	384,221	787,860
Due From Other Funds	246,889	344,263	591,152
Due From Component Units	5,067	50,000	55,067
Other Current Assets	17,470	542	18,012
Total Assets	<u>\$ 2,041,219</u>	<u>\$ 3,368,888</u>	<u>\$ 5,410,107</u>
LIABILITIES			
Accounts Payable	\$ 90,365	\$ 50,506	\$ 140,871
Accrued Liabilities	55,580	1,254	56,834
Intergovernmental Payable	--	5,643	5,643
Due To Other Funds	511,624	209,051	720,675
Other Current Liabilities	124,018	--	124,018
Total Liabilities	<u>781,587</u>	<u>266,454</u>	<u>1,048,041</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue			
Property Taxes	174,261	20,078	194,339
Development and Redevelopment Property	--	185,743	185,743
Total Deferred Inflows of Resources	<u>174,261</u>	<u>205,821</u>	<u>380,082</u>
FUND BALANCES			
Restricted	--	2,139,424	2,139,424
Assigned	--	757,189	757,189
Unassigned	1,085,371	--	1,085,371
Total Fund Balances	<u>1,085,371</u>	<u>2,896,613</u>	<u>3,981,984</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,041,219</u>	<u>\$ 3,368,888</u>	

Amounts reported for governmental activities in the *Statement of Net Position* are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	34,827,328
Properties held for resale are not current financial resources and, therefore, are not reported in the funds.	1,135,232
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	380,082
Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as expenditures in the funds.	109,654
Pension deferred outflows of resources are not due and payable in the current period and will be recognized as components of pension related expenses and contributions in future periods and therefore are not reported in the funds.	461,792
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Capital Leases	\$ (678,406)
Net Pension Liability	(1,494,836)
Total Long-term liabilities	<u>(2,173,242)</u>
Pension deferred inflows of resources are not available to pay for current expenditures and will be recognized as components of pension related expenses in future periods and therefore are not reported in the funds.	(156,005)
Net Position of Governmental Activities	<u>\$ 38,566,825</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017

	General	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ 3,354,085	\$ 195,582	\$ 3,549,667
Licenses and Permits	26,765	--	26,765
Intergovernmental	202,232	1,961,322	2,163,554
Charges for Services	1,954,125	50,171	2,004,296
Fines and Forfeitures	75,718	2,910	78,628
Interest Revenue	6,031	18,271	24,302
Contributions and Donations	--	22,271	22,271
Miscellaneous	139,704	23,306	163,010
Total Revenues	<u>5,758,660</u>	<u>2,273,833</u>	<u>8,032,493</u>
EXPENDITURES			
Current			
General Government	903,611	--	903,611
Public Safety	3,463,923	94,083	3,558,006
Public Works	1,693,805	--	1,693,805
Health and Welfare	--	43,476	43,476
Culture and Recreation	1,046,346	282	1,046,628
Housing and Development	353,379	507,216	860,595
Capital Outlay	230,251	2,353,568	2,583,819
Debt Service	134,435	190,511	324,946
Total Expenditures	<u>7,825,750</u>	<u>3,189,136</u>	<u>11,014,886</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,067,090)</u>	<u>(915,303)</u>	<u>(2,982,393)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	1,633,499	94,238	1,727,737
Transfers Out	(87,651)	(132,994)	(220,645)
Proceeds of Capital Asset Dispositions	4,700	--	4,700
Capital Leases	--	524,488	524,488
Total Other Financing Sources (Uses)	<u>1,550,548</u>	<u>485,732</u>	<u>2,036,280</u>
Net Change in Fund Balances	<u>(516,542)</u>	<u>(429,571)</u>	<u>(946,113)</u>
Fund Balances - Beginning	1,601,913	3,326,184	4,928,097
Fund Balances - Ending	<u>\$ 1,085,371</u>	<u>\$ 2,896,613</u>	<u>\$ 3,981,984</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2017

Amounts reported for governmental activities in the *Statement of Activities* are different because:

Net change in fund balances - total governmental funds reported in the <i>Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds</i>	\$ (946,113)
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 Outlay	1,897,107
Depreciation Expense	<u>(1,661,300)</u>
	<u>235,807</u>
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) increases (decreases) net position.	
Cost of Capital Assets Sold/Disposed	(835,457)
Accumulated Depreciation	39,387
Donations	<u>220,302</u>
	<u>(575,768)</u>
Governmental funds report the cost of property held for resale as expenditures. However, in the Statement of Activities the cost of those assets is recognized as an expense when the property is sold.	
	<u>(22,057)</u>
Donations of properties held for resale increase net position in the Statement of Activities, but do not appear in the Governmental Funds because they are not current financial resources.	
	<u>3,773</u>
Revenues in the <i>Statement of Activities</i> that do not provide current financial resources are not reported as revenues in the funds while revenues reported in the <i>Statement of Revenues, Expenditures and Changes in Fund Balances</i> are recognized as revenue of the previous period in the <i>Statement of Activities</i> and included in beginning net position.	
Taxes	75,116
Property Held For Resale	<u>(4,059)</u>
	<u>71,057</u>
The issuance of long-term debt (e.g., bonds, leases, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.	
Debt Issued or Incurred	
Capital Lease Financing	(524,488)
Principal Repayments	
Capital Leases	<u>315,770</u>
	<u>(208,718)</u>
Expenses reported in the <i>Statement of Activities</i> that do not require the use of current financial resources are not reported as expenditures in governmental funds while expenditures reported in the <i>Statement of Revenues, Expenditures and Changes in Fund Balances</i> are recognized as expenses of the previous period in the <i>Statement of Activities</i> and included in beginning net position.	
Pensions	14,616
Prepaid Items	<u>36,945</u>
	<u>51,561</u>
Change in net position of governmental activities reported in the <i>Statement of Activities</i>	<u>\$ (1,390,458)</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Statement of Net Position
Proprietary Funds
December 31, 2017

	Business-type Activities - Enterprise Funds			
	Utility	Landfill	Other Enterprise Funds	Total Enterprise Funds
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 26,076,371	\$ 927,913	\$ 517,429	\$ 27,521,713
Receivables (Net of Allowance for Uncollectibles)	1,336,893	97,147	175,722	1,609,762
Due From Other Funds	--	360,400	--	360,400
Inventories	740,490	--	8,697	749,187
Prepaid Items	201,891	--	2,975	204,866
Restricted Assets	589,893	--	--	589,893
Total Current Assets	<u>28,945,538</u>	<u>1,385,460</u>	<u>704,823</u>	<u>31,035,821</u>
Noncurrent Assets				
Notes Receivable	2,300,000	--	307,432	2,607,432
Capital Assets Not Being Depreciated	279,290	550,824	746,218	1,576,332
Capital Assets Net of Accumulated Depreciation	14,479,778	264,235	1,487,356	16,231,369
Total Noncurrent Assets	<u>17,059,068</u>	<u>815,059</u>	<u>2,541,006</u>	<u>20,415,133</u>
Total Assets	<u>46,004,606</u>	<u>2,200,519</u>	<u>3,245,829</u>	<u>51,450,954</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charges	565,742	--	--	565,742
Pension	537,954	--	9,552	547,506
Total Deferred Outflows of Resources	<u>1,103,696</u>	<u>--</u>	<u>9,552</u>	<u>1,113,248</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	1,801,777	68,176	122,969	1,992,922
Accrued Liabilities	38,505	1,698	1,583	41,786
Due To Other Funds	228,150	2,530	197	230,877
Customer Deposits	577,273	--	--	577,273
Compensated Absences	158,486	--	--	158,486
Notes Payable - Current	--	--	18,093	18,093
Closure and Post-Closure Care Costs	--	26,000	--	26,000
Total Current Liabilities	<u>2,804,191</u>	<u>98,404</u>	<u>142,842</u>	<u>3,045,437</u>
Noncurrent Liabilities				
Other Post Employment Benefits Obligation	1,499,631	--	--	1,499,631
Net Pension Liability	2,717,845	--	30,919	2,748,764
Closure and Post-Closure Care Costs	--	1,347,194	--	1,347,194
Total Noncurrent Liabilities	<u>4,217,476</u>	<u>1,347,194</u>	<u>30,919</u>	<u>5,595,589</u>
Total Liabilities	<u>7,021,667</u>	<u>1,445,598</u>	<u>173,761</u>	<u>8,641,026</u>
DEFERRED INFLOWS OF RESOURCES				
Pension	195,195	--	3,227	198,422
Total Deferred Inflows of Resources	<u>195,195</u>	<u>--</u>	<u>3,227</u>	<u>198,422</u>
NET POSITION				
Net Investment in Capital Assets	14,759,068	815,059	2,215,481	17,789,608
Restricted For				
Revolving Loan Program	--	--	455,706	455,706
Unrestricted	25,132,372	(60,138)	407,206	25,479,440
Total Net Position	<u>\$ 39,891,440</u>	<u>\$ 754,921</u>	<u>\$ 3,078,393</u>	<u>\$ 43,724,754</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2017

	Business-type Activities - Enterprise Funds			
	Utility	Landfill	Other Enterprise Funds	Total Enterprise Funds
OPERATING REVENUES				
Charges for Services	\$ 27,412,153	\$ 1,168,959	\$ 147,130	\$ 28,728,242
Other	2,075,876	85	150	2,076,111
Total Operating Revenues	<u>29,488,029</u>	<u>1,169,044</u>	<u>147,280</u>	<u>30,804,353</u>
OPERATING EXPENSES				
Personal Services and Employee Benefits	5,438,453	137,850	115,539	5,691,842
Purchased/Contracted Services	1,449,414	960,418	53,530	2,463,362
Supplies	19,739,023	84,445	63,748	19,887,216
Other	1,094,747	860	--	1,095,607
Depreciation	867,772	43,073	138,309	1,049,154
Total Operating Expenses	<u>28,589,409</u>	<u>1,226,646</u>	<u>371,126</u>	<u>30,187,181</u>
Operating Income (Loss)	<u>898,620</u>	<u>(57,602)</u>	<u>(223,846)</u>	<u>617,172</u>
NONOPERATING REVENUES (EXPENSES)				
Intergovernmental	--	--	325,859	325,859
Interest Revenue	21,011	3,539	2,232	26,782
Contribution from MEAG	1,005,663	--	--	1,005,663
Miscellaneous	71,715	--	--	71,715
Interest Expense	--	--	(1,425)	(1,425)
Gain/Loss on Disposition of Capital Assets	14,236	--	--	14,236
Total Nonoperating Revenues (Expenses)	<u>1,112,625</u>	<u>3,539</u>	<u>326,666</u>	<u>1,442,830</u>
Income (Loss) Before Capital Contributions and Transfers	<u>2,011,245</u>	<u>(54,063)</u>	<u>102,820</u>	<u>2,060,002</u>
Transfers In	--	--	39,113	39,113
Transfers Out	(1,546,205)	--	--	(1,546,205)
Changes in Net Position	<u>465,040</u>	<u>(54,063)</u>	<u>141,933</u>	<u>552,910</u>
Net Position - Beginning	39,426,400	808,984	2,936,460	43,171,844
Net Position - Ending	<u>\$ 39,891,440</u>	<u>\$ 754,921</u>	<u>\$ 3,078,393</u>	<u>\$ 43,724,754</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2017

	Business-type Activities - Enterprise Funds			Total Enterprise Funds
	Utility	Landfill	Other Enterprise Funds	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 29,366,851	\$ 1,184,126	\$ 129,087	\$ 30,680,064
Principal Payments Received	--	--	52,544	52,544
Interest Received	--	--	17,368	17,368
Payments to Suppliers	(22,528,524)	(1,026,664)	(100,150)	(23,655,338)
Payments to Employees	(5,342,951)	(137,171)	(109,082)	(5,589,204)
Net Cash Provided (Used) by Operating Activities	<u>1,495,376</u>	<u>20,291</u>	<u>(10,233)</u>	<u>1,505,434</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental	--	--	19,557	19,557
Contributions - MEAG	1,005,663	--	--	1,005,663
Transfers from Other Funds	--	--	39,113	39,113
Transfers to Other Funds	(1,543,771)	--	--	(1,543,771)
Due From Other Funds	--	(110,400)	--	(110,400)
Due To Other Funds	--	1,394	--	1,394
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(538,108)</u>	<u>(109,006)</u>	<u>58,670</u>	<u>(588,444)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(373,649)	--	(223,751)	(597,400)
Principal Paid on Capital Debt	--	--	(19,058)	(19,058)
Interest Paid on Capital Debt	--	--	(1,425)	(1,425)
Intergovernmental	--	--	191,175	191,175
Computer Charges	30,000	--	--	30,000
Proceeds from Sales of Capital Assets	14,905	--	--	14,905
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(328,744)</u>	<u>--</u>	<u>(53,059)</u>	<u>(381,803)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Notes Issued	(2,300,000)	--	--	(2,300,000)
Interest Received	21,011	3,539	3,475	28,025
Discounts Received	6,592	--	--	6,592
Other	35,123	--	--	35,123
Net Cash Provided (Used) by Investing Activities	<u>(2,237,274)</u>	<u>3,539</u>	<u>3,475</u>	<u>(2,230,260)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(1,608,750)</u>	<u>(85,176)</u>	<u>(1,147)</u>	<u>(1,695,073)</u>
Cash and Cash Equivalents - Beginning of Year	<u>28,275,014</u>	<u>1,013,089</u>	<u>518,576</u>	<u>29,806,679</u>
Cash and Cash Equivalents - End of Year	<u>\$ 26,666,264</u>	<u>\$ 927,913</u>	<u>\$ 517,429</u>	<u>\$ 28,111,606</u>

CITY OF FITZGERALD, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2017

	Business-type Activities - Enterprise Funds			
	Utility	Landfill	Other Enterprise Funds	Total Enterprise Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 898,620	\$ (57,602)	\$ (223,846)	\$ 617,172
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities				
Depreciation Expense	867,772	43,073	138,309	1,049,154
(Increase) Decrease in Accounts Receivable	(139,818)	15,082	(825)	(125,561)
(Increase) Decrease in Notes Receivable	--	--	52,544	52,544
(Increase) Decrease in Inventories	(34,247)	--	16,071	(18,176)
(Increase) Decrease in Prepaid Items	19,986	--	--	19,986
(Increase) Decrease in Deferred Charges	46,821	--	--	46,821
(Increase) Decrease in Deferred Pension Outflows	272,981	--	5,915	278,896
Increase (Decrease) in Accounts Payable	(225,720)	(3,036)	981	(227,775)
Increase (Decrease) in Accrued Liabilities	(36,509)	679	869	(34,961)
Increase (Decrease) in Compensated Absences Payable	18,279	--	--	18,279
Increase (Decrease) in Due To Other Funds	--	--	76	76
Increase (Decrease) in Customer Deposits	18,640	--	--	18,640
Increase (Decrease) in Other Post Employment Benefits Obligation	159,287	--	--	159,287
Increase (Decrease) in Net Pension Liability	(331,879)	--	(3,048)	(334,927)
Increase (Decrease) in Deferred Pension Inflows	(38,837)	--	2,721	(36,116)
Increase (Decrease) in Closure and Postclosure Care Costs	--	22,095	--	22,095
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,495,376</u>	<u>\$ 20,291</u>	<u>\$ (10,233)</u>	<u>\$ 1,505,434</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Purchase of Capital Assets on Account	\$ --	\$ --	\$ 118,635	\$ 118,635

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Fitzgerald, Georgia was organized on August 22, 1907. The City operates under the Mayor and Council-City Manager form of government. The accompanying financial statements present the City and its component units, entities for which the City 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 City.

Blended Component Units

The Fitzgerald Water, Light and Bond Commission, the Fitzgerald-Ben Hill County Regional Solid Waste Management Authority, the Fitzgerald-Ben Hill County Airport Commission and the Fitzgerald Tourism and Convention Bureau are blended component units. The component units are legally separate organizations for which the City is financially accountable. The data from these units are combined with data of the primary government and reported in enterprise funds, except for the Fitzgerald Tourism and Convention Bureau, which is reported in the special revenue funds. The blended component units did not issue their own separate financial statements.

Discretely Presented Component Units

The Downtown Development Authority was established to revitalize and redevelop the central business districts of the City by financing projects that develop and promote for the public good and general welfare, trade, commerce, industry, and employment opportunities. The governing body of the Authority consists of seven members appointed by the City Council. The Authority did not issue separate financial statements.

The Fitzgerald & Ben Hill County Development Authority was created to enhance the economic development of the area by pursuing and assisting new industries in locating or relocating in the City or County. The City's Mayor serves on the five-member Authority board and one other member is appointed by the City Council. However, the City is financially accountable for the Authority because the City's council approves the Authority's budget, levies taxes (if necessary), and must approve any debt issuances. The Authority did not issue separate financial statements.

B. 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 non-fiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other non-exchange 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.

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 City's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds. The discretely presented component units are shown in separate columns in the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds and blended component units. Separate statements for each fund category, governmental and proprietary, 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 funds:

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

The City reports the following major proprietary funds:

The *Utility Fund* accounts for the activities of the City's water, sewer, gas, and electric distribution operations.

The *Landfill Fund* accounts for the operation of a landfill to dispose of solid waste of the City and County.

During the course of operations, the City 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.

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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

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). 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 City.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

F. Assets, Liabilities Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

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

2. Investments

State statutes authorize the City to invest in obligations of the State of Georgia or other states, obligations issued by the U.S. Government, obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States, obligations of any corporation of the U.S. Government, prime bankers' acceptances, the local government investment pool, repurchase agreements, and obligations of other political subdivisions of Georgia.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates, and investments that do not have an established market are reported at estimated fair value.

3. Inventories and Prepaid Items

Inventories are valued at cost using the average cost method in proprietary funds. Inventories of governmental funds are recorded as expenditures when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the proprietary funds and government-wide financial statements and as expenditures when paid in the governmental funds.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost which exceeds certain capitalization thresholds and an estimated useful life in excess of two years. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include all such items regardless of their acquisition date or amount. As the City constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated fair value at the date of donation. Land and construction in progress are not depreciated. The

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

property, plant, equipment, and infrastructure of the primary government are depreciated using the straight line method over the following estimated useful lives:

Assets	Capitalization Thresholds	Estimated Service Life
Buildings	\$ 10,000	25-60
Machinery and Equipment	\$ 250 - 5,000	3-15
Improvements	\$ 5,000	10-30
Roads	\$ 25,000	15-50
Bridges	\$ 25,000	15-50
Sidewalks	\$ 25,000	15-50
Electric System	\$ 25,000	25-50
Gas System	\$ 25,000	25-50
Water System	\$ 25,000	25-50
Water Towers	\$ 25,000	100
Sewer System	\$ 25,000	25-50

5. 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. Premiums and discounts are deferred and amortized over the life of the debt using the effective interest method. Debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred.

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

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. The item, deferred charges, is reported in the Government-wide and Proprietary Fund statements of net position. The deferred charges result from the purchase and consumption of energy provided to customers that were not billed prior to the end of the fiscal year. The other item is the deferred outflows related to pensions reported in the government-wide and proprietary fund type statements of net position.

In addition to liabilities, the statement of net 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 will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category. The item, *unavailable revenue*, which arises only under a modified accrual basis of accounting, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and development and redevelopment property sales. These amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available. The other item is the deferred inflows related to pensions reported in the government-wide and proprietary fund type statements of net position.

7. Net Position Flow Assumptions

Sometimes the City 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 City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

8. Fund Balance Flow Assumptions

Sometimes the City 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 City'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.

9. Fund Balances Policies

Fund balance of governmental funds is reported in various classifications based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). The fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance includes amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority.

Assigned fund balance includes amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned fund balance is the residual classification for the General Fund. The 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 committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by board approval, commit fund balance. Once approved, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as *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 (including special assessments) 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.

2. Property Taxes

Property taxes were levied on September 12, 2017, payable December 20, 2017, and attached as an enforceable lien on property as of January 1, 2017. The billings are considered past due after December 20, 2017, at which time the applicable property is subject to lien, and penalties and interest are assessed.

3. Compensated Absences

The City accounts for vacation and sick pay when paid. Annual vacation and sick pay cannot be accumulated and is forfeited at December 31 each year.

It is the Fitzgerald Water, Light and Bond Commission's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay is accrued when earned in the Utility Fund financial statements.

4. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the capital projects funds, which adopt project-length budgets. All annual appropriations lapse at fiscal year-end.

All departments of the City submit requests for appropriations to the City Manager so that a budget may be prepared. The City Manager and Finance Director prepare and submit a proposed budget to the Mayor and Council for review. The Council holds public hearings and a final budget must be prepared and adopted no later than September 30.

The appropriated budget is prepared by fund, department and expenditure category. The City's Finance Director may make transfers of appropriations within any fund. The adopted budget may be amended by formal action of the Mayor and Council when unexpected modifications are required in estimated revenues and appropriations. The legal level of budgetary control is the department level.

B. Excess of Expenditures Over Appropriations

Excess of expenditures over appropriations at the department level (the legal level of control) is presented below:

General Fund			
Executive	224,347	225,977	(1,630)
Elections	\$ 31,500	\$ 35,635	\$ (4,135)
Government Buildings	\$ 71,825	\$ 77,594	\$ (5,769)
Public Works Shop	168,180	179,394	(11,214)
Grand Theatre	162,098	180,477	(18,379)
Urban Development and Housing	133,500	143,147	(9,647)
Economic Development	--	1,003	(1,003)
Tourism	134,011	134,243	(232)
Capital Outlay-Buildings	--	33,731	(33,731)
Capital Outlay-Computers	9,450	53,053	(43,603)
Capital Outlay-Other Equipment	95,480	99,177	(3,697)
Community Home Investment Special Revenue Fund	6,000	6,146	(146)
Grand Theatre Special Revenue Fund	1,935	2,214	(279)

C. Special Purpose Local Option Sales Tax

The Official Code of Georgia Annotated section 48-8-121 requires special purpose local option sales tax (SPLOST) proceeds to be kept in a separate account from other funds of the City and shall not in any manner be commingled with other funds of the City. During the fiscal year ended December 31, 2017, non-SPLOST revenues were deposited into and expended from SPLOST bank accounts in the SPLOST 2011 and SPLOST 2017 Funds.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash Deposits with Financial Institutions

The City does not have a formal investment policy for interest rate, credit, concentration of credit or custodial credit risks. As of December 31, 2017, the City's entire bank balance was insured or collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.

B. Receivables

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. Below is the detail of receivables for the major funds and the nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts:

	General	Nonmajor Governmental Funds	Utility	Landfill	Other Enterprise Funds	Total
Interest	\$ 4,151	\$ 507	\$ --	\$ --	\$ 147	\$ 4,805
Taxes	299,570	33,286	--	--	--	332,856
Accounts	26,923	--	1,539,678	130,346	3,749	1,700,696
Intergovernmental	92,928	166,900	--	--	115,127	374,955
Notes Receivable	--	185,743	2,300,000	--	382,091	2,867,834
Gross Receivables	423,572	386,436	3,839,678	130,346	501,114	5,281,146
Less: Allowance for Uncollectibles	(19,933)	(2,215)	(202,785)	(33,199)	(17,960)	(276,092)
	<u>\$ 403,639</u>	<u>\$ 384,221</u>	<u>\$ 3,636,893</u>	<u>\$ 97,147</u>	<u>\$ 483,154</u>	<u>\$ 5,005,054</u>

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

C. Capital Assets

Capital asset activity for the year ended December 31, 2017, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 477,040	\$ 43,776	\$ --	\$ 520,816
Construction in Progress	467,389	755,463	(1,083,095)	139,757
Total Capital Assets, Not Being Depreciated	<u>944,429</u>	<u>799,239</u>	<u>(1,083,095)</u>	<u>660,573</u>
Capital Assets, Being Depreciated				
Buildings	6,552,232	406,755	(51,004)	6,907,983
Infrastructure	44,632,424	--	--	44,632,424
Improvements Other Than Buildings	1,275,490	412,132	--	1,687,622
Machinery and Equipment	5,929,225	803,025	(5,100)	6,727,150
Total Capital Assets, Being Depreciated	<u>58,389,371</u>	<u>1,621,912</u>	<u>(56,104)</u>	<u>59,955,179</u>
Less Accumulated Depreciation For				
Buildings	(2,030,678)	(149,568)	38,990	(2,141,256)
Infrastructure	(17,173,952)	(1,118,381)	--	(18,292,333)
Improvements Other Than Buildings	(379,512)	(43,309)	--	(422,821)
Machinery and Equipment	(4,582,369)	(350,042)	397	(4,932,014)
Total Accumulated Depreciation	<u>(24,166,511)</u>	<u>(1,661,300)</u>	<u>39,387</u>	<u>(25,788,424)</u>
Total Capital Assets, Being Depreciated, Net	<u>34,222,860</u>	<u>(39,388)</u>	<u>(16,717)</u>	<u>34,166,755</u>
Governmental Activities Capital Assets, Net	<u>\$ 35,167,289</u>	<u>\$ 759,851</u>	<u>\$ (1,099,812)</u>	<u>\$ 34,827,328</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 1,118,359	\$ 1,000	\$ --	\$ 1,119,359
Construction in Progress	114,587	342,386	--	456,973
Total Capital Assets, Not Being Depreciated	<u>1,232,946</u>	<u>343,386</u>	<u>--</u>	<u>1,576,332</u>
Capital Assets, Being Depreciated				
Buildings and System	43,158,242	341,886	(51,787)	43,448,341
Machinery and Equipment	4,548,047	35,263	(105,270)	4,478,040
Total Capital Assets, Being Depreciated	<u>47,706,289</u>	<u>377,149</u>	<u>(157,057)</u>	<u>47,926,381</u>
Less Accumulated Depreciation For				
Buildings and System	(27,057,680)	(822,181)	51,787	(27,828,074)
Machinery And Equipment	(3,740,066)	(226,973)	100,101	(3,866,938)
Total Accumulated Depreciation	<u>(30,797,746)</u>	<u>(1,049,154)</u>	<u>151,888</u>	<u>(31,695,012)</u>
Total Capital Assets, Being Depreciated, Net	<u>16,908,543</u>	<u>(672,005)</u>	<u>(5,169)</u>	<u>16,231,369</u>
Business-Type Activities Capital Assets, Net	<u>\$ 18,141,489</u>	<u>\$ (328,619)</u>	<u>\$ (5,169)</u>	<u>\$ 17,807,701</u>

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

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

Governmental Activities		Business-type Activities	
General Government	\$ 126,636	Electric	\$ 337,955
Public Safety	147,266	Gas	122,254
Public Works	1,285,660	Water	131,531
Culture and Recreation	93,609	Sewer	276,032
Housing and Development	8,129	Landfill	43,073
	<u>\$ 1,661,300</u>	Airport	138,309
			<u>\$ 1,049,154</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Downtown Development Authority				
Capital Assets, Not Being Depreciated				
Land	\$ 33,680	\$ 58,482	\$ --	\$ 92,162
Construction in Progress	--	1,282,232	--	1,282,232
Total Capital Assets, Not Being Depreciated	<u>33,680</u>	<u>1,340,714</u>	<u>--</u>	<u>1,374,394</u>
Capital Assets, Being Depreciated				
Buildings	350,708	470,663	--	821,371
Improvements Other Than Buildings	25,553	--	--	25,553
Total Capital Assets, Being Depreciated	<u>376,261</u>	<u>470,663</u>	<u>--</u>	<u>846,924</u>
Less Accumulated Depreciation For				
Buildings	(60,518)	(14,652)	--	(75,170)
Total Accumulated Depreciation	<u>(60,518)</u>	<u>(14,652)</u>	<u>--</u>	<u>(75,170)</u>
Total Capital Assets, Being Depreciated, Net	<u>315,743</u>	<u>456,011</u>	<u>--</u>	<u>771,754</u>
Authority Capital Assets, Net	<u>\$ 349,423</u>	<u>\$ 1,796,725</u>	<u>\$ --</u>	<u>\$ 2,146,148</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Fitzgerald & Ben Hill Development Authority				
Capital Assets, Not Being Depreciated				
Land	\$ 73,103	\$ --	\$ --	\$ 73,103
Works of Art and Historical Treasures	760,303	--	--	760,303
Total Capital Assets, Not Being Depreciated	<u>833,406</u>	<u>--</u>	<u>--</u>	<u>833,406</u>
Capital Assets, Being Depreciated				
Improvements Other Than Buildings	55,564	--	--	55,564
Machinery and Equipment	28,345	--	--	28,345
Total Capital Assets, Being Depreciated	<u>83,909</u>	<u>--</u>	<u>--</u>	<u>83,909</u>
Less Accumulated Depreciation For				
Improvements Other Than Buildings	(5,248)	(3,704)	--	(8,952)
Machinery and Equipment	(13,551)	(4,049)	--	(17,600)
Total Accumulated Depreciation	<u>(18,799)</u>	<u>(7,753)</u>	<u>--</u>	<u>(26,552)</u>
Total Capital Assets, Being Depreciated, Net	<u>65,110</u>	<u>(7,753)</u>	<u>--</u>	<u>57,357</u>
Authority Capital Assets, Net	<u>\$ 898,516</u>	<u>\$ (7,753)</u>	<u>\$ --</u>	<u>\$ 890,763</u>

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2017 was as follows:

Due From / To Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 16,012
General Fund	Utility Enterprise Fund	228,150
General Fund	Landfill Enterprise Fund	2,530
General Fund	Nonmajor Proprietary Funds	197
Nonmajor Governmental Funds	General Fund	161,624
Nonmajor Governmental Funds	Nonmajor Governmental Funds	7,639
Nonmajor Governmental Funds	Nonmajor Governmental Funds	175,000
Landfill Enterprise Fund	General Fund	350,000
Landfill Enterprise Fund	Nonmajor Governmental Funds	10,400
		<u>\$ 951,552</u>

Generally, outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The General Fund receivable of \$228,150 from the Utility Fund consists of the unpaid balance of the 2017 Utility Fund transfer required by city ordinance and fire protection and garbage fees collected for the City but un-remitted at December 31, 2017. The General Fund owes \$161,414 to a Nonmajor Governmental Fund for industrial development taxes which have not been remitted to the fund that accounts for the tax. A Nonmajor Governmental Fund loaned a Nonmajor Governmental Fund \$175,000 to finance SPLOST project expenditures. The Landfill Fund loaned the General Fund \$350,000 to finance expenditures. The Landfill Fund loaned a Nonmajor Governmental Fund \$10,400 to finance SPLOST project expenditures.

The composition of interfund transfers for the year ended December 31, 2017 was as follows:

Interfund Transfers

Transfer In	Transfer Out	Amount
General Fund	Nonmajor Governmental Funds	\$ 87,294
General Fund	Utility Enterprise Fund	1,546,205
Nonmajor Governmental Funds	General Fund	48,538
Nonmajor Governmental Funds	Nonmajor Governmental Funds	45,700
Nonmajor Proprietary Funds	General Fund	39,113
		<u>\$ 1,766,850</u>

The Utility Fund transferred \$1,546,205 to the General Fund in accordance with the city ordinance establishing a required annual remittance to the General Fund. A Nonmajor Governmental Fund transferred \$87,294 to the General Fund to finance capital expenditures. Transfers between other funds were to support the ongoing operations of the receiving fund.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

E. Short-Term Debt

Short-term debt activity for the year ended December 31, 2017, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Fitzgerald & Ben Hill Development Authority Notes Payable	\$ 59,348	\$ --	\$ (59,348)	\$ --
	<u>\$ 59,348</u>	<u>\$ --</u>	<u>\$ (59,348)</u>	<u>\$ --</u>

F. Lease Obligations

Capital Leases. The City has entered into lease agreements as lessee for financing the acquisition of capital assets. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Amortization for the period is included in depreciation.

The City entered into a Master Lease and Option Agreement with the Georgia Municipal Association on July 21, 1998 securing a portion of Georgia Local Government 1998 A Grantor Trust Certificates of Participation. A portion of this amount was required to be placed in a reserve fund and the remainder is available to the City for the purchase of equipment. The amount has been reflected as capital leases. The Bank of New York is the trustee and escrow agent for this leasing arrangement. The initial funds were invested and earned interest before being drawn to purchase equipment, resulting in a lower net interest cost to the City. In 2017, the City withdrew \$85,950 for the lease of street equipment. The amount remaining to be drawn at December 31, 2017 was \$490,329.

Capital assets subject to lease obligations at December 31, 2017 were as follows:

	<u>Governmental Activities</u>
Machinery and Equipment	\$ 1,245,443
Less: Accumulated Depreciation	(358,579)
Total	<u>\$ 886,864</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2017, were as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>
2018	\$ 255,552
2019	160,411
2020	160,411
2021	110,862
2022	17,190
Total Minimum Lease Payments	<u>704,426</u>
Less: Amounts Representing Interest	(26,020)
Present Value of Minimum Lease Payments	<u>\$ 678,406</u>

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

G. Long-Term Debt

Notes Payable

On July 10, 2014, the airport hangar note was refinanced with Planters First for \$79,465 at 5% fixed rate due November 15, 2018 with monthly payments of \$1,707. The balance at December 31, 2017 was \$18,093.

On September 15, 2017, the Downtown Development Authority borrowed \$500,000 from Colony Bank at 4.25% interest for the purpose of renovating the Old Depot Building. The Authority will make monthly payments of \$7,852 and a balloon payment on the maturity date of September 15, 2023. The balance at December 31, 2017 was \$483,782.

On September 8, 2016, the Fitzgerald & Ben Hill County Development Authority borrowed \$320,000 from Colony Bank for the purpose of renovating a building for a local industry. The Authority will make 34 monthly payments of \$2,400 with interest at 4.25% and one balloon payment on the maturity date. The balance at December 31, 2017 was \$300,525.

Debt service requirements to maturity for the notes payable as of December 31, 2017 were as follows:

Year Ending December 31	Business-type Activities		
	Principal	Interest	Total
2018	\$ 18,093	\$ 682	\$ 18,775
Total	\$ 18,093	\$ 682	\$ 18,775

Year Ending December 31	Downtown Development Authority		
	Principal	Interest	Total
2018	\$ 75,115	\$ 19,109	\$ 94,224
2019	78,371	15,853	94,224
2020	81,767	12,457	94,224
2021	85,311	8,913	94,224
2022	89,008	5,216	94,224
2023 - 2027	74,210	1,391	75,601
Total	\$ 483,782	\$ 62,939	\$ 546,721

Year Ending December 31	Fitzgerald & Ben Hill Development Authority		
	Principal	Interest	Total
2018	\$ 16,344	\$ 12,456	\$ 28,800
2019	20,891	7,909	28,800
2020	263,290	--	263,290
Total	\$ 300,525	\$ 20,365	\$ 320,890

Conduit Debt Obligation

On February 27, 2017, the Fitzgerald & Ben Hill County Development Authority borrowed \$152,497 from Colony Bank to assist a local industry to renovate property. The note is due November 23, 2019 with interest at 4.25%. The note is payable solely from and secured by a pledge of rentals to be received from a lease agreement between the Authority and the local industry. The note does not constitute a debt or pledge of the faith and credit of the Authority, the State of Georgia, or any political subdivision thereof, and accordingly has not been reported in the accompanying financial statements. At December 31, 2017 the balance outstanding was \$112,003.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

H. Changes in General Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2017, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Net Pension Liability	\$ 2,151,106	\$ 1,075,934	\$ (1,732,204)	\$ 1,494,836	\$ --
Capital Leases	469,688	524,488	(315,770)	678,406	245,383
	<u>\$ 2,620,794</u>	<u>\$ 1,600,422</u>	<u>\$ (2,047,974)</u>	<u>\$ 2,173,242</u>	<u>\$ 245,383</u>
Business-type Activities					
Compensated Absences	\$ 140,207	\$ 18,279	\$ --	\$ 158,486	\$ 158,486
Net Pension Liability	3,083,691	875,544	(1,210,471)	2,748,764	--
Other Post Employment Benefits Obligation	1,340,344	199,426	(40,139)	1,499,631	--
Notes Payable	37,151	--	(19,058)	18,093	18,093
Closure and Post-Closure Care Costs	1,351,099	22,095	--	1,373,194	26,000
	<u>\$ 5,952,492</u>	<u>\$ 1,115,344</u>	<u>\$ (1,269,668)</u>	<u>\$ 5,798,168</u>	<u>\$ 202,579</u>
Downtown Development Authority					
Notes Payable	\$ 9,028	\$ 502,879	\$ (28,125)	\$ 483,782	\$ 75,115
	<u>\$ 9,028</u>	<u>\$ 502,879</u>	<u>\$ (28,125)</u>	<u>\$ 483,782</u>	<u>\$ 75,115</u>
Fitzgerald & Ben Hill Development Authority					
Notes Payable	\$ 1,148,163	\$ --	\$ (847,638)	\$ 300,525	\$ 16,344
	<u>\$ 1,148,163</u>	<u>\$ --</u>	<u>\$ (847,638)</u>	<u>\$ 300,525</u>	<u>\$ 16,344</u>

For governmental activities, claims and judgments, compensated absences, and pension liabilities are generally liquidated by the General Fund.

I. Closure and Post-closure Care Costs

State and federal laws and regulations require that the City place a final cover on its landfills when closed and perform certain maintenance and monitoring functions at the landfill site for five years after closure of landfills prior to April 1994 and thirty years for all other landfills. The City recognizes a portion of the closure and post-closure care costs in each operating period even though actual payouts will not occur until the landfill is closed. The amount recognized each year is based on the landfill capacity used as of the balance sheet date.

During 2003 engineering estimates changed, which reduced projected post-closure costs below the amount which had previously been accrued. For the currently operated landfill, the estimated liability for closure and post-closure was \$1,364,319 as of December 31, 2017, which is based on 38% of landfill capacity used to date. It is estimated that an additional \$2,233,880 will be recognized as closure and post-closure care costs between the date of the balance sheet and the date the landfill is expected to be filled to capacity. The construction and demolition portion is expected to be filled by the year 2048 and the municipal solid waste portion is unknown since this waste is sent elsewhere. Financial assurance requirements are expected to be met by the City's financial condition and funds designated for payment of closure and post-closure in the amount of \$676,332.

For the City's old landfill, which was closed prior to April, 1994, the estimated liability for closure and post-closure was \$8,875, which is based on 100% of landfill capacity used to date.

Actual costs may be higher due to inflation or deflation, revisions to laws or regulations, or changes in technology.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

J. Restricted Assets

Restricted assets in the enterprise funds consisted of customer deposit accounts in the amount of \$589,893.

K. Pensions

The City of Fitzgerald and the Fitzgerald Water, Light and Bond (WL&B) Commission maintain separate defined benefit plans which cover, separately, substantially all employees of the City and the Water, Light and Bond Commission.

Insured Plans

In 2007, the City closed its single-employer defined benefit plan and began participating in the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer defined benefit plan. For retirees receiving benefit payments at that time, a group annuity contract with Principal Life Insurance Company was purchased with pension plan assets under a single premium contract which guarantees payments to the retirees. In 2007, the single premium was paid and the responsibility for making payments to those retirees was effectively transferred to the insurer. No further contributions or premiums are due under the plan.

In 2011, the Fitzgerald Water, Light & Bond Commission closed its single-employer defined benefit plan and began participating in the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer defined benefit plan. For retirees receiving benefit payments, a group annuity contract with Principal Life Insurance Company was purchased with pension plan assets under a single premium contract which guarantees payments to the retirees. In 2011, the single premium was paid and the obligation for benefit payments to those retirees was effectively transferred to the insurer. No further contributions or premiums are due under the plan.

City of Fitzgerald Retirement Plan

The City sponsors a defined benefit pension plan which provides retirement, disability, and death benefits to plan participants and beneficiaries. The plan, through execution of the adoption agreement, is an agent multiple-employer pension plan, administered by the Georgia Municipal Employees Benefit System (GMEBS). All regular employees and members of the City Council are eligible to participate in the plan. GMEBS, in its role as the Plan Sponsor, has the authority to amend the provisions of the GMEBS Master Plan and the elective provisions of the adoption agreement, as provided in Article XVIII, Section 2, of the GMEBS Master Defined Benefit Plan Document. The City has the authority to amend the adoption agreement, which defines the specific benefit provisions of the plan, as provided in Article XVIII, Section 1, of the GMEBS Master Defined Benefit Plan Document. The City's participation in the plan, benefit provisions, and other requirements are established by City ordinance. GMEBS issues a financial report that may be obtained by writing to Georgia Municipal Employees Benefit System, 201 Pryor Street SW, Atlanta, Georgia 30303.

Retirement benefits for regular employees are calculated as 2% of the employee's final average earnings (annual average of earnings for the 5 consecutive years of credited service preceding the participant's most recent termination in which the participant's earnings were the highest) multiplied by years of total credit service as an eligible regular employee. Regular employees are eligible for normal retirement benefits at age 65 with 5 years of total credited service or at age 55 with 20 years of total credited service. Normal retirement benefits for elected or appointed members of the City Council are calculated as \$20 per month for each year of total credited service or major fraction thereof. Council members are eligible for normal retirement benefits at age 65. Disability retirement qualifications are based upon Social Security Administration award criteria or as otherwise provided under Section 2 of the Master Plan. Disability benefits are calculated as 20% of the participant's average monthly earnings for the 12-calendar month period immediately preceding their termination of employment as a result of a disability. Council members are not eligible for disability benefits. Pre-retirement death benefits are payable monthly and are equal to the decreased

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2017

monthly retirement benefit that would have otherwise been payable to the participant as if the 100% joint and survivor benefit had been elected.

At July 1, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	47
Inactive employees entitled to but not yet receiving benefits	51
Active employees	<u>113</u>
	<u>211</u>

City employees are not required to contribute to the plan. The Board of Trustees of GMEBS has adopted an actuarial funding policy for determination of annual required contributions to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the plan. The Plan is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). Annual contributions made in accordance with the funding policy, which requires a different funding level, will meet the minimum funding standards. The contribution requirements of employees and the City are established by City ordinance. For the year ended December 31, 2017, the City's actuarially determined contribution was \$402,379.

The City's net pension liability was measured as of March 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017.

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

Investment rate of return	7.75%
Inflation	3.25%
Salary increases	3.25% plus service based merit increases

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

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study covering the period January 1, 2010 to 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on an ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	45%	6.71%
International Equity	20%	7.71%
Real Estate	10%	5.21%
Global Fixed Income	5%	3.36%
Domestic Fixed Income	20%	2.11%

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The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will not be made and that City contributions will be made at rates equal to the actuarially determined contributions rates. The long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The changes in net pension liability were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances - Beginning	\$ 11,714,136	\$ 9,529,063	\$ 2,185,073
Changes for the Year			
Service Cost	190,096	--	190,096
Interest	886,892	--	886,892
Differences Between Expected and Actual Experience	(173,131)	--	(173,131)
Contributions - Employer	--	393,386	(393,386)
Contributions - Employee	--	--	--
Net Investment Income	--	1,190,990	(1,190,990)
Benefit Payments	(540,740)	(540,740)	--
Administrative Expense	--	(21,201)	21,201
Other Changes	--	--	--
Net Changes	363,117	1,022,435	(659,318)
Balances - Ending	<u>\$ 12,077,253</u>	<u>\$ 10,551,498</u>	<u>\$ 1,525,755</u>

The following presents the City's net pension liability calculated using the discount rate of 7.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	Current		
	1% Decrease (6.75%)	Discount Rate (7.75%)	1% Increase (8.75%)
Net Pension Liability	\$ 3,005,303	\$ 1,525,755	\$ 284,663

For the year ended December 31, 2017, the City recognized pension expense of \$403,973. At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 150,326	\$ 129,849
Changes in assumptions	--	21,696
Net difference between projected and actual earnings on pension plan investments	--	7,687
Contributions subsequent to the measurement date	321,018	--
	<u>\$ 471,344</u>	<u>\$ 159,232</u>

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Contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the subsequent year. The other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31</u>	
2018	\$ 37,753
2019	37,753
2020	7,392
2021	(91,804)
2022	--
Thereafter	--
	<u>\$ (8,906)</u>

Fitzgerald Water, Light & Bond Commission Retirement Plan

The Fitzgerald Water, Light & Bond Commission sponsors a defined benefit plan which provides retirement, disability, and death benefits to plan participants and beneficiaries. The pension plan is an agent multiple-employer defined benefit plan, administered by the Georgia Municipal Employees Benefit System (GMEBS). All full-time employees and governing board members are eligible to participate in the plan. The Commission's participation in the plan, benefit provisions, and other requirements are established by governing board approval. GMEBS issues a financial report that may be obtained by writing to Georgia Municipal Employees Benefit System, 201 Pryor Street SW, Atlanta, Georgia 30303.

Retirement benefits for regular employees are calculated as 2% of the employee's final average earnings (annual average of earnings for the 5 consecutive years of credited service preceding the participant's most recent termination in which the participant's earnings were the highest) multiplied by years of total credit service as an eligible regular employee. Regular employees are eligible for normal retirement benefits at age 65 with 5 years of total credited service or at age 55 with 20 years of total credited service. Normal retirement benefits for elected or appointed members of the governing board are calculated as \$20 per month for each year of total credited service or major fraction thereof. Board members are eligible for normal retirement benefits at age 65. Disability retirement qualifications are based upon Social Security Administration award criteria or as otherwise provided under Section 2 of the Master Plan. Disability benefits are calculated as 20% of the participant's average monthly earnings for the 12-calendar month period immediately preceding their termination of employment as a result of a disability. Board members are not eligible for disability benefits. Pre-retirement death benefits are payable monthly and are equal to the decreased monthly retirement benefit that would have otherwise been payable to the participant as if the 100% joint and survivor benefit had been elected.

At July 1, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	9
Inactive employees entitled to but not yet receiving benefits	10
Active employees	<u>81</u>
	<u>100</u>

Commission employees are not required to contribute to the plan. The Board of Trustees of GMEBS has adopted an actuarial funding policy for determination of annual required contributions to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the plan. The Plan is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). Annual contributions made in accordance with the funding policy, which requires a different funding level, will meet the minimum funding standards. The contribution requirements of employees and the Commission are established by

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governing board approval. For the year ended December 31, 2017, the Commission's actuarially determined contribution was \$472,186.

The Commission's net pension liability was measured as of March 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017.

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

Investment rate of return	7.75%
Inflation	3.25%
Salary increases	3.25% plus service based merit increases

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

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study covering the period January 1, 2010 to 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on an ongoing basis is a margin for adverse deviation.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	45%	6.71%
International Equity	20%	7.71%
Real Estate	10%	5.21%
Global Fixed Income	5%	3.36%
Domestic Fixed Income	20%	2.11%

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will not be made and that Commission contributions will be made at rates equal to the actuarially determined contributions rates. The long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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The changes in net pension liability were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances - Beginning	\$ 8,678,235	\$ 5,628,511	\$ 3,049,724
Changes for the Year			
Service Cost	150,001	--	150,001
Interest	665,235	--	665,235
Differences Between Expected and Actual Experience	25,431	--	25,431
Contributions - Employer	--	457,952	(457,952)
Contributions - Employee	--	--	--
Net Investment Income	--	727,216	(727,216)
Benefit Payments	(189,111)	(189,111)	--
Administrative Expense	--	(12,622)	12,622
Other Changes	--	--	--
Net Changes	651,556	983,435	(331,879)
Balances - Ending	\$ 9,329,791	\$ 6,611,946	\$ 2,717,845

The following presents the Commission's net pension liability calculated using the discount rate of 7.75%, as well as what the Commission's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
	(6.75%)	(7.75%)	(8.75%)
Net Pension Liability	\$ 3,847,478	\$ 2,717,845	\$ 1,760,613

For the year ended December 31, 2017, the Commission recognized pension expense of \$374,451. At December 31, 2017, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 183,815	\$ 169,464
Changes in assumptions	--	6,060
Net difference between projected and actual earnings on pension plan investments	--	19,671
Contributions subsequent to the measurement date	354,139	--
	<u>\$ 537,954</u>	<u>\$ 195,195</u>

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Contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the subsequent year. The other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31</u>	
2018	\$ (7,268)
2019	(7,268)
2020	10,239
2021	(11,322)
2022	4,239
Thereafter	--
	<u>\$ (11,380)</u>

L. Post Retirement Healthcare Plan

The Fitzgerald Water, Light, and Bond Commission provides post-retirement healthcare benefits to its employees on a pay-as-you-go accounting basis. The Plan is a single-employer defined benefit plan. All full-time Commission employees, retiring on or after age 65 with 10 years of service and receiving a pension from the Water, Light, and Bond Commission Retirement Plan, or disabled former employees, are eligible to participate in the plan. The benefit provisions, employee eligibility requirements, and employer obligations to contribute to the Plan are established by the governing board. The Plan does not issue a stand-alone financial report but rather is disclosed as part of the Water, Light, and Bond Commission's financial report.

Employees are not required to contribute to the Plan. The Commission contributes amounts sufficient to fund premiums for Medicare Supplement insurance and Medicare Part D drug insurance coverage for each retired former eligible employee. The annual per capita Medicare Supplement claims cost for the year beginning July 1, 2015 and July 1, 2016 was developed based on the premiums effective. The annual per capita Medicare Part D reimbursement claims cost was also developed based on the premiums effective. The Pre-Medicare cost for medical and prescription drugs was assumed by applying actuarial factors to the weighted average premium rate to estimate individual retiree and spouse costs by age and by gender. The annual per capita dental and vision claims costs for the year beginning July 1, 2015 and July 1, 2016 was assumed to be \$551. The Plan is financed on a pay-as-you-go basis.

The Commission's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial accrued liabilities (or funding excess) over a period not to exceed 30 years.

Membership of the plan is as follows:

Active Participants	83
Inactive Participants	0
Retired Participants	<u>14</u>
	<u>97</u>

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The following table shows the components of the Commission's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Commission's net OPEB obligation to the plan.

Annual Required Contribution (ARC)	\$ 230,681
Interest on Net OPEB Obligation	47,112
Adjustment to ARC	<u>(78,367)</u>
Annual OPEB Cost	199,426
Contributions Made	<u>(40,139)</u>
Increase (Decrease) in Net OPEB Obligation	159,287
Net OPEB Obligation Beginning of Year	<u>1,340,344</u>
Net OPEB Obligation End of Year	<u><u>\$ 1,499,631</u></u>

The Commission's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 and the two preceding years were as follows:

Three Year Trend Information

Fiscal Year Ending	Annual OPEB Cost	Percentage of OPEB	Net OPEB Obligation
12/31/2015	\$ 190,779	18 %	\$ 1,177,789
12/31/2016	199,426	18 %	1,340,344
12/31/2017	199,426	20	1,499,631

As of July 1, 2016, the most recent actuarial valuation date, the plan was 0.0% funded. The actuarial accrued liability for benefits was \$2,265,331, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,265,331. The covered payroll (annual payroll of active employees covered by the plan) was \$3,111,028, and the ratio of the UAAL to the covered payroll was 72.8%.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future, and the actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of the valuation and on the pattern of sharing costs between the employer and plan members. The projection of benefits does not incorporate the potential effect of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect long-term perspective, and the methods and assumptions use techniques designed to reduce short term volatility in accrued liabilities and the actuarial value of assets, if any.

The annual plan cost and annual required contribution were determined as part of an actuarial valuation performed using the unit credit method as of July 1, 2016. The actuarial assumptions include a 4% investment rate of return, inflation of 3.25%, and projected salary increases of 3.25%. The health care trend rates shown below are "net" and are applied to the net per capita costs. The trend shown for a particular plan year is the rate that must be applied to that year's cost to yield the next year's projected cost.

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Year Ending	Medicare Part D Reimbursement	Medicare Supplemental	Pre-Medicare Medical & Drug	Pre-Medicare Dental & Vision
6/30/2017	8.0 %	6.5 %	8.0 %	3.0 %
6/30/2018	7.5 %	6.3 %	7.5 %	3.0 %
6/30/2019	7.0 %	6.0 %	7.0 %	3.0 %
6/30/2020	6.5 %	5.8 %	6.5 %	3.0 %
6/30/2021	6.0 %	5.5 %	6.0 %	3.0 %
Thereafter	5.5 %	5.3 %	5.5 %	3.0 %

The UAAL is being amortized using the level dollar method on a closed basis. The remaining amortization period at January 1, 2016, was 22 years.

Fitzgerald Water, Light, and Bond Commission implemented GASB No. 45 prospectively in 2008, the transition year for implementing GASB No. 45.

M. Fund Balances

The classifications of fund balances reported in the governmental funds were as follows:

	General	Other Governmental Funds	Total Governmental Funds
Restricted			
Public Safety	\$ --	\$ 9,211	\$ 9,211
Economic Development	--	79,147	79,147
Capital Outlay	--	2,051,066	2,051,066
	--	2,139,424	2,139,424
Assigned			
Public Safety	--	39,197	39,197
Health and Welfare	--	765	765
Culture and Recreation	--	49,463	49,463
Housing and Development	--	661,420	661,420
Capital Outlay	--	6,344	6,344
	--	757,189	757,189
Unassigned, Reported In			
General Fund	1,085,371	--	1,085,371
	1,085,371	--	1,085,371
Total Fund Balances	\$ 1,085,371	\$ 2,896,613	\$ 3,981,984

N. Tax Abatements

City property tax revenues were reduced by \$17,019 under agreements entered into by the Fitzgerald & Ben Hill County Development Authority.

O. Risk Management

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. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. To cover the risks, the City is a member of the Georgia Interlocal Risk Management Agency. The agency operates under the authority of O.C.G.A. 36-85-1 et Seq. and administers group self-insurance funds

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which receive contributions from its members in order to pool the risks of general liability, motor vehicle liability and property damage. Through participation in the agency, members jointly purchase insurance with other municipalities participating in and belonging to the agency and are coinsured under master policies with the total premium apportioned among the participants. The City is jointly and severally liable for all legal obligations of the funds which arise out of an event which occurs while the City is a member of the fund. For its workers compensation coverage, the City carries commercial insurance purchased either directly or indirectly from independent third parties. The City's deductibles for insurance coverage start at \$500 with various limits of liability up to an annual aggregate limit of \$24,705,499. The Water, Light and Bond policy deductibles start at \$1,000 with limits of liability up to \$31,199,035.

P. Commitments and Contingencies

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

Amounts received or receivable from grantor agencies, federal and state, are subject to audit and adjustment by those agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. In the opinion of City management, such disallowances, if any, will not be significant to the City's financial statements.

Under its wholesale power agreement dated October 1, 1975, the Utility Fund is committed to purchase its electric power and energy requirements from Municipal Electric Authority of Georgia (MEAG) for a period not exceeding fifty years. On April 8, 2004, the power sales contract with MEAG was extended an additional 25 years to a total of 50 years. The total anticipated aggregate costs for MEAG projects is payable as a power purchase cost over the contract term. The rates paid for such purchases are subject to review periodically. Participation in MEAG's Power Telecommunications Project to construct a statewide fiber optic network was approved in April, 1996. The Utility Fund's obligation share in this project (Georgia Public Web, Inc.) as approved is 2.7%. Georgia Public Web, Inc. leases, operates and maintains the Telecommunications Project which MEAG constructed and installed for the purpose of providing telecommunications capabilities to participants. As a participant and under the agreement, as amended, the Commission has elected to prepay the amount of its obligation share in respect to the Debt Service attributable to its interest in the Telecommunications Project. The Commission elected to record their unrestricted contribution as a current period intergovernmental transfer equal to the payment made in 2008 of \$675,501.

According to terms of a contract with Municipal Gas Authority of Georgia (MGAG) dated November 1, 1993, the Utility Fund is committed to purchase gas supplies for a period including the final maturity date and payment of all outstanding bonds issued to finance the Utility Fund's share of the allocated Gas Supply Realignment Cost Project. On May 1, 1996 for a term extending through May 31, 2011, a supplemental contract was approved with MGAG authorizing MGAG to issue up to \$220,000,000 in bonds with final maturity not to exceed 10 years from date of issuance. In the event all Project costs payable by MGAG are in excess of the revenues of the Authority available for the purpose of paying the same or reserve funds, the City is obligated to pay its share of such excess. The obligations of the Utility Fund to make payments to the Authority under these contracts constitute a general obligation of the City, contingent upon MGAG's inability to pay. The Utility Fund extended its contract with MGAG for the purchase of its gas supply requirements for an additional 10 years to December 31, 2025.

The Utility Fund's participation with MEAG Power in power sales contracts requires MEAG Power to determine at the end of each power supply year, the sufficiency of the amounts paid by participants to recover MEAG Power's applicable costs for the year. Recent year-end settlements have net billings to participants exceeding actual costs, reserve requirements, and other adjustments. These settlements are finalized after the fiscal year end and the amounts received in the current year are for the previous fiscal year's settlement.

The Municipal Competitive Trust was set up by MEAG Power in 1999 with the Utility Fund as a beneficiary to account for and administer the excess of net billings over actual costs allocated to each participant beneficiary. The initial

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deposits to the Trust were made April 1, 1999 and as of December 31, 2017, the Utility Fund's Flexible Operating Account had a balance of \$24,664,000. These funds are held in trust with the Utility Fund having the right to withdraw part or all of the funds at any time. Since the funds in this subaccount of the Trust represent a current unrestricted asset of the Utility Fund, the balance in the flexible operating account is shown as a cash equivalent item in the balance sheet of the Utility Fund. The Municipal Competitive Trust also administers other subaccounts with the Utility Fund as beneficiary, but the restrictive requirements for use negate the recognition of these subaccounts until such time as the funds are disbursed for the direct benefit of the Utility Fund to mitigate above market costs of electricity that may result from the deregulation of the electric industry in Georgia.

In June 2006, MEAG Power distributed to its participating members a proposed amendment to the terms of the Competitive Trust. The First Amendment to the terms of the Competitive Trust was approved and became effective in September, 2008. The amendment authorizes MEAG Power to apply funds from certain Competitive Trust accounts as a credit to the power sales contract billing of the Electric Utility Participants for the purpose of lowering the annual generation charges from MEAG Power during the period 2009 through 2018. Such credits were applied to offset expenses of the Commission and totaled \$939,656 for the year ended December 31, 2016 and \$1,152,449 for the year ended December 31, 2017. The proposed amendment also authorizes the establishment of an additional account within the Competitive Trust to permit the participating members to fund their share of the acquisition and construction costs of any future MEAG Power generation project joined by participating members.

In October, 2008, a proposed Second Amendment to the Competition Trust modified the provisions of the New Generation Capacity Funding Account to provide additional flexibility pertaining to the funding of new generation projects. If not otherwise expended, monies in the Funding Account may be withdrawn after January 1, 2037.

In August, 2009, a proposed Second Replacement Amendment to the Competition Trust and a proposed Second Alternative Amendment to the Competition Trust provide additional flexibility as to the funding of new generation projects and capacity purchases proposed by MEAG Power, the funding of the purchase of additional entitlement shares or obligation shares of existing MEAG Power projects, and for mitigation of certain bulk power supply cost increases.

If not otherwise expended, monies in the Credit Support Operating account and Reserve Funded Debt Service account may be withdrawn on or after December 31, 2018 and 2025, respectively.

On February 15, 1999, Fitzgerald Water, Light & Bond Commission, in seeking to fulfill additional capacity and energy supply needs, entered into a Combustion Turbine Power Sales Contract with MEAG. An amended and restated Combined Cycle Power Sales Contract was signed as of July 15, 2003. The contract calls for MEAG to obtain a General Electric gas-fired and steam-driven combined cycle power plant consisting of two Model PG7241 FA gas turbine units and a General Electric Model D11 steam turbine for the supplemental power needs of the participants in the project. The Utility Fund is obligated for 2.03287% of the costs associated with the project entitling the Commission to up to approximately 10,387 of subscribed kilowatts. The total anticipated aggregate costs for this project is payable as a power purchase cost over the contract term.

The Commission approved a maintenance contract with Utility Service Co. Inc. in 2000 on its five water tanks. After renovation costs, the Commission agreed to pay approximately \$49,827 per year to cover any further painting or repairs as needed. The Commission's cost was \$70,641 in 2016 and \$75,641 in 2017.

The Commission has entered into forward contracts to purchase gas at a specified time in the future at a guaranteed price. The Commission enters into these contracts to help plan its gas costs for the year and to protect itself against an increase in the market price of the commodity. A portion of the hedging contracts was offset by identical customer directed hedging contracts with industrial customers to whom the gas was sold. Therefore, the net effect of a portion of the hedging contracts was passed along to the customers. Any contracts outstanding at December 31, 2017 were immaterial to the financial statements. Obligations to purchase gas under these contracts are not recognized until the gas is delivered.

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In, 2004, Fitzgerald Water, Light & Bond Commission began construction of water and sewer service extensions to Ben Hill – Irwin Joint Development Authority's technology park known as Millennium Technology Pointe located adjacent to Wiregrass Georgia Technical College. As of December 31, 2005, the Commission had incurred costs on this project totaling over \$1.47 million. In regards to this project, the Ben Hill – Irwin County Joint Development Authority signed an agreement with the Commission stating the Authority will pay the Commission funds sufficient to equal the Commission's capital investment in the water and sewer extension for the Millennium Technology Pointe project. Also, as a part of this agreement, the four taxing governmental entities involved (City of Fitzgerald, Ga., Ben Hill County, Ga., City of Ocilla, Ga., and Irwin County, Ga.), have guaranteed the performance of the Joint Development Authority up to \$150,000 each for a total guaranty amount of \$600,000. After taking into consideration the grant monies received on this project, the Commission's net cost to complete the project exceeds \$500,000. As of December 31, 2017, no reimbursement had been received from any of the four taxing governmental entities involved and no final determination as to their liability to the Commission has been agreed to pending the receipt of any additional grant monies.

The Fitzgerald Water, Light & Bond Commission entered into a Wireless Communications' Management Agreement with Utility Service Communications Co., Inc. on March 24, 2003 to provide marketing, ongoing management and installation of all revenue generating wireless communications antennas on the Commission's water storage tanks. The Company will collect the revenue and pay the Commission 70% of the gross annual site rental receipts within 60 days following the end of each calendar year. On June 3, 2003, Utility Service Communications Co., Inc. granted permission to Alltel Communications, Inc. to install, maintain, and operate radio communications equipment (9 antennas) on the Commission's water tanks. Alltel agreed to pay a monthly fee of \$1,800 for the first year with a 4% increase for each renewal period. The term of the agreement began June 15, 2003 and continues for a period of 5 years with 4 additional 5-year renewal periods. Either party may terminate this agreement at the expiration of the initial term or at the expiration of any renewal term. In 2016, the Commission collected \$33,947 in fees for 2015. In 2017, the Commission collected \$35,304 in fees for 2016.

In addition, an amendment was made to an agreement with Utility Service Communications Co., Inc. on March 4, 2010 granting permission to Verizon Wireless of the East LP (d/b/a Verizon Wireless) to install, maintain, and operate certain radio communications equipment on a water tank of the Commission. Verizon agreed to pay a monthly fee of \$2,405 as of March 1, 2010 for the first year with a 3% increase for each renewal period. The term of this agreement initially began on August 1, 2009 and continues for a period of 5 years with 4 additional 5-year renewal periods. The Licensee may terminate this agreement at the expiration of the initial term or at the expiration of any renewal term. In 2016, the Commission collected \$26,802 in fees for 2015. In 2017, the Commission collected \$27,156 in fees for 2016.

Q. Related Organizations

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. Related organizations are described as follows:

Fitzgerald-Ben Hill County Library - The Fitzgerald-Ben Hill County Library administers the library and its facilities. The City Council is responsible for appointing a majority of the Library's Board. However, the City's accountability for this organization does not extend beyond making the appointments.

Fitzgerald Housing Authority - The Fitzgerald Housing Authority administers Federal funding and/or other financing for improvement of housing conditions in the City. The five citizens who serve as the Governing Board are appointed by the Mayor and approved by the City Council. The City has no significant influence over management, budget, or policies of the Authority. The Authority reports independently.

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December 31, 2017

R. Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the South Georgia area, is a member of the Southern Georgia Regional Commission and is required to pay annual dues thereto. During its year ended December 31, 2017, the City paid \$10,827 in such dues. Membership in a regional commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the regional commission in Georgia. The regional commission board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that member governments are liable for any debts or obligations of a regional commission. Separate financial statements may be obtained from:

Southern Georgia Regional Commission
327 West Savannah Avenue
Valdosta, Georgia 31601

The City participates equally with three area governments in the Ben Hill-Irwin Area Joint Development Authority. The Authority is a special-purpose corporation organized to create and foster an economic climate in Ben Hill and Irwin counties conducive to the growth and development of trade, commerce, industry, and employment opportunities. The City does not appoint the voting majority of the Authority's Board of Directors. The City is financially obligated for its twenty five percent share of the debt of the Joint Development Authority which amounted to \$119,614 at December 31, 2017. The Authority has completed its building phase and is currently seeking tenants. Separate financial statements may be obtained from:

Fitzgerald-Ben Hill County Chamber of Commerce
805 South Grant Street
Fitzgerald, Georgia 31750

**REQUIRED SUPPLEMENTARY
INFORMATION**

CITY OF FITZGERALD, GEORGIA

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 3,890,771	\$ 3,890,771	\$ 3,354,085	\$ (536,686)
Licenses and Permits	13,550	13,550	26,765	13,215
Intergovernmental	298,154	298,154	202,232	(95,922)
Charges for Services	1,916,075	1,916,075	1,954,125	38,050
Fines and Forfeitures	158,000	158,000	75,718	(82,282)
Interest Revenue	7,500	7,500	6,031	(1,469)
Miscellaneous	454,135	454,135	139,704	(314,431)
Total Revenues	<u>6,738,185</u>	<u>6,738,185</u>	<u>5,758,660</u>	<u>(979,525)</u>
EXPENDITURES				
Legislative	108,600	108,600	98,943	9,657
Executive	224,347	224,347	225,977	(1,630)
Elections	31,500	31,500	35,635	(4,135)
Financial Administration	551,188	551,188	465,462	85,726
Government Buildings	71,825	71,825	77,594	(5,769)
Police	2,128,115	2,128,115	2,032,716	95,399
Custody of Prisoners	45,000	45,000	19,425	25,575
Fire	1,320,638	1,320,638	1,264,616	56,022
Animal Control	192,257	192,257	186,019	6,238
Highways and Streets	689,631	689,631	581,163	108,468
Sanitation	879,343	879,343	784,396	94,947
Public Works Shop	168,180	168,180	179,394	(11,214)
Cemetery	165,470	165,470	147,301	18,169
Employee Safety Recognition	5,000	5,000	1,551	3,449
Recreation	499,607	499,607	488,017	11,590
Participant Recreation	50,200	50,200	42,565	7,635
Swimming Pools	8,500	8,500	7,861	639
Sports Facilities	33,300	33,300	25,422	7,878
Museums	15,182	15,182	12,207	2,975
Grand Theatre	162,098	162,098	180,477	(18,379)
The Carnegie Center	3,775	3,775	2,563	1,212
Parks	176,079	176,079	165,735	10,344
Library	131,184	131,184	131,184	--
Building Inspections	60,426	60,426	14,186	46,240
Urban Development and Housing	133,500	133,500	143,147	(9,647)
Code Enforcement	66,139	66,139	60,800	5,339
Economic Development	--	--	1,003	(1,003)
Tourism	134,011	134,011	134,243	(232)
Capital Outlay-Buildings	--	--	33,731	(33,731)
Capital Outlay-Machinery	22,375	22,375	16,861	5,514
Capital Outlay-Vehicles	35,000	35,000	27,429	7,571
Capital Outlay-Computers	9,450	9,450	53,053	(43,603)
Capital Outlay-Other Equipment	95,480	95,480	99,177	(3,697)
Debt Service	146,672	146,672	134,435	12,237
Total Expenditures	<u>8,364,072</u>	<u>8,364,072</u>	<u>7,874,288</u>	<u>489,784</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,625,887)</u>	<u>(1,625,887)</u>	<u>(2,115,628)</u>	<u>(489,741)</u>

CITY OF FITZGERALD, GEORGIA

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers In				
Industrial Development and Promotion Special Revenue F	--	--	87,294	87,294
Utility Enterprise Fund	1,725,000	1,725,000	1,546,205	(178,795)
Transfers Out				
Industrial Development and Promotion Special Revenue F	(110,000)	(110,000)	--	110,000
Airport Enterprise Fund	(39,113)	(39,113)	(39,113)	--
Proceeds of Capital Asset Dispositions	50,000	50,000	4,700	(45,300)
Total Other Financing Sources (Uses)	<u>1,625,887</u>	<u>1,625,887</u>	<u>1,599,086</u>	<u>(26,801)</u>
Net Change in Fund Balances	--	--	(516,542)	(516,542)
Fund Balances - Beginning	1,601,913	1,601,913	1,601,913	--
Fund Balances - Ending	<u>\$ 1,601,913</u>	<u>\$ 1,601,913</u>	<u>\$ 1,085,371</u>	<u>\$ (516,542)</u>

CITY OF FITZGERALD, GEORGIA
City of Fitzgerald Retirement Plan
Schedule of Changes in the Net Pension Liability and Related Ratios
December 31, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability			
Service Cost	\$ 190,096	\$ 191,713	\$ 181,033
Interest on Total Pension Liability	886,892	829,542	781,385
Changes of Benefit Terms	--	--	--
Differences Between Expected and Actual Experience	(173,131)	214,223	108,034
Changes of Assumptions	--	--	(54,240)
Benefit Payments	(540,740)	(450,218)	(339,447)
Net Change in Total Pension Liability	<u>363,117</u>	<u>785,260</u>	<u>676,765</u>
Total Pension Liability - Beginning	<u>11,714,136</u>	<u>10,928,876</u>	<u>10,252,111</u>
Total Pension Liability - Ending (a)	<u><u>\$ 12,077,253</u></u>	<u><u>\$ 11,714,136</u></u>	<u><u>\$ 10,928,876</u></u>
 Plan Fiduciary Net Position			
Contributions - Employer	\$ 393,386	\$ 378,110	\$ 400,083
Contributions - Employee	--	--	--
Net Investment Income	1,190,990	27,361	845,538
Benefit Payments, Including Refunds of Employee Contributions	(540,740)	(450,218)	(339,447)
Administrative Expense	(21,201)	(14,920)	(13,372)
Other	--	--	--
Net Change in Plan Fiduciary Net Position	<u>1,022,435</u>	<u>(59,667)</u>	<u>892,802</u>
Plan Fiduciary Net Position - Beginning	<u>9,529,063</u>	<u>9,588,730</u>	<u>8,695,928</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 10,551,498</u></u>	<u><u>\$ 9,529,063</u></u>	<u><u>\$ 9,588,730</u></u>
 Net Pension Liability - Ending (a) - (b)	<u><u>\$ 1,525,755</u></u>	<u><u>\$ 2,185,073</u></u>	<u><u>\$ 1,340,146</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.37%	81.35%	87.74%
 Covered-Employee Payroll	\$ 3,697,695	\$ 3,634,619	\$ 3,586,754
Net Pension Liability as a Percentage of Covered-Employee Payroll	41.26%	60.12%	37.36%

CITY OF FITZGERALD, GEORGIA
City of Fitzgerald Retirement Plan
Schedule of Contributions
December 31, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 402,379	\$ 382,175	\$ 361,443
Contributions in Relation to the Actuarially Determined Contribution	413,001	389,049	381,945
Contribution Deficiency (Excess)	<u>\$ (10,622)</u>	<u>\$ (6,874)</u>	<u>\$ (20,502)</u>
Covered-Employee Payroll	\$ 3,697,695	\$ 3,634,619	\$ 3,586,754
Contributions as a Percentage of Covered-Employee Payroll	11.17%	10.70%	10.65%

Notes to Schedule

Valuation date	July 1, 2016
Actuarial cost method	Projected unit credit
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Net effective period of 12 years
Asset valuation method	Sum of actuarial value at the beginning of the 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.
Investment rate of return	7.75%
Inflation	3.25%
Salary increases	3.25% plus age and service based merit increases
Cost-of-living adjustment	0%
Retirement age	Earlier of 65 with 5 years of service or 55 with 20 years of service for employees and 65 for officials
Mortality	Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females and the RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

CITY OF FITZGERALD, GEORGIA
Fitzgerald Water, Light and Bond Commission Retirement Plan
Schedule of Changes in the Net Pension Liability and Related Ratios
December 31, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability			
Service Cost	\$ 150,001	\$ 152,347	\$ 159,715
Interest on Total Pension Liability	665,235	600,041	575,947
Changes of Benefit Terms	--	--	--
Differences Between Expected and Actual Experience	25,431	243,932	(338,927)
Changes of Assumptions	--	--	(12,119)
Benefit Payments	(189,111)	(121,103)	(26,346)
Net Change in Total Pension Liability	<u>651,556</u>	<u>875,217</u>	<u>358,270</u>
Total Pension Liability - Beginning	<u>8,678,235</u>	<u>7,803,018</u>	<u>7,444,748</u>
Total Pension Liability - Ending (a)	<u><u>\$ 9,329,791</u></u>	<u><u>\$ 8,678,235</u></u>	<u><u>\$ 7,803,018</u></u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 457,952	\$ 473,424	\$ 437,811
Contributions - Employee	--	--	--
Net Investment Income	727,216	20,919	445,311
Benefit Payments, Including Refunds of Employee Contributions	(189,111)	(121,103)	(26,346)
Administrative Expense	(12,622)	(8,510)	(7,514)
Other	--	--	--
Net Change in Plan Fiduciary Net Position	<u>983,435</u>	<u>364,730</u>	<u>849,262</u>
Plan Fiduciary Net Position - Beginning	<u>5,628,511</u>	<u>5,263,781</u>	<u>4,414,519</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 6,611,946</u></u>	<u><u>\$ 5,628,511</u></u>	<u><u>\$ 5,263,781</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 2,717,845</u></u>	<u><u>\$ 3,049,724</u></u>	<u><u>\$ 2,539,237</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.87%	64.86%	67.46%
Covered-Employee Payroll	\$ 3,172,186	\$ 3,111,028	\$ 3,080,495
Net Pension Liability as a Percentage of Covered-Employee Payroll	85.68%	98.03%	82.43%

CITY OF FITZGERALD, GEORGIA
Fitzgerald Water, Light and Bond Commission Retirement Plan
Schedule of Contributions
December 31, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 472,186	\$ 453,207	\$ 480,163
Contributions in Relation to the Actuarially Determined Contribution	472,186	453,207	480,163
Contribution Deficiency (Excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Covered-Employee Payroll	\$ 3,172,186	\$ 3,111,028	\$ 3,080,495
Contributions as a Percentage of Covered-Employee Payroll	14.89%	14.57%	15.59%

Notes to Schedule

Valuation date	July 1, 2016
Actuarial cost method	Projected unit credit
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Net effective period of 22 years
Asset valuation method	Sum of actuarial value at the beginning of the 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.
Investment rate of return	7.75%
Inflation	3.25%
Salary increases	3.25% plus age and service based merit increases
Cost-of-living adjustment	0%
Retirement age	Earlier of 65 with 5 years of service or 55 with 20 years of service for employees and 65 for officials
Mortality	Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females and the RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

CITY OF FITZGERALD, GEORGIA
Fitzgerald Water, Light & Bond Commission Post Retirement Healthcare Plan
Schedule of Funding Progress
December 31, 2017

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
7/1/2010	\$ --	\$ 2,286,540	\$ 2,286,540	-- %	\$ 2,112,552	108.2 %
7/1/2012	--	1,952,350	1,952,350	--	2,514,757	77.6
7/1/2014	--	2,047,002	2,047,002	--	2,944,524	69.5
7/1/2016	--	2,265,331	2,265,331	--	3,111,028	72.8

CITY OF FITZGERALD, GEORGIA
Notes to the Required Supplementary Information
December 31, 2017

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The presentation of expenditures reported in the General Fund *Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual* differs from the *Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds* due to the functional classification of certain expenditures. The following schedule presents a reconciliation of those amounts.

	Budget Schedule	Reconciliation	Governmental Fund Statement
EXPENDITURES			
Current			
General Government	\$ 903,611	\$ --	\$ 903,611
Public Safety			
Police	2,032,716	--	2,032,716
Custody of Prisoners	19,425	--	19,425
Fire	1,264,616	--	1,264,616
Animal Control	186,019	(38,853)	147,166
	<u>3,502,776</u>	<u>(38,853)</u>	<u>3,463,923</u>
Public Works	1,693,805	--	1,693,805
Culture and Recreation			
Recreation	488,017	(9,685)	478,332
Participant Recreation	42,565	--	42,565
Swimming Pools	7,861	--	7,861
Sports Facilities	25,422	--	25,422
Museums	12,207	--	12,207
Grand Theatre	180,477	--	180,477
The Carnegie Center	2,563	--	2,563
Parks	165,735	--	165,735
Library	131,184	--	131,184
	<u>1,056,031</u>	<u>(9,685)</u>	<u>1,046,346</u>
Housing and Development	353,379	--	353,379
Capital Outlay	230,251	--	230,251
Debt Service	134,435	--	134,435
Total Expenditures	<u>7,874,288</u>	<u>(48,538)</u>	<u>7,825,750</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	39,113	48,538	87,651
Total	<u>\$ 7,913,401</u>	<u>\$ --</u>	<u>\$ 7,913,401</u>

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

Major Governmental Funds

General Fund

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

CITY OF FITZGERALD, GEORGIA
General Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 1,368,154	\$ 1,730,516
Receivables (Net of Allowance for Uncollectibles)		
Interest	4,151	4,151
Taxes	279,637	230,621
Accounts	26,923	63,296
Intergovernmental	92,928	85,759
Due From Other Funds		
NSP Program Special Revenue Fund	1,423	--
Recreation Capital Improvement Special Revenue Fund	789	--
Community Development Special Revenue Fund	92	--
Family Connection Special Revenue Fund	13,306	17,205
SPLOST 2017 Capital Projects Fund	402	--
Utility Enterprise Fund	228,150	225,716
Landfill Enterprise Fund	2,530	1,136
Airport Enterprise Fund	197	121
Due From Component Units	5,067	--
Other Current Assets	17,470	--
Total Assets	<u>\$ 2,041,219</u>	<u>\$ 2,358,521</u>
LIABILITIES		
Accounts Payable	\$ 90,365	\$ 105,613
Accrued Liabilities	55,580	44,981
Due To Other Funds		
Police Technology Special Revenue Fund	210	280
Industrial Development and Promotion Special Revenue Fund	161,414	152,814
Landfill Enterprise Fund	350,000	250,000
Other Current Liabilities	124,018	96,263
Total Liabilities	<u>781,587</u>	<u>649,951</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Property Taxes	174,261	106,657
Total Deferred Inflows of Resources	<u>174,261</u>	<u>106,657</u>
FUND BALANCES		
Unassigned	1,085,371	1,601,913
Total Fund Balances	<u>1,085,371</u>	<u>1,601,913</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,041,219</u>	<u>\$ 2,358,521</u>

CITY OF FITZGERALD, GEORGIA**General Fund****Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
REVENUES		
Taxes	\$ 3,354,085	\$ 3,256,222
Licenses and Permits	26,765	12,400
Intergovernmental	202,232	321,887
Charges for Services	1,954,125	1,951,929
Fines and Forfeitures	75,718	92,509
Interest Revenue	6,031	6,592
Miscellaneous	139,704	146,132
Total Revenues	<u>5,758,660</u>	<u>5,787,671</u>
EXPENDITURES		
Current		
General Government	903,611	765,310
Public Safety	3,463,923	3,255,334
Public Works	1,693,805	1,752,438
Culture and Recreation	1,046,346	1,025,182
Housing and Development	353,379	433,569
Capital Outlay	230,251	683,323
Debt Service	134,435	130,829
Total Expenditures	<u>7,825,750</u>	<u>8,045,985</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,067,090)</u>	<u>(2,258,314)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
Industrial Development and Promotion Special Revenue Fund	87,294	173,057
Utility Enterprise Fund	1,546,205	1,631,194
Transfers Out		
Humane Society Special Revenue Fund	(38,852)	(39,051)
Recreation Capital Improvement Special Revenue Fund	(9,686)	(3,772)
Airport Enterprise Fund	(39,113)	(36,194)
Proceeds of Capital Asset Dispositions	4,700	13,833
Capital Leases	--	247,750
Total Other Financing Sources (Uses)	<u>1,550,548</u>	<u>1,986,817</u>
Net Change in Fund Balances	<u>(516,542)</u>	<u>(271,497)</u>
Fund Balances - Beginning	1,601,913	1,873,410
Fund Balances - Ending	<u>\$ 1,085,371</u>	<u>\$ 1,601,913</u>

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Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Police Technology Fund - This fund is used to account for fines collected through the imposition of a technology surcharge.

Community Home Investment Fund - This fund is used to account for grant funds received for the purpose of rehabilitating low to moderate income housing to meet HUD Housing Quality Standards.

NSP Program Fund - This fund is used to account for grant funds received for the purpose of redevelopment including financing, purchasing and rehabilitating homes, and demolishing blighted structures.

Hotel/Motel Tax Fund - This fund is used to account for the excise tax imposed on motels for the purpose of promoting, attracting, stimulating, and developing tourism in the City.

Tourism And Convention - This fund is used to account for promotion of tourism, conventions, and trade for the City of Fitzgerald.

Humane Society Fund - This fund is used to account for the operations of the city animal shelter.

Monitor Enrichment Fund - This fund is used to account for grant funds received for conducting early childhood and school-age care programs.

Grand Theatre Fund - This fund is used to account for the operations of the Grand Theatre.

Recreation Capital Improvement Fund - This fund is used to account for the City's recreation equipment needs funded by donations.

Industrial Development & Promotion Fund - This fund is used to account for tax revenue levied for the purpose of attracting and maintaining industry.

Community Development Fund - This fund is used to account for grant funds received for the purpose of establishing a revolving loan program to assist local industry and businesses.

Family Connection Fund - This fund is used to account for grant funds received for the purpose of providing services which improve the lives of children and families through community-based collaboration and planning.

Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

SPLOST Fund - This fund is used to account for the City's share of the County one-percent Special Purpose Local Option Sales Tax in effect from July 1, 2005 to June 30, 2011.

SPLOST 2011 Fund - This fund is used to account for the City's share of the County one-percent Special Purpose Local Option Sales Tax in effect from July 1, 2011 to June 30, 2017.

SPLOST 2017 Fund - This fund is used to account for the City's share of the County one-percent Special Purpose Local Option Sales Tax in effect from July 1, 2017 to June 30, 2023.

Civil War Heritage Trail Fund - This fund is used to account for road improvements funded by grants and matching funds from various other governments.

CITY OF FITZGERALD, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2017

	Special Revenue Funds								
	Police Technology	Community Home Investment	NSP Program	Hotel/Motel Tax	Tourism & Convention	Humane Society	Monitor Enrichment	Grand Theatre	Recreation Capital Improvement
ASSETS									
Cash and Cash Equivalents	\$ 9,001	\$ 2,328	\$ 23,839	\$ 76,510	\$ 28,509	\$ 40,859	\$ 84,159	\$ 2,108	\$ 49,552
Receivables (Net of Allowance for Uncollectibles)	--	97,910	37,913	2,748	--	--	--	--	65
Due From Other Funds	210	--	--	--	--	--	--	--	--
Due From Component Units	--	--	--	--	--	--	--	--	--
Other Current Assets	--	--	--	--	--	542	--	--	--
Total Assets	<u>\$ 9,211</u>	<u>\$ 100,238</u>	<u>\$ 61,752</u>	<u>\$ 79,258</u>	<u>\$ 28,509</u>	<u>\$ 41,401</u>	<u>\$ 84,159</u>	<u>\$ 2,108</u>	<u>\$ 49,617</u>
LIABILITIES									
Accounts Payable	--	--	--	111	161	1,750	329	--	1,473
Accrued Liabilities	--	--	--	--	--	454	343	--	--
Intergovernmental Payable	--	--	--	--	--	--	--	--	--
Due To Other Funds	--	--	9,062	--	--	--	--	--	789
Total Liabilities	<u>--</u>	<u>--</u>	<u>9,062</u>	<u>111</u>	<u>161</u>	<u>2,204</u>	<u>672</u>	<u>--</u>	<u>2,262</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue									
Property Taxes	--	--	--	--	--	--	--	--	--
Development and Redevelopment Property	--	97,910	37,913	--	--	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>97,910</u>	<u>37,913</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
FUND BALANCES									
Restricted	9,211	--	--	79,147	--	--	--	--	--
Assigned	--	2,328	14,777	--	28,348	39,197	83,487	2,108	47,355
Total Fund Balances	<u>9,211</u>	<u>2,328</u>	<u>14,777</u>	<u>79,147</u>	<u>28,348</u>	<u>39,197</u>	<u>83,487</u>	<u>2,108</u>	<u>47,355</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,211</u>	<u>\$ 100,238</u>	<u>\$ 61,752</u>	<u>\$ 79,258</u>	<u>\$ 28,509</u>	<u>\$ 41,401</u>	<u>\$ 84,159</u>	<u>\$ 2,108</u>	<u>\$ 49,617</u>

				Capital Projects Funds					
Industrial Development & Promotion	Community Development	Family Connection	Total	SPLOST	SPLOST 2011	SPLOST 2017	Civil War Heritage Trail	Total	Total Nonmajor Governmental Funds
\$ 126,070	\$ 9,631	\$ 2,146	\$ 454,712	\$ --	\$ 2,044,958	\$ 83,848	\$ 6,344	\$ 2,135,150	\$ 2,589,862
28,754	49,920	12,478	229,788	--	--	154,433	--	154,433	384,221
336,414	7,639	--	344,263	--	--	--	--	--	344,263
50,000	--	--	50,000	--	--	--	--	--	50,000
--	--	--	542	--	--	--	--	--	542
<u>\$ 541,238</u>	<u>\$ 67,190</u>	<u>\$ 14,624</u>	<u>\$ 1,079,305</u>	<u>\$ --</u>	<u>\$ 2,044,958</u>	<u>\$ 238,281</u>	<u>\$ 6,344</u>	<u>\$ 2,289,583</u>	<u>\$ 3,368,888</u>
--	215	96	4,135	--	--	46,371	--	46,371	50,506
--	--	457	1,254	--	--	--	--	--	1,254
5,643	--	--	5,643	--	--	--	--	--	5,643
--	92	13,306	23,249	--	--	185,802	--	185,802	209,051
<u>5,643</u>	<u>307</u>	<u>13,859</u>	<u>34,281</u>	<u>--</u>	<u>--</u>	<u>232,173</u>	<u>--</u>	<u>232,173</u>	<u>266,454</u>
20,078	--	--	20,078	--	--	--	--	--	20,078
--	49,920	--	185,743	--	--	--	--	--	185,743
<u>20,078</u>	<u>49,920</u>	<u>--</u>	<u>205,821</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>205,821</u>
--	--	--	88,358	--	2,044,958	6,108	--	2,051,066	2,139,424
515,517	16,963	765	750,845	--	--	--	6,344	6,344	757,189
<u>515,517</u>	<u>16,963</u>	<u>765</u>	<u>839,203</u>	<u>--</u>	<u>2,044,958</u>	<u>6,108</u>	<u>6,344</u>	<u>2,057,410</u>	<u>2,896,613</u>
<u>\$ 541,238</u>	<u>\$ 67,190</u>	<u>\$ 14,624</u>	<u>\$ 1,079,305</u>	<u>\$ --</u>	<u>\$ 2,044,958</u>	<u>\$ 238,281</u>	<u>\$ 6,344</u>	<u>\$ 2,289,583</u>	<u>\$ 3,368,888</u>

CITY OF FITZGERALD, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
December 31, 2017

	Special Revenue Funds								
	Police Technology	Community Home Investment	NSP Program	Hotel/Motel Tax	Tourism & Convention	Humane Society	Monitor Enrichment	Grand Theatre	Recreation Capital Improvement
REVENUES									
Taxes	\$ --	\$ --	\$ --	\$ 57,663	\$ --	\$ --	\$ --	\$ --	\$ --
Intergovernmental	--	--	--	--	--	38,850	46,360	--	--
Charges for Services	--	5,888	1,334	--	--	15,359	21,735	--	--
Fines and Forfeitures	2,910	--	--	--	--	--	--	--	--
Interest Revenue	--	3,125	2,315	166	68	43	--	8	145
Contributions and Donations	--	--	--	--	--	7,209	15,062	--	--
Miscellaneous	--	--	12,393	--	--	608	--	--	--
Total Revenues	<u>2,910</u>	<u>9,013</u>	<u>16,042</u>	<u>57,829</u>	<u>68</u>	<u>62,069</u>	<u>83,157</u>	<u>8</u>	<u>145</u>
EXPENDITURES									
Current									
Public Safety	--	--	--	--	--	94,083	--	--	--
Health and Welfare	--	--	--	--	--	--	--	--	--
Culture and Recreation	--	--	--	--	--	--	--	282	--
Housing and Development	--	2,446	12,856	1,660	41,756	--	68,337	--	--
Capital Outlay	--	--	--	--	--	3,748	--	1,932	9,302
Debt Service	--	--	--	--	--	--	--	--	--
Total Expenditures	<u>--</u>	<u>2,446</u>	<u>12,856</u>	<u>1,660</u>	<u>41,756</u>	<u>97,831</u>	<u>68,337</u>	<u>2,214</u>	<u>9,302</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,910</u>	<u>6,567</u>	<u>3,186</u>	<u>56,169</u>	<u>(41,688)</u>	<u>(35,762)</u>	<u>14,820</u>	<u>(2,206)</u>	<u>(9,157)</u>
OTHER FINANCING SOURCES (USES)									
Transfers In	--	--	--	--	42,000	38,852	--	--	9,686
Transfers Out	--	(3,700)	--	(42,000)	--	--	--	--	--
Capital Leases	--	--	--	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>(3,700)</u>	<u>--</u>	<u>(42,000)</u>	<u>42,000</u>	<u>38,852</u>	<u>--</u>	<u>--</u>	<u>9,686</u>
Net Change in Fund Balances	2,910	2,867	3,186	14,169	312	3,090	14,820	(2,206)	529
Fund Balances - Beginning	6,301	(539)	11,591	64,978	28,036	36,107	68,667	4,314	46,826
Fund Balances - Ending	<u>\$ 9,211</u>	<u>\$ 2,328</u>	<u>\$ 14,777</u>	<u>\$ 79,147</u>	<u>\$ 28,348</u>	<u>\$ 39,197</u>	<u>\$ 83,487</u>	<u>\$ 2,108</u>	<u>\$ 47,355</u>

				Capital Projects Funds					
Industrial Development & Promotion	Community Development	Family Connection	Total	SPLOST	SPLOST 2011	SPLOST 2017	Civil War Heritage Trail	Total	Total Nonmajor Governmental Funds
\$ 137,919	\$ --	\$ --	\$ 195,582	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 195,582
--	--	47,186	132,396	449,952	607,693	442,838	328,443	1,828,926	1,961,322
--	5,855	--	50,171	--	--	--	--	--	50,171
--	--	--	2,910	--	--	--	--	--	2,910
1,243	1,082	--	8,195	189	9,695	152	40	10,076	18,271
--	--	--	22,271	--	--	--	--	--	22,271
50	10,192	63	23,306	--	--	--	--	--	23,306
<u>139,212</u>	<u>17,129</u>	<u>47,249</u>	<u>434,831</u>	<u>450,141</u>	<u>617,388</u>	<u>442,990</u>	<u>328,483</u>	<u>1,839,002</u>	<u>2,273,833</u>
--	--	--	94,083	--	--	--	--	--	94,083
--	--	43,476	43,476	--	--	--	--	--	43,476
--	--	--	282	--	--	--	--	--	282
122,593	11,360	--	261,008	--	214,565	31,643	--	246,208	507,216
--	--	--	14,982	630,473	549,235	836,982	321,896	2,338,586	2,353,568
--	--	--	--	--	97,766	92,745	--	190,511	190,511
<u>122,593</u>	<u>11,360</u>	<u>43,476</u>	<u>413,831</u>	<u>630,473</u>	<u>861,566</u>	<u>961,370</u>	<u>321,896</u>	<u>2,775,305</u>	<u>3,189,136</u>
<u>16,619</u>	<u>5,769</u>	<u>3,773</u>	<u>21,000</u>	<u>(180,332)</u>	<u>(244,178)</u>	<u>(518,380)</u>	<u>6,587</u>	<u>(936,303)</u>	<u>(915,303)</u>
--	3,700	--	94,238	--	--	--	--	--	94,238
(87,294)	--	--	(132,994)	--	--	--	--	--	(132,994)
--	--	--	--	--	--	524,488	--	524,488	524,488
<u>(87,294)</u>	<u>3,700</u>	<u>--</u>	<u>(38,756)</u>	<u>--</u>	<u>--</u>	<u>524,488</u>	<u>--</u>	<u>524,488</u>	<u>485,732</u>
(70,675)	9,469	3,773	(17,756)	(180,332)	(244,178)	6,108	6,587	(411,815)	(429,571)
586,192	7,494	(3,008)	856,959	180,332	2,289,136	--	(243)	2,469,225	3,326,184
<u>\$ 515,517</u>	<u>\$ 16,963</u>	<u>\$ 765</u>	<u>\$ 839,203</u>	<u>\$ --</u>	<u>\$ 2,044,958</u>	<u>\$ 6,108</u>	<u>\$ 6,344</u>	<u>\$ 2,057,410</u>	<u>\$ 2,896,613</u>

CITY OF FITZGERALD, GEORGIA
Police Technology Special Revenue Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 9,001	\$ 6,021
Due From Other Funds		
General Fund	210	280
Total Assets	<u>\$ 9,211</u>	<u>\$ 6,301</u>
FUND BALANCES		
Restricted	\$ 9,211	\$ 6,301
Total Fund Balances	<u>\$ 9,211</u>	<u>\$ 6,301</u>

CITY OF FITZGERALD, GEORGIA
Police Technology Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Fines and Forfeitures	\$ 2,910	\$ 4,134
Total Revenues	<u>2,910</u>	<u>4,134</u>
EXPENDITURES		
Current		
Public Safety	--	5,991
Total Expenditures	<u>--</u>	<u>5,991</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,910</u>	<u>(1,857)</u>
Net Change in Fund Balances	2,910	(1,857)
Fund Balances - Beginning	6,301	8,158
Fund Balances - Ending	<u>\$ 9,211</u>	<u>\$ 6,301</u>

CITY OF FITZGERALD, GEORGIA
Police Technology Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Fines and Forfeitures	\$ 5,000	\$ 2,910	\$ (2,090)
Total Revenues	<u>5,000</u>	<u>2,910</u>	<u>(2,090)</u>
EXPENDITURES			
Current			
Public Safety	3,000	--	3,000
Capital Outlay	2,000	--	2,000
Total Expenditures	<u>5,000</u>	<u>--</u>	<u>5,000</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	<u>--</u>	<u>2,910</u>	<u>2,910</u>
Net Change in Fund Balances	<u>--</u>	<u>2,910</u>	<u>2,910</u>
Fund Balances - Beginning	6,301	6,301	--
Fund Balances - Ending	<u>\$ 6,301</u>	<u>\$ 9,211</u>	<u>\$ 2,910</u>

CITY OF FITZGERALD, GEORGIA
Community Home Investment Special Revenue Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 2,328	\$ 365
Receivables		
Notes	97,910	100,098
Total Assets	<u>\$ 100,238</u>	<u>\$ 100,463</u>
LIABILITIES		
Accounts Payable	\$ --	\$ 904
Total Liabilities	<u>--</u>	<u>904</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Development and Redevelopment Property	97,910	100,098
Total Deferred Inflows of Resources	<u>97,910</u>	<u>100,098</u>
FUND BALANCES		
Assigned	2,328	--
Unassigned	--	(539)
Total Fund Balances	<u>2,328</u>	<u>(539)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 100,238</u>	<u>\$ 100,463</u>

CITY OF FITZGERALD, GEORGIA
Community Home Investment Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	2017	2016
REVENUES		
Charges for Services	\$ 5,888	\$ 2,060
Interest Revenue	3,125	3,461
Total Revenues	<u>9,013</u>	<u>5,521</u>
EXPENDITURES		
Current		
Housing and Development	2,446	7,051
Total Expenditures	<u>2,446</u>	<u>7,051</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,567</u>	<u>(1,530)</u>
OTHER FINANCING SOURCES (USES)		
Transfers Out		
Community Development Special Revenue Fund	(3,700)	--
Total Other Financing Sources (Uses)	<u>(3,700)</u>	<u>--</u>
Net Change in Fund Balances	2,867	(1,530)
Fund Balances - Beginning	(539)	991
Fund Balances - Ending	<u>\$ 2,328</u>	<u>\$ (539)</u>

CITY OF FITZGERALD, GEORGIA**Community Home Investment Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual****For the Year Ended December 31, 2017**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Charges for Services	\$ 6,000	\$ 5,888	\$ (112)
Interest Revenue	--	3,125	3,125
Total Revenues	<u>6,000</u>	<u>9,013</u>	<u>3,013</u>
EXPENDITURES			
Current			
Housing and Development	6,000	2,446	3,554
Total Expenditures	<u>6,000</u>	<u>2,446</u>	<u>3,554</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>6,567</u>	<u>6,567</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out			
Community Development Special Revenue Fund	--	(3,700)	(3,700)
Total Other Financing Sources (Uses)	<u>--</u>	<u>(3,700)</u>	<u>(3,700)</u>
Net Change in Fund Balances	--	2,867	2,867
Fund Balances - Beginning	(539)	(539)	--
Fund Balances - Ending	<u>\$ (539)</u>	<u>\$ 2,328</u>	<u>\$ 2,867</u>

CITY OF FITZGERALD, GEORGIA
NSP Program Special Revenue Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 23,839	\$ 18,700
Receivables		
Notes	37,913	38,747
Total Assets	<u>\$ 61,752</u>	<u>\$ 57,447</u>
LIABILITIES		
Due To Other Funds		
General Fund	\$ 1,423	\$ --
Community Development Special Revenue Fund	7,639	7,109
Total Liabilities	<u>9,062</u>	<u>7,109</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Development and Redevelopment Property	37,913	38,747
Total Deferred Inflows of Resources	<u>37,913</u>	<u>38,747</u>
FUND BALANCES		
Assigned	14,777	11,591
Total Fund Balances	<u>14,777</u>	<u>11,591</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 61,752</u>	<u>\$ 57,447</u>

CITY OF FITZGERALD, GEORGIA
NSP Program Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Charges for Services	\$ 1,334	\$ 3,727
Interest Revenue	2,315	2,473
Miscellaneous	12,393	11,211
Total Revenues	<u>16,042</u>	<u>17,411</u>
EXPENDITURES		
Current		
Housing and Development	12,856	13,944
Total Expenditures	<u>12,856</u>	<u>13,944</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,186</u>	<u>3,467</u>
Net Change in Fund Balances	3,186	3,467
Fund Balances - Beginning	11,591	8,124
Fund Balances - Ending	<u>\$ 14,777</u>	<u>\$ 11,591</u>

CITY OF FITZGERALD, GEORGIA
NSP Program Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Charges for Services	\$ 3,120	\$ 1,334	\$ (1,786)
Interest Revenue	--	2,315	2,315
Miscellaneous	12,500	12,393	(107)
Total Revenues	<u>15,620</u>	<u>16,042</u>	<u>422</u>
EXPENDITURES			
Current			
Housing and Development	15,620	12,856	2,764
Total Expenditures	<u>15,620</u>	<u>12,856</u>	<u>2,764</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	--	3,186	3,186
Net Change in Fund Balances	--	3,186	3,186
Fund Balances - Beginning	11,591	11,591	--
Fund Balances - Ending	<u>\$ 11,591</u>	<u>\$ 14,777</u>	<u>\$ 3,186</u>

CITY OF FITZGERALD, GEORGIA
Hotel/Motel Tax Special Revenue Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 76,510	\$ 61,652
Receivables		
Taxes	2,748	3,326
Total Assets	<u>\$ 79,258</u>	<u>\$ 64,978</u>
LIABILITIES		
Accounts Payable	\$ 111	\$ --
Total Liabilities	<u>111</u>	<u>--</u>
FUND BALANCES		
Restricted	79,147	64,978
Total Fund Balances	<u>79,147</u>	<u>64,978</u>
Total Liabilities and Fund Balances	<u>\$ 79,258</u>	<u>\$ 64,978</u>

CITY OF FITZGERALD, GEORGIA
Hotel/Motel Tax Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Taxes	\$ 57,663	\$ 57,291
Interest Revenue	166	144
Total Revenues	<u>57,829</u>	<u>57,435</u>
EXPENDITURES		
Current		
Housing and Development	1,660	13,444
Total Expenditures	<u>1,660</u>	<u>13,444</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>56,169</u>	<u>43,991</u>
OTHER FINANCING SOURCES (USES)		
Transfers Out		
Tourism and Convention Special Revenue Fund	<u>(42,000)</u>	<u>(42,000)</u>
Total Other Financing Sources (Uses)	<u>(42,000)</u>	<u>(42,000)</u>
Net Change in Fund Balances	14,169	1,991
Fund Balances - Beginning	64,978	62,987
Fund Balances - Ending	<u>\$ 79,147</u>	<u>\$ 64,978</u>

CITY OF FITZGERALD, GEORGIA
Hotel/Motel Tax Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Taxes	\$ 53,350	\$ 57,663	\$ 4,313
Charges for Services	50	--	(50)
Interest Revenue	125	166	41
Total Revenues	<u>53,525</u>	<u>57,829</u>	<u>4,304</u>
EXPENDITURES			
Current			
Housing and Development	11,525	1,660	9,865
Total Expenditures	<u>11,525</u>	<u>1,660</u>	<u>9,865</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>42,000</u>	<u>56,169</u>	<u>14,169</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out			
Tourism and Convention Special Revenue Fund	(42,000)	(42,000)	--
Total Other Financing Sources (Uses)	<u>(42,000)</u>	<u>(42,000)</u>	<u>--</u>
Net Change in Fund Balances	--	14,169	14,169
Fund Balances - Beginning	64,978	64,978	--
Fund Balances - Ending	<u>\$ 64,978</u>	<u>\$ 79,147</u>	<u>\$ 14,169</u>

CITY OF FITZGERALD, GEORGIA
Tourism & Convention Special Revenue Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 28,509	\$ 28,778
Total Assets	<u>\$ 28,509</u>	<u>\$ 28,778</u>
LIABILITIES		
Accounts Payable	\$ 161	\$ 742
Total Liabilities	<u>161</u>	<u>742</u>
FUND BALANCES		
Assigned	28,348	28,036
Total Fund Balances	<u>28,348</u>	<u>28,036</u>
Total Liabilities and Fund Balances	<u>\$ 28,509</u>	<u>\$ 28,778</u>

CITY OF FITZGERALD, GEORGIA
Tourism & Convention Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Charges for Services	\$ --	\$ 210
Interest Revenue	68	66
Total Revenues	<u>68</u>	<u>276</u>
EXPENDITURES		
Current		
Housing and Development	41,756	37,579
Total Expenditures	<u>41,756</u>	<u>37,579</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(41,688)</u>	<u>(37,303)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
Hotel/Motel Tax Special Revenue Fund	42,000	42,000
Total Other Financing Sources (Uses)	<u>42,000</u>	<u>42,000</u>
Net Change in Fund Balances	312	4,697
Fund Balances - Beginning	28,036	23,339
Fund Balances - Ending	<u>\$ 28,348</u>	<u>\$ 28,036</u>

CITY OF FITZGERALD, GEORGIA

Tourism & Convention Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended December 31, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Charges for Services	\$ 250	\$ --	\$ (250)
Interest Revenue	50	68	18
Miscellaneous	50	--	(50)
Total Revenues	<u>350</u>	<u>68</u>	<u>(282)</u>
EXPENDITURES			
Current			
Housing and Development	45,850	41,756	4,094
Total Expenditures	<u>45,850</u>	<u>41,756</u>	<u>4,094</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(45,500)</u>	<u>(41,688)</u>	<u>3,812</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
Hotel/Motel Tax Special Revenue Fund	45,500	42,000	(3,500)
Total Other Financing Sources (Uses)	<u>45,500</u>	<u>42,000</u>	<u>(3,500)</u>
Net Change in Fund Balances	--	312	312
Fund Balances - Beginning	28,036	28,036	--
Fund Balances - Ending	<u>\$ 28,036</u>	<u>\$ 28,348</u>	<u>\$ 312</u>

CITY OF FITZGERALD, GEORGIA
Humane Society Special Revenue Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 40,859	\$ 37,284
Other Current Assets	542	542
Total Assets	<u>\$ 41,401</u>	<u>\$ 37,826</u>
LIABILITIES		
Accounts Payable	\$ 1,750	\$ 1,214
Accrued Liabilities	454	505
Total Liabilities	<u>2,204</u>	<u>1,719</u>
FUND BALANCES		
Assigned	<u>39,197</u>	<u>36,107</u>
Total Fund Balances	<u>39,197</u>	<u>36,107</u>
Total Liabilities and Fund Balances	<u>\$ 41,401</u>	<u>\$ 37,826</u>

CITY OF FITZGERALD, GEORGIA
Humane Society Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Intergovernmental	\$ 38,850	\$ 39,051
Charges for Services	15,359	17,727
Interest Revenue	43	43
Contributions and Donations	7,209	5,742
Miscellaneous	608	1,204
Total Revenues	<u>62,069</u>	<u>63,767</u>
EXPENDITURES		
Current		
Public Safety	94,083	94,801
Capital Outlay	3,748	9,512
Total Expenditures	<u>97,831</u>	<u>104,313</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(35,762)</u>	<u>(40,546)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	38,852	39,051
Total Other Financing Sources (Uses)	<u>38,852</u>	<u>39,051</u>
Net Change in Fund Balances	3,090	(1,495)
Fund Balances - Beginning	36,107	37,602
Fund Balances - Ending	<u>\$ 39,197</u>	<u>\$ 36,107</u>

CITY OF FITZGERALD, GEORGIA
Humane Society Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 38,851	\$ 38,850	\$ (1)
Charges for Services	18,100	15,359	(2,741)
Interest Revenue	100	43	(57)
Contributions and Donations	5,000	7,209	2,209
Miscellaneous	450	608	158
Total Revenues	<u>62,501</u>	<u>62,069</u>	<u>(432)</u>
EXPENDITURES			
Current			
Public Safety	100,853	94,083	6,770
Capital Outlay	500	3,748	(3,248)
Total Expenditures	<u>101,353</u>	<u>97,831</u>	<u>3,522</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(38,852)</u>	<u>(35,762)</u>	<u>3,090</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
General Fund	38,852	38,852	--
Total Other Financing Sources (Uses)	<u>38,852</u>	<u>38,852</u>	<u>--</u>
Net Change in Fund Balances	--	3,090	3,090
Fund Balances - Beginning	36,107	36,107	--
Fund Balances - Ending	<u>\$ 36,107</u>	<u>\$ 39,197</u>	<u>\$ 3,090</u>

CITY OF FITZGERALD, GEORGIA
Monitor Enrichment Special Revenue Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 84,159	\$ 69,310
Total Assets	<u>\$ 84,159</u>	<u>\$ 69,310</u>
LIABILITIES		
Accounts Payable	\$ 329	\$ 321
Accrued Liabilities	343	322
Total Liabilities	<u>672</u>	<u>643</u>
FUND BALANCES		
Assigned	<u>83,487</u>	<u>68,667</u>
Total Fund Balances	<u>83,487</u>	<u>68,667</u>
Total Liabilities and Fund Balances	<u>\$ 84,159</u>	<u>\$ 69,310</u>

CITY OF FITZGERALD, GEORGIA
Monitor Enrichment Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Intergovernmental	\$ 46,360	\$ 45,487
Charges for Services	21,735	54,834
Contributions and Donations	15,062	19,636
Total Revenues	<u>83,157</u>	<u>119,957</u>
EXPENDITURES		
Current		
Housing and Development	68,337	82,128
Total Expenditures	<u>68,337</u>	<u>82,128</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>14,820</u>	<u>37,829</u>
Net Change in Fund Balances	14,820	37,829
Fund Balances - Beginning	68,667	30,838
Fund Balances - Ending	<u>\$ 83,487</u>	<u>\$ 68,667</u>

CITY OF FITZGERALD, GEORGIA

Monitor Enrichment Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended December 31, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 77,932	\$ 46,360	\$ (31,572)
Charges for Services	15,000	21,735	6,735
Contributions and Donations	12,000	15,062	3,062
Total Revenues	<u>104,932</u>	<u>83,157</u>	<u>(21,775)</u>
EXPENDITURES			
Current			
Housing and Development	104,932	68,337	36,595
Total Expenditures	<u>104,932</u>	<u>68,337</u>	<u>36,595</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	--	14,820	14,820
Net Change in Fund Balances	--	14,820	14,820
Fund Balances - Beginning	68,667	68,667	--
Fund Balances - Ending	<u>\$ 68,667</u>	<u>\$ 83,487</u>	<u>\$ 14,820</u>

CITY OF FITZGERALD, GEORGIA
Grand Theatre Special Revenue Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 2,108	\$ 4,314
Total Assets	<u>\$ 2,108</u>	<u>\$ 4,314</u>
FUND BALANCES		
Assigned	\$ 2,108	\$ 4,314
Total Fund Balances	<u>\$ 2,108</u>	<u>\$ 4,314</u>

CITY OF FITZGERALD, GEORGIA
Grand Theatre Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Interest Revenue	\$ 8	\$ 6
Miscellaneous	--	6,044
Total Revenues	<u>8</u>	<u>6,050</u>
EXPENDITURES		
Current		
Culture and Recreation	282	1,030
Capital Outlay	1,932	877
Total Expenditures	<u>2,214</u>	<u>1,907</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,206)</u>	<u>4,143</u>
Net Change in Fund Balances	(2,206)	4,143
Fund Balances - Beginning	4,314	171
Fund Balances - Ending	<u>\$ 2,108</u>	<u>\$ 4,314</u>

CITY OF FITZGERALD, GEORGIA
Grand Theatre Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Interest Revenue	\$ 10	\$ 8	\$ (2)
Miscellaneous	25	--	(25)
Total Revenues	<u>35</u>	<u>8</u>	<u>(27)</u>
EXPENDITURES			
Current			
Culture and Recreation	35	282	(247)
Capital Outlay	1,900	1,932	(32)
Total Expenditures	<u>1,935</u>	<u>2,214</u>	<u>(279)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,900)</u>	<u>(2,206)</u>	<u>(306)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
General Fund	1,900	--	(1,900)
Total Other Financing Sources (Uses)	<u>1,900</u>	<u>--</u>	<u>(1,900)</u>
Net Change in Fund Balances	--	(2,206)	(2,206)
Fund Balances - Beginning	4,314	4,314	--
Fund Balances - Ending	<u>\$ 4,314</u>	<u>\$ 2,108</u>	<u>\$ (2,206)</u>

CITY OF FITZGERALD, GEORGIA
Recreation Capital Improvement Special Revenue Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 49,552	\$ 47,141
Receivables		
Interest	65	65
Total Assets	<u>\$ 49,617</u>	<u>\$ 47,206</u>
LIABILITIES		
Accounts Payable	\$ 1,473	\$ 380
Due To Other Funds		
General Fund	789	--
Total Liabilities	<u>2,262</u>	<u>380</u>
FUND BALANCES		
Assigned	47,355	46,826
Total Fund Balances	<u>47,355</u>	<u>46,826</u>
Total Liabilities and Fund Balances	<u>\$ 49,617</u>	<u>\$ 47,206</u>

CITY OF FITZGERALD, GEORGIA
Recreation Capital Improvement Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Interest Revenue	\$ 145	\$ 176
Total Revenues	<u>145</u>	<u>176</u>
EXPENDITURES		
Capital Outlay	9,302	14,757
Total Expenditures	<u>9,302</u>	<u>14,757</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,157)</u>	<u>(14,581)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	9,686	3,772
Total Other Financing Sources (Uses)	<u>9,686</u>	<u>3,772</u>
Net Change in Fund Balances	529	(10,809)
Fund Balances - Beginning	46,826	57,635
Fund Balances - Ending	<u>\$ 47,355</u>	<u>\$ 46,826</u>

CITY OF FITZGERALD, GEORGIA

Recreation Capital Improvement Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended December 31, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Interest Revenue	\$ 200	\$ 145	\$ (55)
Miscellaneous	31,000	--	(31,000)
Total Revenues	<u>31,200</u>	<u>145</u>	<u>(31,055)</u>
EXPENDITURES			
Capital Outlay	35,200	9,302	25,898
Total Expenditures	<u>35,200</u>	<u>9,302</u>	<u>25,898</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,000)</u>	<u>(9,157)</u>	<u>(5,157)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
General Fund	4,000	9,686	5,686
Total Other Financing Sources (Uses)	<u>4,000</u>	<u>9,686</u>	<u>5,686</u>
Net Change in Fund Balances	--	529	529
Fund Balances - Beginning	46,826	46,826	--
Fund Balances - Ending	<u>\$ 46,826</u>	<u>\$ 47,355</u>	<u>\$ 529</u>

CITY OF FITZGERALD, GEORGIA
Industrial Development & Promotion Special Revenue Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 126,070	\$ 364,799
Receivables (Net of Allowance for Uncollectibles)		
Interest	431	1,175
Taxes	28,323	22,310
Due From Other Funds		
General Fund	161,414	152,814
SPLOST 2011 Capital Projects Fund	--	7,000
SPLOST 2017 Capital Projects Fund	175,000	--
Civil War Heritage Trail Capital Projects Fund	--	5,696
Due From Component Units	50,000	50,000
Total Assets	<u>\$ 541,238</u>	<u>\$ 603,794</u>
LIABILITIES		
Accounts Payable	\$ --	\$ 415
Intergovernmental Payable	5,643	4,621
Total Liabilities	<u>5,643</u>	<u>5,036</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Property Taxes	20,078	12,566
Total Deferred Inflows of Resources	<u>20,078</u>	<u>12,566</u>
FUND BALANCES		
Assigned	515,517	586,192
Total Fund Balances	<u>515,517</u>	<u>586,192</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 541,238</u>	<u>\$ 603,794</u>

CITY OF FITZGERALD, GEORGIA
Industrial Development & Promotion Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Taxes	\$ 137,919	\$ 134,371
Interest Revenue	1,243	2,378
Miscellaneous	50	--
Total Revenues	<u>139,212</u>	<u>136,749</u>
EXPENDITURES		
Current		
Housing and Development	122,593	140,099
Total Expenditures	<u>122,593</u>	<u>140,099</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>16,619</u>	<u>(3,350)</u>
OTHER FINANCING SOURCES (USES)		
Transfers Out		
General Fund	(87,294)	(173,057)
Total Other Financing Sources (Uses)	<u>(87,294)</u>	<u>(173,057)</u>
Net Change in Fund Balances	(70,675)	(176,407)
Fund Balances - Beginning	586,192	762,599
Fund Balances - Ending	<u>\$ 515,517</u>	<u>\$ 586,192</u>

CITY OF FITZGERALD, GEORGIA**Industrial Development & Promotion Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual****For the Year Ended December 31, 2017**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Taxes	\$ 115,000	\$ 137,919	\$ 22,919
Interest Revenue	2,050	1,243	(807)
Miscellaneous	100,000	50	(99,950)
Total Revenues	<u>217,050</u>	<u>139,212</u>	<u>(77,838)</u>
EXPENDITURES			
Current			
Housing and Development	217,050	122,593	94,457
Total Expenditures	<u>217,050</u>	<u>122,593</u>	<u>94,457</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>16,619</u>	<u>16,619</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out			
General Fund	--	(87,294)	(87,294)
Total Other Financing Sources (Uses)	<u>--</u>	<u>(87,294)</u>	<u>(87,294)</u>
Net Change in Fund Balances	<u>--</u>	<u>(70,675)</u>	<u>(70,675)</u>
Fund Balances - Beginning	586,192	586,192	--
Fund Balances - Ending	<u>\$ 586,192</u>	<u>\$ 515,517</u>	<u>\$ (70,675)</u>

CITY OF FITZGERALD, GEORGIA
Community Development Special Revenue Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 9,631	\$ 790
Receivables		
Notes	49,920	50,957
Due From Other Funds		
NSP Program Special Revenue Fund	7,639	7,109
Total Assets	<u>\$ 67,190</u>	<u>\$ 58,856</u>
LIABILITIES		
Accounts Payable	\$ 215	\$ 405
Due To Other Funds		
General Fund	92	--
Total Liabilities	<u>307</u>	<u>405</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Development and Redevelopment Property	49,920	50,957
Total Deferred Inflows of Resources	<u>49,920</u>	<u>50,957</u>
FUND BALANCES		
Assigned	16,963	7,494
Total Fund Balances	<u>16,963</u>	<u>7,494</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 67,190</u>	<u>\$ 58,856</u>

CITY OF FITZGERALD, GEORGIA
Community Development Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Charges for Services	\$ 5,855	\$ 811
Interest Revenue	1,082	1,289
Miscellaneous	10,192	8,472
Total Revenues	<u>17,129</u>	<u>10,572</u>
EXPENDITURES		
Current		
Housing and Development	11,360	10,895
Total Expenditures	<u>11,360</u>	<u>10,895</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,769</u>	<u>(323)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
Community Home Investment Special Revenue Fund	3,700	--
Total Other Financing Sources (Uses)	<u>3,700</u>	<u>--</u>
Net Change in Fund Balances	9,469	(323)
Fund Balances - Beginning	7,494	7,817
Fund Balances - Ending	<u>\$ 16,963</u>	<u>\$ 7,494</u>

CITY OF FITZGERALD, GEORGIA

Community Development Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended December 31, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Charges for Services	\$ 9,000	\$ 5,855	\$ (3,145)
Interest Revenue	10	1,082	1,072
Miscellaneous	8,100	10,192	2,092
Total Revenues	<u>17,110</u>	<u>17,129</u>	<u>19</u>
EXPENDITURES			
Current			
Housing and Development	17,110	11,360	5,750
Total Expenditures	<u>17,110</u>	<u>11,360</u>	<u>5,750</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>5,769</u>	<u>5,769</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
Community Home Investment Special Revenue Fund	--	3,700	3,700
Total Other Financing Sources (Uses)	<u>--</u>	<u>3,700</u>	<u>3,700</u>
Net Change in Fund Balances	<u>--</u>	<u>9,469</u>	<u>9,469</u>
Fund Balances - Beginning	7,494	7,494	--
Fund Balances - Ending	<u>\$ 7,494</u>	<u>\$ 16,963</u>	<u>\$ 9,469</u>

CITY OF FITZGERALD, GEORGIA
Family Connection Special Revenue Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 2,146	\$ 2,323
Receivables		
Interest	11	11
Intergovernmental	12,467	12,229
Total Assets	<u>\$ 14,624</u>	<u>\$ 14,563</u>
LIABILITIES		
Accounts Payable	\$ 96	\$ --
Accrued Liabilities	457	366
Due To Other Funds		
General Fund	13,306	17,205
Total Liabilities	<u>13,859</u>	<u>17,571</u>
FUND BALANCES		
Assigned	765	--
Unassigned	--	(3,008)
Total Fund Balances	<u>765</u>	<u>(3,008)</u>
Total Liabilities and Fund Balances	<u>\$ 14,624</u>	<u>\$ 14,563</u>

CITY OF FITZGERALD, GEORGIA
Family Connection Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	2017	2016
REVENUES		
Intergovernmental	\$ 47,186	\$ 45,688
Miscellaneous	63	--
Total Revenues	<u>47,249</u>	<u>45,688</u>
EXPENDITURES		
Current		
Health and Welfare	43,476	46,941
Total Expenditures	<u>43,476</u>	<u>46,941</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,773</u>	<u>(1,253)</u>
Net Change in Fund Balances	3,773	(1,253)
Fund Balances - Beginning	(3,008)	(1,755)
Fund Balances - Ending	<u>\$ 765</u>	<u>\$ (3,008)</u>

CITY OF FITZGERALD, GEORGIA
Family Connection Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 48,500	\$ 47,186	\$ (1,314)
Miscellaneous	--	63	63
Total Revenues	<u>48,500</u>	<u>47,249</u>	<u>(1,251)</u>
EXPENDITURES			
Current			
Health and Welfare	48,500	43,476	5,024
Total Expenditures	<u>48,500</u>	<u>43,476</u>	<u>5,024</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	--	3,773	3,773
Net Change in Fund Balances	--	3,773	3,773
Fund Balances - Beginning	<u>(3,008)</u>	<u>(3,008)</u>	--
Fund Balances - Ending	<u><u>\$ (3,008)</u></u>	<u><u>\$ 765</u></u>	<u><u>\$ 3,773</u></u>

CITY OF FITZGERALD, GEORGIA
SPLOST Capital Projects Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ --	\$ 180,571
Total Assets	<u>\$ --</u>	<u>\$ 180,571</u>
LIABILITIES		
Accounts Payable	\$ --	\$ 239
Total Liabilities	<u>--</u>	<u>239</u>
FUND BALANCES		
Restricted	--	180,332
Total Fund Balances	<u>--</u>	<u>180,332</u>
Total Liabilities and Fund Balances	<u>\$ --</u>	<u>\$ 180,571</u>

CITY OF FITZGERALD, GEORGIA
SPLOST Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Intergovernmental	\$ 449,952	\$ --
Interest Revenue	189	1,168
Miscellaneous	--	300
Total Revenues	<u>450,141</u>	<u>1,468</u>
EXPENDITURES		
Capital Outlay	<u>630,473</u>	<u>77,386</u>
Total Expenditures	<u>630,473</u>	<u>77,386</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(180,332)</u>	<u>(75,918)</u>
Net Change in Fund Balances	<u>(180,332)</u>	<u>(75,918)</u>
Fund Balances - Beginning	<u>180,332</u>	<u>256,250</u>
Fund Balances - Ending	<u>\$ --</u>	<u>\$ 180,332</u>

CITY OF FITZGERALD, GEORGIA
SPLOST 2011 Capital Projects Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 2,044,958	\$ 2,131,216
Receivables		
Intergovernmental	--	164,920
Total Assets	<u>\$ 2,044,958</u>	<u>\$ 2,296,136</u>
LIABILITIES		
Due To Other Funds		
Industrial Development and Promotion Special Revenue Fund	\$ --	\$ 7,000
Total Liabilities	<u>--</u>	<u>7,000</u>
FUND BALANCES		
Restricted	2,044,958	2,289,136
Total Fund Balances	<u>2,044,958</u>	<u>2,289,136</u>
Total Liabilities and Fund Balances	<u>\$ 2,044,958</u>	<u>\$ 2,296,136</u>

CITY OF FITZGERALD, GEORGIA
SPLOST 2011 Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Intergovernmental	\$ 607,693	\$ 1,029,883
Interest Revenue	9,695	9,481
Total Revenues	<u>617,388</u>	<u>1,039,364</u>
EXPENDITURES		
Current		
Housing and Development	214,565	47,412
Capital Outlay	549,235	164,695
Debt Service	97,766	401,880
Total Expenditures	<u>861,566</u>	<u>613,987</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(244,178)</u>	<u>425,377</u>
Net Change in Fund Balances	<u>(244,178)</u>	<u>425,377</u>
Fund Balances - Beginning	2,289,136	1,863,759
Fund Balances - Ending	<u>\$ 2,044,958</u>	<u>\$ 2,289,136</u>

CITY OF FITZGERALD, GEORGIA
SPLOST 2017 Capital Projects Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 83,848	\$ --
Receivables		
Intergovernmental	154,433	--
Total Assets	<u>\$ 238,281</u>	<u>\$ --</u>
LIABILITIES		
Accounts Payable	\$ 46,371	\$ --
Due To Other Funds		
General Fund	402	--
Industrial Development and Promotion Special Revenue Fund	175,000	--
Landfill Enterprise Fund	10,400	--
Total Liabilities	<u>232,173</u>	<u>--</u>
FUND BALANCES		
Restricted	6,108	--
Total Fund Balances	<u>6,108</u>	<u>--</u>
Total Liabilities and Fund Balances	<u>\$ 238,281</u>	<u>\$ --</u>

CITY OF FITZGERALD, GEORGIA
SPLOST 2017 Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Intergovernmental	\$ 442,838	\$ --
Interest Revenue	152	--
Total Revenues	<u>442,990</u>	<u>--</u>
EXPENDITURES		
Current		
Housing and Development	31,643	--
Capital Outlay	836,982	--
Debt Service	92,745	--
Total Expenditures	<u>961,370</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(518,380)</u>	<u>--</u>
OTHER FINANCING SOURCES (USES)		
Capital Leases	524,488	--
Total Other Financing Sources (Uses)	<u>524,488</u>	<u>--</u>
Net Change in Fund Balances	6,108	--
Fund Balances - Beginning	--	--
Fund Balances - Ending	<u>\$ 6,108</u>	<u>\$ --</u>

CITY OF FITZGERALD, GEORGIA
Civil War Heritage Trail Capital Projects Fund
Balance Sheet
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 6,344	\$ 5,475
Total Assets	<u>\$ 6,344</u>	<u>\$ 5,475</u>
LIABILITIES		
Accounts Payable	\$ --	\$ 22
Due To Other Funds		
Industrial Development and Promotion Special Revenue Fund	--	5,696
Total Liabilities	<u>--</u>	<u>5,718</u>
FUND BALANCES		
Assigned	6,344	--
Unassigned	--	(243)
Total Fund Balances	<u>6,344</u>	<u>(243)</u>
Total Liabilities and Fund Balances	<u>\$ 6,344</u>	<u>\$ 5,475</u>

CITY OF FITZGERALD, GEORGIA
Civil War Heritage Trail Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Intergovernmental	\$ 328,443	\$ 4,557
Interest Revenue	40	19
Contributions and Donations	--	300
Total Revenues	<u>328,483</u>	<u>4,876</u>
EXPENDITURES		
Capital Outlay	321,896	12,963
Total Expenditures	<u>321,896</u>	<u>12,963</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,587</u>	<u>(8,087)</u>
Net Change in Fund Balances	6,587	(8,087)
Fund Balances - Beginning	(243)	7,844
Fund Balances - Ending	<u>\$ 6,344</u>	<u>\$ (243)</u>

Major Proprietary Funds

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City's Council is that costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City's Council has decided that periodic determination of net income is appropriate for accountability purposes.

Utility Fund - This fund is used to account for the activities of the City's water, sewer, gas, and electric distribution operations.

Landfill Fund - This fund is used to account for the operation of a landfill to dispose of solid waste of the City and County.

CITY OF FITZGERALD, GEORGIA
Utility Enterprise Fund
Statement of Net Position
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 26,076,371	\$ 27,705,148
Receivables (Net of Allowance for Uncollectibles)		
Accounts	1,336,893	1,197,075
Inventories	740,490	706,243
Prepaid Items	201,891	221,877
Restricted Assets		
Cash and Cash Equivalents	589,893	569,866
Total Current Assets	<u>28,945,538</u>	<u>30,400,209</u>
Noncurrent Assets		
Notes Receivable	2,300,000	--
Capital Assets Not Being Depreciated		
Land	279,290	278,290
Capital Assets Net of Accumulated Depreciation		
Buildings and System	2,776,739	2,756,261
Water System and Equipment	21,405,392	21,259,592
Electric Distribution System	8,328,828	8,322,294
Gas Distribution System	2,775,172	2,657,885
Machinery and Equipment	3,148,407	3,218,414
Accumulated Depreciation	<u>(23,954,760)</u>	<u>(23,238,876)</u>
Total Capital Assets Net of Accumulated Depreciation	<u>14,759,068</u>	<u>15,253,860</u>
Total Noncurrent Assets	<u>17,059,068</u>	<u>15,253,860</u>
Total Assets	<u>46,004,606</u>	<u>45,654,069</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charges	565,742	612,563
Pension	537,954	810,935
Total Deferred Outflows of Resources	<u>1,103,696</u>	<u>1,423,498</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	1,801,777	2,027,497
Accrued Liabilities	38,505	75,014
Due To Other Funds		
General Fund	228,150	225,716
Customer Deposits	577,273	558,633
Compensated Absences	158,486	140,207
Total Current Liabilities	<u>2,804,191</u>	<u>3,027,067</u>
Noncurrent Liabilities		
Net Pension Liability	2,717,845	3,049,724
Other Post Employment Benefits Obligation	1,499,631	1,340,344
Total Noncurrent Liabilities	<u>4,217,476</u>	<u>4,390,068</u>
Total Liabilities	<u>7,021,667</u>	<u>7,417,135</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	195,195	234,032
Total Deferred Inflows of Resources	<u>195,195</u>	<u>234,032</u>
NET POSITION		
Investment In Capital Assets	14,759,068	15,253,860
Unrestricted	25,132,372	24,172,540
Total Net Position	<u>\$ 39,891,440</u>	<u>\$ 39,426,400</u>

CITY OF FITZGERALD, GEORGIA
Utility Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
OPERATING REVENUES		
Charges for Services	\$ 27,412,153	\$ 30,064,776
Other	2,075,876	1,860,295
Total Operating Revenues	<u>29,488,029</u>	<u>31,925,071</u>
OPERATING EXPENSES		
Personal Services and Employee Benefits	5,438,453	5,370,589
Purchased/Contracted Services	1,449,414	1,378,808
Supplies	19,739,023	20,875,456
Depreciation	867,772	862,147
Other	1,094,747	1,157,435
Total Operating Expenses	<u>28,589,409</u>	<u>29,644,435</u>
Operating Income (Loss)	<u>898,620</u>	<u>2,280,636</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	21,011	14,444
Contribution from MEAG	1,005,663	720,809
Miscellaneous	71,715	48,780
Gain/Loss on Disposition of Capital Assets	14,236	--
Total Nonoperating Revenues (Expenses)	<u>1,112,625</u>	<u>784,033</u>
Income (Loss) Before Capital Contributions and Transfers	<u>2,011,245</u>	<u>3,064,669</u>
Transfers Out		
General Fund	(1,546,205)	(1,631,194)
Changes in Net Position	465,040	1,433,475
Net Position - Beginning	<u>39,426,400</u>	<u>37,992,925</u>
Net Position - Ending	<u>\$ 39,891,440</u>	<u>\$ 39,426,400</u>

CITY OF FITZGERALD, GEORGIA
Utility Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 29,366,851	\$ 31,749,788
Payments to Suppliers	(22,528,524)	(23,361,630)
Payments to Employees	(5,342,951)	(5,203,496)
Net Cash Provided (Used) by Operating Activities	<u>1,495,376</u>	<u>3,184,662</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Contributions - MEAG	1,005,663	720,809
Transfers to Other Funds		
General Fund	(1,543,771)	(1,633,121)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(538,108)</u>	<u>(912,312)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(373,649)	(373,977)
Computer Charges	30,000	30,000
Proceeds from Sales of Capital Assets	14,905	--
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(328,744)</u>	<u>(343,977)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Notes Issued	(2,300,000)	--
Interest Received	21,011	14,444
Discounts Received	6,592	6,443
Other	35,123	12,337
Net Cash Provided (Used) by Investing Activities	<u>(2,237,274)</u>	<u>33,224</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,608,750)	1,961,597
Cash and Cash Equivalents - Beginning of Year	28,275,014	26,313,417
Cash and Cash Equivalents - End of Year	<u>\$ 26,666,264</u>	<u>\$ 28,275,014</u>

CITY OF FITZGERALD, GEORGIA
Utility Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 898,620	\$ 2,280,636
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	867,772	862,147
(Increase) Decrease in Accounts Receivable	(139,818)	(197,308)
(Increase) Decrease in Inventories	(34,247)	(6,578)
(Increase) Decrease in Prepaid Items	19,986	(16,885)
(Increase) Decrease in Deferred Charges	46,821	563
(Increase) Decrease in Deferred Pension Outflows	272,981	(450,813)
Increase (Decrease) in Accounts Payable	(225,720)	127,560
Increase (Decrease) in Accrued Liabilities	(36,509)	16,197
Increase (Decrease) in Compensated Absences Payable	18,279	2,612
Increase (Decrease) in Customer Deposits	18,640	22,025
Increase (Decrease) in Other Post Employment Benefits Obligation	159,287	162,555
Increase (Decrease) in Net Pension Liability	(331,879)	510,487
Increase (Decrease) in Deferred Pension Inflows	(38,837)	(128,536)
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,495,376</u>	<u>\$ 3,184,662</u>

CITY OF FITZGERALD, GEORGIA
Landfill Enterprise Fund
Statement of Net Position
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 927,913	\$ 1,013,089
Receivables (Net of Allowance for Uncollectibles)		
Accounts	97,147	112,229
Due From Other Funds		
General Fund	350,000	250,000
SPLOST 2017 Capital Projects Fund	10,400	--
Total Current Assets	<u>1,385,460</u>	<u>1,375,318</u>
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	550,824	550,824
Capital Assets Net of Accumulated Depreciation		
Landfill	3,460,409	3,460,409
Machinery and Equipment	1,119,826	1,119,826
Accumulated Depreciation	<u>(4,316,000)</u>	<u>(4,272,927)</u>
Total Capital Assets Net of Accumulated Depreciation	<u>815,059</u>	<u>858,132</u>
Total Noncurrent Assets	<u>815,059</u>	<u>858,132</u>
Total Assets	<u>2,200,519</u>	<u>2,233,450</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	68,176	71,212
Accrued Liabilities	1,698	1,019
Due To Other Funds		
General Fund	2,530	1,136
Closure and Post-Closure Care Costs	26,000	22,000
Total Current Liabilities	<u>98,404</u>	<u>95,367</u>
Noncurrent Liabilities		
Closure and Post-Closure Care Costs	1,347,194	1,329,099
Total Noncurrent Liabilities	<u>1,347,194</u>	<u>1,329,099</u>
Total Liabilities	<u>1,445,598</u>	<u>1,424,466</u>
NET POSITION		
Investment In Capital Assets	815,059	858,132
Unrestricted	<u>(60,138)</u>	<u>(49,148)</u>
Total Net Position	<u>\$ 754,921</u>	<u>\$ 808,984</u>

CITY OF FITZGERALD, GEORGIA
Landfill Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
OPERATING REVENUES		
Charges for Services	\$ 1,168,959	\$ 1,089,142
Other	85	9,960
Total Operating Revenues	<u>1,169,044</u>	<u>1,099,102</u>
OPERATING EXPENSES		
Personal Services and Employee Benefits	137,850	113,047
Purchased/Contracted Services	960,418	811,557
Supplies	84,445	34,851
Depreciation	43,073	41,883
Other	860	11,135
Total Operating Expenses	<u>1,226,646</u>	<u>1,012,473</u>
Operating Income (Loss)	<u>(57,602)</u>	<u>86,629</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	3,539	3,826
Total Nonoperating Revenues (Expenses)	<u>3,539</u>	<u>3,826</u>
Changes in Net Position	<u>(54,063)</u>	<u>90,455</u>
Net Position - Beginning	808,984	718,529
Net Position - Ending	<u>\$ 754,921</u>	<u>\$ 808,984</u>

CITY OF FITZGERALD, GEORGIA
Landfill Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2017 and 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 1,184,126	\$ 1,091,968
Payments to Suppliers	(1,026,664)	(842,711)
Payments to Employees	(137,171)	(112,528)
Net Cash Provided (Used) by Operating Activities	<u>20,291</u>	<u>136,729</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Due From Other Funds	(110,400)	(194,344)
Due To Other Funds	1,394	74
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(109,006)</u>	<u>(194,270)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	--	(11,099)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>--</u>	<u>(11,099)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	3,539	3,826
Net Cash Provided (Used) by Investing Activities	<u>3,539</u>	<u>3,826</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(85,176)	(64,814)
Cash and Cash Equivalents - Beginning of Year	1,013,089	1,077,903
Cash and Cash Equivalents - End of Year	<u>\$ 927,913</u>	<u>\$ 1,013,089</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (57,602)	\$ 86,629
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	43,073	41,883
(Increase) Decrease in Accounts Receivable	15,082	(7,134)
Increase (Decrease) in Accounts Payable	(3,036)	14,832
Increase (Decrease) in Accrued Liabilities	679	519
Increase (Decrease) in Closure and Postclosure Care Costs	22,095	--
Net Cash Provided (Used) by Operating Activities	<u>\$ 20,291</u>	<u>\$ 136,729</u>

Nonmajor Proprietary Funds

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City's Council is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City's Council has decided that periodic determination of net income is appropriate for accountability purposes.

Airport Fund - This fund is used to account for the operation of the municipal airport.

EIP Revolving Loan Fund - This fund is used to account for the employment incentive program community development block grant and related loans for capital expenditures to qualifying employers in the City of Fitzgerald.

CITY OF FITZGERALD, GEORGIA
Nonmajor Proprietary Funds
Combining Statement of Net Position
December 31, 2017

	Enterprise Funds		
	EIP		
	Airport	Revolving Loan	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 425,854	\$ 91,575	\$ 517,429
Receivables (Net of Allowance for Uncollectibles)	119,023	56,699	175,722
Inventories	8,697	--	8,697
Prepaid Items	2,975	--	2,975
Total Current Assets	<u>556,549</u>	<u>148,274</u>	<u>704,823</u>
Noncurrent Assets			
Notes Receivable	--	307,432	307,432
Capital Assets Not Being Depreciated	746,218	--	746,218
Capital Assets Net of Accumulated Depreciation	1,487,356	--	1,487,356
Total Noncurrent Assets	<u>2,233,574</u>	<u>307,432</u>	<u>2,541,006</u>
Total Assets	<u>2,790,123</u>	<u>455,706</u>	<u>3,245,829</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	9,552	--	9,552
Total Deferred Outflows of Resources	<u>9,552</u>	<u>--</u>	<u>9,552</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	122,969	--	122,969
Accrued Liabilities	1,583	--	1,583
Due To Other Funds	197	--	197
Notes Payable - Current	18,093	--	18,093
Total Current Liabilities	<u>142,842</u>	<u>--</u>	<u>142,842</u>
Noncurrent Liabilities			
Net Pension Liability	30,919	--	30,919
Total Noncurrent Liabilities	<u>30,919</u>	<u>--</u>	<u>30,919</u>
Total Liabilities	<u>173,761</u>	<u>--</u>	<u>173,761</u>
DEFERRED INFLOWS OF RESOURCES			
Pension	3,227	--	3,227
Total Deferred Inflows of Resources	<u>3,227</u>	<u>--</u>	<u>3,227</u>
NET POSITION			
Net Investment in Capital Assets	2,215,481	--	2,215,481
Restricted	--	455,706	455,706
Unrestricted	407,206	--	407,206
Total Net Position	<u>\$ 2,622,687</u>	<u>\$ 455,706</u>	<u>\$ 3,078,393</u>

CITY OF FITZGERALD, GEORGIA
Nonmajor Proprietary Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2017

	Enterprise Funds		
	Airport	EIP Revolving Loan	Total
OPERATING REVENUES			
Charges for Services	\$ 129,762	\$ 17,368	\$ 147,130
Other	150	--	150
Total Operating Revenues	<u>129,912</u>	<u>17,368</u>	<u>147,280</u>
OPERATING EXPENSES			
Personal Services and Employee Benefits	115,539	--	115,539
Purchased/Contracted Services	53,530	--	53,530
Supplies	63,748	--	63,748
Depreciation	138,309	--	138,309
Total Operating Expenses	<u>371,126</u>	<u>--</u>	<u>371,126</u>
Operating Income (Loss)	<u>(241,214)</u>	<u>17,368</u>	<u>(223,846)</u>
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental	325,859	--	325,859
Interest Revenue	1,953	279	2,232
Interest Expense	(1,425)	--	(1,425)
Total Nonoperating Revenues (Expenses)	<u>326,387</u>	<u>279</u>	<u>326,666</u>
Income (Loss) Before Capital Contributions and Transfers	85,173	17,647	102,820
Transfers In	39,113	--	39,113
Changes in Net Position	<u>124,286</u>	<u>17,647</u>	<u>141,933</u>
Net Position - Beginning	2,498,401	438,059	2,936,460
Net Position - Ending	<u>\$ 2,622,687</u>	<u>\$ 455,706</u>	<u>\$ 3,078,393</u>

CITY OF FITZGERALD, GEORGIA
Nonmajor Proprietary Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2017

	Enterprise Funds		
	EIP		
	Airport	Revolving Loan	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 129,087	\$ --	\$ 129,087
Principal Payments Received	--	52,544	52,544
Interest Received	--	17,368	17,368
Payments to Suppliers	(100,150)	--	(100,150)
Payments to Employees	(109,082)	--	(109,082)
Net Cash Provided (Used) by Operating Activities	<u>(80,145)</u>	<u>69,912</u>	<u>(10,233)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental	19,557	--	19,557
Transfers from Other Funds	39,113	--	39,113
Net Cash Provided (Used) by Noncapital Financing Activities	<u>58,670</u>	<u>--</u>	<u>58,670</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(223,751)	--	(223,751)
Principal Paid on Capital Debt	(19,058)	--	(19,058)
Interest Paid on Capital Debt	(1,425)	--	(1,425)
Intergovernmental	191,175	--	191,175
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(53,059)</u>	<u>--</u>	<u>(53,059)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	3,196	279	3,475
Net Cash Provided (Used) by Investing Activities	<u>3,196</u>	<u>279</u>	<u>3,475</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(71,338)	70,191	(1,147)
Cash and Cash Equivalents - Beginning of Year	497,192	21,384	518,576
Cash and Cash Equivalents - End of Year	<u>\$ 425,854</u>	<u>\$ 91,575</u>	<u>\$ 517,429</u>

CITY OF FITZGERALD, GEORGIA
Nonmajor Proprietary Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2017

	<u>Enterprise Funds</u>		
	EIP		
	<u>Airport</u>	<u>Revolving Loan</u>	<u>Total</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED			
(USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (241,214)	\$ 17,368	\$ (223,846)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities			
Depreciation Expense	138,309	--	138,309
(Increase) Decrease in Accounts Receivable	(825)	--	(825)
(Increase) Decrease in Notes Receivable	--	52,544	52,544
(Increase) Decrease in Inventories	16,071	--	16,071
(Increase) Decrease in Deferred Pension Outflows	5,915	--	5,915
Increase (Decrease) in Accounts Payable	981	--	981
Increase (Decrease) in Accrued Liabilities	869	--	869
Increase (Decrease) in Due To Other Funds	76	--	76
Increase (Decrease) in Net Pension Liability	(3,048)	--	(3,048)
Increase (Decrease) in Deferred Pension Inflows	2,721	--	2,721
Net Cash Provided (Used) by Operating Activities	<u>\$ (80,145)</u>	<u>\$ 69,912</u>	<u>\$ (10,233)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Purchase of Capital Assets on Account	\$ 118,635	\$ --	\$ 118,635

CITY OF FITZGERALD, GEORGIA
Airport Enterprise Fund
Statement of Net Position
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 425,854	\$ 497,192
Receivables		
Interest	147	1,390
Accounts	3,749	2,924
Intergovernmental	115,127	--
Inventories	8,697	24,768
Prepaid Items	2,975	2,975
Total Current Assets	<u>556,549</u>	<u>529,249</u>
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	289,245	289,245
Construction in Progress	456,973	114,587
Capital Assets Net of Accumulated Depreciation		
Airport Improvement Projects	4,701,801	4,701,801
Machinery and Equipment	209,807	209,807
Accumulated Depreciation	<u>(3,424,252)</u>	<u>(3,285,943)</u>
Total Capital Assets Net of Accumulated Depreciation	<u>2,233,574</u>	<u>2,029,497</u>
Total Noncurrent Assets	<u>2,233,574</u>	<u>2,029,497</u>
Total Assets	<u>2,790,123</u>	<u>2,558,746</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension	9,552	15,467
Total Deferred Outflows of Resources	<u>9,552</u>	<u>15,467</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	122,969	3,353
Accrued Liabilities	1,583	714
Due To Other Funds		
General Fund	197	121
Notes Payable - Current	18,093	19,058
Total Current Liabilities	<u>142,842</u>	<u>23,246</u>
Noncurrent Liabilities		
Net Pension Liability	30,919	33,967
Notes Payable	--	18,093
Total Noncurrent Liabilities	<u>30,919</u>	<u>52,060</u>
Total Liabilities	<u>173,761</u>	<u>75,306</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	3,227	506
Total Deferred Inflows of Resources	<u>3,227</u>	<u>506</u>
NET POSITION		
Net Investment in Capital Assets	2,215,481	1,992,346
Unrestricted	407,206	506,055
Total Net Position	<u>\$ 2,622,687</u>	<u>\$ 2,498,401</u>

CITY OF FITZGERALD, GEORGIA
Airport Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
OPERATING REVENUES		
Charges for Services	\$ 129,762	\$ 117,072
Other	150	--
Total Operating Revenues	<u>129,912</u>	<u>117,072</u>
OPERATING EXPENSES		
Personal Services and Employee Benefits	115,539	83,392
Purchased/Contracted Services	53,530	41,154
Supplies	63,748	49,751
Depreciation	138,309	138,310
Total Operating Expenses	<u>371,126</u>	<u>312,607</u>
Operating Income (Loss)	<u>(241,214)</u>	<u>(195,535)</u>
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental	325,859	92,971
Interest Revenue	1,953	1,797
Interest Expense	(1,425)	(2,352)
Total Nonoperating Revenues (Expenses)	<u>326,387</u>	<u>92,416</u>
Income (Loss) Before Capital Contributions and Transfers	<u>85,173</u>	<u>(103,119)</u>
Transfers In		
General Fund	<u>39,113</u>	<u>36,194</u>
Changes in Net Position	124,286	(66,925)
Net Position - Beginning	2,498,401	2,565,326
Net Position - Ending	<u>\$ 2,622,687</u>	<u>\$ 2,498,401</u>

CITY OF FITZGERALD, GEORGIA
Airport Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 129,087	\$ 115,626
Payments to Suppliers	(100,150)	(72,295)
Payments to Employees	(109,082)	(81,758)
Net Cash Provided (Used) by Operating Activities	<u>(80,145)</u>	<u>(38,427)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Intergovernmental	19,557	24,130
Transfers from Other Funds		
General Fund	39,113	36,194
Due To Other Funds	--	(209)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>58,670</u>	<u>60,115</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(223,751)	(23,160)
Principal Paid on Capital Debt	(19,058)	(18,129)
Interest Paid on Capital Debt	(1,425)	(2,352)
Intergovernmental	191,175	102,915
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(53,059)</u>	<u>59,274</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	3,196	544
Net Cash Provided (Used) by Investing Activities	<u>3,196</u>	<u>544</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(71,338)</u>	<u>81,506</u>
Cash and Cash Equivalents - Beginning of Year	497,192	415,686
Cash and Cash Equivalents - End of Year	<u>\$ 425,854</u>	<u>\$ 497,192</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (241,214)	\$ (195,535)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	138,309	138,310
(Increase) Decrease in Accounts Receivable	(825)	(1,446)
(Increase) Decrease in Inventories	16,071	16,136
(Increase) Decrease in Prepaid Items	--	9
(Increase) Decrease in Deferred Pension Outflows	5,915	(9,615)
Increase (Decrease) in Accounts Payable	981	2,465
Increase (Decrease) in Accrued Liabilities	869	368
Increase (Decrease) in Due To Other Funds	76	--
Increase (Decrease) in Net Pension Liability	(3,048)	13,158
Increase (Decrease) in Deferred Pension Inflows	2,721	(2,277)
Net Cash Provided (Used) by Operating Activities	<u>\$ (80,145)</u>	<u>\$ (38,427)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
Purchase of Capital Assets on Account	\$ 118,635	\$ --

CITY OF FITZGERALD, GEORGIA
EIP Revolving Loan Enterprise Fund
Statement of Net Position
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 91,575	\$ 21,384
Receivables (Net of Allowance for Uncollectibles)		
Notes	56,699	54,026
Total Current Assets	<u>148,274</u>	<u>75,410</u>
Noncurrent Assets		
Notes Receivable	307,432	362,649
Total Noncurrent Assets	<u>307,432</u>	<u>362,649</u>
Total Assets	<u>455,706</u>	<u>438,059</u>
NET POSITION		
Restricted	455,706	438,059
Total Net Position	<u>\$ 455,706</u>	<u>\$ 438,059</u>

CITY OF FITZGERALD, GEORGIA
EIP Revolving Loan Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
OPERATING REVENUES		
Interest	\$ 17,368	\$ 16,450
Total Operating Revenues	<u>17,368</u>	<u>16,450</u>
OPERATING EXPENSES		
Purchased/Contracted Services	--	300
Total Operating Expenses	<u>--</u>	<u>300</u>
Operating Income (Loss)	<u>17,368</u>	<u>16,150</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	279	643
Total Nonoperating Revenues (Expenses)	<u>279</u>	<u>643</u>
Changes in Net Position	17,647	16,793
Net Position - Beginning	438,059	421,266
Net Position - Ending	<u>\$ 455,706</u>	<u>\$ 438,059</u>

CITY OF FITZGERALD, GEORGIA
EIP Revolving Loan Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2017 and 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Principal Payments Received	\$ 52,544	\$ 41,182
Notes Issued	--	(200,415)
Interest Received	17,368	16,450
Payments to Suppliers	--	(300)
Net Cash Provided (Used) by Operating Activities	<u>69,912</u>	<u>(143,083)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	279	643
Net Cash Provided (Used) by Investing Activities	<u>279</u>	<u>643</u>
Net Increase (Decrease) in Cash and Cash Equivalents	70,191	(142,440)
Cash and Cash Equivalents - Beginning of Year	21,384	163,824
Cash and Cash Equivalents - End of Year	<u>\$ 91,575</u>	<u>\$ 21,384</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 17,368	\$ 16,150
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
(Increase) Decrease in Notes Receivable	52,544	(159,233)
Net Cash Provided (Used) by Operating Activities	<u>\$ 69,912</u>	<u>\$ (143,083)</u>

SUPPLEMENTAL SCHEDULES

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Revenues
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Taxes		
Real Property	\$ 1,104,225	\$ 1,089,461
Personal Property	168,295	139,526
Real Estate Transfer (Intangible)	2,180	1,495
Franchise	155,537	157,913
General Sales and Use	973,031	935,619
Selective Sales and Use	163,194	175,094
Business		
Business and Occupation	106,538	112,743
Insurance Premium	603,067	568,546
Financial Institution	65,511	62,713
Penalties and Interest on Delinquent Taxes	12,507	13,112
	<u>3,354,085</u>	<u>3,256,222</u>
Licenses and Permits		
Non-Business	540	725
Regulatory	25,257	10,678
Penalties and Interest	968	997
	<u>26,765</u>	<u>12,400</u>
Intergovernmental	<u>202,232</u>	<u>321,887</u>
Charges for Services		
General Government	31,080	28,200
Public Safety	457,627	452,688
Public Works	1,234,615	1,228,435
Culture and Recreation	162,261	167,250
Other Charges for Services	68,542	75,356
	<u>1,954,125</u>	<u>1,951,929</u>
Fines and Forfeitures	<u>75,718</u>	<u>92,509</u>
Interest Revenue	<u>6,031</u>	<u>6,592</u>
Miscellaneous	<u>139,704</u>	<u>146,132</u>
Total Revenues	<u>\$ 5,758,660</u>	<u>\$ 5,787,671</u>

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
EXPENDITURES		
Current		
General Government		
Legislative		
Personal Services and Employee Benefits	\$ 66,864	\$ 68,177
Purchased/Contracted Services	31,462	31,790
Supplies	617	221
Total Legislative	<u>98,943</u>	<u>100,188</u>
Executive		
Personal Services and Employee Benefits	206,507	17,929
Purchased/Contracted Services	18,230	11,428
Supplies	1,240	1,000
Total Executive	<u>225,977</u>	<u>30,357</u>
Elections		
Purchased/Contracted Services	35,333	--
Supplies	302	--
Total Elections	<u>35,635</u>	<u>--</u>
Financial Administration		
Personal Services and Employee Benefits	286,534	351,222
Purchased/Contracted Services	159,461	202,622
Supplies	19,467	20,145
Total Financial Administration	<u>465,462</u>	<u>573,989</u>
Government Buildings		
Purchased/Contracted Services	71,852	57,618
Supplies	5,742	3,158
Total Government Buildings	<u>77,594</u>	<u>60,776</u>
Total General Government	<u>903,611</u>	<u>765,310</u>
Public Safety		
Police		
Personal Services and Employee Benefits	1,690,021	1,575,244
Purchased/Contracted Services	197,569	181,926
Supplies	104,445	87,242
Capital Outlay	6,531	8,246
Other Costs	34,150	41,750
Total Police	<u>2,032,716</u>	<u>1,894,408</u>
Custody of Prisoners		
Purchased/Contracted Services	19,425	22,995
Total Custody of Prisoners	<u>19,425</u>	<u>22,995</u>

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Fire		
Personal Services and Employee Benefits	1,146,931	1,120,664
Purchased/Contracted Services	87,135	61,561
Supplies	24,800	21,054
Capital Outlay	2,429	1,031
Other Costs	3,321	1,005
Total Fire	<u>1,264,616</u>	<u>1,205,315</u>
Animal Control		
Personal Services and Employee Benefits	127,855	116,007
Purchased/Contracted Services	7,899	6,302
Supplies	11,412	10,307
Total Animal Control	<u>147,166</u>	<u>132,616</u>
Total Public Safety	<u>3,463,923</u>	<u>3,255,334</u>
Public Works		
Highways and Streets		
Personal Services and Employee Benefits	406,364	357,779
Purchased/Contracted Services	121,797	174,236
Supplies	52,999	61,001
Other Costs	3	425
Total Highways and Streets	<u>581,163</u>	<u>593,441</u>
Sanitation		
Personal Services and Employee Benefits	260,214	293,918
Purchased/Contracted Services	425,045	471,072
Supplies	95,772	86,635
Other Costs	3,365	4,086
Total Sanitation	<u>784,396</u>	<u>855,711</u>
Public Works Shop		
Personal Services and Employee Benefits	143,830	115,813
Purchased/Contracted Services	15,314	13,753
Supplies	20,250	18,224
Total Public Works Shop	<u>179,394</u>	<u>147,790</u>
Cemetery		
Personal Services and Employee Benefits	30,609	44,299
Purchased/Contracted Services	114,739	103,549
Supplies	1,953	3,203
Other Costs	--	1,449
Total Cemetery	<u>147,301</u>	<u>152,500</u>
Employee Safety Recognition		
Personal Services and Employee Benefits	--	2,041
Supplies	1,551	955
Total Employee Safety Recognition	<u>1,551</u>	<u>2,996</u>
Total Public Works	<u>1,693,805</u>	<u>1,752,438</u>

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Culture and Recreation		
Recreation		
Personal Services and Employee Benefits	357,358	340,091
Purchased/Contracted Services	42,393	44,831
Supplies	76,256	79,227
Other Costs	2,325	340
Total Recreation	<u>478,332</u>	<u>464,489</u>
Participant Recreation		
Purchased/Contracted Services	16,511	14,746
Supplies	26,054	32,309
Total Participant Recreation	<u>42,565</u>	<u>47,055</u>
Swimming Pools		
Purchased/Contracted Services	5,699	5,789
Supplies	2,162	2,848
Total Swimming Pools	<u>7,861</u>	<u>8,637</u>
Sports Facilities		
Legion Park Facility	4,486	4,120
Monitor Facility	3,963	9,407
Ball Parks and Fields	10,675	29,156
Tennis Courts	964	363
Paulk Park Camp Site	914	9,362
Skeet Range	1,638	1,877
RV Park	474	--
Paulk Park Depot	2,308	--
Total Sports Facilities	<u>25,422</u>	<u>54,285</u>
Museums		
Personal Services and Employee Benefits	8,309	5,474
Purchased/Contracted Services	3,647	4,435
Supplies	251	1,984
Total Museums	<u>12,207</u>	<u>11,893</u>
Arts Council		
Purchased/Contracted Services	--	257
Supplies	--	32
Total Arts Council	<u>--</u>	<u>289</u>
Grand Theatre		
Personal Services and Employee Benefits	102,009	80,863
Purchased/Contracted Services	23,680	18,951
Supplies	54,788	65,459
Total Grand Theatre	<u>180,477</u>	<u>165,273</u>
The Carnegie Center		
Purchased/Contracted Services	2,543	2,519
Supplies	20	157
Total The Carnegie Center	<u>2,563</u>	<u>2,676</u>

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Parks		
Personal Services and Employee Benefits	132,403	112,033
Purchased/Contracted Services	20,916	20,496
Supplies	11,644	9,702
Capital Outlay	772	829
Total Parks	<u>165,735</u>	<u>143,060</u>
Library		
Other Costs	131,184	127,525
Total Library	<u>131,184</u>	<u>127,525</u>
Total Culture and Recreation	<u>1,046,346</u>	<u>1,025,182</u>
Housing and Development		
Building Inspections		
Personal Services and Employee Benefits	8,901	51,303
Purchased/Contracted Services	5,014	5,028
Supplies	271	1,250
Other Costs	--	809
Total Building Inspections	<u>14,186</u>	<u>58,390</u>
Urban Development and Housing		
Personal Services and Employee Benefits	94,728	160,618
Purchased/Contracted Services	43,437	36,856
Supplies	4,982	3,248
Total Urban Development and Housing	<u>143,147</u>	<u>200,722</u>
Code Enforcement		
Personal Services and Employee Benefits	48,984	47,280
Purchased/Contracted Services	6,570	5,469
Supplies	3,417	4,041
Other Costs	1,829	--
Total Code Enforcement	<u>60,800</u>	<u>56,790</u>
Economic Development		
Other Costs	1,003	460
Total Economic Development	<u>1,003</u>	<u>460</u>
Tourism		
Personal Services and Employee Benefits	126,163	108,809
Purchased/Contracted Services	6,234	5,539
Supplies	1,846	2,859
Total Tourism	<u>134,243</u>	<u>117,207</u>
Total Housing and Development	<u>353,379</u>	<u>433,569</u>
Capital Outlay	<u>230,251</u>	<u>683,323</u>
Debt Service	<u>134,435</u>	<u>130,829</u>
Total Expenditures	<u>\$ 7,825,750</u>	<u>\$ 8,045,985</u>

CITY OF FITZGERALD, GEORGIA
Utility Enterprise Fund
Schedule of General Fund Distribution
For the Year Ended December 31, 2017

Annual Gross Income	<u>\$ 28,467,022</u>
Less	
Contract Electric Receipts (Connected Load Greater Than 900 KW)	5,247,665
Contract Natural Gas Receipts (Annual Consumption Greater Than 34,000 MCF)	2,628,457
Contract Water and Sewer Receipts	438,435
Rent	<u>263,740</u>
	<u>8,578,297</u>
Adjusted Gross Income	19,888,725
Add	
Other Receipts	
Computer Fees	30,000
Recovery of Old Accounts	(2,257)
Cash Overage (Shortage)	<u>(679)</u>
	<u>27,064</u>
Gross Income Subject to Transfer	<u><u>\$ 19,915,789</u></u>
8% of 19,915,789	\$ 1,593,263
Less: Adjustment	<u>(80)</u>
	<u><u>\$ 1,593,183</u></u>

The City ordinance establishing a required annual remittance to the General Fund of a percentage of the Utility Fund's gross receipts is subject to interpretation. The effects of applying other alternative interpretations have not been calculated. The income recognized as contributions from MEAG Power in the Municipal Competitive Trust has not been included in the above calculation.

CITY OF FITZGERALD, GEORGIA
Schedule of Hotel/Motel Taxes Expended
For the Year Ended December 31, 2017

Total Expenditures	
Tourism, Promotions, Conventions, Trade Shows, and Facility Support	\$ 43,660
	<u>43,660</u>
Taxes Collected	
Tax Collections @ 3%	34,598
Tax Collections Greater Than 3%	23,065
	<u>57,663</u>
Percentage of Current Year Taxes Expended	<u>76%</u>

CITY OF FITZGERALD, GEORGIA
Schedule of DHR Grants
For the Year Ended December 31, 2017

Contract Number	93-171700029	93-181800029	40-0000053656	40-0000064061
Contract Period	<u>7/1/16 - 6/30/17</u>	<u>7/1/17 - 6/30/18</u>	<u>10/1/16 - 9/30/17</u>	<u>10/1/17 - 9/30/18</u>
Contract Amount	<u>\$ 47,000</u>	<u>\$ 48,500</u>	<u>\$ 40,000</u>	<u>\$ 40,000</u>
Revenues - DHR				
FYE 12/31/16	\$ 10,243	\$ --	\$ --	\$ --
FYE 12/31/17	36,757	10,191	40,000	--
	<u>47,000</u>	<u>10,191</u>	<u>40,000</u>	<u>--</u>
Expenditures				
FYE 12/31/16	22,472	--	--	--
FYE 12/31/17	24,528	22,658	40,000	--
	<u>47,000</u>	<u>22,658</u>	<u>40,000</u>	<u>--</u>
Due from DHR	<u>\$ --</u>	<u>\$ 12,467</u>	<u>\$ --</u>	<u>\$ --</u>

CITY OF FITZGERALD, GEORGIA
Schedule of Projects Constructed with Special Purpose Local Option Sales Tax Proceeds
For the Year Ended December 31, 2017

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
Sales Tax Referendum 7/1/2005 - 6/30/2011						
Transportation Improvement	\$ 1,500,000	\$ 2,439,338	\$ 2,428,650	\$ 10,688	\$ 2,439,338	100%
Old City Hall Restoration	1,550,000	2,681,803	2,681,803	--	2,681,803	100%
Carnegie Library	500,000	524,641	524,641	--	524,641	100%
Depot Renovation	300,000	709,665	91,545	618,120	709,665	100%
Capital Equipment	700,000	696,681	696,681	--	696,681	100%
Cemetery Improvements	50,000	65,169	65,169	--	65,169	100%
City Hall / Carnegie Furnishings	200,000	202,070	202,070	--	202,070	100%
Telecommunications	200,000	223,087	221,422	1,665	223,087	100%
	<u>\$ 5,000,000</u>	<u>\$ 7,542,454</u>	<u>\$ 6,911,981</u>	<u>\$ 630,473</u>	<u>\$ 7,542,454</u>	
SPLOST Capital Projects Fund						
Total Expenditures				<u>\$ 630,473</u>	<u>\$ 630,473</u>	
Sales Tax Referendum 7/1/2011 - 6/30/2017						
Transportation Improvements	\$ 2,100,000	\$ 2,100,000	\$ 486,287	\$ 304,112	\$ 790,399	38%
City Hall Debt	1,500,000	1,500,000	1,492,133	--	1,492,133	99%
Capital Equipment	700,000	700,000	514,605	103,118	617,723	88%
Public Works	150,000	150,000	89,695	2,400	92,095	61%
Fire Museum; Fire and Rescue Vehicles and Equipment	75,000	75,000	--	--	--	0%
Jaycee Stadium Improvements	900,000	900,000	363,380	--	363,380	40%
Carnegie Center Improvements	100,000	100,000	--	--	--	0%
Cemetery Improvements	75,000	75,000	4,180	--	4,180	6%
City and County Joint Projects						
Downtown Development Authority	200,000	200,000	130,904	9,120	140,024	70%
Fitzgerald & Ben Hill County Development Authority	1,500,000	1,350,000	326,106	205,445	531,551	39%
Humane Society	25,000	25,000	--	--	--	0%
Grand Conference Center	100,000	250,000	229,669	--	229,669	92%
	<u>\$ 7,425,000</u>	<u>\$ 7,425,000</u>	<u>\$ 3,636,959</u>	<u>\$ 624,195</u>	<u>\$ 4,261,154</u>	
SPLOST 2011 Capital Projects Fund						
Total Expenditures				\$ 861,566		
Local Maintenance & Improvement Grant				(237,371)		
				<u>\$ 624,195</u>		

CITY OF FITZGERALD, GEORGIA
Schedule of Projects Constructed with Special Purpose Local Option Sales Tax Proceeds
For the Year Ended December 31, 2017

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
Sales Tax Referendum 7/1/2017 - 6/30/2023						
Economic Development - FBHDA	\$ 465,000	\$ 465,000	\$ --	\$ 8,087	\$ 8,087	2%
DLS						
Jessamine Street Gym	125,000	125,000	--	--	--	0%
Lions Park Lighting	125,000	125,000	--	--	--	0%
Monitor Center	175,000	175,000	--	--	--	0%
Paulk Park Paving	25,000	25,000	--	--	--	0%
Campgrounds	30,000	30,000	--	--	--	0%
LED Lighting Upgrades	20,000	20,000	--	--	--	0%
Humane Society	50,000	50,000	--	--	--	0%
Library	37,500	37,500	--	--	--	0%
Economic Development - DDA	830,000	830,000	--	661	661	0%
Public Works	1,917,500	1,917,500	--	232,609	232,609	12%
Grand Theater	200,000	200,000	--	7,667	7,667	4%
Fire Department	850,000	850,000	--	94,605	94,605	11%
Depot Phase II	500,000	500,000	--	93,253	93,253	19%
Police Department	1,400,000	1,400,000	--	--	--	0%
	<u>\$ 6,750,000</u>	<u>\$ 6,750,000</u>	<u>\$ --</u>	<u>\$ 436,882</u>	<u>\$ 436,882</u>	
SPLOST 2017 Capital Projects Fund						
Total Expenditures				\$ 961,370		
Capital Leases				(524,488)		
				<u>\$ 436,882</u>		

CITY OF FITZGERALD, GEORGIA
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2017

Federal Grantor/Pass-Through Grantor/Program Or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Justice			
Bulletproof Vest Program	16.607	7036906	\$ 2,377
Total U.S. Department of Justice			2,377
U.S. Department of Transportation			
Pass-through Program From			
Georgia Department of Transportation			
Federal Aviation Administration			
Airport Improvement Program	20.106	APO15-9026-20(017)	21,205
Airport Improvement Program	20.106	APO17-9031-21(017)	268,746
			289,951
Transportation Enhancement - Streetscape	20.205	CSTEE-0007-00(627)	449,951
Transportation Enhancement - Streetscape	20.205	CSTEE-0006-00(529)	328,443
			778,394
Total U.S. Department of Transportation			1,068,345
U.S. Department of Health & Human Services			
Pass-through Program From			
Georgia Department of Human Services			
Afterschool Care Program	93.558	40-0000053656	40,000
Total U.S. Department of Health & Human Services			40,000
Total Expenditures of Federal Awards			\$ 1,110,722

Notes to Schedule

This schedule of expenditures of federal awards includes the federal grant activity of City of Fitzgerald, Georgia and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this schedule presents only a selected portion of the operations of City of Fitzgerald, Georgia, it is not intended to and does not present the financial position, changes in net assets, or cash flows of City of Fitzgerald, Georgia. City of Fitzgerald, Georgia has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

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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

To The Honorable Mayor and Council
City of Fitzgerald, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Fitzgerald, Georgia, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise City of Fitzgerald, Georgia's basic financial statements, and have issued our report thereon dated January 8, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Fitzgerald, 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 City of Fitzgerald, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Fitzgerald, Georgia's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Fitzgerald, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2017-1.

City of Fitzgerald, Georgia's Response to Findings

City of Fitzgerald, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Fitzgerald, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

MEEKS CPA, LLP

Ocilla, Georgia
January 8, 2019

MEEKS CPA, LLP

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

To the Honorable Mayor and Council
City of Fitzgerald, Georgia

Report on Compliance for Each Major Federal Program

We have audited City of Fitzgerald, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of City of Fitzgerald, Georgia's major federal programs for the year ended December 31, 2017. City of Fitzgerald, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, City of Fitzgerald, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2017-002 through 2017-005. Our opinion on each major federal program is not modified with respect to these matters.

City of Fitzgerald, Georgia's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Fitzgerald, Georgia's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2017-002 through 2017-005 that we consider to be significant deficiencies.

City of Fitzgerald, Georgia's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Fitzgerald, Georgia's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

MEEK & CPA, LLP

Ocilla, Georgia
January 8, 2019

CITY OF FITZGERALD, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2017

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:
 Material weakness(es) identified? yes no
 Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:
 Material weakness(es) identified? yes no
 Significant deficiency(ies) identified? yes none reported

Type of auditor's report issued on compliance for major programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? yes no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
20.205	Transportation Enhancement - Streetscape

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee? yes no

Section II - Financial Statement Findings

2017-001 Condition:

The Official Code of Georgia Annotated section 48-8-121 requires special purpose local option sales tax (SPLOST) proceeds to be kept in a separate account from other funds of the City and shall not in any manner be commingled with other funds of the City. During the fiscal year ended December 31, 2017, non-SPLOST revenues were deposited into and expended from SPLOST bank accounts in the SPLOST 2011 and SPLOST 2017 Funds.

Recommendation:

The City should establish and utilize separate bank accounts for non-SPLOST sources of funding and prohibit commingling of SPLOST with non-SPLOST funds.

Views of Responsible Officials and Planned Corrective Action:

The City will keep the proceeds from SPLOST in accounts separate from other City resources and not commingle SPLOST with non-SPLOST funds prior to expenditure.

CITY OF FITZGERALD, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2017

Section III - Federal Award Findings and Questioned Costs

2017-002 **CFDA Number:** 20.205
Title: Transportation Enhancement
Agency: U.S. Department of Transportation
Pass-through Entity: Georgia Department of Transportation
Federal Award Number(s) and Year(s): CSHPP-0007-00(627)
CSTEE-0006-00(529)
Category of Finding: Cash Management

Criteria:

2 CFR section 200.302(b)(6) states:

- “(b)The financial management system of each non-Federal entity must provide for the following:
[...]
- (6) Written procedures to implement the requirements of 200.305 Payment.
[...]

Condition and Context:

During our review, we noted that the City did not have written procedures to implement the requirements of 2 CFR section 200.305 *Payment* during fiscal year 2017.

Cause:

The City was unaware that this grant was subject to the requirements of the Uniform Guidance, thus did not implement changes during fiscal year 2017.

Effect:

Failure to have written procedures to ensure the compliance with the 2 CFR section 200.305 *Payment* may result in noncompliance with Uniform Guidance requirements.

Questioned Costs:

There are no questioned costs.

Recommendation:

We recommend that the City identify grants that are subject to Uniform Guidance on a timely basis to ensure all compliance requirements are met and develop written procedures where required.

Views of Responsible Officials and Planned Corrective Action:

The City has identified federal grants subject to the Uniform Guidance and will develop written procedures to implement the requirements of 2 CFR section 200.305 *Payment*.

CITY OF FITZGERALD, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2017

2017-003 **CFDA Number:** 20.205
Title: Transportation Enhancement
Agency: U.S. Department of Transportation
Pass-through Entity: Georgia Department of Transportation
Federal Award Number(s) and Year(s): CSHPP-0007-00(627)
CSTEE-0006-00(529)
Category of Finding: Allowable Costs and Costs Principles

Criteria:

2 CFR section 200.302(b)(7) states:

"(b) The financial management system of each non-Federal entity must provide for the following:

[...]

(7) Written procedures for determining the allowability of costs in accordance with Subpart E – Cost Principles of this part and the terms and conditions of the Federal award.

Condition and Context:

During our review of compliance with the uniform guidance requirements, we noted that the City did not have written procedures for determining the allowability of costs and the terms and conditions of the Federal award in fiscal year 2017.

Cause:

The City was unaware that this grant was subject to the requirements of the Uniform Guidance, thus did not implement changes during fiscal year 2017.

Effect:

Failure to have written procedures for determining allowability of costs and the terms and conditions of the Federal award may result in noncompliance with Uniform Guidance requirements.

Questioned Costs:

There are no questioned costs.

Recommendation:

We recommend that the City identify grants that are subject to Uniform Guidance on a timely basis to ensure all compliance requirements are met and develop written procedures where required.

Views of Responsible Officials and Planned Corrective Action:

The City has identified federal grants subject to the Uniform Guidance and will develop written procedures for determining the allowability of costs in accordance with 2 CFR 200, Subpart E—Cost Principles and the terms and conditions of the Federal award.

CITY OF FITZGERALD, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2017

2017-004 **CFDA Number:** 20.205
Title: Transportation Enhancement
Agency: U.S. Department of Transportation
Pass-through Entity: Georgia Department of Transportation
Federal Award Number(s) and Year(s): CSHPP-0007-00(627)
CSTEE-0006-00(529)
Category of Finding: Procurement

Criteria:

2 CFR section 200.318(c)(1) states:

"(c)(1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. [...]"

Condition and Context:

During our review of compliance with the uniform guidance requirements, we noted that the City did not have written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts in fiscal year 2017.

Cause:

The City was unaware that this grant was subject to the requirements of the Uniform Guidance, thus did not implement changes during fiscal year 2017.

Effect:

Failure to have written standards of conduct may result in noncompliance with Uniform Guidance requirements.

Questioned Costs:

There are no questioned costs.

Recommendation:

We recommend that the City identify grants that are subject to Uniform Guidance on a timely basis to ensure all compliance requirements are met and develop written standards of conduct.

Views of Responsible Officials and Planned Corrective Action:

The City has identified federal grants subject to the Uniform Guidance and will develop written standards of conduct in accordance with the requirements of 2 CFR section 200.318(c)(1).

CITY OF FITZGERALD, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2017

2017-005 **CFDA Number:** 20.205
Title: Transportation Enhancement
Agency: U.S. Department of Transportation
Pass-through Entity: Georgia Department of Transportation
Federal Award Number(s) and Year(s): CSHPP-0007-00(627)
CSTEE-0006-00(529)
Category of Finding: Procurement

Criteria:

2 CFR section 200.319(c) states:

"(c) The non-Federal entity must have written procedures for procurement transactions. [...]"

Condition and Context:

During our review of compliance with the uniform guidance requirements, we noted that the City's written procedures did not include each relevant provision required by §§ 200.318 General procurement standards through 200.326 Contract provisions.

Cause:

The City was unaware that this grant was subject to the requirements of the Uniform Guidance, thus did not implement changes during fiscal year 2017.

Effect:

Failure to have adequate written procedures for procurement transactions may result in noncompliance with Uniform Guidance requirements.

Questioned Costs:

There are no questioned costs.

Recommendation:

We recommend that the City identify grants that are subject to Uniform Guidance on a timely basis to ensure all compliance requirements are met and develop adequate written policies and procedures for procurement transactions.

Views of Responsible Officials and Planned Corrective Action:

The City has identified federal grants subject to the Uniform Guidance and will develop written policies and procedures which include the relevant provisions required by §§ 200.318 through 200.326 Contract provisions.