

CITY OF FITZGERALD, GEORGIA
Annual Financial Report
For The Fiscal Year Ended
December 31, 2016

MEEKS CPA, LLP
CERTIFIED PUBLIC ACCOUNTANTS
Ocilla, Georgia

CITY OF FITZGERALD, GEORGIA
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For the Fiscal Year Ended December 31, 2016

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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, 2016, 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, 2016, 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, historical pension and post-retirement benefit 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 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 combining and individual fund financial statements and schedules and supplemental schedules 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 and supplemental schedules 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 June 30, 2017, 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
June 30, 2017

BASIC FINANCIAL STATEMENTS

CITY OF FITZGERALD, GEORGIA
Statement of Net Position
December 31, 2016

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Primary Government	Downtown Development Authority	Fitzgerald & Ben Hill Development Authority
ASSETS					
Cash and Cash Equivalents	\$ 4,689,255	\$ 29,236,813	\$ 33,926,068	\$ 111	\$ 773,551
Receivables (Net of Allowance for Uncollectibles)	777,665	1,730,293	2,507,958	--	70,575
Due From Component Units	50,000	--	50,000	--	--
Inventories	--	731,011	731,011	--	--
Property Held For Resale	1,153,516	--	1,153,516	--	5,981,001
Prepaid Items	72,709	224,852	297,561	--	--
Other Current Assets	542	--	542	--	--
Restricted Assets	--	569,866	569,866	--	--
Capital Assets Not Being Depreciated	944,429	1,232,946	2,177,375	33,680	833,406
Capital Assets Net of Accumulated Depreciation	34,222,860	16,908,543	51,131,403	315,743	65,110
Total Assets	41,910,976	50,634,324	92,545,300	349,534	7,723,643
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Charges	--	612,563	612,563	--	--
Pension	979,479	826,402	1,805,881	--	--
Total Deferred Outflows of Resources	979,479	1,438,965	2,418,444	--	--
LIABILITIES					
Accounts Payable	110,255	2,102,062	2,212,317	--	4,454
Accrued Liabilities	46,174	76,747	122,921	--	--
Intergovernmental Payable	4,621	--	4,621	--	--
Short-Term Notes Payable	--	--	--	--	59,348
Other Current Liabilities	96,263	--	96,263	--	--
Internal Balances	23,027	(23,027)	--	--	--
Due To Primary Government	--	--	--	50,000	--
Customer Deposits	--	558,633	558,633	--	--
Unearned Revenue	--	--	--	--	12,000
Noncurrent Liabilities					
Due Within One Year	225,897	181,265	407,162	9,028	847,638
Due in More Than One Year	2,394,897	5,771,227	8,166,124	--	300,525
Total Liabilities	2,901,134	8,666,907	11,568,041	59,028	1,223,965
DEFERRED INFLOWS OF RESOURCES					
Pension	32,038	234,538	266,576	--	--
Total Deferred Inflows of Resources	32,038	234,538	266,576	--	--
NET POSITION					
Net Investment in Capital Assets	34,697,601	18,104,338	52,801,939	340,395	898,516
Restricted For					
Public Safety	6,301	--	6,301	--	--
Economic Development	64,978	--	64,978	--	--
Capital Outlay	2,469,468	--	2,469,468	--	--
Revolving Loan Program	--	438,059	438,059	--	--
Unrestricted	2,718,935	24,629,447	27,348,382	(49,889)	5,601,162
Total Net Position	\$ 39,957,283	\$ 43,171,844	\$ 83,129,127	\$ 290,506	\$ 6,499,678

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, 2016

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	\$ 908,603	\$ 28,366	\$ 18,056	\$ 205,582	\$ (656,599)	\$ --	\$ (656,599)		
Judicial	--	93,881	--	--	93,881	--	93,881		
Public Safety	3,628,870	522,973	5,742	41,867	(3,058,288)	--	(3,058,288)		
Public Works	3,078,521	1,303,625	--	471,335	(1,303,561)	--	(1,303,561)		
Health and Welfare	44,234	--	149,861	--	105,627	--	105,627		
Culture and Recreation	1,128,670	257,969	274,504	142,345	(453,852)	--	(453,852)		
Housing and Development	814,384	95,561	--	212,027	(506,796)	--	(506,796)		
Interest on Long-Term Debt	6,088	--	--	--	(6,088)	--	(6,088)		
Total Governmental Activities	<u>9,609,370</u>	<u>2,302,375</u>	<u>448,163</u>	<u>1,073,156</u>	<u>(5,785,676)</u>	<u>--</u>	<u>(5,785,676)</u>		
Business-Type Activities									
Electric	22,657,773	25,056,070	720,809	--	--	3,119,106	3,119,106		
Gas	4,683,377	4,326,403	--	--	--	(356,974)	(356,974)		
Water	1,253,483	1,526,991	--	--	--	273,508	273,508		
Sewer	1,049,800	1,015,605	--	--	--	(34,195)	(34,195)		
Landfill	1,012,473	1,099,102	--	--	--	86,629	86,629		
Airport	314,959	117,072	24,130	68,841	--	(104,916)	(104,916)		
EIP Revolving Loan	300	16,450	--	--	--	16,150	16,150		
Total Business-Type Activities	<u>30,972,165</u>	<u>33,157,693</u>	<u>744,939</u>	<u>68,841</u>	<u>--</u>	<u>2,999,308</u>	<u>2,999,308</u>		
Total Primary Government	<u>\$ 40,581,535</u>	<u>\$ 35,460,068</u>	<u>\$ 1,193,102</u>	<u>\$ 1,141,997</u>	<u>(5,785,676)</u>	<u>2,999,308</u>	<u>(2,786,368)</u>		
Component Units									
Downtown Development Authority	\$ 16,368	\$ --	\$ --	\$ 47,412				\$ 31,044	\$ --
Fitzgerald & Ben Hill Development Authority	417,758	100,697	138,157	100				--	(178,804)
Total Component Units	<u>\$ 434,126</u>	<u>\$ 100,697</u>	<u>\$ 138,157</u>	<u>\$ 47,512</u>				<u>31,044</u>	<u>(178,804)</u>
General Revenues									
Taxes									
Property					1,373,378	--	1,373,378	--	--
Franchise					157,913	--	157,913	--	--
General Sales and Use					935,619	--	935,619	--	--
Selective Sales and Use					232,385	--	232,385	--	--
Business					744,002	--	744,002	--	--
Penalties and Interest on Delinquent Taxes					13,112	--	13,112	--	--
Investment Income					18,208	20,710	38,918	3	6,517
Miscellaneous					10,625	48,780	59,405	2,190	1,100
Gain on Disposition of Capital Assets					21,716	--	21,716	--	--
Transfers					1,595,000	(1,595,000)	--	--	--
Total General Revenues and Transfers					<u>5,101,958</u>	<u>(1,525,510)</u>	<u>3,576,448</u>	<u>2,193</u>	<u>7,617</u>
Changes in Net Position					(683,718)	1,473,798	790,080	33,237	(171,187)
Net Position - Beginning					40,641,001	41,698,046	82,339,047	257,269	6,670,865
Net Position - Ending					<u>\$ 39,957,283</u>	<u>\$ 43,171,844</u>	<u>\$ 83,129,127</u>	<u>\$ 290,506</u>	<u>\$ 6,499,678</u>

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

CITY OF FITZGERALD, GEORGIA
Balance Sheet
Governmental Funds
December 31, 2016

	General	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 1,730,516	\$ 2,958,739	\$ 4,689,255
Receivables (Net of Allowance for Uncollectibles)	383,827	393,838	777,665
Due From Other Funds	244,178	172,899	417,077
Due From Component Units	--	50,000	50,000
Other Current Assets	--	542	542
Total Assets	<u>\$ 2,358,521</u>	<u>\$ 3,576,018</u>	<u>\$ 5,934,539</u>
LIABILITIES			
Accounts Payable	\$ 105,613	\$ 4,642	\$ 110,255
Accrued Liabilities	44,981	1,193	46,174
Intergovernmental Payable	--	4,621	4,621
Due To Other Funds	403,094	37,010	440,104
Other Current Liabilities	96,263	--	96,263
Total Liabilities	<u>649,951</u>	<u>47,466</u>	<u>697,417</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue			
Property Taxes	106,657	12,566	119,223
Development and Redevelopment Property	--	189,802	189,802
Total Deferred Inflows of Resources	<u>106,657</u>	<u>202,368</u>	<u>309,025</u>
FUND BALANCES			
Restricted	--	2,540,747	2,540,747
Assigned	--	789,227	789,227
Unassigned	1,601,913	(3,790)	1,598,123
Total Fund Balances	<u>1,601,913</u>	<u>3,326,184</u>	<u>4,928,097</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,358,521</u>	<u>\$ 3,576,018</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.	35,167,289
Properties held for resale are not current financial resources and, therefore, are not reported in the funds.	1,153,516
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	309,025
Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as expenditures in the funds.	72,709
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.	979,479
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Capital Leases	\$ (469,688)
Net Pension Liability	(2,151,106)
Total Long-term liabilities	(2,620,794)
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.	(32,038)
Net Position of Governmental Activities	<u>\$ 39,957,283</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, 2016

	General	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ 3,256,222	\$ 191,662	\$ 3,447,884
Licenses and Permits	12,400	--	12,400
Intergovernmental	321,887	1,160,109	1,481,996
Charges for Services	1,951,929	79,369	2,031,298
Fines and Forfeitures	92,509	4,134	96,643
Interest Revenue	6,592	20,704	27,296
Contributions and Donations	--	30,235	30,235
Miscellaneous	146,132	27,231	173,363
Total Revenues	<u>5,787,671</u>	<u>1,513,444</u>	<u>7,301,115</u>
EXPENDITURES			
Current			
General Government	765,310	--	765,310
Public Safety	3,255,334	100,792	3,356,126
Public Works	1,752,438	--	1,752,438
Health and Welfare	--	46,941	46,941
Culture and Recreation	1,025,182	1,030	1,026,212
Housing and Development	433,569	352,552	786,121
Capital Outlay	683,323	280,190	963,513
Debt Service	130,829	401,880	532,709
Total Expenditures	<u>8,045,985</u>	<u>1,183,385</u>	<u>9,229,370</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,258,314)</u>	<u>330,059</u>	<u>(1,928,255)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	1,804,251	84,823	1,889,074
Transfers Out	(79,017)	(215,057)	(294,074)
Proceeds of Capital Asset Dispositions	13,833	--	13,833
Capital Leases	247,750	--	247,750
Total Other Financing Sources (Uses)	<u>1,986,817</u>	<u>(130,234)</u>	<u>1,856,583</u>
Net Change in Fund Balances	<u>(271,497)</u>	<u>199,825</u>	<u>(71,672)</u>
Fund Balances - Beginning	1,873,410	3,126,359	4,999,769
Fund Balances - Ending	<u>\$ 1,601,913</u>	<u>\$ 3,326,184</u>	<u>\$ 4,928,097</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, 2016

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

Net change in fund balances - total governmental funds reported in the *Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds* \$ (71,672)

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	764,024
Depreciation Expense	(1,583,113)
	<u>(819,089)</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	(267,091)
Accumulated Depreciation	265,974
Trade-Ins	9,000
	<u>7,883</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.

(8,098)

Revenues in the *Statement of Activities* that do not provide current financial resources are not reported as revenues in the funds while revenues reported in the *Statement of Revenues, Expenditures and Changes in Fund Balances* are recognized as revenue of the previous period in the *Statement of Activities* and included in beginning net position.

Taxes	8,525
Property Held For Resale	(704)
	<u>7,821</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	(247,750)
Principal Repayments	
Capital Leases	267,268
Installment Sale Agreement	259,353
	<u>278,871</u>

Expenses reported in the *Statement of Activities* that do not require the use of current financial resources are not reported as expenditures in governmental funds while expenditures reported in the *Statement of Revenues, Expenditures and Changes in Fund Balances* are recognized as expenses of the previous period in the *Statement of Activities* and included in beginning net position.

Pensions	(78,942)
Prepaid Items	(492)
	<u>(79,434)</u>

Change in net position of governmental activities reported in the *Statement of Activities* \$ (683,718)

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, 2016

	Business-type Activities - Enterprise Funds			
	Utility	Landfill	Other Enterprise Funds	Total Enterprise Funds
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 27,705,148	\$ 1,013,089	\$ 518,576	\$ 29,236,813
Receivables (Net of Allowance for Uncollectibles)	1,197,075	112,229	58,340	1,367,644
Due From Other Funds	--	250,000	--	250,000
Inventories	706,243	--	24,768	731,011
Prepaid Items	221,877	--	2,975	224,852
Restricted Assets	569,866	--	--	569,866
Total Current Assets	<u>30,400,209</u>	<u>1,375,318</u>	<u>604,659</u>	<u>32,380,186</u>
Noncurrent Assets				
Notes Receivable	--	--	362,649	362,649
Capital Assets Not Being Depreciated	278,290	550,824	403,832	1,232,946
Capital Assets Net of Accumulated Depreciation	14,975,570	307,308	1,625,665	16,908,543
Total Noncurrent Assets	<u>15,253,860</u>	<u>858,132</u>	<u>2,392,146</u>	<u>18,504,138</u>
Total Assets	<u>45,654,069</u>	<u>2,233,450</u>	<u>2,996,805</u>	<u>50,884,324</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charges	612,563	--	--	612,563
Pension	810,935	--	15,467	826,402
Total Deferred Outflows of Resources	<u>1,423,498</u>	<u>--</u>	<u>15,467</u>	<u>1,438,965</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	2,027,497	71,212	3,353	2,102,062
Accrued Liabilities	75,014	1,019	714	76,747
Due To Other Funds	225,716	1,136	121	226,973
Customer Deposits	558,633	--	--	558,633
Compensated Absences	140,207	--	--	140,207
Notes Payable - Current	--	--	19,058	19,058
Closure and Post-Closure Care Costs	--	22,000	--	22,000
Total Current Liabilities	<u>3,027,067</u>	<u>95,367</u>	<u>23,246</u>	<u>3,145,680</u>
Noncurrent Liabilities				
Other Post Employment Benefits Obligation	1,340,344	--	--	1,340,344
Net Pension Liability	3,049,724	--	33,967	3,083,691
Notes Payable	--	--	18,093	18,093
Closure and Post-Closure Care Costs	--	1,329,099	--	1,329,099
Total Noncurrent Liabilities	<u>4,390,068</u>	<u>1,329,099</u>	<u>52,060</u>	<u>5,771,227</u>
Total Liabilities	<u>7,417,135</u>	<u>1,424,466</u>	<u>75,306</u>	<u>8,916,907</u>
DEFERRED INFLOWS OF RESOURCES				
Pension	234,032	--	506	234,538
Total Deferred Inflows of Resources	<u>234,032</u>	<u>--</u>	<u>506</u>	<u>234,538</u>
NET POSITION				
Net Investment in Capital Assets	15,253,860	858,132	1,992,346	18,104,338
Restricted For				
Revolving Loan Program	--	--	438,059	438,059
Unrestricted	24,172,540	(49,148)	506,055	24,629,447
Total Net Position	<u>\$ 39,426,400</u>	<u>\$ 808,984</u>	<u>\$ 2,936,460</u>	<u>\$ 43,171,844</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, 2016

	Business-type Activities - Enterprise Funds			Total Enterprise Funds
	Utility	Landfill	Other Enterprise Funds	
OPERATING REVENUES				
Charges for Services	\$ 30,064,776	\$ 1,089,142	\$ 133,522	\$ 31,287,440
Other	1,860,295	9,960	--	1,870,255
Total Operating Revenues	<u>31,925,071</u>	<u>1,099,102</u>	<u>133,522</u>	<u>33,157,695</u>
OPERATING EXPENSES				
Personal Services and Employee Benefits	5,370,589	113,047	83,392	5,567,028
Purchased/Contracted Services	1,378,808	811,557	41,454	2,231,819
Supplies	20,875,456	34,851	49,751	20,960,058
Other	1,157,435	11,135	--	1,168,570
Depreciation	862,147	41,883	138,310	1,042,340
Total Operating Expenses	<u>29,644,435</u>	<u>1,012,473</u>	<u>312,907</u>	<u>30,969,815</u>
Operating Income (Loss)	<u>2,280,636</u>	<u>86,629</u>	<u>(179,385)</u>	<u>2,187,880</u>
NONOPERATING REVENUES (EXPENSES)				
Intergovernmental	--	--	92,971	92,971
Interest Revenue	14,444	3,826	2,440	20,710
Contribution from MEAG	720,809	--	--	720,809
Miscellaneous	48,780	--	--	48,780
Interest Expense	--	--	(2,352)	(2,352)
Total Nonoperating Revenues (Expenses)	<u>784,033</u>	<u>3,826</u>	<u>93,059</u>	<u>880,918</u>
Income (Loss) Before Capital Contributions and Transfers	<u>3,064,669</u>	<u>90,455</u>	<u>(86,326)</u>	<u>3,068,798</u>
Transfers In	--	--	36,194	36,194
Transfers Out	(1,631,194)	--	--	(1,631,194)
Changes in Net Position	<u>1,433,475</u>	<u>90,455</u>	<u>(50,132)</u>	<u>1,473,798</u>
Net Position - Beginning	37,992,925	718,529	2,986,592	41,698,046
Net Position - Ending	<u>\$ 39,426,400</u>	<u>\$ 808,984</u>	<u>\$ 2,936,460</u>	<u>\$ 43,171,844</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, 2016

	Business-type Activities - Enterprise Funds			Total Enterprise Funds
	Utility	Landfill	Other Enterprise Funds	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 31,749,788	\$ 1,091,968	\$ 115,626	\$ 32,957,382
Principal Payments Received	--	--	41,182	41,182
Notes Issued	--	--	(200,415)	(200,415)
Interest Received	--	--	16,450	16,450
Payments to Suppliers	(23,361,630)	(842,711)	(72,595)	(24,276,936)
Payments to Employees	(5,203,496)	(112,528)	(81,758)	(5,397,782)
Net Cash Provided (Used) by Operating Activities	<u>3,184,662</u>	<u>136,729</u>	<u>(181,510)</u>	<u>3,139,881</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental	--	--	24,130	24,130
Contributions - MEAG	720,809	--	--	720,809
Transfers from Other Funds	--	--	36,194	36,194
Transfers to Other Funds	(1,633,121)	--	--	(1,633,121)
Due From Other Funds	--	(194,344)	--	(194,344)
Due To Other Funds	--	74	(209)	(135)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(912,312)</u>	<u>(194,270)</u>	<u>60,115</u>	<u>(1,046,467)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(373,977)	(11,099)	(23,160)	(408,236)
Principal Paid on Capital Debt	--	--	(18,129)	(18,129)
Interest Paid on Capital Debt	--	--	(2,352)	(2,352)
Grants	--	--	102,915	102,915
Computer Charges	30,000	--	--	30,000
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(343,977)</u>	<u>(11,099)</u>	<u>59,274</u>	<u>(295,802)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	14,444	3,826	1,187	19,457
Discounts Received	6,443	--	--	6,443
Other	12,337	--	--	12,337
Net Cash Provided (Used) by Investing Activities	<u>33,224</u>	<u>3,826</u>	<u>1,187</u>	<u>38,237</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>1,961,597</u>	<u>(64,814)</u>	<u>(60,934)</u>	<u>1,835,849</u>
Cash and Cash Equivalents - Beginning of Year	<u>26,313,417</u>	<u>1,077,903</u>	<u>579,510</u>	<u>27,970,830</u>
Cash and Cash Equivalents - End of Year	<u>\$ 28,275,014</u>	<u>\$ 1,013,089</u>	<u>\$ 518,576</u>	<u>\$ 29,806,679</u>

CITY OF FITZGERALD, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2016

	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)	\$ 2,280,636	\$ 86,629	\$ (179,385)	\$ 2,187,880
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities				
Depreciation Expense	862,147	41,883	138,310	1,042,340
(Increase) Decrease in Accounts Receivable	(197,308)	(7,134)	(1,446)	(205,888)
(Increase) Decrease in Notes Receivable	--	--	(159,233)	(159,233)
(Increase) Decrease in Inventories	(6,578)	--	16,136	9,558
(Increase) Decrease in Prepaid Items	(16,885)	--	9	(16,876)
(Increase) Decrease in Deferred Charges	563	--	--	563
(Increase) Decrease in Deferred Pension Outflows	(450,813)	--	(9,615)	(460,428)
Increase (Decrease) in Accounts Payable	127,560	14,832	2,465	144,857
Increase (Decrease) in Accrued Liabilities	16,197	519	368	17,084
Increase (Decrease) in Compensated Absences Payable	2,612	--	--	2,612
Increase (Decrease) in Customer Deposits	22,025	--	--	22,025
Increase (Decrease) in Other Post Employment Benefits Obligation	162,555	--	--	162,555
Increase (Decrease) in Net Pension Liability	510,487	--	13,158	523,645
Increase (Decrease) in Deferred Pension Inflows	(128,536)	--	(2,277)	(130,813)
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,184,662</u>	<u>\$ 136,729</u>	<u>\$ (181,510)</u>	<u>\$ 3,139,881</u>

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

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.

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, 2016

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, 2016

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, 2016, payable December 20, 2016, and attached as an enforceable lien on property as of January 1, 2016. The billings are considered past due after December 20, 2016, 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, 2016

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.

The Official Code of Georgia Annotated section 36-81-3(b) requires an annual balanced budget for the General fund, each special revenue fund, and each debt service fund and requires a project-length budget for each capital project fund. For the year ended December 31, 2016, the City did not adopt an annual budget for the Community Development special revenue fund.

B. Excess of Expenditures Over Appropriations

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

	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
General Fund			
Financial Administration	\$ 572,454	\$ 573,989	\$ (1,535)
Public Works Shop	147,593	147,790	(197)
Cemetery	138,087	152,500	(14,413)
Employee Safety Recognition	--	2,996	(2,996)
Swimming Pools	8,500	8,637	(137)
Sports Facilities	33,300	54,285	(20,985)
Arts Council	--	289	(289)
Grand Theatre	161,827	188,324	(26,497)
Urban Development and Housing	168,360	200,722	(32,362)
Economic Development	--	460	(460)
Capital Outlay-Furniture and Fixtures	--	3,500	(3,500)
Capital Outlay-Vehicles	297,000	319,774	(22,774)
Capital Outlay-Computers	6,600	10,514	(3,914)
Capital Outlay-Other Equipment	117,679	309,027	(191,348)
Police Technology Special Revenue Fund	5,000	5,991	(991)
Community Home Investment Special Revenue Fund	6,000	7,051	(1,051)
Hotel/Motel Tax Special Revenue Fund	8,475	13,444	(4,969)
Humane Society Special Revenue Fund	100,727	104,313	(3,586)
Monitor Enrichment Special Revenue Fund	69,000	82,128	(13,128)
Grand Theatre Special Revenue Fund	540	1,907	(1,367)
Industrial Development & Promotion Special Revenue Fund			
Transfers Out	--	173,057	(173,057)
Family Connection Special Revenue Fund	46,500	46,941	(441)

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2016

C. Deficit Fund Equity

The following funds had deficit fund equity at December 31, 2016:

Community Home Investment Special Revenu	\$	539
Family Connection Special Revenue Fund		3,008
Civil War Heritage Trail Capital Projects Fund		243

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2016

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, 2016, 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	\$ 1,251	\$ --	\$ --	\$ 1,390	\$ 6,792
Taxes	248,160	27,585	--	--	--	275,745
Accounts	63,296	--	1,319,495	151,577	2,924	1,537,292
Intergovernmental	85,759	177,149	--	--	--	262,908
Notes Receivable	--	189,802	--	--	434,635	624,437
Gross Receivables	401,366	395,787	1,319,495	151,577	438,949	2,707,174
Less: Allowance for Uncollectibles	(17,539)	(1,949)	(122,420)	(39,348)	(17,960)	(199,216)
	<u>\$383,827</u>	<u>\$ 393,838</u>	<u>\$ 1,197,075</u>	<u>\$ 112,229</u>	<u>\$ 420,989</u>	<u>\$ 2,507,958</u>

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
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C. Capital Assets

Capital asset activity for the year ended December 31, 2016, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 477,040	\$ --	\$ --	\$ 477,040
Construction in Progress	154,927	312,462	--	467,389
Total Capital Assets, Not Being Depreciated	<u>631,967</u>	<u>312,462</u>	<u>--</u>	<u>944,429</u>
Capital Assets, Being Depreciated				
Buildings	6,438,645	113,587	--	6,552,232
Infrastructure	44,632,424	--	--	44,632,424
Improvements Other Than Buildings	1,275,490	--	--	1,275,490
Machinery and Equipment	5,849,341	346,975	(267,091)	5,929,225
Total Capital Assets, Being Depreciated	<u>58,195,900</u>	<u>460,562</u>	<u>(267,091)</u>	<u>58,389,371</u>
Less Accumulated Depreciation For				
Buildings	(1,898,297)	(132,381)	--	(2,030,678)
Infrastructure	(16,055,571)	(1,118,381)	--	(17,173,952)
Improvements Other Than Buildings	(349,940)	(29,572)	--	(379,512)
Machinery and Equipment	(4,545,564)	(302,779)	265,974	(4,582,369)
Total Accumulated Depreciation	<u>(22,849,372)</u>	<u>(1,583,113)</u>	<u>265,974</u>	<u>(24,166,511)</u>
Total Capital Assets, Being Depreciated, Net	<u>35,346,528</u>	<u>(1,122,551)</u>	<u>(1,117)</u>	<u>34,222,860</u>
Governmental Activities Capital Assets, Net	<u>\$ 35,978,495</u>	<u>\$ (810,089)</u>	<u>\$ (1,117)</u>	<u>\$ 35,167,289</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 1,106,859	\$ 11,500	\$ --	\$ 1,118,359
Construction in Progress	114,587	--	--	114,587
Total Capital Assets, Not Being Depreciated	<u>1,221,446</u>	<u>11,500</u>	<u>--</u>	<u>1,232,946</u>
Capital Assets, Being Depreciated				
Buildings and System	43,012,772	196,532	(51,062)	43,158,242
Machinery and Equipment	4,371,002	177,045	--	4,548,047
Total Capital Assets, Being Depreciated	<u>47,383,774</u>	<u>373,577</u>	<u>(51,062)</u>	<u>47,706,289</u>
Less Accumulated Depreciation For				
Buildings and System	(26,288,058)	(820,434)	50,812	(27,057,680)
Machinery And Equipment	(3,518,161)	(221,905)	--	(3,740,066)
Total Accumulated Depreciation	<u>(29,806,219)</u>	<u>(1,042,339)</u>	<u>50,812</u>	<u>(30,797,746)</u>
Total Capital Assets, Being Depreciated, Net	<u>17,577,555</u>	<u>(668,762)</u>	<u>(250)</u>	<u>16,908,543</u>
Business-Type Activities Capital Assets, Net	<u>\$ 18,799,001</u>	<u>\$ (657,262)</u>	<u>\$ (250)</u>	<u>\$ 18,141,489</u>

CITY OF FITZGERALD, GEORGIA
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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities		Business-type Activities	
General Government	\$ 110,347	Electric	\$ 339,326
Public Safety	135,902	Gas	109,395
Public Works	1,257,420	Water	137,336
Culture and Recreation	72,121	Sewer	276,091
Housing and Development	7,323	Landfill	41,883
	<u>\$ 1,583,113</u>	Airport	138,309
			<u>\$ 1,042,340</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Downtown Development Authority				
Capital Assets, Not Being Depreciated				
Land	\$ 33,680	\$ --	\$ --	\$ 33,680
Total Capital Assets, Not Being Depreciated	33,680	--	--	33,680
Capital Assets, Being Depreciated				
Buildings	350,708	--	--	350,708
Improvements Other Than Buildings	--	25,553	--	25,553
Total Capital Assets, Being Depreciated	350,708	25,553	--	376,261
Less Accumulated Depreciation For				
Buildings	(50,140)	(10,378)	--	(60,518)
Total Accumulated Depreciation	(50,140)	(10,378)	--	(60,518)
Total Capital Assets, Being Depreciated, Net	300,568	15,175	--	315,743
Authority Capital Assets, Net	<u>\$ 334,248</u>	<u>\$ 15,175</u>	<u>\$ --</u>	<u>\$ 349,423</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	833,406	--	--	833,406
Capital Assets, Being Depreciated				
Improvements Other Than Buildings	55,564	--	--	55,564
Machinery and Equipment	28,345	--	--	28,345
Total Capital Assets, Being Depreciated	83,909	--	--	83,909
Less Accumulated Depreciation For				
Improvements Other Than Buildings	(1,543)	(3,705)	--	(5,248)
Machinery and Equipment	(9,501)	(4,050)	--	(13,551)
Total Accumulated Depreciation	(11,044)	(7,755)	--	(18,799)
Total Capital Assets, Being Depreciated, Net	72,865	(7,755)	--	65,110
Authority Capital Assets, Net	<u>\$ 906,271</u>	<u>\$ (7,755)</u>	<u>\$ --</u>	<u>\$ 898,516</u>

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2016

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2016 was as follows:

Due From / To Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 17,205
General Fund	Utility Enterprise Fund	225,716
General Fund	Landfill Enterprise Fund	1,136
General Fund	Nonmajor Proprietary Funds	121
Nonmajor Governmental Funds	General Fund	153,094
Nonmajor Governmental Funds	Nonmajor Governmental Funds	19,805
Landfill Enterprise Fund	General Fund	250,000
		<u>\$ 667,077</u>

The 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 \$225,716 from the Utility Fund consists of the unpaid balance of the 2016 Utility Fund transfer required by city ordinance and fire protection and garbage fees collected for the City but un-remitted at December 31, 2016. The General Fund owes \$152,814 to a Nonmajor Governmental Fund for industrial development taxes which have not been remitted to the fund that accounts for the tax. The Landfill Fund loaned the General Fund \$250,000 to finance expenditures.

The composition of interfund transfers for the year ended December 31, 2016 was as follows:

Interfund Transfers

Transfer In	Transfer Out	Amount
General Fund	Nonmajor Governmental Funds	\$ 173,057
General Fund	Utility Enterprise Fund	1,631,194
Nonmajor Governmental Funds	General Fund	42,823
Nonmajor Governmental Funds	Nonmajor Governmental Funds	42,000
Nonmajor Proprietary Funds	General Fund	36,194
		<u>\$ 1,925,268</u>

The Utility Fund transferred \$1,631,194 to the General Fund in accordance with the city ordinance establishing a required annual remittance to the General Fund. A Nonmajor Governmental Fund transferred \$173,057 to the General Fund to finance capital expenditures. Transfers between other funds were to support the ongoing operations of the receiving fund.

E. Short-Term Debt

The Fitzgerald & Ben Hill County Development Authority borrowed \$59,348 on December 29, 2016, to assist a local industry to renovate property. The note is due June 26, 2017 with interest at 4.25%. The balance at December 31, 2016 was \$59,348.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2016

Short-term debt activity for the year ended December 31, 2016, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Fitzgerald & Ben Hill Development Authority Notes Payable	\$ 53,950	\$ 59,348	\$ (53,950)	\$ 59,348
	<u>\$ 53,950</u>	<u>\$ 59,348</u>	<u>\$ (53,950)</u>	<u>\$ 59,348</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 2016, the City withdrew \$247,750 for the lease of Sanitation equipment. The amount remaining to be drawn at December 31, 2016 was \$347,600.

Capital assets subject to lease obligations at December 31, 2016 were as follows:

	<u>Governmental Activities</u>
Machinery and Equipment	\$ 967,075
Less: Accumulated Depreciation	(300,401)
Total	<u>\$ 666,674</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2016, were as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>
2017	\$ 225,897
2018	144,691
2019	49,550
2020	49,550
Total Minimum Lease Payments	469,688
Less: Amounts Representing Interest	--
Present Value of Minimum Lease Payments	<u>\$ 469,688</u>

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2016

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, 2016 was \$37,151.

On May 15, 2012, the Downtown Development Authority roofed buildings and financed the cost with a note from Colony Bank for \$100,000 at 3.5% payable in 60 monthly installments of \$1,822. The balance at December 31, 2016 was \$9,028.

On July 30, 2008, the Fitzgerald & Ben Hill County Development Authority borrowed \$950,000 from Planters First Bank for the purpose of purchasing property known as the Frontier RV property. On December 18, 2014, the Authority again refinanced the debt for \$812,312 for three years at 4.5%. New funds were used to renovate the property. The Authority intends to sell the property and pay off the debt. The balance at December 31, 2016 was \$760,653.

On May 13, 2015, the Fitzgerald & Ben Hill County Development Authority borrowed \$75,000 from Planters First Bank for the renovation of a building. The Authority will make 29 monthly payments of \$475 with interest at 4.5% and one balloon payment on the maturity date. The balance at December 31, 2016 was \$71,320.

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, 2016 was \$316,190.

Debt service requirements to maturity for the notes payable as of December 31, 2016 were as follows:

Year Ending December 31	Business-type Activities		
	Principal	Interest	Total
2017	\$ 19,058	\$ 1,425	\$ 20,483
2018	18,093	683	18,776
Total	<u>\$ 37,151</u>	<u>\$ 2,108</u>	<u>\$ 39,259</u>

Year Ending December 31	Downtown Development Authority		
	Principal	Interest	Total
2017	\$ 9,028	\$ 79	\$ 9,107
Total	<u>\$ 9,028</u>	<u>\$ 79</u>	<u>\$ 9,107</u>

Year Ending December 31	Fitzgerald & Ben Hill Development Authority		
	Principal	Interest	Total
2017	\$ 847,638	\$ 46,041	\$ 893,679
2018	16,344	12,456	28,800
2019	284,181	7,909	292,090
Total	<u>\$ 1,148,163</u>	<u>\$ 66,406</u>	<u>\$ 1,214,569</u>

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
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H. Changes in General Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2016, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Net Pension Liability	\$ 1,319,337	\$ 1,230,961	\$ (399,192)	\$ 2,151,106	\$ --
Capital Leases	489,206	247,750	(267,268)	469,688	225,897
Installment Sale Agreement	259,353	--	(259,353)	--	--
	<u>\$ 2,067,896</u>	<u>\$ 1,478,711</u>	<u>\$ (925,813)</u>	<u>\$ 2,620,794</u>	<u>\$ 225,897</u>
Business-type Activities					
Compensated Absences	\$ 137,595	\$ 2,612	\$ --	\$ 140,207	\$ 140,207
Net Pension Liability	2,560,046	598,786	(75,141)	3,083,691	--
Other Post Employment Benefits Obligation	1,177,789	199,426	(36,871)	1,340,344	--
Notes Payable	55,280	--	(18,129)	37,151	19,058
Closure and Post-Closure Care Costs	1,351,099	--	--	1,351,099	22,000
	<u>\$ 5,281,809</u>	<u>\$ 800,824</u>	<u>\$ (130,141)</u>	<u>\$ 5,952,492</u>	<u>\$ 181,265</u>
Downtown Development Authority					
Notes Payable	\$ 30,156	\$ --	\$ (21,128)	\$ 9,028	\$ 9,028
	<u>\$ 30,156</u>	<u>\$ --</u>	<u>\$ (21,128)</u>	<u>\$ 9,028</u>	<u>\$ 9,028</u>
Fitzgerald & Ben Hill Development Authority					
Notes Payable	\$ 913,946	\$ 320,000	\$ (85,783)	\$ 1,148,163	\$ 847,638
	<u>\$ 913,946</u>	<u>\$ 320,000</u>	<u>\$ (85,783)</u>	<u>\$ 1,148,163</u>	<u>\$ 847,638</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 \$1,342,224 as of December 31, 2016, which is based on 38% of landfill capacity used to date. It is estimated that an additional \$2,209,685 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 2034 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 \$783,770. 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.

J. Restricted Assets

Restricted assets in the enterprise funds consisted of customer deposit accounts in the amount of \$569,866.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2016

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

CITY OF FITZGERALD, GEORGIA
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At July 1, 2016, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	50
Inactive employees entitled to but not yet receiving benefits	45
Active employees	<u>112</u>
	<u>207</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, 2016, the City's actuarially determined contribution was \$382,175.

The City's net pension liability was measured as of March 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016.

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, 2016 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%	6.75%
International Equity	20%	7.45%
Real Estate	10%	4.55%
Global Fixed Income	5%	3.30%
Domestic Fixed Income	20%	1.75%

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

CITY OF FITZGERALD, GEORGIA
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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	\$ 10,928,876	\$ 9,588,730	\$ 1,340,146
Changes for the Year			
Service Cost	191,713	--	191,713
Interest	829,542	--	829,542
Differences Between Expected and Actual Experience	214,223	--	214,223
Contributions - Employer	--	378,110	(378,110)
Contributions - Employee	--	--	--
Net Investment Income	--	27,361	(27,361)
Benefit Payments	(450,218)	(450,218)	--
Administrative Expense	--	(14,920)	14,920
Other Changes	--	--	--
Net Changes	<u>785,260</u>	<u>(59,667)</u>	<u>844,927</u>
Balances - Ending	<u>\$ 11,714,136</u>	<u>\$ 9,529,063</u>	<u>\$ 2,185,073</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	\$ 3,642,632	\$ 2,185,073	\$ 964,435

For the year ended December 31, 2016, the City recognized pension expense of \$469,258. At December 31, 2016, 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	\$ 225,489	\$ --
Changes in assumptions	--	32,544
Net difference between projected and actual earnings on pension plan investments	468,054	--
Contributions subsequent to the measurement date	301,403	--
	<u>\$ 994,946</u>	<u>\$ 32,544</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>	
2017	\$ 172,840
2018	172,840
2019	172,840
2020	142,479
2021	--
Thereafter	--
	<u>\$ 660,999</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, 2016, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	7
Inactive employees entitled to but not yet receiving benefits	8
Active employees	<u>83</u>
	<u>98</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

CITY OF FITZGERALD, GEORGIA
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governing board approval. For the year ended December 31, 2016, the Commission's actuarially determined contribution was \$453,207.

The Commission's net pension liability was measured as of March 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016.

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, 2016 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%	6.75%
International Equity	20%	7.45%
Real Estate	10%	4.55%
Global Fixed Income	5%	3.30%
Domestic Fixed Income	20%	1.75%

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	\$ 7,803,018	\$ 5,263,781	\$ 2,539,237
Changes for the Year			
Service Cost	152,347	--	152,347
Interest	600,041	--	600,041
Differences Between Expected and Actual Experience	243,932	--	243,932
Contributions - Employer	--	473,424	(473,424)
Contributions - Employee	--	--	--
Net Investment Income	--	20,919	(20,919)
Benefit Payments	(121,103)	(121,103)	--
Administrative Expense	--	(8,510)	8,510
Other Changes	--	--	--
Net Changes	875,217	364,730	510,487
Balances - Ending	\$ 8,678,235	\$ 5,628,511	\$ 3,049,724

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 (6.75%)	Discount Rate (7.75%)	1% Increase (8.75%)
Net Pension Liability	\$ 4,143,073	\$ 3,049,724	\$ 2,124,410

For the year ended December 31, 2016, the Commission recognized pension expense of \$384,345. At December 31, 2016, 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	\$ 203,275	\$ 225,952
Changes in assumptions	--	8,080
Net difference between projected and actual earnings on pension plan investments	267,755	--
Contributions subsequent to the measurement date	339,905	--
	<u>\$ 810,935</u>	<u>\$ 234,032</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>	
2017	\$ 44,709
2018	44,709
2019	44,709
2020	62,216
2021	40,655
Thereafter	--
	<u>\$ 236,998</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>(36,871)</u>
Increase (Decrease) in Net OPEB Obligation	162,555
Net OPEB Obligation Beginning of Year	<u>1,177,789</u>
Net OPEB Obligation End of Year	<u><u>\$ 1,340,344</u></u>

The Commission’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 and the two preceding years were as follows:

Three Year Trend Information

Fiscal Year Ending	Annual OPEB Cost	Percentage of OPEB	Net OPEB Obligation
12/31/2014	\$ 190,779	20 %	\$ 1,022,375
12/31/2015	190,779	18	1,177,789
12/31/2016	199,426	18	1,340,344

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	\$ --	\$ 6,301	\$ 6,301
Economic Development	--	64,978	64,978
Capital Outlay	--	2,469,468	2,469,468
	--	<u>2,540,747</u>	<u>2,540,747</u>
Assigned			
Public Safety	--	36,107	36,107
Culture and Recreation	--	51,140	51,140
Housing and Development	--	701,980	701,980
	--	<u>789,227</u>	<u>789,227</u>
Unassigned, Reported In			
General Fund	1,601,913	--	1,601,913
Special Revenue Funds	--	(3,547)	(3,547)
Capital Projects Funds	--	(243)	(243)
	<u>1,601,913</u>	<u>(3,790)</u>	<u>1,598,123</u>
Total Fund Balances	<u>\$ 1,601,913</u>	<u>\$ 3,326,184</u>	<u>\$ 4,928,097</u>

N. Tax Abatements

City property tax revenues were reduced by \$105,117 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 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

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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 \$24,420,037. The Water, Light and Bond policy deductibles start at \$1,000 with limits of liability up to \$31,186,836.

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 years 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 deposits to the Trust were made April 1, 1999 and as of December 31, 2016, the Utility Fund's accumulated benefit in the Flexible Operating Account had grown to a balance of \$26,708,337. 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

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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 \$939,556,170 for the year ended December 31, 2016 and \$583,170 for the year ended December 31, 2015. 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 \$68,145 in 2015.

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, 2015 were immaterial to the financial statements. Obligations to purchase gas under these contracts are not recognized until the gas is delivered.

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

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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, 2016, 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 2015, the Commission collected \$28,217 in fees for 2014.

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 2015, the Commission collected \$23,022 in fees for 2014.

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.

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, 2016, the City paid \$10,896 in such dues. Membership in a regional commission is required by the

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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 \$144,614 at December 31, 2016. 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, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 3,873,679	\$ 3,873,679	\$ 3,256,222	\$ (617,457)
Licenses and Permits	13,550	13,550	12,400	(1,150)
Intergovernmental	308,003	308,003	321,887	13,884
Charges for Services	1,911,575	1,911,575	1,951,929	40,354
Fines and Forfeitures	158,000	158,000	92,509	(65,491)
Interest Revenue	5,000	5,000	6,592	1,592
Miscellaneous	139,842	139,842	146,132	6,290
Total Revenues	<u>6,409,649</u>	<u>6,409,649</u>	<u>5,787,671</u>	<u>(621,978)</u>
EXPENDITURES				
Legislative	105,600	105,600	100,188	5,412
Executive	122,316	122,316	30,357	91,959
Elections	16,900	16,900	--	16,900
Financial Administration	572,454	572,454	573,989	(1,535)
Government Buildings	64,500	64,500	60,776	3,724
Police	1,971,135	1,971,135	1,894,408	76,727
Custody of Prisoners	55,000	55,000	22,995	32,005
Fire	1,301,498	1,301,498	1,205,315	96,183
Animal Control	184,828	184,828	171,667	13,161
Highways and Streets	733,863	733,863	593,441	140,422
Sanitation	883,027	883,027	855,711	27,316
Public Works Shop	147,593	147,593	147,790	(197)
Cemetery	138,087	138,087	152,500	(14,413)
Employee Safety Recognition	--	--	2,996	(2,996)
Recreation	498,579	498,579	468,261	30,318
Participant Recreation	53,300	53,300	47,055	6,245
Swimming Pools	8,500	8,500	8,637	(137)
Sports Facilities	33,300	33,300	54,285	(20,985)
Museums	15,370	15,370	11,893	3,477
Arts Council	--	--	289	(289)
Grand Theatre	161,827	161,827	188,324	(26,497)
The Carnegie Center	4,200	4,200	2,676	1,524
Parks	158,870	158,870	143,060	15,810
Library	127,714	127,714	127,525	189
Building Inspections	60,992	60,992	58,390	2,602
Urban Development and Housing	168,360	168,360	200,722	(32,362)
Code Enforcement	63,214	63,214	56,790	6,424
Economic Development	--	--	460	(460)
Tourism	132,668	132,668	117,207	15,461
Capital Outlay-Furniture and Fixtures	--	--	3,500	(3,500)
Capital Outlay-Machinery	24,820	24,820	17,457	7,363
Capital Outlay-Vehicles	297,000	297,000	319,774	(22,774)
Capital Outlay-Computers	6,600	6,600	10,514	(3,914)
Capital Outlay-Other Equipment	117,679	117,679	309,027	(191,348)
Debt Service	148,661	148,661	130,829	17,832
Total Expenditures	<u>8,378,455</u>	<u>8,378,455</u>	<u>8,088,808</u>	<u>289,647</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,968,806)</u>	<u>(1,968,806)</u>	<u>(2,301,137)</u>	<u>(332,331)</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, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers In				
Industrial Development and Promotion Special Revenue F	--	--	173,057	173,057
Utility Enterprise Fund	1,725,000	1,725,000	1,631,194	(93,806)
Transfers Out				
Industrial Development and Promotion Special Revenue F	(110,000)	(110,000)	--	110,000
Airport Enterprise Fund	(36,194)	(36,194)	(36,194)	--
Proceeds of Capital Asset Dispositions	50,000	50,000	13,833	(36,167)
Capital Leases	240,000	240,000	247,750	7,750
Total Other Financing Sources (Uses)	<u>1,868,806</u>	<u>1,868,806</u>	<u>2,029,640</u>	<u>160,834</u>
Net Change in Fund Balances	<u>(100,000)</u>	<u>(100,000)</u>	<u>(271,497)</u>	<u>(171,497)</u>
Fund Balances - Beginning	1,873,410	1,873,410	1,873,410	--
Fund Balances - Ending	<u>\$ 1,773,410</u>	<u>\$ 1,773,410</u>	<u>\$ 1,601,913</u>	<u>\$ (171,497)</u>

CITY OF FITZGERALD, GEORGIA
City of Fitzgerald Retirement Plan
Schedule of Changes in the Net Pension Liability and Related Ratios
December 31, 2016

	<u>2016</u>	<u>2015</u>
Total Pension Liability		
Service Cost	\$ 191,713	\$ 181,033
Interest on Total Pension Liability	829,542	781,385
Changes of Benefit Terms	--	--
Differences Between Expected and Actual Experience	214,223	108,034
Changes of Assumptions	--	(54,240)
Benefit Payments	(450,218)	(339,447)
Net Change in Total Pension Liability	<u>785,260</u>	<u>676,765</u>
Total Pension Liability - Beginning	<u>10,928,876</u>	<u>10,252,111</u>
Total Pension Liability - Ending (a)	<u><u>\$ 11,714,136</u></u>	<u><u>\$ 10,928,876</u></u>
 Plan Fiduciary Net Position		
Contributions - Employer	\$ 378,110	\$ 400,083
Contributions - Employee	--	--
Net Investment Income	27,361	845,538
Benefit Payments, Including Refunds of Employee Contributions	(450,218)	(339,447)
Administrative Expense	(14,920)	(13,372)
Other	--	--
Net Change in Plan Fiduciary Net Position	<u>(59,667)</u>	<u>892,802</u>
Plan Fiduciary Net Position - Beginning	<u>9,588,730</u>	<u>8,695,928</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 9,529,063</u></u>	<u><u>\$ 9,588,730</u></u>
 Net Pension Liability - Ending (a) - (b)	<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	81.35%	87.74%
 Covered-Employee Payroll	\$ 3,634,619	\$ 3,586,754
Net Pension Liability as a Percentage of Covered-Employee Payroll	60.12%	37.36%

CITY OF FITZGERALD, GEORGIA
City of Fitzgerald Retirement Plan
Schedule of Contributions
December 31, 2016

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

Notes to Schedule

Valuation date	July 1, 2015
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	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, set forward two years for males and one year for females.

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, 2016

	<u>2016</u>	<u>2015</u>
Total Pension Liability		
Service Cost	\$ 152,347	\$ 159,715
Interest on Total Pension Liability	600,041	575,947
Changes of Benefit Terms	--	--
Differences Between Expected and Actual Experience	243,932	(338,927)
Changes of Assumptions	--	(12,119)
Benefit Payments	(121,103)	(26,346)
Net Change in Total Pension Liability	<u>875,217</u>	<u>358,270</u>
Total Pension Liability - Beginning	<u>7,803,018</u>	<u>7,444,748</u>
Total Pension Liability - Ending (a)	<u><u>\$ 8,678,235</u></u>	<u><u>\$ 7,803,018</u></u>
 Plan Fiduciary Net Position		
Contributions - Employer	\$ 473,424	\$ 437,811
Contributions - Employee	--	--
Net Investment Income	20,919	445,311
Benefit Payments, Including Refunds of Employee Contributions	(121,103)	(26,346)
Administrative Expense	(8,510)	(7,514)
Other	--	--
Net Change in Plan Fiduciary Net Position	<u>364,730</u>	<u>849,262</u>
Plan Fiduciary Net Position - Beginning	<u>5,263,781</u>	<u>4,414,519</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 5,628,511</u></u>	<u><u>\$ 5,263,781</u></u>
 Net Pension Liability - Ending (a) - (b)	<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	64.86%	67.46%
 Covered-Employee Payroll	\$ 3,111,028	\$ 3,080,495
Net Pension Liability as a Percentage of Covered-Employee Payroll	98.03%	82.43%

CITY OF FITZGERALD, GEORGIA
Fitzgerald Water, Light and Bond Commission Retirement Plan
Schedule of Contributions
December 31, 2016

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

Notes to Schedule

Valuation date	July 1, 2015
Actuarial cost method	Projected unit credit
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Net effective period of 24 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	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, set forward two years for males and one year for females.

CITY OF FITZGERALD, GEORGIA
Fitzgerald Water, Light & Bond Commission Post Retirement Healthcare Plan
Schedule of Funding Progress
December 31, 2016

<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, 2016

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	\$ 765,310	\$ --	\$ 765,310
Public Safety			
Police	1,894,408	--	1,894,408
Custody of Prisoners	22,995	--	22,995
Fire	1,205,315	--	1,205,315
Animal Control	171,667	(39,051)	132,616
	<u>3,294,385</u>	<u>(39,051)</u>	<u>3,255,334</u>
Public Works	1,752,438	--	1,752,438
Culture and Recreation			
Recreation	468,261	(3,772)	464,489
Participant Recreation	47,055	--	47,055
Swimming Pools	8,637	--	8,637
Sports Facilities	54,285	--	54,285
Museums	11,893	--	11,893
Arts Council	289	--	289
Grand Theatre	188,324	(23,051)	165,273
The Carnegie Center	2,676	--	2,676
Parks	143,060	--	143,060
Library	127,525	--	127,525
	<u>1,052,005</u>	<u>(26,823)</u>	<u>1,025,182</u>
Housing and Development	433,569	--	433,569
Capital Outlay	660,272	23,051	683,323
Debt Service	130,829	--	130,829
Total Expenditures	<u>8,088,808</u>	<u>(42,823)</u>	<u>8,045,985</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	36,194	42,823	79,017
Total	<u>\$ 8,125,002</u>	<u>\$ --</u>	<u>\$ 8,125,002</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 1,730,516	\$ 1,672,070
Receivables (Net of Allowance for Uncollectibles)		
Interest	4,151	4,566
Taxes	230,621	200,174
Accounts	63,296	40,712
Intergovernmental	85,759	92,493
Due From Other Funds		
Family Connection Special Revenue Fund	17,205	15,740
Monitor Enrichment Special Revenue Fund	--	230
Humane Society Special Revenue Fund	--	790
Utility Enterprise Fund	225,716	227,643
Landfill Enterprise Fund	1,136	1,062
Airport Enterprise Fund	121	330
Total Assets	<u>\$ 2,358,521</u>	<u>\$ 2,255,810</u>
LIABILITIES		
Accounts Payable	\$ 105,613	\$ 97,059
Accrued Liabilities	44,981	21,103
Intergovernmental Payable	--	5,340
Due To Other Funds		
Industrial Development and Promotion Special Revenue Fund	152,814	80,669
Police Technology Special Revenue Fund	280	102
Landfill Enterprise Fund	250,000	55,656
Other Current Liabilities	96,263	23,286
Total Liabilities	<u>649,951</u>	<u>283,215</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Property Taxes	106,657	99,185
Total Deferred Inflows of Resources	<u>106,657</u>	<u>99,185</u>
FUND BALANCES		
Unassigned	1,601,913	1,873,410
Total Fund Balances	<u>1,601,913</u>	<u>1,873,410</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,358,521</u>	<u>\$ 2,255,810</u>

CITY OF FITZGERALD, GEORGIA**General Fund****Statement of Revenues, Expenditures and Changes in Fund Balances****For the Years Ended December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
REVENUES		
Taxes	\$ 3,256,222	\$ 3,399,554
Licenses and Permits	12,400	8,764
Intergovernmental	321,887	301,626
Charges for Services	1,951,929	1,944,474
Fines and Forfeitures	92,509	112,658
Interest Revenue	6,592	6,967
Contributions and Donations	--	8,500
Miscellaneous	146,132	252,902
Total Revenues	<u>5,787,671</u>	<u>6,035,445</u>
EXPENDITURES		
Current		
General Government	765,310	738,550
Public Safety	3,255,334	3,120,311
Public Works	1,752,438	1,613,669
Culture and Recreation	1,025,182	941,752
Housing and Development	433,569	405,840
Capital Outlay	683,323	431,785
Debt Service	130,829	83,212
Total Expenditures	<u>8,045,985</u>	<u>7,335,119</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,258,314)</u>	<u>(1,299,674)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
Industrial Development and Promotion Special Revenue Fund	173,057	--
Utility Enterprise Fund	1,631,194	1,673,306
Transfers Out		
Humane Society Special Revenue Fund	(39,051)	(36,181)
Recreation Capital Improvement Special Revenue Fund	(3,772)	(42,078)
Airport Enterprise Fund	(36,194)	(37,033)
Proceeds of Capital Asset Dispositions	13,833	33,091
Capital Leases	247,750	243,620
Total Other Financing Sources (Uses)	<u>1,986,817</u>	<u>1,834,725</u>
Net Change in Fund Balances	<u>(271,497)</u>	<u>535,051</u>
Fund Balances - Beginning	1,873,410	1,338,359
Fund Balances - Ending	<u>\$ 1,601,913</u>	<u>\$ 1,873,410</u>

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

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.

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, 2016

	Special Revenue Funds							
	Police Technology	Community Home Investment	NSP Program	Hotel/Motel Tax	Tourism & Convention	Humane Society	Monitor Enrichment	Grand Theatre
ASSETS								
Cash and Cash Equivalents	\$ 6,021	\$ 365	\$ 18,700	\$ 61,652	\$ 28,778	\$ 37,284	\$ 69,310	\$ 4,314
Receivables (Net of Allowance for Uncollectibles)	--	100,098	38,747	3,326	--	--	--	--
Due From Other Funds	280	--	--	--	--	--	--	--
Due From Component Units	--	--	--	--	--	--	--	--
Other Current Assets	--	--	--	--	--	542	--	--
Total Assets	<u>\$ 6,301</u>	<u>\$ 100,463</u>	<u>\$ 57,447</u>	<u>\$ 64,978</u>	<u>\$ 28,778</u>	<u>\$ 37,826</u>	<u>\$ 69,310</u>	<u>\$ 4,314</u>
LIABILITIES								
Accounts Payable	--	904	--	--	742	1,214	321	--
Accrued Liabilities	--	--	--	--	--	505	322	--
Intergovernmental Payable	--	--	--	--	--	--	--	--
Due To Other Funds	--	--	7,109	--	--	--	--	--
Total Liabilities	<u>--</u>	<u>904</u>	<u>7,109</u>	<u>--</u>	<u>742</u>	<u>1,719</u>	<u>643</u>	<u>--</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue								
Property Taxes Development and Redevelopment Property	--	--	--	--	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>100,098</u>	<u>38,747</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
FUND BALANCES								
Restricted	6,301	--	--	64,978	--	--	--	--
Assigned	--	--	11,591	--	28,036	36,107	68,667	4,314
Unassigned	--	(539)	--	--	--	--	--	--
Total Fund Balances	<u>6,301</u>	<u>(539)</u>	<u>11,591</u>	<u>64,978</u>	<u>28,036</u>	<u>36,107</u>	<u>68,667</u>	<u>4,314</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,301</u>	<u>\$ 100,463</u>	<u>\$ 57,447</u>	<u>\$ 64,978</u>	<u>\$ 28,778</u>	<u>\$ 37,826</u>	<u>\$ 69,310</u>	<u>\$ 4,314</u>

Recreation Capital Improvement	Industrial Development & Promotion	Community Development	Family Connection	Total	Capital Projects Funds				Total Nonmajor Governmental Funds
					SPLOST	SPLOST 2011	Civil War Heritage Trail	Total	
\$ 47,141	\$ 364,799	\$ 790	\$ 2,323	\$ 641,477	\$ 180,571	\$ 2,131,216	\$ 5,475	\$ 2,317,262	\$ 2,958,739
65	23,485	50,957	12,240	228,918	--	164,920	--	164,920	393,838
--	165,510	7,109	--	172,899	--	--	--	--	172,899
--	50,000	--	--	50,000	--	--	--	--	50,000
--	--	--	--	542	--	--	--	--	542
<u>\$ 47,206</u>	<u>\$ 603,794</u>	<u>\$ 58,856</u>	<u>\$ 14,563</u>	<u>\$ 1,093,836</u>	<u>\$ 180,571</u>	<u>\$ 2,296,136</u>	<u>\$ 5,475</u>	<u>\$ 2,482,182</u>	<u>\$ 3,576,018</u>
380	415	405	--	4,381	239	--	22	261	4,642
--	--	--	366	1,193	--	--	--	--	1,193
--	4,621	--	--	4,621	--	--	--	--	4,621
--	--	--	17,205	24,314	--	7,000	5,696	12,696	37,010
<u>380</u>	<u>5,036</u>	<u>405</u>	<u>17,571</u>	<u>34,509</u>	<u>239</u>	<u>7,000</u>	<u>5,718</u>	<u>12,957</u>	<u>47,466</u>
--	12,566	--	--	12,566	--	--	--	--	12,566
--	--	50,957	--	189,802	--	--	--	--	189,802
--	12,566	50,957	--	202,368	--	--	--	--	202,368
--	--	--	--	71,279	180,332	2,289,136	--	2,469,468	2,540,747
46,826	586,192	7,494	--	789,227	--	--	--	--	789,227
--	--	--	(3,008)	(3,547)	--	--	(243)	(243)	(3,790)
<u>46,826</u>	<u>586,192</u>	<u>7,494</u>	<u>(3,008)</u>	<u>856,959</u>	<u>180,332</u>	<u>2,289,136</u>	<u>(243)</u>	<u>2,469,225</u>	<u>3,326,184</u>
<u>\$ 47,206</u>	<u>\$ 603,794</u>	<u>\$ 58,856</u>	<u>\$ 14,563</u>	<u>\$ 1,093,836</u>	<u>\$ 180,571</u>	<u>\$ 2,296,136</u>	<u>\$ 5,475</u>	<u>\$ 2,482,182</u>	<u>\$ 3,576,018</u>

CITY OF FITZGERALD, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
December 31, 2016

	Special Revenue Funds							
	Police Technology	Community Home Investment	NSP Program	Hotel/Motel Tax	Tourism & Convention	Humane Society	Monitor Enrichment	Grand Theatre
REVENUES								
Taxes	\$ --	\$ --	\$ --	\$ 57,291	\$ --	\$ --	\$ --	\$ --
Intergovernmental	--	--	--	--	--	39,051	45,487	--
Charges for Services	--	2,060	3,727	--	210	17,727	54,834	--
Fines and Forfeitures	4,134	--	--	--	--	--	--	--
Interest Revenue	--	3,461	2,473	144	66	43	--	6
Contributions and Donations	--	--	--	--	--	5,742	19,636	--
Miscellaneous	--	--	11,211	--	--	1,204	--	6,044
Total Revenues	<u>4,134</u>	<u>5,521</u>	<u>17,411</u>	<u>57,435</u>	<u>276</u>	<u>63,767</u>	<u>119,957</u>	<u>6,050</u>
EXPENDITURES								
Current								
Public Safety	5,991	--	--	--	--	94,801	--	--
Health and Welfare	--	--	--	--	--	--	--	--
Culture and Recreation	--	--	--	--	--	--	--	1,030
Housing and Development	--	7,051	13,944	13,444	37,579	--	82,128	--
Capital Outlay	--	--	--	--	--	9,512	--	877
Debt Service	--	--	--	--	--	--	--	--
Total Expenditures	<u>5,991</u>	<u>7,051</u>	<u>13,944</u>	<u>13,444</u>	<u>37,579</u>	<u>104,313</u>	<u>82,128</u>	<u>1,907</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,857)</u>	<u>(1,530)</u>	<u>3,467</u>	<u>43,991</u>	<u>(37,303)</u>	<u>(40,546)</u>	<u>37,829</u>	<u>4,143</u>
OTHER FINANCING SOURCES (USES)								
Transfers In	--	--	--	--	42,000	39,051	--	--
Transfers Out	--	--	--	(42,000)	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>(42,000)</u>	<u>42,000</u>	<u>39,051</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>(1,857)</u>	<u>(1,530)</u>	<u>3,467</u>	<u>1,991</u>	<u>4,697</u>	<u>(1,495)</u>	<u>37,829</u>	<u>4,143</u>
Fund Balances - Beginning	8,158	991	8,124	62,987	23,339	37,602	30,838	171
Fund Balances - Ending	<u>\$ 6,301</u>	<u>\$ (539)</u>	<u>\$ 11,591</u>	<u>\$ 64,978</u>	<u>\$ 28,036</u>	<u>\$ 36,107</u>	<u>\$ 68,667</u>	<u>\$ 4,314</u>

Recreation Capital Improvement	Industrial Development & Promotion	Community Development	Family Connection	Total	Capital Projects Funds				Total Nonmajor Governmental Funds
					SPLOST	SPLOST 2011	Civil War Heritage Trail	Total	
\$ --	\$ 134,371	\$ --	\$ --	\$ 191,662	\$ --	\$ --	\$ --	\$ --	\$ 191,662
--	--	--	45,688	130,226	--	1,029,883	--	1,029,883	1,160,109
--	--	811	--	79,369	--	--	--	--	79,369
--	--	--	--	4,134	--	--	--	--	4,134
176	2,378	1,289	--	10,036	1,168	9,481	19	10,668	20,704
--	--	--	--	25,378	--	--	4,857	4,857	30,235
--	--	8,472	--	26,931	300	--	--	300	27,231
<u>176</u>	<u>136,749</u>	<u>10,572</u>	<u>45,688</u>	<u>467,736</u>	<u>1,468</u>	<u>1,039,364</u>	<u>4,876</u>	<u>1,045,708</u>	<u>1,513,444</u>
--	--	--	--	100,792	--	--	--	--	100,792
--	--	--	46,941	46,941	--	--	--	--	46,941
--	--	--	--	1,030	--	--	--	--	1,030
--	140,099	10,895	--	305,140	--	47,412	--	47,412	352,552
14,757	--	--	--	25,146	77,386	164,695	12,963	255,044	280,190
--	--	--	--	--	--	401,880	--	401,880	401,880
<u>14,757</u>	<u>140,099</u>	<u>10,895</u>	<u>46,941</u>	<u>479,049</u>	<u>77,386</u>	<u>613,987</u>	<u>12,963</u>	<u>704,336</u>	<u>1,183,385</u>
(14,581)	(3,350)	(323)	(1,253)	(11,313)	(75,918)	425,377	(8,087)	341,372	330,059
3,772	--	--	--	84,823	--	--	--	--	84,823
--	(173,057)	--	--	(215,057)	--	--	--	--	(215,057)
<u>3,772</u>	<u>(173,057)</u>	<u>--</u>	<u>--</u>	<u>(130,234)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(130,234)</u>
(10,809)	(176,407)	(323)	(1,253)	(141,547)	(75,918)	425,377	(8,087)	341,372	199,825
57,635	762,599	7,817	(1,755)	998,506	256,250	1,863,759	7,844	2,127,853	3,126,359
<u>\$ 46,826</u>	<u>\$ 586,192</u>	<u>\$ 7,494</u>	<u>\$ (3,008)</u>	<u>\$ 856,959</u>	<u>\$ 180,332</u>	<u>\$ 2,289,136</u>	<u>\$ (243)</u>	<u>\$ 2,469,225</u>	<u>\$ 3,326,184</u>

CITY OF FITZGERALD, GEORGIA
Police Technology Special Revenue Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 6,021	\$ 8,056
Due From Other Funds		
General Fund	280	102
Total Assets	<u>\$ 6,301</u>	<u>\$ 8,158</u>
FUND BALANCES		
Restricted	<u>\$ 6,301</u>	<u>\$ 8,158</u>
Total Fund Balances	<u>\$ 6,301</u>	<u>\$ 8,158</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Fines and Forfeitures	\$ 4,134	\$ 4,583
Total Revenues	<u>4,134</u>	<u>4,583</u>
EXPENDITURES		
Current		
Public Safety	5,991	1,889
Total Expenditures	<u>5,991</u>	<u>1,889</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,857)</u>	<u>2,694</u>
Net Change in Fund Balances	(1,857)	2,694
Fund Balances - Beginning	8,158	5,464
Fund Balances - Ending	<u>\$ 6,301</u>	<u>\$ 8,158</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, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Fines and Forfeitures	\$ 5,000	\$ 4,134	\$ (866)
Total Revenues	<u>5,000</u>	<u>4,134</u>	<u>(866)</u>
EXPENDITURES			
Current			
Public Safety	3,000	5,991	(2,991)
Capital Outlay	2,000	--	2,000
Total Expenditures	<u>5,000</u>	<u>5,991</u>	<u>(991)</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	--	(1,857)	(1,857)
Net Change in Fund Balances	--	(1,857)	(1,857)
Fund Balances - Beginning	8,158	8,158	--
Fund Balances - Ending	<u>\$ 8,158</u>	<u>\$ 6,301</u>	<u>\$ (1,857)</u>

CITY OF FITZGERALD, GEORGIA
Community Home Investment Special Revenue Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 365	\$ 991
Receivables		
Notes	100,098	102,158
Total Assets	<u>\$ 100,463</u>	<u>\$ 103,149</u>
LIABILITIES		
Accounts Payable	\$ 904	\$ --
Total Liabilities	<u>904</u>	<u>--</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Development and Redevelopment Property	100,098	102,158
Total Deferred Inflows of Resources	<u>100,098</u>	<u>102,158</u>
FUND BALANCES		
Assigned	--	991
Unassigned	(539)	--
Total Fund Balances	<u>(539)</u>	<u>991</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 100,463</u>	<u>\$ 103,149</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Charges for Services	\$ 2,060	\$ 2,054
Interest Revenue	3,461	3,582
Total Revenues	<u>5,521</u>	<u>5,636</u>
EXPENDITURES		
Current		
Housing and Development	<u>7,051</u>	<u>14,636</u>
Total Expenditures	<u>7,051</u>	<u>14,636</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,530)</u>	<u>(9,000)</u>
Net Change in Fund Balances	<u>(1,530)</u>	<u>(9,000)</u>
Fund Balances - Beginning	991	9,991
Fund Balances - Ending	<u>\$ (539)</u>	<u>\$ 991</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, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Charges for Services	\$ 6,000	\$ 2,060	\$ (3,940)
Interest Revenue	--	3,461	3,461
Total Revenues	<u>6,000</u>	<u>5,521</u>	<u>(479)</u>
EXPENDITURES			
Current			
Housing and Development	<u>6,000</u>	<u>7,051</u>	<u>(1,051)</u>
Total Expenditures	<u>6,000</u>	<u>7,051</u>	<u>(1,051)</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	--	(1,530)	(1,530)
Net Change in Fund Balances	--	(1,530)	(1,530)
Fund Balances - Beginning	991	991	--
Fund Balances - Ending	<u>\$ 991</u>	<u>\$ (539)</u>	<u>\$ (1,530)</u>

CITY OF FITZGERALD, GEORGIA
NSP Program Special Revenue Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 18,700	\$ 18,034
Receivables		
Notes	38,747	39,474
Total Assets	<u>\$ 57,447</u>	<u>\$ 57,508</u>
LIABILITIES		
Accounts Payable	\$ --	\$ 4,106
Due To Other Funds		
Community Development Special Revenue Fund	7,109	5,804
Total Liabilities	<u>7,109</u>	<u>9,910</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Development and Redevelopment Property	38,747	39,474
Total Deferred Inflows of Resources	<u>38,747</u>	<u>39,474</u>
FUND BALANCES		
Assigned	11,591	8,124
Total Fund Balances	<u>11,591</u>	<u>8,124</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 57,447</u>	<u>\$ 57,508</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Intergovernmental	\$ --	\$ 10,002
Charges for Services	3,727	40,344
Interest Revenue	2,473	2,763
Miscellaneous	11,211	12,089
Total Revenues	<u>17,411</u>	<u>65,198</u>
EXPENDITURES		
Current		
Housing and Development	13,944	79,906
Total Expenditures	<u>13,944</u>	<u>79,906</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,467</u>	<u>(14,708)</u>
Net Change in Fund Balances	3,467	(14,708)
Fund Balances - Beginning	8,124	22,832
Fund Balances - Ending	<u>\$ 11,591</u>	<u>\$ 8,124</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, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Charges for Services	\$ 7,000	\$ 3,727	\$ (3,273)
Interest Revenue	--	2,473	2,473
Miscellaneous	11,000	11,211	211
Total Revenues	<u>18,000</u>	<u>17,411</u>	<u>(589)</u>
EXPENDITURES			
Current			
Housing and Development	18,000	13,944	4,056
Total Expenditures	<u>18,000</u>	<u>13,944</u>	<u>4,056</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	--	3,467	3,467
Net Change in Fund Balances	--	3,467	3,467
Fund Balances - Beginning	8,124	8,124	--
Fund Balances - Ending	<u>\$ 8,124</u>	<u>\$ 11,591</u>	<u>\$ 3,467</u>

CITY OF FITZGERALD, GEORGIA
Hotel/Motel Tax Special Revenue Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 61,652	\$ 59,308
Receivables		
Taxes	3,326	3,679
Total Assets	<u>\$ 64,978</u>	<u>\$ 62,987</u>
FUND BALANCES		
Restricted	\$ 64,978	\$ 62,987
Total Fund Balances	<u>\$ 64,978</u>	<u>\$ 62,987</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Taxes	\$ 57,291	\$ 59,715
Interest Revenue	144	123
Total Revenues	<u>57,435</u>	<u>59,838</u>
EXPENDITURES		
Current		
Housing and Development	13,444	3,650
Total Expenditures	<u>13,444</u>	<u>3,650</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>43,991</u>	<u>56,188</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>
Net Change in Fund Balances	1,991	14,188
Fund Balances - Beginning	62,987	48,799
Fund Balances - Ending	<u>\$ 64,978</u>	<u>\$ 62,987</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, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Taxes	\$ 50,300	\$ 57,291	\$ 6,991
Charges for Services	50	--	(50)
Interest Revenue	125	144	19
Total Revenues	<u>50,475</u>	<u>57,435</u>	<u>6,960</u>
EXPENDITURES			
Current			
Housing and Development	8,475	13,444	(4,969)
Total Expenditures	<u>8,475</u>	<u>13,444</u>	<u>(4,969)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>42,000</u>	<u>43,991</u>	<u>1,991</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	--	1,991	1,991
Fund Balances - Beginning	62,987	62,987	--
Fund Balances - Ending	<u>\$ 62,987</u>	<u>\$ 64,978</u>	<u>\$ 1,991</u>

CITY OF FITZGERALD, GEORGIA
Tourism & Convention Special Revenue Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 28,778	\$ 23,886
Total Assets	<u>\$ 28,778</u>	<u>\$ 23,886</u>
LIABILITIES		
Accounts Payable	\$ 742	\$ 547
Total Liabilities	<u>742</u>	<u>547</u>
FUND BALANCES		
Assigned	28,036	23,339
Total Fund Balances	<u>28,036</u>	<u>23,339</u>
Total Liabilities and Fund Balances	<u>\$ 28,778</u>	<u>\$ 23,886</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Charges for Services	\$ 210	\$ 704
Interest Revenue	66	49
Miscellaneous	--	50
Total Revenues	<u>276</u>	<u>803</u>
EXPENDITURES		
Current		
Housing and Development	37,579	29,761
Capital Outlay	--	3,993
Total Expenditures	<u>37,579</u>	<u>33,754</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(37,303)</u>	<u>(32,951)</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	4,697	9,049
Fund Balances - Beginning	23,339	14,290
Fund Balances - Ending	<u>\$ 28,036</u>	<u>\$ 23,339</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, 2016

	Budget	Actual	Variance
REVENUES			
Charges for Services	\$ 250	\$ 210	\$ (40)
Interest Revenue	50	66	16
Miscellaneous	50	--	(50)
Total Revenues	<u>350</u>	<u>276</u>	<u>(74)</u>
EXPENDITURES			
Current			
Housing and Development	36,350	37,579	(1,229)
Capital Outlay	6,000	--	6,000
Total Expenditures	<u>42,350</u>	<u>37,579</u>	<u>4,771</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(42,000)</u>	<u>(37,303)</u>	<u>4,697</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>	<u>--</u>
Net Change in Fund Balances	--	4,697	4,697
Fund Balances - Beginning	23,339	23,339	--
Fund Balances - Ending	<u>\$ 23,339</u>	<u>\$ 28,036</u>	<u>\$ 4,697</u>

CITY OF FITZGERALD, GEORGIA
Humane Society Special Revenue Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 37,284	\$ 40,237
Other Current Assets	542	--
Total Assets	<u>\$ 37,826</u>	<u>\$ 40,237</u>
LIABILITIES		
Accounts Payable	\$ 1,214	\$ 1,584
Accrued Liabilities	505	261
Due To Other Funds		
General Fund	--	790
Total Liabilities	<u>1,719</u>	<u>2,635</u>
FUND BALANCES		
Assigned	36,107	37,602
Total Fund Balances	<u>36,107</u>	<u>37,602</u>
Total Liabilities and Fund Balances	<u>\$ 37,826</u>	<u>\$ 40,237</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Intergovernmental	\$ 39,051	\$ 36,181
Charges for Services	17,727	11,658
Interest Revenue	43	48
Contributions and Donations	5,742	6,192
Miscellaneous	1,204	277
Total Revenues	<u>63,767</u>	<u>54,356</u>
EXPENDITURES		
Current		
Public Safety	94,801	96,396
Capital Outlay	9,512	609
Total Expenditures	<u>104,313</u>	<u>97,005</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(40,546)</u>	<u>(42,649)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	39,051	36,181
Total Other Financing Sources (Uses)	<u>39,051</u>	<u>36,181</u>
Net Change in Fund Balances	(1,495)	(6,468)
Fund Balances - Beginning	37,602	44,070
Fund Balances - Ending	<u>\$ 36,107</u>	<u>\$ 37,602</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, 2016

	Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ 39,201	\$ 39,051	\$ (150)
Charges for Services	17,050	17,727	677
Interest Revenue	100	43	(57)
Contributions and Donations	5,000	5,742	742
Miscellaneous	325	1,204	879
Total Revenues	<u>61,676</u>	<u>63,767</u>	<u>2,091</u>
EXPENDITURES			
Current			
Public Safety	100,227	94,801	5,426
Capital Outlay	500	9,512	(9,012)
Total Expenditures	<u>100,727</u>	<u>104,313</u>	<u>(3,586)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(39,051)</u>	<u>(40,546)</u>	<u>(1,495)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
General Fund	39,051	39,051	--
Total Other Financing Sources (Uses)	<u>39,051</u>	<u>39,051</u>	<u>--</u>
Net Change in Fund Balances	--	(1,495)	(1,495)
Fund Balances - Beginning	37,602	37,602	--
Fund Balances - Ending	<u>\$ 37,602</u>	<u>\$ 36,107</u>	<u>\$ (1,495)</u>

CITY OF FITZGERALD, GEORGIA
Monitor Enrichment Special Revenue Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 69,310	\$ 31,472
Total Assets	<u>\$ 69,310</u>	<u>\$ 31,472</u>
LIABILITIES		
Accounts Payable	\$ 321	\$ 247
Accrued Liabilities	322	157
Due To Other Funds		
General Fund	--	230
Total Liabilities	<u>643</u>	<u>634</u>
FUND BALANCES		
Assigned	68,667	30,838
Total Fund Balances	<u>68,667</u>	<u>30,838</u>
Total Liabilities and Fund Balances	<u>\$ 69,310</u>	<u>\$ 31,472</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Intergovernmental	\$ 45,487	\$ 41,345
Charges for Services	54,834	19,249
Contributions and Donations	19,636	17,158
Total Revenues	<u>119,957</u>	<u>77,752</u>
EXPENDITURES		
Current		
Housing and Development	82,128	63,750
Total Expenditures	<u>82,128</u>	<u>63,750</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>37,829</u>	<u>14,002</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
Family Connection Special Revenue Fund	--	550
Total Other Financing Sources (Uses)	<u>--</u>	<u>550</u>
Net Change in Fund Balances	37,829	14,552
Fund Balances - Beginning	30,838	16,286
Fund Balances - Ending	<u>\$ 68,667</u>	<u>\$ 30,838</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, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 45,000	\$ 45,487	\$ 487
Charges for Services	14,000	54,834	40,834
Contributions and Donations	10,000	19,636	9,636
Total Revenues	<u>69,000</u>	<u>119,957</u>	<u>50,957</u>
EXPENDITURES			
Current			
Housing and Development	69,000	82,128	(13,128)
Total Expenditures	<u>69,000</u>	<u>82,128</u>	<u>(13,128)</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	--	37,829	37,829
Net Change in Fund Balances	--	37,829	37,829
Fund Balances - Beginning	30,838	30,838	--
Fund Balances - Ending	<u>\$ 30,838</u>	<u>\$ 68,667</u>	<u>\$ 37,829</u>

CITY OF FITZGERALD, GEORGIA
Grand Theatre Special Revenue Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 4,314	\$ 171
Total Assets	<u>\$ 4,314</u>	<u>\$ 171</u>
FUND BALANCES		
Assigned	\$ 4,314	\$ 171
Total Fund Balances	<u>\$ 4,314</u>	<u>\$ 171</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Interest Revenue	\$ 6	\$ --
Miscellaneous	6,044	--
Total Revenues	<u>6,050</u>	<u>--</u>
EXPENDITURES		
Current		
Culture and Recreation	1,030	--
Capital Outlay	877	--
Total Expenditures	<u>1,907</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,143</u>	<u>--</u>
Net Change in Fund Balances	4,143	--
Fund Balances - Beginning	171	171
Fund Balances - Ending	<u>\$ 4,314</u>	<u>\$ 171</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, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Interest Revenue	\$ 15	\$ 6	\$ (9)
Miscellaneous	25	6,044	6,019
Total Revenues	<u>40</u>	<u>6,050</u>	<u>6,010</u>
EXPENDITURES			
Current			
Culture and Recreation	40	1,030	(990)
Capital Outlay	500	877	(377)
Total Expenditures	<u>540</u>	<u>1,907</u>	<u>(1,367)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(500)</u>	<u>4,143</u>	<u>4,643</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
General Fund	500	--	(500)
Total Other Financing Sources (Uses)	<u>500</u>	<u>--</u>	<u>(500)</u>
Net Change in Fund Balances	--	4,143	4,143
Fund Balances - Beginning	171	171	--
Fund Balances - Ending	<u>\$ 171</u>	<u>\$ 4,314</u>	<u>\$ 4,143</u>

CITY OF FITZGERALD, GEORGIA
Recreation Capital Improvement Special Revenue Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 47,141	\$ 62,700
Receivables		
Interest	65	50
Total Assets	<u>\$ 47,206</u>	<u>\$ 62,750</u>
LIABILITIES		
Accounts Payable	\$ 380	\$ 5,115
Total Liabilities	<u>380</u>	<u>5,115</u>
FUND BALANCES		
Assigned	46,826	57,635
Total Fund Balances	<u>46,826</u>	<u>57,635</u>
Total Liabilities and Fund Balances	<u>\$ 47,206</u>	<u>\$ 62,750</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Interest Revenue	\$ 176	\$ 118
Total Revenues	<u>176</u>	<u>118</u>
EXPENDITURES		
Capital Outlay	<u>14,757</u>	<u>25,591</u>
Total Expenditures	<u>14,757</u>	<u>25,591</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(14,581)</u>	<u>(25,473)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	<u>3,772</u>	<u>42,078</u>
Total Other Financing Sources (Uses)	<u>3,772</u>	<u>42,078</u>
Net Change in Fund Balances	<u>(10,809)</u>	<u>16,605</u>
Fund Balances - Beginning	<u>57,635</u>	<u>41,030</u>
Fund Balances - Ending	<u>\$ 46,826</u>	<u>\$ 57,635</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, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Interest Revenue	\$ 200	\$ 176	\$ (24)
Total Revenues	<u>200</u>	<u>176</u>	<u>(24)</u>
EXPENDITURES			
Capital Outlay	35,200	14,757	20,443
Total Expenditures	<u>35,200</u>	<u>14,757</u>	<u>20,443</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(35,000)</u>	<u>(14,581)</u>	<u>20,419</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
General Fund	5,000	3,772	(1,228)
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>3,772</u>	<u>(1,228)</u>
Net Change in Fund Balances	(30,000)	(10,809)	19,191
Fund Balances - Beginning	57,635	57,635	--
Fund Balances - Ending	<u>\$ 27,635</u>	<u>\$ 46,826</u>	<u>\$ 19,191</u>

CITY OF FITZGERALD, GEORGIA
Industrial Development & Promotion Special Revenue Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 364,799	\$ 629,221
Receivables (Net of Allowance for Uncollectibles)		
Interest	1,175	961
Taxes	22,310	19,425
Due From Other Funds		
General Fund	152,814	80,669
Industrial Development and Promotion Special Revenue Fund	7,000	--
Civil War Heritage Trail Capital Projects Fund	5,696	--
Due From Component Units	50,000	50,000
Total Assets	<u>\$ 603,794</u>	<u>\$ 780,276</u>
LIABILITIES		
Accounts Payable	\$ 415	\$ 287
Intergovernmental Payable	4,621	5,877
Total Liabilities	<u>5,036</u>	<u>6,164</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Property Taxes	12,566	11,513
Total Deferred Inflows of Resources	<u>12,566</u>	<u>11,513</u>
FUND BALANCES		
Assigned	586,192	762,599
Total Fund Balances	<u>586,192</u>	<u>762,599</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 603,794</u>	<u>\$ 780,276</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Taxes	\$ 134,371	\$ 140,962
Interest Revenue	2,378	2,097
Total Revenues	<u>136,749</u>	<u>143,059</u>
EXPENDITURES		
Current		
Housing and Development	140,099	146,343
Total Expenditures	<u>140,099</u>	<u>146,343</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,350)</u>	<u>(3,284)</u>
OTHER FINANCING SOURCES (USES)		
Transfers Out		
General Fund	(173,057)	--
Total Other Financing Sources (Uses)	<u>(173,057)</u>	<u>--</u>
Net Change in Fund Balances	(176,407)	(3,284)
Fund Balances - Beginning	762,599	765,883
Fund Balances - Ending	<u>\$ 586,192</u>	<u>\$ 762,599</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, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Taxes	\$ 115,000	\$ 134,371	\$ 19,371
Interest Revenue	2,250	2,378	128
Total Revenues	<u>117,250</u>	<u>136,749</u>	<u>19,499</u>
EXPENDITURES			
Current			
Housing and Development	152,250	140,099	12,151
Total Expenditures	<u>152,250</u>	<u>140,099</u>	<u>12,151</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(35,000)</u>	<u>(3,350)</u>	<u>31,650</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out			
General Fund	--	(173,057)	(173,057)
Total Other Financing Sources (Uses)	<u>--</u>	<u>(173,057)</u>	<u>(173,057)</u>
Net Change in Fund Balances	(35,000)	(176,407)	(141,407)
Fund Balances - Beginning	762,599	762,599	--
Fund Balances - Ending	<u>\$ 727,599</u>	<u>\$ 586,192</u>	<u>\$ (141,407)</u>

CITY OF FITZGERALD, GEORGIA
Community Development Special Revenue Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 790	\$ 2,096
Receivables		
Notes	50,957	48,874
Due From Other Funds		
NSP Program Special Revenue Fund	7,109	5,804
Total Assets	<u>\$ 58,856</u>	<u>\$ 56,774</u>
LIABILITIES		
Accounts Payable	\$ 405	\$ 83
Total Liabilities	<u>405</u>	<u>83</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Development and Redevelopment Property	50,957	48,874
Total Deferred Inflows of Resources	<u>50,957</u>	<u>48,874</u>
FUND BALANCES		
Assigned	7,494	7,817
Total Fund Balances	<u>7,494</u>	<u>7,817</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 58,856</u>	<u>\$ 56,774</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Charges for Services	\$ 811	\$ 300
Interest Revenue	1,289	577
Miscellaneous	8,472	11,583
Total Revenues	<u>10,572</u>	<u>12,460</u>
EXPENDITURES		
Current		
Housing and Development	10,895	16,963
Total Expenditures	<u>10,895</u>	<u>16,963</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(323)</u>	<u>(4,503)</u>
Net Change in Fund Balances	(323)	(4,503)
Fund Balances - Beginning	7,817	12,320
Fund Balances - Ending	<u>\$ 7,494</u>	<u>\$ 7,817</u>

CITY OF FITZGERALD, GEORGIA
Family Connection Special Revenue Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 2,323	\$ 2,437
Receivables		
Interest	11	11
Intergovernmental	12,229	12,114
Total Assets	<u>\$ 14,563</u>	<u>\$ 14,562</u>
LIABILITIES		
Accounts Payable	\$ --	\$ 204
Accrued Liabilities	366	373
Due To Other Funds		
General Fund	17,205	15,740
Total Liabilities	<u>17,571</u>	<u>16,317</u>
FUND BALANCES		
Unassigned	<u>(3,008)</u>	<u>(1,755)</u>
Total Fund Balances	<u>(3,008)</u>	<u>(1,755)</u>
Total Liabilities and Fund Balances	<u>\$ 14,563</u>	<u>\$ 14,562</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Intergovernmental	\$ 45,688	\$ 43,532
Total Revenues	<u>45,688</u>	<u>43,532</u>
EXPENDITURES		
Current		
Health and Welfare	46,941	44,800
Total Expenditures	<u>46,941</u>	<u>44,800</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,253)</u>	<u>(1,268)</u>
OTHER FINANCING SOURCES (USES)		
Transfers Out		
Monitor Enrichment Special Revenue Fund	--	(550)
Total Other Financing Sources (Uses)	<u>--</u>	<u>(550)</u>
Net Change in Fund Balances	(1,253)	(1,818)
Fund Balances - Beginning	(1,755)	63
Fund Balances - Ending	<u>\$ (3,008)</u>	<u>\$ (1,755)</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, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 46,500	\$ 45,688	\$ (812)
Total Revenues	<u>46,500</u>	<u>45,688</u>	<u>(812)</u>
EXPENDITURES			
Current			
Health and Welfare	46,500	46,941	(441)
Total Expenditures	<u>46,500</u>	<u>46,941</u>	<u>(441)</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	--	(1,253)	(1,253)
Net Change in Fund Balances	--	(1,253)	(1,253)
Fund Balances - Beginning	(1,755)	(1,755)	--
Fund Balances - Ending	<u>\$ (1,755)</u>	<u>\$ (3,008)</u>	<u>\$ (1,253)</u>

CITY OF FITZGERALD, GEORGIA
SPLOST Capital Projects Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 180,571	\$ 256,250
Total Assets	<u>\$ 180,571</u>	<u>\$ 256,250</u>
LIABILITIES		
Accounts Payable	\$ 239	\$ --
Total Liabilities	<u>239</u>	<u>--</u>
FUND BALANCES		
Restricted	180,332	256,250
Total Fund Balances	<u>180,332</u>	<u>256,250</u>
Total Liabilities and Fund Balances	<u>\$ 180,571</u>	<u>\$ 256,250</u>

CITY OF FITZGERALD, GEORGIA
SPLOST Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Intergovernmental	\$ --	\$ 33,810
Interest Revenue	1,168	1,558
Miscellaneous	300	--
Total Revenues	<u>1,468</u>	<u>35,368</u>
EXPENDITURES		
Capital Outlay	<u>77,386</u>	<u>183,297</u>
Total Expenditures	<u>77,386</u>	<u>183,297</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(75,918)</u>	<u>(147,929)</u>
Net Change in Fund Balances	<u>(75,918)</u>	<u>(147,929)</u>
Fund Balances - Beginning	256,250	404,179
Fund Balances - Ending	<u>\$ 180,332</u>	<u>\$ 256,250</u>

CITY OF FITZGERALD, GEORGIA
SPLOST 2011 Capital Projects Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 2,131,216	\$ 1,683,095
Receivables		
Intergovernmental	164,920	181,044
Total Assets	<u>\$ 2,296,136</u>	<u>\$ 1,864,139</u>
LIABILITIES		
Accounts Payable	\$ --	\$ 380
Due To Other Funds		
Industrial Development and Promotion Special Revenue Fund	7,000	--
Total Liabilities	<u>7,000</u>	<u>380</u>
FUND BALANCES		
Restricted	2,289,136	1,863,759
Total Fund Balances	<u>2,289,136</u>	<u>1,863,759</u>
Total Liabilities and Fund Balances	<u>\$ 2,296,136</u>	<u>\$ 1,864,139</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Intergovernmental	\$ 1,029,883	\$ 1,027,171
Interest Revenue	9,481	7,704
Total Revenues	<u>1,039,364</u>	<u>1,034,875</u>
EXPENDITURES		
Current		
Housing and Development	47,412	209,536
Capital Outlay	164,695	613,772
Debt Service	401,880	420,322
Total Expenditures	<u>613,987</u>	<u>1,243,630</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>425,377</u>	<u>(208,755)</u>
Net Change in Fund Balances	425,377	(208,755)
Fund Balances - Beginning	1,863,759	2,072,514
Fund Balances - Ending	<u><u>\$ 2,289,136</u></u>	<u><u>\$ 1,863,759</u></u>

CITY OF FITZGERALD, GEORGIA
Civil War Heritage Trail Capital Projects Fund
Balance Sheet
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 5,475	\$ 7,844
Total Assets	<u>\$ 5,475</u>	<u>\$ 7,844</u>
LIABILITIES		
Accounts Payable	\$ 22	\$ --
Due To Other Funds		
Industrial Development and Promotion Special Revenue Fund	<u>5,696</u>	<u>--</u>
Total Liabilities	<u>5,718</u>	<u>--</u>
FUND BALANCES		
Assigned	--	7,844
Unassigned	(243)	--
Total Liabilities and Fund Balances	<u>\$ 5,475</u>	<u>\$ 7,844</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Interest Revenue	\$ 19	\$ 41
Contributions and Donations	4,857	--
Total Revenues	<u>4,876</u>	<u>41</u>
EXPENDITURES		
Capital Outlay	12,963	338
Total Expenditures	<u>12,963</u>	<u>338</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(8,087)</u>	<u>(297)</u>
Net Change in Fund Balances	(8,087)	(297)
Fund Balances - Beginning	7,844	8,141
Fund Balances - Ending	<u>\$ (243)</u>	<u>\$ 7,844</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 27,705,148	\$ 25,767,403
Receivables (Net of Allowance for Uncollectibles)		
Accounts	1,197,075	999,519
Inventories	706,243	699,665
Prepaid Items	221,877	204,992
Restricted Assets		
Cash and Cash Equivalents	569,866	546,014
Total Current Assets	<u>30,400,209</u>	<u>28,217,593</u>
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	278,290	266,790
Capital Assets Net of Accumulated Depreciation		
Buildings and System	2,756,261	2,747,861
Water System and Equipment	21,259,592	21,186,708
Electric Distribution System	8,322,294	8,293,627
Gas Distribution System	2,657,885	2,622,366
Machinery and Equipment	3,218,414	3,052,468
Accumulated Depreciation	<u>(23,238,876)</u>	<u>(22,427,542)</u>
Total Capital Assets Net of Accumulated Depreciation	<u>15,253,860</u>	<u>15,742,278</u>
Total Noncurrent Assets	<u>15,253,860</u>	<u>15,742,278</u>
Total Assets	<u>45,654,069</u>	<u>43,959,871</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charges	612,563	613,126
Pension	810,935	360,122
Total Deferred Outflows of Resources	<u>1,423,498</u>	<u>973,248</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	2,027,497	1,899,937
Accrued Liabilities	75,014	58,817
Due To Other Funds		
General Fund	225,716	227,643
Customer Deposits	558,633	536,608
Compensated Absences	140,207	137,595
Total Current Liabilities	<u>3,027,067</u>	<u>2,860,600</u>
Noncurrent Liabilities		
Net Pension Liability	3,049,724	2,539,237
Other Post Employment Benefits Obligation	1,340,344	1,177,789
Total Noncurrent Liabilities	<u>4,390,068</u>	<u>3,717,026</u>
Total Liabilities	<u>7,417,135</u>	<u>6,577,626</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	234,032	362,568
Total Deferred Inflows of Resources	<u>234,032</u>	<u>362,568</u>
NET POSITION		
Investment In Capital Assets	15,253,860	15,742,278
Unrestricted	24,172,540	22,250,647
Total Net Position	<u>\$ 39,426,400</u>	<u>\$ 37,992,925</u>

CITY OF FITZGERALD, GEORGIA**Utility Enterprise Fund****Statement of Revenues, Expenses and Changes in Net Position****For the Years Ended December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
OPERATING REVENUES		
Charges for Services	\$ 30,064,776	\$ 30,652,322
Other	1,860,295	1,552,367
Total Operating Revenues	<u>31,925,071</u>	<u>32,204,689</u>
OPERATING EXPENSES		
Personal Services and Employee Benefits	5,370,589	5,227,048
Purchased/Contracted Services	1,378,808	1,521,757
Supplies	20,875,456	20,972,721
Depreciation	862,147	855,103
Other	1,157,435	1,020,824
Total Operating Expenses	<u>29,644,435</u>	<u>29,597,453</u>
Operating Income (Loss)	<u>2,280,636</u>	<u>2,607,236</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	14,444	16,570
Contribution from MEAG	720,809	740,024
Miscellaneous	48,780	45,030
Gain/Loss on Disposition of Capital Assets	--	1,965
Total Nonoperating Revenues (Expenses)	<u>784,033</u>	<u>803,589</u>
Income (Loss) Before Capital Contributions and Transfers	<u>3,064,669</u>	<u>3,410,825</u>
Transfers Out		
General Fund	<u>(1,631,194)</u>	<u>(1,673,306)</u>
Changes in Net Position	1,433,475	1,737,519
Net Position - Beginning	37,992,925	36,255,406
Net Position - Ending	<u>\$ 39,426,400</u>	<u>\$ 37,992,925</u>

CITY OF FITZGERALD, GEORGIA
Utility Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 31,749,788	\$ 32,574,048
Payments to Suppliers	(23,361,630)	(23,396,235)
Payments to Employees	(5,203,496)	(5,245,873)
Net Cash Provided (Used) by Operating Activities	<u>3,184,662</u>	<u>3,931,940</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Contributions - MEAG	720,809	740,024
Transfers to Other Funds		
General Fund	(1,633,121)	(1,684,701)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(912,312)</u>	<u>(944,677)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(373,977)	(391,238)
Computer Charges	30,000	30,000
Proceeds from Sales of Capital Assets	--	1,390
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(343,977)</u>	<u>(359,848)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	14,444	16,570
Discounts Received	6,443	7,368
Other	12,337	7,662
Net Cash Provided (Used) by Investing Activities	<u>33,224</u>	<u>31,600</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,961,597	2,659,015
Cash and Cash Equivalents - Beginning of Year	26,313,417	23,654,402
Cash and Cash Equivalents - End of Year	<u>\$ 28,275,014</u>	<u>\$ 26,313,417</u>

CITY OF FITZGERALD, GEORGIA
Utility Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 2,280,636	\$ 2,607,236
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	862,147	855,103
(Increase) Decrease in Accounts Receivable	(197,308)	344,153
(Increase) Decrease in Inventories	(6,578)	223
(Increase) Decrease in Prepaid Items	(16,885)	(4,974)
(Increase) Decrease in Deferred Charges	563	335,670
(Increase) Decrease in Deferred Pension Outflows	(450,813)	(42,352)
Increase (Decrease) in Accounts Payable	127,560	(217,463)
Increase (Decrease) in Accrued Liabilities	16,197	11,764
Increase (Decrease) in Compensated Absences Payable	2,612	(9,616)
Increase (Decrease) in Customer Deposits	22,025	25,206
Increase (Decrease) in Other Post Employment Benefits Obligation	162,555	155,414
Increase (Decrease) in Net Pension Liability	510,487	(490,992)
Increase (Decrease) in Deferred Pension Inflows	(128,536)	362,568
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,184,662</u>	<u>\$ 3,931,940</u>

CITY OF FITZGERALD, GEORGIA
Landfill Enterprise Fund
Statement of Net Position
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 1,013,089	\$ 1,077,903
Receivables (Net of Allowance for Uncollectibles)		
Accounts	112,229	105,095
Due From Other Funds		
General Fund	250,000	55,656
Total Current Assets	<u>1,375,318</u>	<u>1,238,654</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	1,108,727
Accumulated Depreciation	<u>(4,272,927)</u>	<u>(4,231,044)</u>
Total Capital Assets Net of Accumulated Depreciation	<u>858,132</u>	<u>888,916</u>
Total Noncurrent Assets	<u>858,132</u>	<u>888,916</u>
Total Assets	<u>2,233,450</u>	<u>2,127,570</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	71,212	56,380
Accrued Liabilities	1,019	500
Due To Other Funds		
General Fund	1,136	1,062
Closure and Post-Closure Care Costs	22,000	22,000
Total Current Liabilities	<u>95,367</u>	<u>79,942</u>
Noncurrent Liabilities		
Closure and Post-Closure Care Costs	<u>1,329,099</u>	<u>1,329,099</u>
Total Noncurrent Liabilities	<u>1,329,099</u>	<u>1,329,099</u>
Total Liabilities	<u>1,424,466</u>	<u>1,409,041</u>
NET POSITION		
Investment In Capital Assets	858,132	888,916
Unrestricted	(49,148)	(170,387)
Total Net Position	<u>\$ 808,984</u>	<u>\$ 718,529</u>

CITY OF FITZGERALD, GEORGIA
Landfill Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2016 and 2015

	2016	2015
OPERATING REVENUES		
Charges for Services	\$ 1,089,142	\$ 951,143
Other	9,960	3,500
Total Operating Revenues	<u>1,099,102</u>	<u>954,643</u>
OPERATING EXPENSES		
Personal Services and Employee Benefits	113,047	114,481
Purchased/Contracted Services	811,557	730,913
Supplies	34,851	34,651
Depreciation	41,883	42,422
Other	11,135	4,750
Total Operating Expenses	<u>1,012,473</u>	<u>927,217</u>
Operating Income (Loss)	<u>86,629</u>	<u>27,426</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	3,826	4,317
Total Nonoperating Revenues (Expenses)	<u>3,826</u>	<u>4,317</u>
Changes in Net Position	90,455	31,743
Net Position - Beginning	718,529	686,786
Net Position - Ending	<u>\$ 808,984</u>	<u>\$ 718,529</u>

CITY OF FITZGERALD, GEORGIA
Landfill Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 1,091,968	\$ 941,999
Payments to Suppliers	(842,711)	(769,620)
Payments to Employees	(112,528)	(114,217)
Net Cash Provided (Used) by Operating Activities	<u>136,729</u>	<u>58,162</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Due From Other Funds	(194,344)	19,344
Due To Other Funds	74	(241)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(194,270)</u>	<u>19,103</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>(11,099)</u>	<u>--</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	3,826	4,317
Net Cash Provided (Used) by Investing Activities	<u>3,826</u>	<u>4,317</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(64,814)	81,582
Cash and Cash Equivalents - Beginning of Year	1,077,903	996,321
Cash and Cash Equivalents - End of Year	<u>\$ 1,013,089</u>	<u>\$ 1,077,903</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 86,629	\$ 27,426
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	41,883	42,422
(Increase) Decrease in Accounts Receivable	(7,134)	(12,644)
Increase (Decrease) in Accounts Payable	14,832	694
Increase (Decrease) in Accrued Liabilities	519	264
Net Cash Provided (Used) by Operating Activities	<u>\$ 136,729</u>	<u>\$ 58,162</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, 2016

	Enterprise Funds		
	EIP		
	Airport	Revolving Loan	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 497,192	\$ 21,384	\$ 518,576
Receivables (Net of Allowance for Uncollectibles)	4,314	54,026	58,340
Inventories	24,768	--	24,768
Prepaid Items	2,975	--	2,975
Total Current Assets	<u>529,249</u>	<u>75,410</u>	<u>604,659</u>
Noncurrent Assets			
Notes Receivable	--	362,649	362,649
Capital Assets Not Being Depreciated	403,832	--	403,832
Capital Assets Net of Accumulated Depreciation	1,625,665	--	1,625,665
Total Noncurrent Assets	<u>2,029,497</u>	<u>362,649</u>	<u>2,392,146</u>
Total Assets	<u>2,558,746</u>	<u>438,059</u>	<u>2,996,805</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	15,467	--	15,467
Total Deferred Outflows of Resources	<u>15,467</u>	<u>--</u>	<u>15,467</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	3,353	--	3,353
Accrued Liabilities	714	--	714
Due To Other Funds	121	--	121
Notes Payable - Current	19,058	--	19,058
Total Current Liabilities	<u>23,246</u>	<u>--</u>	<u>23,246</u>
Noncurrent Liabilities			
Net Pension Liability	33,967	--	33,967
Notes Payable	18,093	--	18,093
Total Noncurrent Liabilities	<u>52,060</u>	<u>--</u>	<u>52,060</u>
Total Liabilities	<u>75,306</u>	<u>--</u>	<u>75,306</u>
DEFERRED INFLOWS OF RESOURCES			
Pension	506	--	506
Total Deferred Inflows of Resources	<u>506</u>	<u>--</u>	<u>506</u>
NET POSITION			
Net Investment in Capital Assets	1,992,346	--	1,992,346
Restricted	--	438,059	438,059
Unrestricted	506,055	--	506,055
Total Net Position	<u>\$ 2,498,401</u>	<u>\$ 438,059</u>	<u>\$ 2,936,460</u>

CITY OF FITZGERALD, GEORGIA
Nonmajor Proprietary Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2016

	Enterprise Funds		
	Airport	EIP Revolving Loan	Total
OPERATING REVENUES			
Charges for Services	\$ 117,072	\$ 16,450	\$ 133,522
Total Operating Revenues	<u>117,072</u>	<u>16,450</u>	<u>133,522</u>
OPERATING EXPENSES			
Personal Services and Employee Benefits	83,392	--	83,392
Purchased/Contracted Services	41,154	300	41,454
Supplies	49,751	--	49,751
Depreciation	138,310	--	138,310
Total Operating Expenses	<u>312,607</u>	<u>300</u>	<u>312,907</u>
Operating Income (Loss)	<u>(195,535)</u>	<u>16,150</u>	<u>(179,385)</u>
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental	92,971	--	92,971
Interest Revenue	1,797	643	2,440
Interest Expense	(2,352)	--	(2,352)
Total Nonoperating Revenues (Expenses)	<u>92,416</u>	<u>643</u>	<u>93,059</u>
Income (Loss) Before Capital Contributions and Transfers	(103,119)	16,793	(86,326)
Transfers In	36,194	--	36,194
Changes in Net Position	<u>(66,925)</u>	<u>16,793</u>	<u>(50,132)</u>
Net Position - Beginning	2,565,326	421,266	2,986,592
Net Position - Ending	<u>\$ 2,498,401</u>	<u>\$ 438,059</u>	<u>\$ 2,936,460</u>

CITY OF FITZGERALD, GEORGIA
Nonmajor Proprietary Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2016

	Enterprise Funds		
	EIP		
	Airport	Revolving Loan	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 115,626	\$ --	\$ 115,626
Principal Payments Received	--	41,182	41,182
Notes Issued	--	(200,415)	(200,415)
Interest Received	--	16,450	16,450
Payments to Suppliers	(72,295)	(300)	(72,595)
Payments to Employees	(81,758)	--	(81,758)
Net Cash Provided (Used) by Operating Activities	<u>(38,427)</u>	<u>(143,083)</u>	<u>(181,510)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental	24,130	--	24,130
Transfers from Other Funds	36,194	--	36,194
Due To Other Funds	(209)	--	(209)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>60,115</u>	<u>--</u>	<u>60,115</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(23,160)	--	(23,160)
Principal Paid on Capital Debt	(18,129)	--	(18,129)
Interest Paid on Capital Debt	(2,352)	--	(2,352)
Grants	102,915	--	102,915
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>59,274</u>	<u>--</u>	<u>59,274</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	544	643	1,187
Net Cash Provided (Used) by Investing Activities	<u>544</u>	<u>643</u>	<u>1,187</u>
Net Increase (Decrease) in Cash and Cash Equivalents	81,506	(142,440)	(60,934)
Cash and Cash Equivalents - Beginning of Year	415,686	163,824	579,510
Cash and Cash Equivalents - End of Year	<u>\$ 497,192</u>	<u>\$ 21,384</u>	<u>\$ 518,576</u>

CITY OF FITZGERALD, GEORGIA
Nonmajor Proprietary Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2016

	Enterprise Funds		
	EIP		
	Airport	Revolving Loan	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (195,535)	\$ 16,150	\$ (179,385)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities			
Depreciation Expense	138,310	--	138,310
(Increase) Decrease in Accounts Receivable	(1,446)	--	(1,446)
(Increase) Decrease in Notes Receivable	--	(159,233)	(159,233)
(Increase) Decrease in Inventories	16,136	--	16,136
(Increase) Decrease in Prepaid Items	9	--	9
(Increase) Decrease in Deferred Pension Outflows	(9,615)	--	(9,615)
Increase (Decrease) in Accounts Payable	2,465	--	2,465
Increase (Decrease) in Accrued Liabilities	368	--	368
Increase (Decrease) in Net Pension Liability	13,158	--	13,158
Increase (Decrease) in Deferred Pension Inflows	(2,277)	--	(2,277)
Net Cash Provided (Used) by Operating Activities	<u>\$ (38,427)</u>	<u>\$ (143,083)</u>	<u>\$ (181,510)</u>

CITY OF FITZGERALD, GEORGIA
Airport Enterprise Fund
Statement of Net Position
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 497,192	\$ 415,686
Receivables		
Interest	1,390	137
Accounts	2,924	1,478
Intergovernmental	--	34,074
Inventories	24,768	40,904
Prepaid Items	2,975	2,984
Total Current Assets	<u>529,249</u>	<u>495,263</u>
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	289,245	289,245
Construction in Progress	114,587	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>(3,285,943)</u>	<u>(3,147,633)</u>
Total Capital Assets Net of Accumulated Depreciation	<u>2,029,497</u>	<u>2,167,807</u>
Total Noncurrent Assets	<u>2,029,497</u>	<u>2,167,807</u>
Total Assets	<u>2,558,746</u>	<u>2,663,070</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension	15,467	5,852
Total Deferred Outflows of Resources	<u>15,467</u>	<u>5,852</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	3,353	24,048
Accrued Liabilities	714	346
Due To Other Funds		
General Fund	121	330
Notes Payable - Current	19,058	18,130
Total Current Liabilities	<u>23,246</u>	<u>42,854</u>
Noncurrent Liabilities		
Net Pension Liability	33,967	20,809
Notes Payable	18,093	37,150
Total Noncurrent Liabilities	<u>52,060</u>	<u>57,959</u>
Total Liabilities	<u>75,306</u>	<u>100,813</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	506	2,783
Total Deferred Inflows of Resources	<u>506</u>	<u>2,783</u>
NET POSITION		
Net Investment in Capital Assets	1,992,346	2,112,527
Unrestricted	506,055	452,799
Total Net Position	<u>\$ 2,498,401</u>	<u>\$ 2,565,326</u>

CITY OF FITZGERALD, GEORGIA
Airport Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
OPERATING REVENUES		
Charges for Services	\$ 117,072	\$ 113,821
Total Operating Revenues	<u>117,072</u>	<u>113,821</u>
OPERATING EXPENSES		
Personal Services and Employee Benefits	83,392	81,946
Purchased/Contracted Services	41,154	35,425
Supplies	49,751	48,944
Depreciation	138,310	138,739
Total Operating Expenses	<u>312,607</u>	<u>305,054</u>
Operating Income (Loss)	<u>(195,535)</u>	<u>(191,233)</u>
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental	92,971	58,761
Interest Revenue	1,797	1,793
Interest Expense	<u>(2,352)</u>	<u>(3,235)</u>
Total Nonoperating Revenues (Expenses)	<u>92,416</u>	<u>57,319</u>
Income (Loss) Before Capital Contributions and Transfers	<u>(103,119)</u>	<u>(133,914)</u>
Transfers In		
General Fund	<u>36,194</u>	<u>37,033</u>
Changes in Net Position	<u>(66,925)</u>	<u>(96,881)</u>
Net Position - Beginning	2,565,326	2,662,207
Net Position - Ending	<u>\$ 2,498,401</u>	<u>\$ 2,565,326</u>

CITY OF FITZGERALD, GEORGIA
Airport Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 115,626	\$ 118,332
Payments to Suppliers	(72,295)	(104,424)
Payments to Employees	(81,758)	(80,007)
Net Cash Provided (Used) by Operating Activities	<u>(38,427)</u>	<u>(66,099)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Intergovernmental	24,130	24,687
Transfers from Other Funds		
General Fund	36,194	37,033
Due To Other Funds	(209)	205
Net Cash Provided (Used) by Noncapital Financing Activities	<u>60,115</u>	<u>61,925</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(23,160)	(78,069)
Principal Paid on Capital Debt	(18,129)	(17,248)
Interest Paid on Capital Debt	(2,352)	(3,235)
Grants	102,915	--
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>59,274</u>	<u>(98,552)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	544	1,801
Net Cash Provided (Used) by Investing Activities	<u>544</u>	<u>1,801</u>
Net Increase (Decrease) in Cash and Cash Equivalents	81,506	(100,925)
Cash and Cash Equivalents - Beginning of Year	415,686	516,611
Cash and Cash Equivalents - End of Year	<u>\$ 497,192</u>	<u>\$ 415,686</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (195,535)	\$ (191,233)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	138,310	138,739
(Increase) Decrease in Accounts Receivable	(1,446)	4,511
(Increase) Decrease in Inventories	16,136	(16,298)
(Increase) Decrease in Prepaid Items	9	(2,984)
(Increase) Decrease in Deferred Pension Outflows	(9,615)	(1,900)
Increase (Decrease) in Accounts Payable	2,465	(773)
Increase (Decrease) in Accrued Liabilities	368	177
Increase (Decrease) in Net Pension Liability	13,158	879
Increase (Decrease) in Deferred Pension Inflows	(2,277)	2,783
Net Cash Provided (Used) by Operating Activities	<u>\$ (38,427)</u>	<u>\$ (66,099)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
Purchase of Capital Assets on Account	\$ --	\$ 23,160

CITY OF FITZGERALD, GEORGIA
EIP Revolving Loan Enterprise Fund
Statement of Net Position
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 21,384	\$ 163,824
Receivables (Net of Allowance for Uncollectibles)		
Notes	54,026	39,806
Total Current Assets	<u>75,410</u>	<u>203,630</u>
Noncurrent Assets		
Notes Receivable	362,649	217,636
Total Noncurrent Assets	<u>362,649</u>	<u>217,636</u>
Total Assets	<u>438,059</u>	<u>421,266</u>
NET POSITION		
Restricted	438,059	421,266
Unrestricted	--	--
Total Net Position	<u>\$ 438,059</u>	<u>\$ 421,266</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
OPERATING REVENUES		
Interest	\$ 16,450	\$ 13,088
Total Operating Revenues	<u>16,450</u>	<u>13,088</u>
OPERATING EXPENSES		
Purchased/Contracted Services	300	--
Bad Debts	--	17,960
Total Operating Expenses	<u>300</u>	<u>17,960</u>
Operating Income (Loss)	<u>16,150</u>	<u>(4,872)</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	643	699
Total Nonoperating Revenues (Expenses)	<u>643</u>	<u>699</u>
Changes in Net Position	16,793	(4,173)
Net Position - Beginning	421,266	425,439
Net Position - Ending	<u>\$ 438,059</u>	<u>\$ 421,266</u>

CITY OF FITZGERALD, GEORGIA
EIP Revolving Loan Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Principal Payments Received	\$ 41,182	\$ 33,704
Notes Issued	(200,415)	--
Interest Received	16,450	13,088
Payments to Suppliers	(300)	--
Net Cash Provided (Used) by Operating Activities	<u>(143,083)</u>	<u>46,792</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	643	699
Net Cash Provided (Used) by Investing Activities	<u>643</u>	<u>699</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(142,440)	47,491
Cash and Cash Equivalents - Beginning of Year	163,824	116,333
Cash and Cash Equivalents - End of Year	<u>\$ 21,384</u>	<u>\$ 163,824</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 16,150	\$ (4,872)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
(Increase) Decrease in Notes Receivable	(159,233)	51,664
Net Cash Provided (Used) by Operating Activities	<u>\$ (143,083)</u>	<u>\$ 46,792</u>

SUPPLEMENTAL SCHEDULES

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Revenues
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUES		
Taxes		
Real Property	\$ 1,089,461	\$ 1,154,732
Personal Property	139,526	169,372
Real Estate Transfer (Intangible)	1,495	1,334
Franchise	157,913	161,151
General Sales and Use	935,619	1,037,333
Selective Sales and Use	175,094	170,814
Business		
Business and Occupation	112,743	105,398
Insurance Premium	568,546	522,733
Financial Institution	62,713	61,067
Penalties and Interest on Delinquent Taxes	13,112	15,620
	<u>3,256,222</u>	<u>3,399,554</u>
Licenses and Permits		
Non-Business	725	986
Regulatory	10,678	6,844
Penalties and Interest	997	934
	<u>12,400</u>	<u>8,764</u>
Intergovernmental	<u>321,887</u>	<u>301,626</u>
Charges for Services		
General Government	28,200	29,280
Public Safety	452,688	466,928
Street and Public Improvements	216	2,348
Public Works	1,228,219	1,220,108
Culture and Recreation	167,250	146,597
Other Charges for Services	75,356	79,213
	<u>1,951,929</u>	<u>1,944,474</u>
Fines and Forfeitures	<u>92,509</u>	<u>112,658</u>
Interest Revenue	<u>6,592</u>	<u>6,967</u>
Contributions and Donations	<u>--</u>	<u>8,500</u>
Miscellaneous	<u>146,132</u>	<u>252,902</u>
Total Revenues	<u>\$ 5,787,671</u>	<u>\$ 6,035,445</u>

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
EXPENDITURES		
Current		
General Government		
Legislative		
Personal Services and Employee Benefits	\$ 68,177	\$ 68,065
Purchased/Contracted Services	31,790	36,002
Supplies	221	481
Total Legislative	<u>100,188</u>	<u>104,548</u>
Executive		
Personal Services and Employee Benefits	17,929	15,701
Purchased/Contracted Services	11,428	12,847
Supplies	1,000	1,264
Total Executive	<u>30,357</u>	<u>29,812</u>
Elections		
Purchased/Contracted Services	--	28,043
Supplies	--	156
Total Elections	<u>--</u>	<u>28,199</u>
Financial Administration		
Personal Services and Employee Benefits	351,222	312,243
Purchased/Contracted Services	202,622	200,887
Supplies	20,145	13,466
Total Financial Administration	<u>573,989</u>	<u>526,596</u>
Government Buildings		
Personal Services and Employee Benefits	--	(1,152)
Purchased/Contracted Services	57,618	46,100
Supplies	3,158	4,447
Total Government Buildings	<u>60,776</u>	<u>49,395</u>
Total General Government	<u>765,310</u>	<u>738,550</u>
Public Safety		
Police		
Personal Services and Employee Benefits	1,575,244	1,483,581
Purchased/Contracted Services	181,926	157,745
Supplies	87,242	86,304
Capital Outlay	8,246	1,173
Other Costs	41,750	52,247
Total Police	<u>1,894,408</u>	<u>1,781,050</u>
Custody of Prisoners		
Purchased/Contracted Services	<u>22,995</u>	<u>22,750</u>
Total Custody of Prisoners	<u>22,995</u>	<u>22,750</u>

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Fire		
Personal Services and Employee Benefits	1,120,664	1,128,531
Purchased/Contracted Services	61,561	54,534
Supplies	21,054	16,837
Capital Outlay	1,031	3,443
Other Costs	1,005	--
Total Fire	<u>1,205,315</u>	<u>1,203,345</u>
Animal Control		
Personal Services and Employee Benefits	116,007	96,533
Purchased/Contracted Services	6,302	6,668
Supplies	10,307	9,965
Total Animal Control	<u>132,616</u>	<u>113,166</u>
Total Public Safety	<u>3,255,334</u>	<u>3,120,311</u>
Public Works		
Highways and Streets		
Personal Services and Employee Benefits	357,779	375,615
Purchased/Contracted Services	174,236	122,814
Supplies	61,001	53,622
Other Costs	425	2,246
Total Highways and Streets	<u>593,441</u>	<u>554,297</u>
Sanitation		
Personal Services and Employee Benefits	293,918	279,427
Purchased/Contracted Services	471,072	397,072
Supplies	86,635	85,799
Other Costs	4,086	961
Total Sanitation	<u>855,711</u>	<u>763,259</u>
Public Works Shop		
Personal Services and Employee Benefits	115,813	119,168
Purchased/Contracted Services	13,753	14,128
Supplies	18,224	13,943
Total Public Works Shop	<u>147,790</u>	<u>147,239</u>
Cemetery		
Personal Services and Employee Benefits	44,299	127,632
Purchased/Contracted Services	103,549	9,305
Supplies	3,203	11,937
Other Costs	1,449	--
Total Cemetery	<u>152,500</u>	<u>148,874</u>
Employee Safety Recognition		
Personal Services and Employee Benefits	2,041	--
Supplies	955	--
Total Employee Safety Recognition	<u>2,996</u>	<u>--</u>
Total Public Works	<u>1,752,438</u>	<u>1,613,669</u>

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Culture and Recreation		
Recreation		
Personal Services and Employee Benefits	340,091	329,402
Purchased/Contracted Services	44,831	31,433
Supplies	79,227	73,551
Other Costs	340	786
Total Recreation	<u>464,489</u>	<u>435,172</u>
Participant Recreation		
Purchased/Contracted Services	14,746	17,688
Supplies	32,309	33,498
Total Participant Recreation	<u>47,055</u>	<u>51,186</u>
Swimming Pools		
Purchased/Contracted Services	5,789	9,787
Supplies	2,848	190
Total Swimming Pools	<u>8,637</u>	<u>9,977</u>
Sports Facilities		
Legion Park Facility	4,120	15,623
Monitor Facility	9,407	6,987
Ball Parks and Fields	29,156	32,151
Tennis Courts	363	237
Paulk Park Camp Site	9,362	6,774
Skeet Range	1,877	420
Total Sports Facilities	<u>54,285</u>	<u>62,192</u>
Museums		
Personal Services and Employee Benefits	5,474	3,188
Purchased/Contracted Services	4,435	3,400
Supplies	1,984	1,246
Total Museums	<u>11,893</u>	<u>7,834</u>
Arts Council		
Purchased/Contracted Services	257	--
Supplies	32	--
Total Arts Council	<u>289</u>	<u>--</u>
Grand Theatre		
Personal Services and Employee Benefits	80,863	72,582
Purchased/Contracted Services	18,951	17,035
Supplies	65,459	53,272
Total Grand Theatre	<u>165,273</u>	<u>142,889</u>
The Carnegie Center		
Purchased/Contracted Services	2,519	2,748
Supplies	157	579
Total The Carnegie Center	<u>2,676</u>	<u>3,327</u>

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Parks		
Personal Services and Employee Benefits	112,033	81,030
Purchased/Contracted Services	20,496	12,596
Supplies	9,702	7,044
Capital Outlay	829	516
Other Costs	--	275
Total Parks	<u>143,060</u>	<u>101,461</u>
Library		
Other Costs	127,525	127,714
Total Library	<u>127,525</u>	<u>127,714</u>
Total Culture and Recreation	<u>1,025,182</u>	<u>941,752</u>
Housing and Development		
Building Inspections		
Personal Services and Employee Benefits	51,303	49,413
Purchased/Contracted Services	5,028	5,510
Supplies	1,250	3,613
Other Costs	809	--
Total Building Inspections	<u>58,390</u>	<u>58,536</u>
Urban Development and Housing		
Personal Services and Employee Benefits	160,618	126,343
Purchased/Contracted Services	36,856	29,267
Supplies	3,248	3,980
Total Urban Development and Housing	<u>200,722</u>	<u>159,590</u>
Code Enforcement		
Personal Services and Employee Benefits	47,280	49,350
Purchased/Contracted Services	5,469	4,173
Supplies	4,041	3,343
Other Costs	--	5,100
Total Code Enforcement	<u>56,790</u>	<u>61,966</u>
Economic Development		
Other Costs	460	186
Total Economic Development	<u>460</u>	<u>186</u>
Tourism		
Personal Services and Employee Benefits	108,809	106,474
Purchased/Contracted Services	5,539	5,818
Supplies	2,859	2,392
Total Tourism	<u>117,207</u>	<u>114,684</u>
Sesquicentennial		
Purchased/Contracted Services	--	1,392
Supplies	--	9,486
Total Sesquicentennial	<u>--</u>	<u>10,878</u>
Total Housing and Development	<u>433,569</u>	<u>405,840</u>

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Capital Outlay	<u>683,323</u>	<u>431,785</u>
Debt Service	<u>130,829</u>	<u>83,212</u>
Total Expenditures	<u>\$ 8,045,985</u>	<u>\$ 7,335,119</u>

CITY OF FITZGERALD, GEORGIA
Utility Enterprise Fund
Schedule of General Fund Distribution
For the Year Ended December 31, 2016

Annual Gross Income	<u>\$ 31,066,454</u>
Less	
Contract Electric Receipts (Connected Load Greater Than 900 KW)	7,130,956
Contract Natural Gas Receipts (Annual Consumption Greater Than 34,000 MCF)	2,323,816
Contract Water and Sewer Receipts	436,070
Rent	<u>279,986</u>
	<u>10,170,828</u>
Adjusted Gross Income	20,895,626
Add	
Other Receipts	
Computer Fees	30,000
Recovery of Old Accounts	(1,708)
Cash Overage (Shortage)	<u>(281)</u>
	<u>28,011</u>
Gross Income Subject to Transfer	<u><u>\$ 20,923,637</u></u>
8% of 20,923,637	\$ 1,673,891
Less: Adjustment Natural Gas correction	(11,116)
	<u><u>\$ 1,662,775</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, 2016

Total Expenditures	
Tourism, Promotions, Conventions, Trade Shows, and Facility Support	\$ 13,444
	<u>13,444</u>
Taxes Collected	
Tax Collections @ 3%	34,375
Tax Collections Greater Than 3%	22,916
	<u>57,291</u>
Percentage of Current Year Taxes Expended	<u>23%</u>

CITY OF FITZGERALD, GEORGIA
Schedule of DHR Grants
For the Year Ended December 31, 2016

	93-161600026	93-171700029	40-0000044323	40-0000053656
Contract Number	93-161600026	93-171700029	40-0000044323	40-0000053656
Contract Period	7/1/15 - 6/30/16	7/1/16 - 6/30/17	10/1/15 - 9/30/16	10/1/16 - 9/30/17
Contract Amount	\$ 46,000	\$ 47,000	\$ 40,500	\$ 40,000
Revenues - DHR				
FYE 12/31/15	\$ 10,671	\$ --	\$ --	\$ --
FYE 12/31/16	35,329	10,243	40,500	--
	<u>46,000</u>	<u>10,243</u>	<u>40,500</u>	<u>--</u>
Expenditures				
FYE 12/31/15	22,785	--	--	--
FYE 12/31/16	23,215	22,472	40,500	--
	<u>46,000</u>	<u>22,472</u>	<u>40,500</u>	<u>--</u>
Due from DHR	\$ --	\$ 12,229	\$ --	\$ --

CITY OF FITZGERALD, GEORGIA
Schedule of Projects Constructed with Special Purpose Local Option Sales Tax Proceeds
For the Year Ended December 31, 2016

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	\$ 2,428,650	\$ 2,408,932	\$ 19,718	\$ 2,428,650	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	300,000	77,654	13,891	91,545	31%
Capital Equipment	700,000	700,000	695,776	905	696,681	100%
Cemetery Improvements	50,000	65,169	65,169	--	65,169	100%
City Hall / Carnegie Furnishings	200,000	202,070	201,233	837	202,070	100%
Telecommunications	200,000	221,422	179,387	42,035	221,422	100%
	<u>\$ 5,000,000</u>	<u>\$ 7,123,755</u>	<u>\$ 6,834,595</u>	<u>\$ 77,386</u>	<u>\$ 6,911,981</u>	
SPLOST Capital Projects Fund						
Total Expenditures				<u>\$ 77,386</u>	<u>\$ 77,386</u>	
Sales Tax Referendum 7/1/2011 - 6/30/2017						
Transportation Improvements	\$ 2,100,000	\$ 2,100,000	\$ 486,287	\$ --	\$ 486,287	23%
City Hall Debt	1,500,000	1,500,000	1,226,840	265,293	1,492,133	99%
Capital Equipment	700,000	700,000	378,018	136,587	514,605	74%
Public Works	150,000	150,000	--	89,695	89,695	60%
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	83,492	47,412	130,904	65%
Fitzgerald & Ben Hill County Development Authority	1,500,000	1,350,000	326,106	--	326,106	24%
Humane Society	25,000	25,000	--	--	--	0%
Grand Conference Center	100,000	250,000	154,669	75,000	229,669	92%
	<u>\$ 7,425,000</u>	<u>\$ 7,425,000</u>	<u>\$ 3,022,972</u>	<u>\$ 613,987</u>	<u>\$ 3,636,959</u>	
SPLOST 2011 Capital Projects Fund						
Total Expenditures				<u>\$ 613,987</u>	<u>\$ 613,987</u>	

MEEKS CPA, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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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, 2016, 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 June 30, 2017.

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 responses as item 2016-1.

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
June 30, 2017

CITY OF FITZGERALD, GEORGIA
Schedule of Findings and Responses
For the Year Ended December 31, 2016

2016-1

Condition

An annual budget was adopted for the Community Development Special Revenue Fund as required by the Official Code of Georgia Annotated section 36-81-3.

Recommendation

The City should adopt an annual balanced budget for the fund.

Views Of Responsible Officials And Planned Corrective Action

The City intends to adopt an annual balanced budget for all funds required by Georgia law.