

CITY OF AMERICUS, GEORGIA COMPREHENSIVE ANNUAL FINANCIAL REPORT



YEAR END DECEMBER 31, 2018

CITY OF AMERICUS, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Prepared by:

Finance Department

INTRODUCTORY SECTION

CITY OF AMERICUS, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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City of Americus, Georgia

June 24, 2019

To the Honorable Mayor, members of the City Council, and the citizens of the City of Americus:

State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to the requirements, we hereby issue the comprehensive annual financial report of the City of Americus for the fiscal year ended December 31, 2018.

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

The City of Americus' financial statements have been audited by Mauldin & Jenkins, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Americus for the fiscal year ended December 31, 2018 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City of Americus' financial statements for the fiscal year ended December 31, 2018 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Americus is part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. A Single Audit was not required in 2018 due to the lack of significant project activity.

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

PROFILE OF THE GOVERNMENT

The City of Americus is in Sumter County in Southwest Georgia. Americus is 132 miles from Atlanta and only nine miles from Plains, the home of America’s 39th President and Nobel Peace Prize Laureate, Jimmy Carter. Americus is located strategically between the Andersonville and Plains National Historic Sites. Sumter County is the only county in Georgia which boasts two national historic sites. In Plains, the renovations of the Plains High School and Jimmy Carter Boyhood Home site in Archery have been completed. Plains High School has been designated the state school of Georgia. The United States Prisoner of War Museum is located within the Andersonville National Historic Site. This museum opened in April 1998. More than 150,000 visitors are received at these sites annually.

The City of Americus is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs when deemed appropriate by the governing body.

The City of Americus operates under the Council/City Manager form of government. Policy making, and legislative authority are vested in the governing body which consists of a mayor and six council members. The governing body is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and appointing the City Manager, Municipal Court Judge, and the City Attorney. The City Manager is responsible for hiring all City employees including department heads, carrying out the policies and ordinances of the governing body and for overseeing the day-to-day operations of the government. The governing body is elected on a non-partisan basis. Council members serve four-year staggered terms, with three council members elected every two years. The Mayor is elected at large to serve a four-year term. The six council members are elected by district.

The City of Americus provides a full range of services, including police and fire protection and community development activities. Water and sewer services, natural gas services, solid waste services, storm water services, and the Rylander Theater are all operated as proprietary funds of the City. The Downtown Development Authority and the Americus Sumter Tourism Council are recorded as component units of the City and are included in the financial statements.

The annual budget serves as the foundation for the City of Americus' financial planning and control. All agencies of the City of Americus are required to submit requests for appropriation to the City Manager. The Finance Department prepares the budget based on these requests. The requested budget is submitted to the City Manager. The City Manager uses this information as the starting point for developing the proposed budget. The proposed budget is then presented to the Mayor and Council on or before November 30. The council is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 31, the close of the City's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may make budget transfers of appropriations within a department. Transfers of appropriations between departments require the special approval of the governing council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated budget is required; however, the City's budget policy includes all funds. The adherence to this policy has played an important role in controlling expenses during the economic downturn. Budget ordinance amendments are prepared throughout the year to adjust for unanticipated events, planned spending reductions, and more accurate monitoring of financial conditions.

FACTORS AFFECTING FINANCIAL AND ECONOMIC CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Americus operates.

Local Economy

The citizens of Americus and Sumter County set the standard over 20 years ago when they voted to impose upon themselves a special purpose local option sales tax to fund economic development. This tax generated more than nine million dollars to spur economic development. These monies have been used to pay for the costs of improvements to the City's infrastructure and to provide attractive financing packages for industrial development. In addition, the Payroll Development Authority, the local authority responsible for administering these funds, developed a revolving loan pool from a portion of the money. The loan funds are used continuously to enhance economic development. In 2017, the Americus Sumter County Chamber of Commerce and the Payroll Development Authority reorganized. The result was a salaried economic developer on staff charged strictly with recruiting industry and expansion of existing business and industry and an employee to assist the Chamber of Commerce. As a community, we are focused on improving our infrastructure, economic development, and improving the lives of our citizens through valuable and sustainable services.

More than 80% of the U.S. industrial and commercial markets are within two days of Americus. Americus is just 30 miles from Interstate 75 and about 60 miles from Interstate 185. U.S. Highways 19 and 280 intersect Americus, providing easy access to the major cities of the Southeast. Highway 19 is a four-lane highway which runs from Atlanta to Florida and provides an alternate route for tourists and business travelers. Highway 19 was widened to four-lanes from Atlanta to Florida. Several intrastate and interstate motor freight carriers provide full-load trucking services to this area with a few maintaining local terminals. Additionally, Norfolk Southern and Heart of Georgia companies provide rail service to this region of Georgia.

The Americus/Sumter County Airport Authority operates the Jimmy Carter Regional Airport, a public aviation airport three miles northeast of Americus. The airport has a 6,021-foot runway. One fixed base operator, Southern Field Aviation, Inc., offers fuel, aircraft tie down, hangar and repair services. In 2010, the Airport Authority completed the construction of 19 new aircraft hangars. In last few years the airport has added more hangars bringing the total to 32 hangars. This too is an indication of future growth financially and economically.

Savannah and Brunswick (both about 200 miles away) are the closest deep-water ports. Americus is 60 miles southeast of Columbus, the second largest city in the state and one of two Georgia inland port locations. It is 30 miles west of Cordele where another inland port location has been constructed. The port location began operations in the early part of 2012. This port has the potential of bringing hundreds of jobs to the Crisp/Sumter County area.

Americus participates in the National Main Street Program. In 1983, the City of Americus was designated as a Main Street City. In 2016, a full-time manager was hired to oversee the revitalization, promotion, and economic development of the 13-block central business district. During the last decade a low interest revolving loan program was formulated for use in the Central Business Improvement District. In addition, facade and sign grants are offered to businesses to improve store fronts. As downtown merchants began taking advantage of the programs and with the addition of our first Friday events and ordinance changes to make us more tourist friendly, the City has seen a new downtown emerge.

In addition, the 13-block central business improvement district now boasts a reputation as a shopping destination. Several large buildings that formerly housed single businesses have been renovated into mixed use facilities that house a combination of retail, commercial and residential space. One of these larger buildings that formerly housed the Rylander Motor Company has been fully restored and serves as the International Headquarters for Habitat for Humanity. Also, Citizens Bank of Americus refurbished the old Fire Station and other buildings to house their downtown facility. This project represents the largest private renovation in the downtown area to date. Also contributing to the Downtown area is the renovation of Rylander Park to include more green space and improvements at the Farmer's Market.

The Americus Welcome Center is located on the first floor of the municipal building and houses both the City of Americus' Tourism department, as well as Americus Main Street. The space serves as a Regional Visitor Information Center, complete with public restrooms, Americus and Sumter County collections, and resources for visitors to our community. In 2015, a full-time Tourism Director was hired. This individual works closely with our neighboring cities and the county to foster relationships outside of our regional area to spur economic growth. With the assistance of stakeholders, the City rebranded itself with a new marketing campaign. In doing so, hotels like Windsor Hotel that were renovated in the heart of downtown continue to see sold out weekends. Another successful private/public partnership resulted in the renovation of the 620 seat Rylander Theater in 1999. Both the hotel and the theater complement retail businesses of "Victorian" downtown Americus.

Revenues generated from the City's hotel/motel tax have fluctuated over the past ten years. In comparing 2017 to 2018, increased from \$344,000 in 2017 to \$355,562 in 2018 which is approximately \$11,600. Additionally, we have become accustomed to visitors reserving rooms well in advance for small regional meetings, seminars, mini-conventions, motor coach tours and group travel associations and clubs.

Americus itself boasts one of the largest historic districts in southwest Georgia. The district contains more than 100 beautifully restored Victorian style homes. These homes plus the Windsor Hotel and the Rylander Theater make Americus an interesting attraction for heritage tourism.

Habitat for Humanity International, as mentioned previously, is an anchor business of Americus' downtown. The Habitat Global Village and Museum in Americus has become another tourist attraction for our community. The Village and Museum showcases model Habitat houses from ten countries, exhibits of urban and rural poverty, visitor activities and world crafts and entertainment. This educational and fun attraction brings more than 50,000 visitors annually.

In general, Americus has started to see a turnaround in its economic condition. The City is focusing on attracting service type and retail corporations. A new state of the art hospital, Phoebe Sumter Medical Center, along with new businesses and restaurants opening are impacting our local economy in a positive way.

Local unemployment rates reached a decade high of 14.4% at the end of February 2010, with the average rate for 2018 at 5.0%. The near double digit rates have prevailed for the last couple of years following the tornado, the closure of industries such as Collins and Aikman, The Tog Shop (Spiegel) and hiring freezes in other businesses and governments. However, the rates have declined steadily over the last two years. Readers should note that the Georgia average for 2018 was 3.9% and the entire country was at 3.9%. These local factors are contributing to the challenge of economic development.

In response to our local economic needs, five entities joined forces in 2008 with the University of Georgia through its Archway Partnership. These entities are the City of Americus, Sumter County Board of Commissioners, Sumter County Board of Education, Payroll Development Authority and Phoebe Sumter Hospital. The Archway Program is designed to provide communities with the wealth of expertise of faculty and students and easy access to higher education resources to find solutions to local issues. Currently, Sumter County is one of eight partnerships in the state. The 2012-2013 work plan includes the following priority areas: community-wide economic development; public education; leadership development and public health.

During 2014, to continuously improve economic development strategies, the City of Americus in partnership with the Carl Vinson Institute of Government at the University of Georgia began work on the "Americus Renaissance Strategic Vision and Plan". This partnership has continued to address the wishes of the citizens in the areas of organization, design, promotion, and economic development. With further assistance from the Archway Partnership, Georgia Municipal Association, Georgia Department of Community Affairs, UGS Small Business Development Center, and Georgia Cities Foundation, the plan prioritizes short and long-term action items which can be completed by the city as well as local community partners.

The Crisp County Inland Port project began operations in late 2011 and early 2012. This port can accept freight containers from Savannah's port by rail. Once in Cordele, the freight is located on trucks and sent all over the southeast. The port has given the region an economic boost. Visionaries expect a wide range of industries and vocations to be impacted; including trucking, distribution centers, and other service industries. The port is located less than two miles from Interstate 75 in Crisp County. The port is currently providing services for Mulcoa and Big Tex Trailers. Other large companies have shown interest which could result in hundreds of jobs.

Also mentioned in the MD&A, a local company, Star Racing, is expected to build a \$12 million world class motorsports and entertainment facility right outside the City limits. The facility is expected to boost the economy by \$75 million annually. This is expected to be a tourist attraction that will bring in visitors from all over the country.

The Americus/Sumter County Payroll Development Authority continues to receive requests for information about Americus from companies located both within and outside the United States. In 2017, the Payroll Development Authority worked with prospects from various industries, looking to coordinate with those who match the workforce population of Sumter County. The Payroll Development Authority's efforts in creating new jobs and bringing businesses to Americus and Sumter County continues to have a significant impact, including over \$13.1 million in leveraged partnership that continued during 2018.

Because of Americus' favorable location and climate, we anticipate these inquiries and visits to continue, even in light of the national recession and our temporary local issues. With a diverse combination of retail and service industries, exciting tourist attractions, excellent education options, the rebuilding of our hospital, and our community-wide Archway Project, Americus is positioned for a strong comeback.

Long-term Financial Planning

Expansion, improvement, and efficiency will be the focus of the Americus city government for the coming years. Being able to expand the City's perimeter in all directions is likely to be a concern of the Mayor and Council over the next decade. The Mayor and Council will continue to emphasize to the state legislature the development of legislation that will be conducive to cities striving to increase their corporate boundaries.

When it comes to transportation planning, the passing of the TSPLOST referendum in July 2012 has provided much needed resources for the support and expansion of current infrastructure. It is the intent of the regional area to continue to present a referendum to our citizens. We are currently in the process of meeting and planning for a new TSPLOST referendum.

The City of Americus has developed a five-year capital improvement program that provides the framework for the purchase of machinery and equipment and the development and maintenance of the infrastructure to meet current and future needs. In accordance with our debt policy, the City issued a Combined Utility Revenue Bond in the amount of \$13,760,000 in 2010 to finance several utility projects and Combined Utility Revenue Bond in 2013 for refunding loans from GEFA which were used to finance improvements to the City's water and storm water systems, paying the premium for a debt service surety bond and other costs associated with the bond issuance. In 2014, the City passed a 2014 SPLOST referendum, which provided needed resources for capital improvement projects.

Major planned improvements included in the City are:

- Highway 19 enhancement and sidewalk improvements using ISTEA funds. We have been awarded \$980,000 for enhancements and beautification.
- Continue sidewalk replacement and resurfacing of various streets with TSPLOST and other funding mechanisms.
- Completion of various water and sewer projects funded by the 2010 and 2013 Series Revenue Bonds.
- Continue improvements to drainage and retention ponds through the Storm Water Utility.
- Construction of a public works office building.
- City building/facilities repair/renovations to meet the needs of our citizens. This includes renovations to the Rylander Theater and totals approximately \$2.5 million. Funding for this project is included in the 2014 SPLOST legislation.
- Road and bridge repair and paving that totals approximately \$5 million. Funding for this project is included in the 2014 SPLOST legislation.

- Public spaces and green way enhancements that total approximately \$2.1 million. Funding for this project is included in the 2014 SPLOST legislation.
- Other smaller projects are included in the five-year capital improvements program for the City of Americus.

In addition, we are currently in the process of working towards our next SPLOST referendum.

All the long-term revenue streams such as SPLOST, TSPLOST and bonds are designed to provide for future needs and mandates.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Americus for its comprehensive annual financial report for the fiscal year ended December 31, 2017. This was the 29th consecutive year that the City has received this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the staff of the Finance Department. We would like to express our appreciation to all employees of the City who contributed to the information included in this report. Credit also must be given to the Mayor and City Council for their commitment to maintaining highest standards of professionalism in the management of the City of Americus' finances.

Respectfully Submitted,



Charles L. Coney
City Manager



Diadra W. Powell
Finance Director



Government Finance Officers Association

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

Presented to

**City of Americus
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrell

Executive Director/CEO

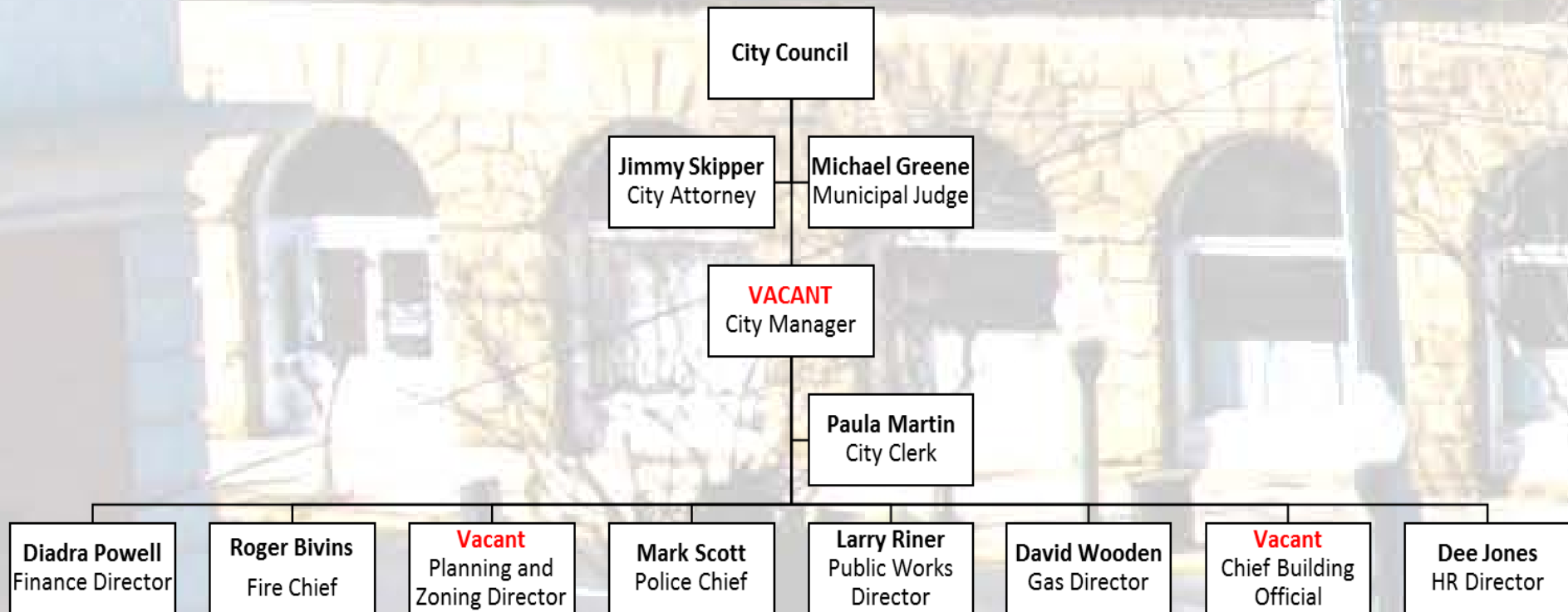
CITY OF AMERICUS, GEORGIA

LIST OF PRINCIPAL OFFICIALS

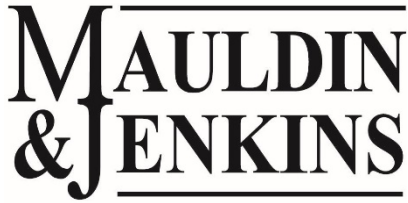
December 31, 2018

Mayor	Barry Blount
Council Members	Daryl R. Dowdell Nelson Brown Lou Chase Kelvin Pless Juanita Wilson Charles Christmas
City Attorney	James M. Skipper, Jr.
Municipal Judge	Michael Greene
City Manager	Vacant
Finance Director	Diadra Powell
Natural Gas Director	David Wooden
Chief of Police	Mark Scott
Fire Chief	Roger Bivens
Public Works Director	Larry Riner
Planning and Inspections Director	Vacant
Human Resources Director	Dee Jones

City of Americus Budgeted 2019



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Americus, Georgia** (the "City") as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain 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 City'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 City'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 Americus, Georgia as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in the City's Net Pension Liability and Related Ratios, and the Schedule of City Contributions, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

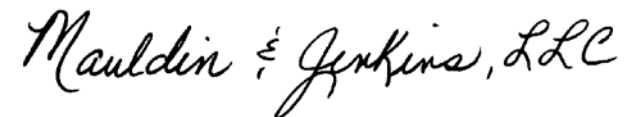
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Americus, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section as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

The combining and individual nonmajor fund financial statements and schedules as well as the schedules of expenditures of special purpose local option sales tax proceeds (the "supplementary information") are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Macon, Georgia
June 24, 2019

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

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CITY OF AMERICUS, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Americus, Georgia's (the "City") annual financial report presents our discussion and analysis of the City's performance during the fiscal year ended December 31, 2018. It is designed to give the reader an objective and easily readable analysis of the City's financial performance. The primary intent of this discussion and analysis is to look at the financial performance of the City as a whole. Readers should also review the letter of transmittal, notes to the basic financial statements, and the financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

The key financial highlights for FY 2018 are as follows:

The City's total net position increased \$581,200. The net position of the business-type activities decreased \$137,555, while the net position of the governmental activities increased \$718,755. The increase in governmental net position is primarily due to increases in capital grant contributions and operating grants and contributions. The decrease in business-type activities net position is primarily due to the increase in water and sewer repair and maintenance to the water and waste water systems.

Total governmental revenues increased from 2017 to 2018 by \$1,126,221. The increase in revenue correlates to the receipt of increased revenues for the insurance premium tax, hotel/motel tax, and grants in comparison to the amount received in 2017.

The City incurred \$13,097,237 total expenses related to governmental activities. General revenues, primarily taxes and SPLOST, provided the major financing sources for these activities. The balance funded by other sources is \$4,323,635, or 36%, of the total spending. Non-tax revenues include permits, operating grants and capital grants, contributions, fines, forfeitures, and charges for services.

Revenues in the General Fund were \$9,765,069 for fiscal year 2018, which was \$474,777 more than 2017. Taxes, intergovernmental, and charges for services all increased. The tax digest fluctuates. However, there was a slight mileage rate increase in 2018. The other areas of revenue identified fluctuate based on the economic climate. The reader should note that the year-to-year stability of the General Fund revenues and expenditures represents close monitoring and some delayed spending in response to recent economic conditions which continue to have an impact on tax generated revenues as well as other consumer driven revenues.

Water and sewer fund operating revenues for this fiscal year were \$6,181,290, while total operating expenses for the year were \$5,214,222. After other non-operating revenues and expenses, capital contributions, and transfers, net position showed a decrease of \$300,140 for the year. This decrease in net position is related to increased expenses within the department as well as increases in salaries and the associated benefits, and maintenance on the system and at the water treatment plant.

Total Natural Gas Fund operating revenues for this fiscal year were \$2,640,227. Total operating expenses for the year were \$2,216,679. Both operating revenues and operating expenses increased from the prior year with an operating income of \$423,548. As a result, there is an increase in net position of \$49,489. The previous trend of the deterioration in net position is beginning to reverse itself with cooler winters and the elimination of revenue sharing with the General Fund. In addition, we are continuing our efforts to increase gas sales volume.

Total Solid Waste Fund operating revenues for this fiscal year were \$2,783,480. Total operating expenses of \$2,518,578 resulted in an operating income of \$264,902. After other non-operating revenues and expenses, capital contributions, and transfers, net position increased \$15,783. This fund is designed to basically break even every year.

Total Storm Water Fund operating revenues for this fiscal year were \$750,304. Total operating expenses of \$193,591 resulted in operating income of \$556,713. After non-operating revenues and expenses, capital contributions, and transfers, net position increased \$271,713. The net position within this fund has continued to increase as operating revenues exceed expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Americus' basic financial statements. The City of Americus' statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The statements are organized so that the reader can understand the City of Americus as a financial whole or as an entire operating entity.

The Government-wide financial statements are designed to provide readers with a broad overview of the City of Americus' finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City of Americus' assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole City and present both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. For proprietary funds, the statements offer both short and long-term financial information about activities that the City operates like businesses. The major business-type activities include the Water and Sewer Fund, the Natural Gas Fund, the Solid Waste Fund, and the Storm Water Fund. Non-major business-type activities include the Theater Fund. The fund financial statements separately identify the City's most significant funds with all other non-major funds presented in one column.

The purpose of the Statement of Net Position and the Statement of Activities is to answer the questions concerning how the City performed financially during 2018. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when the cash is paid or received.

These two statements report the City's net position and the changes to net position. This change in net assets is important because it tells the reader whether the financial position of the City as a whole has improved or diminished. The causes of this change may be the result of many factors, some financial and some non-financial. The non-financial factors may include the City's property tax base, condition of City-owned streets, facility conditions, and other factors.

In the Statement of Net Position and the Statement of Activities, the City has included both governmental and business-type activities:

Governmental Activities: Most of the City's programs and services are reported here including general government, public safety, public works, and community development. Property tax, sales tax, other taxes and fines and forfeitures finance most of these activities.

Business Type Activities: The City charges fees to cover the cost of the service each activity provides. These activities include water and sewer services, solid waste services, natural gas services, storm water, and cultural services.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Americus, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Americus can be divided into two categories: governmental funds and proprietary funds. Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds.

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GOVERNMENTAL FUNDS

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Most of the City's activities are reported in the governmental funds which are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general governmental operations and basic services it provides. Governmental fund information helps to determine if there are more financial resources that can be spent in the near future to finance governmental services. The relationship between governmental activities as reported in the Statement of Net Position and the Statement of Activities and governmental funds is reconciled in the financial statements and is discussed in Note 2 of the financial statements.

The City maintains the following ten individual governmental funds: 1) the General Fund, 2) the Community Development Block Grant Fund, 3) State Revolving Loan Fund, 4) 2001 Program Income Fund, 5) 2004 ISTEAFund, 6) 2007 CDBG Fund, 7) 2014 CDBG Fund, 8) Hotel/Motel Tax Fund, 9) TSPLOST Fund, and 10) Capital Projects SPLOST Fund. Information is presented separately in the governmental fund "balance sheet" and the "governmental fund statement of revenues, expenditures, and changes in fund balance" for the General Fund, and SPLOST Fund, which are the two major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in the report.

The City of Americus adopts an annual budget for its General Fund and Special Revenue Funds. Budgetary comparisons to actual are included in the main financial statements and the required supplemental schedules. Additionally, a comparison of original and amended budgets for the General Fund is included later in this analysis.

PROPRIETARY FUNDS

The City of Americus maintains separate proprietary fund statements using the accrual basis of accounting similar to the government-wide statements. These fund statements reflect the same functions as the "business type activities" in the government-wide statements. The City of Americus has the following five proprietary funds: 1) Water and Sewer Fund, 2) Natural Gas Fund, 3) Solid Waste Fund, 4) Theater Fund, and 5) Storm Water Fund. The Theater Fund is considered non-major and listed as such on the Proprietary Fund Statements. Proprietary funds account for any service activity that charges a fee to external users to cover the cost of operations, including the cost of depreciation and debt service.

FISCAL YEAR 2018 FINANCIAL ANALYSIS

As was previously stated, the total net position increased from 2017. Table 1 below shows the schedule of net position and Table 2 shows the change in net position.

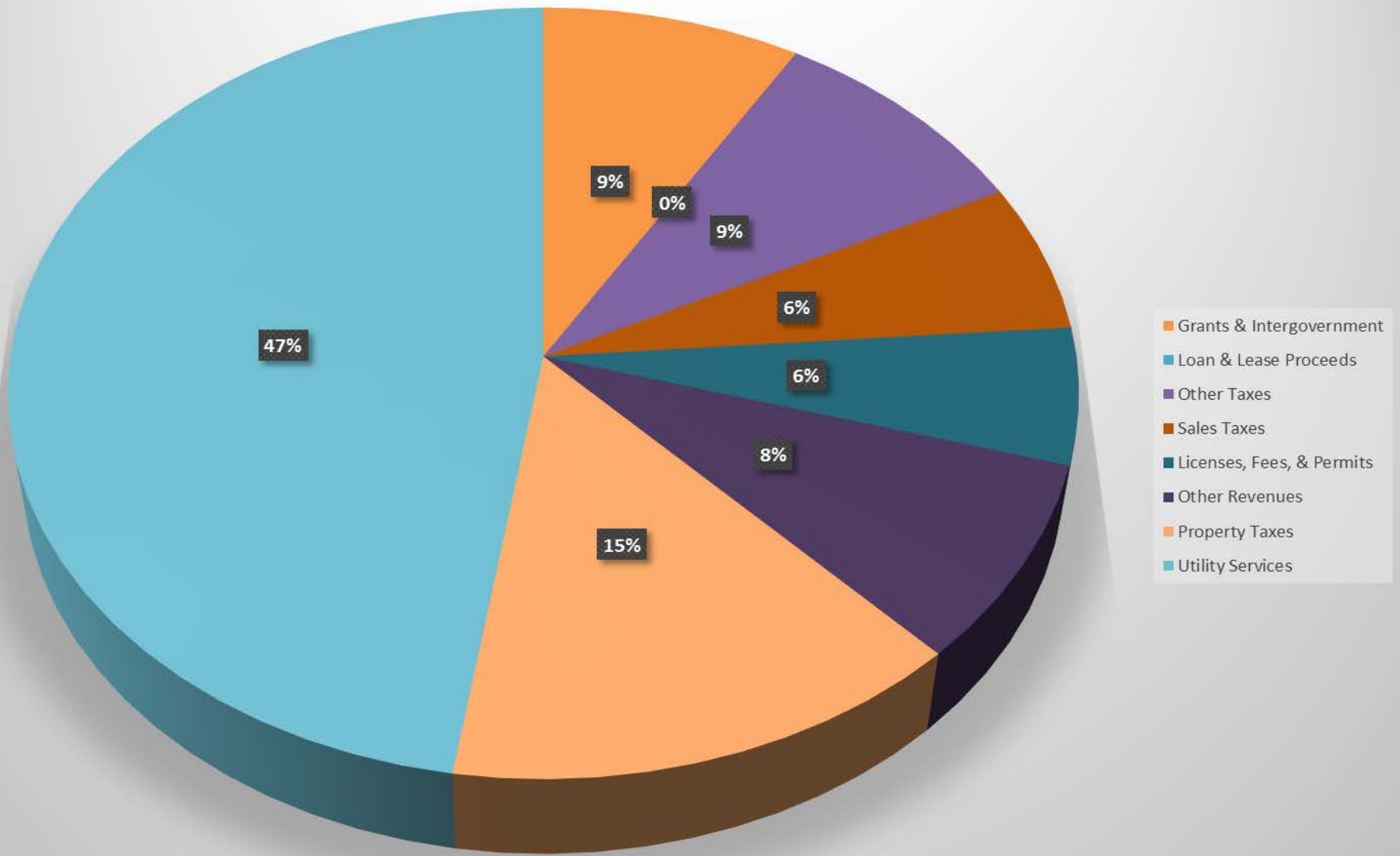
TABLE 1 - CITY OF AMERICUS' NET POSITION

	Governmental Activities FY 2018	Governmental Activities FY 2017	Business-Type Activities FY 2018	Business-Type Activities FY 2017	Total Combined Activities FY 2018	Total Combined Activities FY 2017
Assets						
Current and other assets	\$ 10,389,564	\$ 9,481,523	\$ 13,461,977	\$ 13,492,655	\$ 23,851,541	\$ 22,974,178
Capital assets, net	17,754,854	17,774,778	19,592,670	21,074,068	37,347,524	38,848,846
Total assets	28,144,418	27,256,301	33,054,647	34,566,723	61,199,065	61,823,024
 Pension	 679,192	 881,944	 120,797	 437,555	 799,989	 1,319,499
Total deferred outflows	679,192	881,944	120,797	437,555	799,989	1,319,499
 Liabilities						
Current and other liabilities	4,503,957	4,116,779	3,868,737	3,537,312	8,372,694	7,654,091
Long-term liabilities	1,453,560	1,746,467	6,654,092	8,376,694	8,107,652	10,123,161
Total liabilities	5,957,517	5,863,246	10,522,829	11,914,006	16,480,346	17,777,252
 Deferred Inflows of Resources						
Fair value change of derivatives	176,068	206,749	-	-	176,068	206,749
Pension	523,648	620,628	93,133	105,251	616,781	725,879
Total deferred inflows	699,716	827,377	93,133	105,251	792,849	932,628
 Net Position						
Net investment in capital assets	16,008,039	15,744,516	11,636,624	11,447,380	27,644,663	27,191,896
Restricted for system extension	-	-	1,471,000	1,471,000	1,471,000	1,471,000
Restricted for community development and capital projects	567,968	581,403	-	-	567,968	581,403
Unrestricted	3,884,765	3,018,525	-	-	3,884,765	3,018,525
	1,705,605	2,103,178	9,451,858	9,778,657	11,157,463	11,881,835
Total net assets	\$ 22,166,377	\$ 21,447,622	\$ 22,559,482	\$ 22,697,037	\$ 44,725,859	\$ 44,144,659

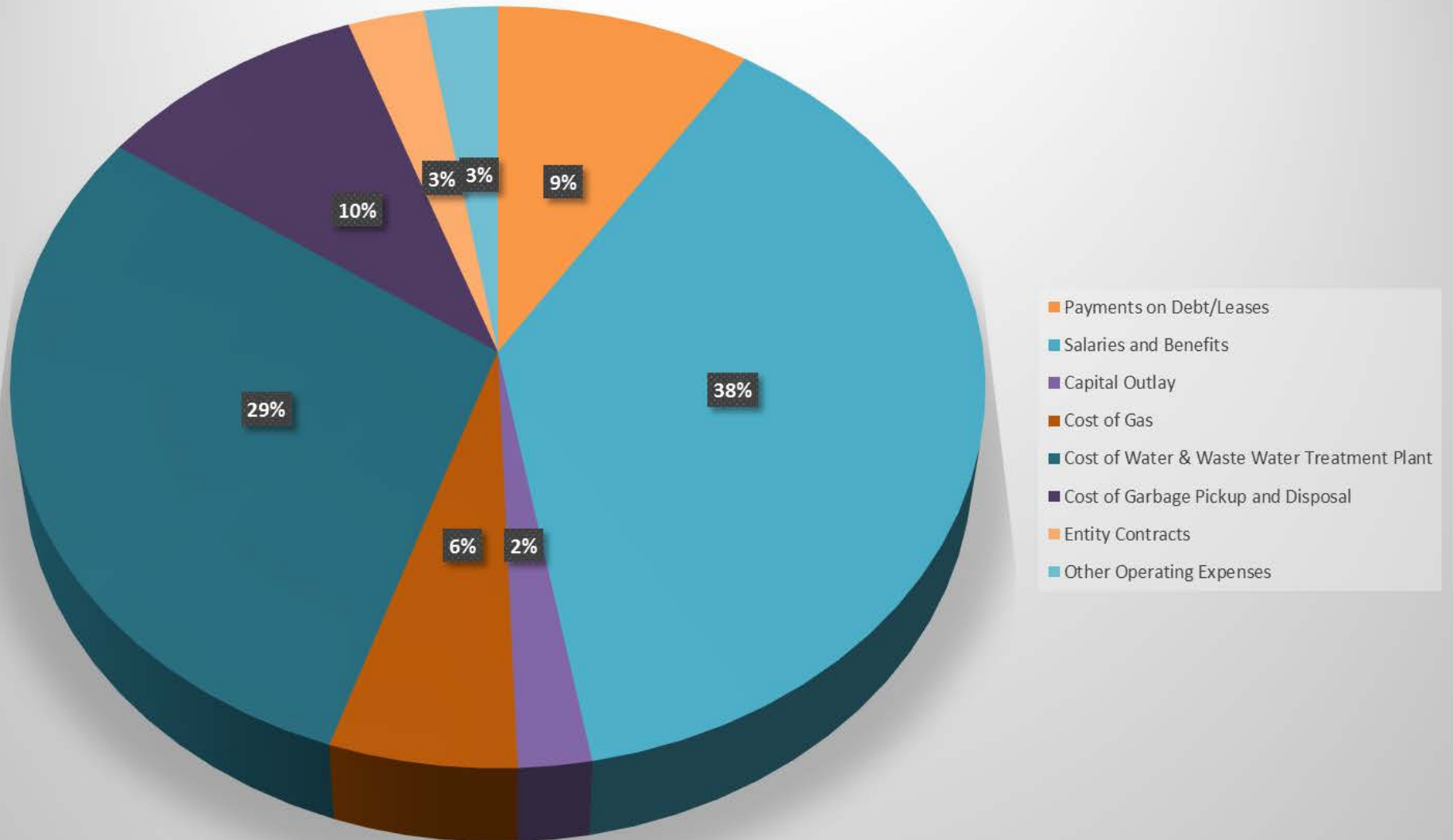
TABLE 2 - CITY OF AMERICUS' STATEMENT OF ACTIVITIES

	Governmental Activities FY 2018	Governmental Activities FY 2017	Business-Type Activities FY 2018	Business-Type Activities FY 2017	Total Combined Activities FY 2018	Total Combined Activities FY 2017
Revenues						
Charges for services	\$ 2,123,391	\$ 2,099,817	\$ 12,444,030	\$ 12,458,825	\$ 14,567,421	\$ 14,558,642
Operating grants/contributions	605,188	149,556	45,500	10,000	650,688	159,556
Capital grants/contributions	1,595,056	1,301,516	-	-	1,595,056	1,301,516
Total program revenues	<u>4,323,635</u>	<u>3,550,889</u>	<u>12,489,530</u>	<u>12,468,825</u>	<u>16,813,165</u>	<u>16,019,714</u>
General revenues						
Property tax	3,816,033	3,595,237	-	-	3,816,033	3,595,237
Other tax	3,803,019	3,613,775	-	-	3,803,019	3,613,775
Other	77,305	133,870	3,514	16,407	80,819	150,277
Total general revenues	<u>7,696,357</u>	<u>7,342,882</u>	<u>3,514</u>	<u>16,407</u>	<u>7,699,871</u>	<u>7,359,289</u>
Total revenues	<u>12,019,992</u>	<u>10,893,771</u>	<u>12,493,044</u>	<u>12,485,232</u>	<u>24,513,036</u>	<u>23,379,003</u>
Program expenses						
General government	2,635,326	2,705,220	-	-	2,635,326	2,705,220
Judicial	101,398	98,072	-	-	101,398	98,072
Public Safety	6,854,612	6,692,310	-	-	6,854,612	6,692,310
Public Works	2,632,335	1,859,432	-	-	2,632,335	1,859,432
Community development	744,097	718,176	-	-	744,097	718,176
Health and Welfare	51,557	48,230	-	-	51,557	48,230
Interest on long-term debt	77,912	86,174	-	-	77,912	86,174
Theater	-	-	493,634	468,742	493,634	468,742
Storm Water	-	-	193,591	236,143	193,591	236,143
Solid Waste	-	-	2,518,578	2,389,869	2,518,578	2,389,869
Water and sewer	-	-	5,412,117	4,888,023	5,412,117	4,888,023
Natural gas	-	-	2,216,679	2,150,153	2,216,679	2,150,153
Total program expenses	<u>13,097,237</u>	<u>12,207,614</u>	<u>10,834,599</u>	<u>10,132,930</u>	<u>23,931,836</u>	<u>22,340,544</u>
Change in net position before transfers	(1,077,245)	(1,313,843)	1,658,445	2,352,302	581,200	1,038,459
Transfers	<u>1,796,000</u>	<u>1,705,400</u>	<u>(1,796,000)</u>	<u>(1,705,400)</u>	<u>-</u>	<u>-</u>
Change in net position	718,755	391,557	(137,555)	646,902	581,200	1,038,459
Net position, beginning of year restated	<u>21,447,622</u>	<u>21,056,065</u>	<u>22,697,037</u>	<u>22,050,135</u>	<u>44,144,659</u>	<u>43,106,200</u>
Net position, end of year	<u>\$ 22,166,377</u>	<u>\$ 21,447,622</u>	<u>\$ 22,559,482</u>	<u>\$ 22,697,037</u>	<u>\$ 44,725,859</u>	<u>\$ 44,144,659</u>

Revenue Types-2018



EXPENSES BY TYPE -2018



GOVERNMENTAL ACTIVITIES

Revenues for the City's governmental activities were \$1,126,221 more than 2017, this is primarily due to an increase in property tax collection and increases in Capital Grants and contribution funds received from SPLOST funds.

Expenses for the City's governmental activities were \$889,623 more than in 2017, primarily attributable to increased salaries in Public Safety and Public Works.

BUSINESS-TYPE ACTIVITIES

Program revenues for business type activities increased by approximately \$20,705 compared to 2017. The increase is related to an increase in operating grants. Most noteworthy is the increase in operating grants related to the theater.

Business type expenses experienced an increase of approximately \$701,669 compared to 2017. The increase in expenses is related to increases in salaries and increased maintenance in Water and Sewer.

COST OF PROGRAM SERVICES

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the combined total cost of services and the combined net cost of services. For governmental activities, the net cost for the year represents depreciation of the infrastructure plus the amount that must be made up with by taxes and investments earnings. For business-type activities, the net cost (or revenue) is the operating net loss (or income) before investment earnings and transfers from the General Fund. A comparison of the net cost for service from 2017 to 2018 is also included.

TABLE 3 - GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES COMBINED

	Total Cost of Services FY 2018	Net Cost (Revenue) of Services FY 2018	Net Cost (Revenue) of Services FY 2017	Change from 2017 to 2018
General Government	\$ 2,635,326	\$ 718,458	\$ 814,260	\$ (95,802)
Judicial	101,398	101,398	98,072	3,326
Public Safety	6,854,612	5,253,151	5,671,263	(418,112)
Public Works	2,632,335	2,313,732	1,648,697	665,035
Community Development	744,097	309,308	338,284	(28,976)
Health and welfare	51,557	(357)	(25)	(332)
Interest on long-term debt	77,912	77,912	86,174	(8,262)
Business-type activities	10,834,599	(1,654,931)	(2,335,895)	680,964
Total Expenses	<u>\$ 23,931,836</u>	<u>\$ 7,118,671</u>	<u>\$ 6,320,830</u>	<u>\$ 797,841</u>

GOVERNMENTAL FUND BALANCE

For the year ended December 31, 2018, the City's Governmental Funds reported combined ending fund balances of \$7,119,725 – which represents a decrease of \$400,943 from the prior year. Approximately 37% of this total constitutes *unassigned* fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is *non-spendable, restricted by third parties, or assigned* by the City Manager per the City's Fund Balance Policy and GASB 54. Table 4 below shows the change in ending fund balances for governmental funds.

Other Governmental Funds total fund balances were \$4,121,238, or \$510,898, more than 2017. The change in fund balance for these special revenue funds is directly related to fluctuations in grant receipts and SPLOST funds, which are being utilized for the completion of the infrastructure renovations, building repair and maintenance, and parks and green spaces.

The fund balance of the General Fund for the end of fiscal year 2018 was \$2,998,487, or \$911,841, less than in 2017. The decrease is due to several factors. These factors include the increases to salaries and related benefits based on a salary study completed in 2018. This situation depicts a relatively stable and controlled financial environment in spite of current economic conditions.

TABLE 4 - GOVERNMENTAL FUND BALANCE

	FY 2018	FY 2017	Increase (Decrease)
General Fund	\$ 2,998,487	\$ 3,910,328	\$ (911,841)
SPLOST Funds	3,307,253	2,931,520	375,733
Special Revenue Funds	813,985	678,820	135,165
Total Governmental Fund Balance	<u>\$ 7,119,725</u>	<u>\$ 7,520,668</u>	<u>\$ (400,943)</u>

PROPRIETARY FUND BALANCE

The City's proprietary funds provide the same type information found in the government-wide financial statements, but in more detail. For the year ended December 31, 2018, the proprietary funds had total operating revenues \$12,444,030. Based on revenues, the largest proprietary fund is the Water and Sewer Fund (50%) followed by the Solid Waste Fund (22%)

The change in net position for Proprietary Funds was a decrease of \$137,555. The detail by fund is shown in Table 5 below.

TABLE 5 - PROPRIETARY FUND NET POSITION

	FY 2018	FY 2017	Increase (Decrease)
Theater Authority	\$ 1,005,301	\$ 1,179,701	\$ (174,400)
Solid Waste Management	507,757	491,974	15,783
Water and Sewer	16,922,585	17,222,725	(300,140)
Natural Gas	1,436,114	1,386,625	49,489
Storm Water	2,687,725	2,416,012	271,713
Total Proprietary Fund Balance	<u>\$ 22,559,482</u>	<u>\$ 22,697,037</u>	<u>\$ (137,555)</u>

Readers should note that the Theater Authority historically shows a reduction in net position each year due to depreciation of the theater building. The total depreciation in 2018 was \$124,819. The Solid Waste Fund generally has a low net position as we try to set billing rates equal to anticipated expenses; however, we do have some fluctuation from year to year. Natural Gas rates are set based on market price plus a margin. As a result, net position fluctuates from year to year; however, reduced expenses and the elimination of the profit sharing with the General Fund has helped to reduce the decrease in the available net position. The Water and Sewer Fund's decrease is directly related to increases in repair maintenance on the system. The Storm Water Fund's increases are due to long-term debt reduction, lower maintenance expenses.

GENERAL FUND BUDGETING HIGHLIGHTS

The City's budget is prepared in accordance with Georgia law. The most significant budget fund is the General Fund. Actual 2018 revenues in the General Fund of \$9,765,069 were less than the budget by \$1,067,115. Minor variances occurred within several of the line items with the most noteworthy variance being property tax revenue and sales tax. Property tax revenue came in \$261,674 less than budgeted while sales tax revenue was \$108,688 less than anticipated. The readers should also note that because property tax values continue to decline, the millage rate was increased. This revenue source also fluctuates based on economic conditions. However, our property tax collection rate within the first year of billing has consistently been near 95%.

The actual expenditure amount of \$12,864,832 represents a positive variance of \$317,885 to the final budgeted amount of \$13,182,717. Most departments came in less than budget. The main source of the overall favorable variance is lower than anticipated general government expenditures and Public Safety expenditures.

Readers should note that throughout the year, the budget ordinance is amended to reflect changes in revenues and expenditures that were not known at the time the budget was passed. For expenditures, the reduction of budgets largely reflects a control on spending in response to decreased revenues. See Table 6 below for a comparison of original expenditure budgets and final budgets.

Several departments incurred significant changes from the original budget to the amended “final” budget. These changes were based on mid-year and continued analysis of expenditures and expected revenues as well as departmental needs.

TABLE 6 - ORIGINAL AND AMENDED EXPENDITURE BUDGETS

	Original Budget 2018	Amended Budget 2018	Increase (Decrease) from Original to Amended
Mayor and Council	\$ 735,211	\$ 832,211	\$ 97,000
Finance	634,854	634,854	-
City Manager	302,715	332,535	29,820
Computer Operations	407,823	208,598	(199,225)
Personnel	295,216	333,416	38,200
Judicial	104,025	104,875	850
Police	3,175,908	3,613,908	438,000
Fire	3,745,879	3,639,179	(106,700)
Building Risk Management	327,659	375,759	48,100
Shop	217,479	138,503	(78,976)
Public Services	207,576	477,546	269,970
Streets	858,400	732,020	(126,380)
Cemetery	44,319	48,915	4,596
Grounds and Maintenance	661,282	676,482	15,200
Community Development	28,832	50,632	21,800
Main Street	477,480	477,480	-
Debt Service	505,804	505,804	-
Total Budget	<u>\$ 12,730,462</u>	<u>\$ 13,182,717</u>	<u>\$ 452,255</u>

CAPITAL ASSETS AND DEBT ADMINISTRATION

At the end of fiscal year 2018, the City had \$37,347,524 invested in capital assets. Table 7 shows fiscal year 2018 balances compared to fiscal year 2017. Capital assets include land, buildings, improvements, machinery and equipment, utility systems, roads, streets, and bridges. An increase in machinery and equipment and buildings is related to the purchase of Public Safety equipment and vehicles, various Water and Sewer equipment, and a Natural Gas Utility Fund vehicle.

TABLE 7 - CAPITAL ASSETS

	Governmental/ Business-Type Activities 2017	Governmental/ Business-Type Activities 2018	Increase (Decrease) from 2017 to 2018
Land	\$ 4,138,182	\$ 4,138,182	\$ -
Construction in progress	4,276,223	4,090,763	(185,460)
Buildings	10,119,120	10,119,120	-
Building Improvements	3,281,703	3,281,703	-
Improvements other than buildings	141,442	141,442	-
Machinery and equipment	9,895,278	10,390,810	495,532
Water and sewer system	43,544,709	43,544,709	-
Gas system	3,795,123	3,795,123	-
Stormwater System	1,156,830	1,156,830	-
Infrastructure	243,138,106	243,992,106	854,000
Accumulated depreciation	(284,637,870)	(287,303,264)	(2,665,394)
Total capital assets	<u>\$ 38,848,846</u>	<u>\$ 37,347,524</u>	<u>\$ (1,501,322)</u>

The increase in infrastructure is related to a South Jackson Street SPLOST project being completed. Additional information on the capital assets can be found in the Note 6 of the financial report.

LONG-TERM DEBT

At year-end, the City had \$12,990,270 in long-term debt. Governmental type activities showed a decrease from 2017. The decrease is associated with a reduction in capital leases as the debt on the energy savings contract is paid on an annual basis and debt on a fire engine is paid annually. Business type activities showed a decrease from prior year balances due to the continued reduction in revenue bonds payable as we are paying down the debt annually, as well as the bond premium that is amortized over the life of the debt. A comparison of the different debt types and balances at year-end 2017 and 2018 are documented in Table 8 below. More detailed information about the City's long-term liabilities is presented in Note 7 of the financial statements.

TABLE 8 - OUTSTANDING LONG-TERM LIABILITIES

	Governmental Activities FY 2017	Governmental Activities FY 2018	Business-Type Activities FY 2017	Business-Type Activities FY 2018	Total Combined Activities FY 2017	Total Combined Activities FY 2018
Certificates of participation	\$ 845,000	\$ 845,000	\$ -	\$ -	\$ 845,000	\$ 845,000
Capital leases	901,467	901,815	-	-	901,467	901,815
Revenue Bonds payable	-	-	9,865,000	8,225,000	9,865,000	8,225,000
Revenue Bonds Premium	-	-	151,698	114,092	151,698	114,092
Net Pension Liability	2,580,066	2,249,421	437,555	400,073	3,017,621	2,649,494
Compensated absences	189,359	217,347	33,158	37,522	222,517	254,869
Total liabilities	\$ 4,515,892	\$ 4,213,583	\$ 10,487,411	\$ 8,776,687	\$ 15,003,303	\$ 12,990,270

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City of Americus is located in southwest Georgia in Sumter County. The 2010 U.S. Census population figure for the City was 17,041. The population of the City of Americus represents slightly over half of all of Sumter County. The economic condition and outlook of the City is mixed due to several factors. Economic recovery from an EF3 tornado that hit in 2007 started off with great momentum, but has been challenging considering the uncertainty with the economy. Although most of the businesses have rebuilt, the impact of this event is still with the City and the County. The total devastation of Sumter Regional Hospital resulted in an overall reduction in local medical services. However, the new Phoebe Sumter Medical Center opened its doors in December 2012 resulting in medical services that have surpassed the pre-tornado level.

Local unemployment rates have been steady over the last year. The average for 2018 was 5.00%. The prevailing rate for this area prior to the tornado and the national recession was around 5% to 7%.

On the positive side, local economic recovery is expected with some recent and upcoming projects. The new Cordele Intermodal Center opened in early 2012. This project, which is a joint venture of Sumter and Crisp counties, links the Port of Savannah with Southwest Georgia, Alabama, Mississippi, and the Florida panhandle by rail. This is a long-term project that is expected to have a great impact in the four state regions. Current companies using the center include Mulcoa and Big Tex Trailers. Other large companies have shown interest which could result in hundreds of jobs. Initial employment at the center is 50 to 100.

The local economy is also reaping the benefits of another joint venture through the University of Georgia Archway Partnership. Funding partners in this venture include the Sumter County Board of Commissioners, the City of Americus, the Sumter County Board of Education, Phoebe Sumter Medical Group, and Americus-Sumter County Payroll Development Authority. Through this partnership, our local leaders have access to resources offered by the University that would otherwise be unavailable in this area.

Another very positive project was announced in February 2012. Star Racing, a local company, plans to build a \$12 million world class motorsports and entertainment facility right outside the City limits. The facility is expected to boost the economy by \$75 million annually and employ as many as 200 full-time positions. The complex will include grand stands for 10,000 people and parking for 7,500 vehicles. Plans are underway to assure that infrastructure needs are met. These include, but are not limited to, widening of streets to handle the traffic, extension and expansion of water and sewer lines, and possibly natural gas lines.

Georgia Southwestern State University expanded to include the addition of the Health and Sciences Building. The University has had a steady enrollment over the past six years. The 2018 enrollment stands at approximately 3,128. The university continues to be a significant economic factor in this community and those closely connect to Americus. Additionally, South Georgia Technical College's steady enrollment continues to contribute to the local economy as well.

The City's adopted budget for 2018 includes salary increases based on a rate study. However, it does not include a cost of living increase or merit increases. We are conservatively spending in order to avoid other cost cutting strategies like furloughing.

The financial position of the City is a result of careful budget management and expenditure of funds. The City has been able to maintain the millage rate on ad valorem taxes for the past several years. The millage rate for 2018 was set at 10.92, which is a slight increase from 2017. The 2018 budget includes general fund expenditures of \$13,182,717. The budget also includes hefty contributions to the employee retirement plan due to the currently underfunded program. General inflation for energy costs, supplies, and repairs, as well as rate increases in contractual services, are also included in the 2018 budget.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Diadra Powell, Finance Director for the City of Americus at 1404 E. Forsyth Street, Americus, Georgia 31709, 229-924-4411 ext. 222, or dpowell@americusga.gov.

CITY OF AMERICUS, GEORGIA

STATEMENT OF NET POSITION DECEMBER 31, 2018

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Tourism Council
ASSETS					
Cash and cash equivalents	\$ 7,128,633	\$ 6,955,545	\$ 14,084,178	\$ 49,567	\$ 92,233
Investments	561,938	-	561,938	-	-
Taxes receivable	1,106,107	-	1,106,107	-	-
Accounts receivable, net of allowance for uncollectibles	625,134	2,830,005	3,455,139	-	-
Due from component unit	10,374	-	10,374	-	-
Due from primary government	-	-	-	66,227	482
Mortgage receivable	45,983	-	45,983	-	-
Due from other governments	556,801	-	556,801	-	-
Internal balances	112,296	(112,296)	-	-	-
Inventories	30,782	133,077	163,859	-	-
Prepaid expenses	35,448	31,825	67,273	195	-
Restricted assets, cash and cash equivalents	-	3,618,828	3,618,828	-	-
Fair value of interest rate swap agreement	176,068	-	176,068	-	-
Other assets, deposits	-	4,993	4,993	-	-
Capital assets, non-depreciable	7,031,042	1,197,903	8,228,945	-	-
Capital assets, depreciable, net of accumulated depreciation	10,723,812	18,394,767	29,118,579	504,284	-
Total assets	28,144,418	33,054,647	61,199,065	620,273	92,715
DEFERRED OUTFLOWS OF RESOURCES					
Pension	679,192	120,797	799,989	-	-

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF NET POSITION DECEMBER 31, 2018

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Tourism Council
LIABILITIES					
Accounts payable	\$ 1,333,567	\$ 1,186,741	\$ 2,520,308	\$ 481	\$ 7,817
Accrued liabilities	154,320	99,505	253,825	-	1,542
Due to primary government	-	-	-	10,374	-
Due to component units	66,709	-	66,709	-	-
Unearned revenues - prepaid taxes and licenses	112,225	-	112,225	-	-
Liabilities payable from restricted assets	-	2,144,896	2,144,896	-	-
Claims payable	77,113	-	77,113	-	-
Certificates of participation due in more than one year	845,000	-	845,000	-	-
Capital leases due within one year	293,255	-	293,255	-	-
Capital leases due in more than one year	608,560	-	608,560	-	-
Compensated absences due within one year	217,347	37,522	254,869	-	-
Net pension liability	2,249,421	400,073	2,649,494	-	-
Bonds payable due in more than one year	-	6,654,092	6,654,092	-	-
Total liabilities	<u>5,957,517</u>	<u>10,522,829</u>	<u>16,480,346</u>	<u>10,855</u>	<u>9,359</u>
DEFERRED INFLOWS OF RESOURCES					
Accumulated increase in fair value of hedging activities	176,068	-	176,068	-	-
Pension	<u>523,648</u>	<u>93,133</u>	<u>616,781</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>699,716</u>	<u>93,133</u>	<u>792,849</u>	<u>-</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	16,008,039	11,636,624	27,644,663	504,284	-
Restricted for system extension	-	1,471,000	1,471,000	-	-
Restricted for community development	567,968	-	567,968	-	-
Restricted for capital projects	3,884,765	-	3,884,765	-	-
Unrestricted	<u>1,705,605</u>	<u>9,451,858</u>	<u>11,157,463</u>	<u>105,134</u>	<u>83,356</u>
Total net position	<u>\$ 22,166,377</u>	<u>\$ 22,559,482</u>	<u>\$ 44,725,859</u>	<u>\$ 609,418</u>	<u>\$ 83,356</u>

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

CITY OF AMERICUS, GEORGIA

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Net Revenue (Expenses) and Changes in Net Position								
	Expenses	Program Revenues			Governmental Activities	Business-type Activities	Total	Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions				Downtown Development Authority	Tourism Council
Primary government:									
Governmental activities:									
General government	\$ 2,635,326	\$ 1,806,389	\$ 110,479	\$ -	\$ (718,458)	\$ -	\$ (718,458)	\$ -	\$ -
Judicial	101,398	-	-	-	(101,398)	-	(101,398)	-	-
Public safety	6,854,612	303,844	312,500	985,117	(5,253,151)	-	(5,253,151)	-	-
Public works	2,632,335	-	88,651	229,952	(2,313,732)	-	(2,313,732)	-	-
Community development	744,097	13,158	41,644	379,987	(309,308)	-	(309,308)	-	-
Health and welfare	51,557	-	51,914	-	357	-	357	-	-
Interest on long-term debt	77,912	-	-	-	(77,912)	-	(77,912)	-	-
Total governmental activities	<u>13,097,237</u>	<u>2,123,391</u>	<u>605,188</u>	<u>1,595,056</u>	<u>(8,773,602)</u>	<u>-</u>	<u>(8,773,602)</u>	<u>-</u>	<u>-</u>
Business-type activities:									
Theater	493,634	88,729	45,500	-	-	(359,405)	(359,405)	-	-
Stormwater	193,591	750,304	-	-	-	556,713	556,713	-	-
Solid waste	2,518,578	2,783,480	-	-	-	264,902	264,902	-	-
Water and sewer	5,412,117	6,181,290	-	-	-	769,173	769,173	-	-
Natural gas	2,216,679	2,640,227	-	-	-	423,548	423,548	-	-
Total business-type activities	<u>10,834,599</u>	<u>12,444,030</u>	<u>45,500</u>	<u>-</u>	<u>-</u>	<u>1,654,931</u>	<u>1,654,931</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 23,931,836</u>	<u>\$ 14,567,421</u>	<u>\$ 650,688</u>	<u>\$ 1,595,056</u>	<u>(8,773,602)</u>	<u>1,654,931</u>	<u>(7,118,671)</u>	<u>-</u>	<u>-</u>
Component units:									
Downtown Development Authority	\$ 26,165	\$ -	\$ -	\$ -	-	-	-	(26,165)	-
Tourism Council	216,330	7,163	192,206	-	-	-	-	-	(16,961)
Total component unit	<u>\$ 242,495</u>	<u>\$ 7,163</u>	<u>\$ 192,206</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(26,165)</u>	<u>(16,961)</u>

(Continued)

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

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

CITY OF AMERICUS, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2018

	General Fund	SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 2,860,885	\$ 3,028,429	\$ 797,324	\$ 6,686,638
Investments	561,938	-	-	561,938
Taxes receivable, net of allowance for uncollectibles	1,106,107	-	-	1,106,107
Accounts receivable, net of allowance for uncollectibles	625,134	-	-	625,134
Mortgage receivable	-	-	45,983	45,983
Due from other governments	247,703	285,787	23,311	556,801
Due from other funds	292,694	430,040	1,797	724,531
Due from component unit	10,374	-	-	10,374
Inventories	30,782	-	-	30,782
Prepaid expenditures	35,448	-	-	35,448
Total assets	<u>\$ 5,771,065</u>	<u>\$ 3,744,256</u>	<u>\$ 868,415</u>	<u>\$ 10,383,736</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 897,449	\$ 436,118	\$ -	\$ 1,333,567
Accrued liabilities	135,889	-	13,412	149,301
Due to other funds	469,256	885	41,018	511,159
Due to component unit	66,709	-	-	66,709
Unearned revenues - unearned prepaid taxes and licenses	112,225	-	-	112,225
Total liabilities	<u>1,681,528</u>	<u>437,003</u>	<u>54,430</u>	<u>2,172,961</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	1,002,399	-	-	1,002,399
Unavailable revenues - grants	88,651	-	-	88,651
Total deferred inflows of resources	<u>1,091,050</u>	<u>-</u>	<u>-</u>	<u>1,091,050</u>

(Continued)

CITY OF AMERICUS, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2018

FUND BALANCES	General Fund	SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Fund balances:				
Nonspendable:				
Prepaid expenditures	\$ 35,448	\$ -	\$ -	\$ 35,448
Inventories	30,782	-	-	30,782
Restricted for community development	-	-	567,968	567,968
Restricted for capital projects	290,477	3,307,253	287,035	3,884,765
Unassigned (deficit)	2,641,780	-	(41,018)	2,600,762
Total fund balances	<u>2,998,487</u>	<u>3,307,253</u>	<u>813,985</u>	7,119,725
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,771,065</u>	<u>\$ 3,744,256</u>	<u>\$ 868,415</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.				17,754,854
Deferred outflows of resources related to pensions are not available to pay for current-period expenditures and, therefore, are not reported in the funds.				679,192
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.				1,091,050
Deferred inflows of resources related to pensions are not due and payable in the current period and, therefore, are not reported in the funds.				(523,648)
The assets and liabilities of the internal service fund are included in governmental activities.				263,806
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.				(4,218,602)
Net position of governmental activities				<u>\$ 22,166,377</u>

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

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

	General Fund	SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 7,052,435	\$ -	\$ 355,562	\$ 7,407,997
Licenses and permits	1,494,171	-	-	1,494,171
Intergovernmental	406,058	985,091	609,939	2,001,088
Fines and forfeitures	310,971	-	-	310,971
Charges for services	247,786	-	-	247,786
Interest revenue	73,605	26	802	74,433
Other revenues	180,043	-	899	180,942
Total revenues	<u>9,765,069</u>	<u>985,117</u>	<u>967,202</u>	<u>11,717,388</u>
Expenditures				
Current:				
General government	2,294,194	-	-	2,294,194
Judicial	104,290	-	-	104,290
Public safety	7,235,191	-	13,500	7,248,691
Public works	2,496,183	-	900	2,497,083
Community development	319,257	-	433,027	752,284
Health and welfare	51,557	-	-	51,557
Capital Outlay	-	609,384	-	609,384
Debt Service:				
Principal	283,447	-	-	283,447
Interest	80,713	-	-	80,713
Total expenditures	<u>12,864,832</u>	<u>609,384</u>	<u>447,427</u>	<u>13,921,643</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,099,763)</u>	<u>375,733</u>	<u>519,775</u>	<u>(2,204,255)</u>

(Continued)

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

	<u>General Fund</u>	<u>SPLOST Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Other financing sources (uses):				
Proceeds from the sale of assets	\$ 7,312	\$ -	\$ -	\$ 7,312
Transfers in	2,365,610	-	-	2,365,610
Transfers out	<u>(185,000)</u>	<u>-</u>	<u>(384,610)</u>	<u>(569,610)</u>
Total other financing sources (uses)	<u>2,187,922</u>	<u>-</u>	<u>(384,610)</u>	<u>1,803,312</u>
Net change in fund balances	(911,841)	375,733	135,165	(400,943)
Fund balances, January 1	<u>3,910,328</u>	<u>2,931,520</u>	<u>678,820</u>	<u>7,520,668</u>
Fund balances, December 31	<u><u>\$ 2,998,487</u></u>	<u><u>\$ 3,307,253</u></u>	<u><u>\$ 813,985</u></u>	<u><u>\$ 7,119,725</u></u>

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

CITY OF AMERICUS, GEORGIA

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

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

Net change in fund balances - total governmental funds	\$	(400,943)
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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	931,205
Depreciation expense	(946,166)

The net effect of the disposal of capital assets is to decrease net position	(4,963)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	299,706
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Principal repayments - capital leases	283,447
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in compensated absences	(27,988)
Change in net pension liability and related deferred inflows and outflows	224,873
Change in accrued interest payable	2,801

The internal service fund is used to charge the cost of health insurance to individual funds. The net revenue (expense) of the Insurance Fund is reported with governmental activities.

356,783
<u>\$ 718,755</u>

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

CITY OF AMERICUS, GEORGIA

GENERAL FUND

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 3,617,023	\$ 3,866,652	\$ 3,604,978	\$ (261,674)
Sales taxes	1,730,000	1,730,000	1,621,312	(108,688)
Other taxes	1,573,350	1,827,856	1,826,145	(1,711)
Licenses and permits	1,614,050	1,546,967	1,494,171	(52,796)
Intergovernmental	178,200	193,200	406,058	212,858
Fines and forfeitures	265,000	299,600	310,971	11,371
Charges for services	14,030	123,272	247,786	124,514
Interest revenue	81,600	75,511	73,605	(1,906)
Other revenue	1,218,090	1,169,126	180,043	(989,083)
Total revenues	10,291,343	10,832,184	9,765,069	(1,067,115)
Expenditures:				
Current:				
General government:				
Mayor and council	735,211	832,211	815,969	16,242
Finance	634,854	634,854	622,517	12,337
City manager	302,715	332,535	325,915	6,620
Computer operations	407,823	208,598	197,943	10,655
Personnel	295,216	333,416	331,850	1,566
Total general government	2,375,819	2,341,614	2,294,194	47,420
Judicial, municipal court	104,025	104,875	104,290	585
Public safety:				
Police	3,175,908	3,613,908	3,582,351	31,557
Fire	3,745,879	3,639,179	3,279,259	359,920
Building risk management	327,659	375,759	373,581	2,178
Total public safety	7,249,446	7,628,846	7,235,191	393,655

(Continued)

CITY OF AMERICUS, GEORGIA

GENERAL FUND

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
Expenditures (Continued):				
Current (Continued):				
Public works:				
Shop	\$ 217,479	\$ 138,503	\$ 136,490	\$ 2,013
Public services	207,576	477,546	476,383	1,163
Streets	858,400	732,020	1,161,121	(429,101)
Cemetery	44,319	48,915	48,915	-
Transportation	-	-	57	(57)
Maintenance	661,282	676,482	673,217	3,265
Total public works	1,989,056	2,073,466	2,496,183	(422,717)
Community development:				
Community development department	28,832	50,632	49,257	1,375
Main Street	477,480	477,480	270,000	207,480
Total community development	506,312	528,112	319,257	208,855
Health and Welfare - Family Connection	-	-	51,557	(51,557)
Debt service:				
Principal	393,696.80	393,697	283,447	110,250
Interest	112,107	112,107	80,713	31,394
Total debt service	505,804	505,804	364,160	141,644
Total expenditures	12,730,462	13,182,717	12,864,832	317,885
Deficiency of revenues over expenditures	(2,439,119)	(2,350,533)	(3,099,763)	(749,230)
Other financing sources (uses):				
Capital leases	305,119	216,533	-	(216,533)
Proceeds from sale of assets	-	-	7,312	7,312
Transfers in	2,319,000	2,319,000	2,365,610	46,610
Transfers out	(185,000)	(185,000)	(185,000)	-
Total other financing sources (uses)	2,439,119	2,350,533	2,187,922	(162,611)

(Continued)

CITY OF AMERICUS, GEORGIA

GENERAL FUND

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
Net change in fund balance	\$ -	\$ -	\$ (911,841)	\$ (911,841)
Fund balance, January 1	3,910,328	3,910,328	3,910,328	-
Fund balance, December 31	<u>\$ 3,910,328</u>	<u>\$ 3,910,328</u>	<u>\$ 2,998,487</u>	<u>\$ (911,841)</u>

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

CITY OF AMERICUS, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2018

ASSETS	Business-type Activities - Enterprise Funds					Totals	Internal Service
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund		Fund Insurance Fund
CURRENT ASSETS							
Cash and cash equivalents	\$ 175,038	\$ 6,240,521	\$ 467,255	\$ 61,537	\$ 11,194	\$ 6,955,545	\$ 441,995
Restricted cash and cash equivalents	-	3,418,182	200,646	-	-	3,618,828	-
Accounts receivable (net of allowance)	522,647	1,360,267	852,502	94,589	-	2,830,005	-
Due from other funds	20,833	81,909	6,469	-	-	109,211	-
Inventories	-	75,850	51,500	5,727	-	133,077	-
Prepaid expenses	4,256	12,418	6,218	4,681	4,252	31,825	-
Total current assets	722,774	11,189,147	1,584,590	166,534	15,446	13,678,491	441,995
NONCURRENT ASSETS							
Capital assets:							
Land	-	377,491	11,482	-	-	388,973	-
Buildings and improvements	-	-	302,415	-	3,965,592	4,268,007	-
Machinery and equipment	-	1,845,455	408,160	180,180	51,732	2,485,527	-
Water and sewer system	-	43,544,709	-	-	-	43,544,709	-
Gas system	-	-	3,795,123	-	-	3,795,123	-
Stormwater system	-	-	-	1,156,830	-	1,156,830	-
Construction in progress	-	7,030	-	801,900	-	808,930	-
	-	45,774,685	4,517,180	2,138,910	4,017,324	56,448,099	-
Less accumulated depreciation	-	30,001,022	3,630,844	335,615	2,887,948	36,855,429	-
Total capital assets (net of accumulated depreciation)	-	15,773,663	886,336	1,803,295	1,129,376	19,592,670	-
Advance to other funds	-	-	-	2,059,422	-	2,059,422	-
Other assets, deposits	-	2,300	2,693	-	-	4,993	-
Total noncurrent assets	-	15,775,963	889,029	3,862,717	1,129,376	21,657,085	-
Total assets	722,774	26,965,110	2,473,619	4,029,251	1,144,822	35,335,576	441,995
DEFERRED OUTFLOWS OF RESOURCES							
Pension	-	59,999	32,800	9,599	18,399	120,797	-

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2018

LIABILITIES	Business-type Activities - Enterprise Funds					Totals	Internal Service
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund		Fund Insurance Fund
CURRENT LIABILITIES							
Payable from current assets:							
Accounts payable	\$ 215,017	\$ 174,253	\$ 789,704	\$ 2,867	\$ 4,900	\$ 1,186,741	\$ -
Compensated absences payable	-	18,857	11,159	3,004	4,502	37,522	-
Accrued liabilities	-	8,460	4,798	1,589	2,407	17,254	77,113
Accrued interest	-	67,332	-	14,919	-	82,251	-
Due to other funds	-	10,255	-	140,265	70,987	221,507	101,076
Payable from restricted assets:							
Current portion of revenue bonds	-	1,326,692	-	358,308	-	1,685,000	-
Deposits	-	329,169	130,727	-	-	459,896	-
Total current liabilities	<u>215,017</u>	<u>1,935,018</u>	<u>936,388</u>	<u>520,952</u>	<u>82,796</u>	<u>3,690,171</u>	<u>178,189</u>
NONCURRENT LIABILITIES							
Advances from other funds	-	2,059,422	-	-	-	2,059,422	-
Revenue bonds payable (net of current)	-	5,863,114	-	790,978	-	6,654,092	-
Net pension liability	-	198,712	108,629	31,794	60,938	400,073	-
Total noncurrent liabilities	<u>-</u>	<u>8,121,248</u>	<u>108,629</u>	<u>822,772</u>	<u>60,938</u>	<u>9,113,587</u>	<u>-</u>
Total liabilities	<u>215,017</u>	<u>10,056,266</u>	<u>1,045,017</u>	<u>1,343,724</u>	<u>143,734</u>	<u>12,803,758</u>	<u>178,189</u>
DEFERRED INFLOWS OF RESOURCES							
Pension	-	46,258	25,288	7,401	14,186	93,133	-
NET POSITION							
Net investment in capital assets	-	8,966,903	886,336	654,009	1,129,376	11,636,624	-
Restricted for system extension	-	1,296,000	175,000	-	-	1,471,000	-
Unrestricted (deficit)	<u>507,757</u>	<u>6,659,682</u>	<u>374,778</u>	<u>2,033,716</u>	<u>(124,075)</u>	<u>9,451,858</u>	<u>263,806</u>
Total net position	<u>\$ 507,757</u>	<u>\$ 16,922,585</u>	<u>\$ 1,436,114</u>	<u>\$ 2,687,725</u>	<u>\$ 1,005,301</u>	<u>\$ 22,559,482</u>	<u>\$ 263,806</u>

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

CITY OF AMERICUS, GEORGIA

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

	Business-type Activities - Enterprise Funds						Internal Service Fund
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund	Totals	Insurance Fund
Operating revenues:							
Charges for services:							
Collection and disposal fees	\$ 2,783,480	\$ -	\$ -	\$ -	\$ -	\$ 2,783,480	\$ -
Water sales	-	2,706,618	-	-	-	2,706,618	-
Sewer sales	-	3,016,203	-	-	-	3,016,203	-
Gas sales	-	-	2,382,241	-	-	2,382,241	-
Stormwater fees	-	-	-	750,304	-	750,304	-
Insurance charges	-	-	-	-	-	-	1,175,906
Other	-	458,469	257,986	-	88,729	805,184	120,683
Total operating revenues	2,783,480	6,181,290	2,640,227	750,304	88,729	12,444,030	1,296,589
Operating expenses:							
Sanitation services	2,518,578	-	-	-	-	2,518,578	-
Water maintenance	-	632,794	-	-	-	632,794	-
Water treatment plant	-	1,070,501	-	-	-	1,070,501	-
Wastewater treatment plant	-	1,225,518	-	-	-	1,225,518	-
Utility billing	-	776,027	-	-	-	776,027	-
Stormwater collection and disposal	-	-	-	167,204	-	167,204	-
Depreciation	-	1,509,382	117,508	26,387	124,819	1,778,096	-
Costs of sales and services	-	-	1,401,531	-	-	1,401,531	-
Utility service	-	-	697,640	-	-	697,640	-
Insurance claims	-	-	-	-	-	-	661,242
Insurance premiums and fees	-	-	-	-	-	-	279,113
Theater productions	-	-	-	-	54,477	54,477	-
Theater operations	-	-	-	-	314,338	314,338	-
Total operating expenses	2,518,578	5,214,222	2,216,679	193,591	493,634	10,636,704	940,355
Operating income (loss)	264,902	967,068	423,548	556,713	(404,905)	1,807,326	356,234

(Continued)

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

	Business-type Activities - Enterprise Funds						Internal Service Fund
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund	Totals	Insurance Fund
Non-operating revenues (expenses):							
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 45,500	\$ 45,500	\$ -
Interest revenue	881	1,687	941	-	5	3,514	549
Interest expense	-	(197,895)	-	-	-	(197,895)	-
Total non-operating revenues (expenses)	881	(196,208)	941	-	45,505	(148,881)	549
Income (loss) before transfers	265,783	770,860	424,489	556,713	(359,400)	1,658,445	356,783
Transfers in	-	-	-	-	185,000	185,000	-
Transfers out	(250,000)	(1,071,000)	(375,000)	(285,000)	-	(1,981,000)	-
Total transfers in (out)	(250,000)	(1,071,000)	(375,000)	(285,000)	185,000	(1,796,000)	-
Change in net position	15,783	(300,140)	49,489	271,713	(174,400)	(137,555)	356,783
Net position (deficit), January 1	491,974	17,222,725	1,386,625	2,416,012	1,179,701	22,697,037	(92,977)
Net position, December 31	<u>\$ 507,757</u>	<u>\$ 16,922,585</u>	<u>\$ 1,436,114</u>	<u>\$ 2,687,725</u>	<u>\$ 1,005,301</u>	<u>\$ 22,559,482</u>	<u>\$ 263,806</u>

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

CITY OF AMERICUS, GEORGIA

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

	Business-type Activities - Enterprise Funds						Internal Service Fund
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund	Totals	Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers	\$ 2,767,380	\$ 6,022,412	\$ 2,642,636	\$ 785,649	\$ 88,729	\$ 12,306,806	\$ 1,276,982
Payments to suppliers and service providers	(2,525,657)	(3,083,787)	(1,498,533)	38,008	(204,163)	(7,274,132)	(1,008,242)
Payments to employees	-	(472,364)	(333,920)	(88,932)	(113,940)	(1,009,156)	-
Receipts from others	-	-	-	-	-	-	134,523
Net cash provided by (used in) operating activities	241,723	2,466,261	810,183	734,725	(229,374)	4,023,518	403,263
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Intergovernmental revenue	-	-	-	-	45,500	45,500	-
Transfers from other funds	-	-	-	-	185,000	185,000	-
Transfers to other funds	(250,000)	(1,071,000)	(375,000)	(285,000)	-	(1,981,000)	-
Net cash provided by (used in) noncapital financing activities	(250,000)	(1,071,000)	(375,000)	(285,000)	230,500	(1,750,500)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Purchase of property and equipment	-	(218,863)	(25,709)	(52,126)	-	(296,698)	-
Principal payments on long-term borrowings	-	(1,292,348)	-	(347,652)	-	(1,640,000)	-
Interest paid on bonds and notes payable	-	(237,236)	-	(13,075)	-	(250,311)	-
Repayment of advance (to)/from other funds	-	42,989	-	(42,989)	-	-	-
Net cash used in capital and related financing activities	-	(1,705,458)	(25,709)	(455,842)	-	(2,187,009)	-

(Continued)

CITY OF AMERICUS, GEORGIA

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

	Business-type Activities - Enterprise Funds						Internal Service Fund Insurance Fund
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund	Totals	
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest on investments	\$ 881	\$ 1,687	\$ 941	\$ -	\$ 5	\$ 3,514	\$ 549
Net cash provided by investing activities	881	1,687	941	-	5	3,514	549
Increase (decrease) in cash and cash equivalents	(7,396)	(308,510)	410,415	(6,117)	1,131	89,523	403,812
Cash and cash equivalents:							
Beginning of year	182,434	9,967,213	257,486	67,654	10,063	10,484,850	38,183
End of year	<u>\$ 175,038</u>	<u>\$ 9,658,703</u>	<u>\$ 667,901</u>	<u>\$ 61,537</u>	<u>\$ 11,194</u>	<u>\$ 10,574,373</u>	<u>\$ 441,995</u>
Classified as:							
Cash and cash equivalents	\$ 175,038	\$ 6,240,521	\$ 467,255	\$ 61,537	\$ 11,194	\$ 6,955,545	441,995
Restricted assets, cash and cash equivalents	-	3,418,182	200,646	-	-	3,618,828	-
	<u>\$ 175,038</u>	<u>\$ 9,658,703</u>	<u>\$ 667,901</u>	<u>\$ 61,537</u>	<u>\$ 11,194</u>	<u>\$ 10,574,373</u>	<u>\$ 441,995</u>

(Continued)

CITY OF AMERICUS, GEORGIA

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

	Business-type Activities - Enterprise Funds						Internal Service Fund
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund	Totals	Fund Insurance Fund
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	\$ 264,902	\$ 967,068	\$ 423,548	\$ 556,713	\$ (404,905)	\$ 1,807,326	\$ 356,234
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	-	1,509,382	117,508	26,387	124,819	1,778,096	-
(Increase) decrease in accounts receivable	(16,100)	(171,867)	(1,323)	35,345	-	(153,945)	13,840
Decrease in inventories	-	48,331	7,258	-	-	55,589	-
(Increase) decrease in due from other funds	(20,833)	(28,474)	142,365	2,443	-	95,501	-
(Increase) in prepaid expenses	(366)	(228)	(412)	(384)	(232)	(1,622)	-
Increase (decrease) in deferred outflows of resources - pension	-	13,239	8,461	12,063	(4,989)	28,774	-
Increase (decrease) in accrued liabilities	-	3,221	1,762	385	828	6,196	(67,887)
Increase in accounts payable	14,168	119,988	175,837	926	293	311,212	-
Increase (decrease) in due to other funds	(48)	10,255	(54,165)	140,265	28,371	124,678	101,076
Increase in customer deposits	-	12,989	3,732	-	-	16,721	-
Increase (decrease) in deferred inflows of resources - pension	-	(5,279)	(3,747)	(7,842)	4,750	(12,118)	-
Increase (decrease) in net pension liability	-	(15,539)	(12,076)	(31,576)	21,709	(37,482)	-
Increase (decrease) in compensated absences	-	3,175	1,435	-	(18)	4,592	-
Net cash provided by (used in) operating activities	<u>\$ 241,723</u>	<u>\$ 2,466,261</u>	<u>\$ 810,183</u>	<u>\$ 734,725</u>	<u>\$ (229,374)</u>	<u>\$ 4,023,518</u>	<u>\$ 403,263</u>

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

CITY OF AMERICUS, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2018

	<u>Agency Fund</u> <u>Land Bank</u> <u>Authority</u>
ASSETS	
Cash and cash equivalents	\$ <u>108,532</u>
LIABILITIES	
Due to Land Bank Authority	\$ <u>108,532</u>

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

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CITY OF AMERICUS, GEORGIA

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Americus, Georgia (the “City”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting policies are described below.

A. Reporting Entity

The City was incorporated in 1832 under the provisions of an act of the General Assembly of Georgia and beginning with the 2015 year, operates under a council/manager form of government. As required by generally accepted accounting principles, these financial statements present the primary government and its component unit. The component units discussed below are included in the City’s reporting entity because of their significance of its operational and financial relationship with the City. In conformity with accounting principles generally accepted in the United States of America, as set forth in Statement of Governmental Accounting Standards No. 14 *The Financial Reporting Entity*, as amended by GASB Statements No. 39 and 61, the financial statements of the component units are discretely presented in the government-wide financial statements.

The City of Americus Downtown Development Authority plans and develops the downtown area of the City in order to attract new business and residences. The governing body of this component unit is appointed by the Mayor and City Council. The City possesses the authority to review, approve, and revise the budget and governs collection and disbursement of funds. The Downtown Development Authority is audited along with the primary government financial statements in accordance with GASB Statements No. 14 and 39. However, separate financial statements are not prepared.

The Americus Sumter Tourism Council focuses on effective marketing/advertising efforts through strategically placing promotions in highly visible markets in order to attract tourists to the area. The government body has appointees from the Sumter County Chamber of Commerce (4) and the City of Americus Mayor and City Council (5). Although the City does not possess the authority to review, approve and revise the budget, the primary source of revenue is through the collection of hotel/motel taxes by the City under Official Code of Georgia Annotated (O.C.G.A.) §49-13-51 (a) (4.2). Management has determined the activity of the Tourism Council to be important for the readers and users of the financial statements and, therefore, has included the entity as a component unit. The Tourism Council is audited, along with the primary government financial statements, in accordance with GASB Statement No. 61. However, separate financial statements are not prepared.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

C. Measurement Focus, Basis of Accounting and Basis of Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Property taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The **SPLOST Fund** - This fund is used to account for the collection and disbursement of SPLOST contributions received from Sumter County.

The City reports the following major proprietary funds:

The **Solid Waste Management Fund** accounts for the provision of garbage and trash pickup and disposal for the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

The **Water and Sewer Fund** accounts for the provision of water and sewer services to the residents of the City and some residents of Sumter County. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

The **Natural Gas Fund** accounts for the provision of natural gas to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The ***Stormwater Fund*** accounts for the operations of the City's stormwater utility services. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

Additionally, the government reports the following fund types:

The ***special revenue funds*** account for specific revenues that are legally restricted to expenditures for particular purposes.

The ***agency fund*** accounts for the collection and disbursement of monies by the City on behalf of the Americus-Sumter Land Bank Authority.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and the other functions of the government. Elimination of these charges would distort the direct costs reported for the various functions concerned.

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

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general and special revenue funds. All annual appropriations lapse at fiscal year-end.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to restrict that portion of the applicable appropriation - is utilized in the governmental funds. There were no outstanding encumbrances at December 31, 2018.

Budgets are adopted for the proprietary funds strictly for managerial purposes.

E. Cash and Investments

For purposes of the statement of cash flows, the enterprise funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

State statutes authorize the City to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds and repurchase agreements.

Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

F. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The short-term portion of these receivables and payables is classified as "due from other funds" and "due to other funds". The long-term portion of these receivables and payables is classified as "advances to other funds" and "advances from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Inventories

Inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

H. Prepaid Expenditures/Expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2018, are recorded as prepaid items in both government-wide and fund financial statements. The consumption method is used to account for prepaid items.

I. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

J. Deferred Outflows/Inflows

In addition to assets, the statement of net position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Other than the items related to the change in the net pension liability, the City did not have any items that qualify for reporting in this category at December 31, 2018.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Deferred Outflows/Inflows (Continued)

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 represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. In addition to the items related to the change in the net pension liability, the City has two items that qualify for reporting in this category. One item arises only under the modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes and grants. These amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. In addition, the City has one type of item arising under the full accrual basis of accounting that qualifies for reporting in this category. An effective hedge is reported in the government-wide statement of net position. The effective hedge results from the change in market value of a swap agreement related to the certificates of participation. The amount is deferred and will mature on June 1, 2028.

The City also has deferred inflows and outflows related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the City's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example, the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized in pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period. Additionally, any contributions made by the City to the pension plan before year-end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources.

K. Pensions

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities), the City chose to include all such items regardless of their acquisition date or amount. Donated capital assets are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following useful lives:

<u>Asset</u>	<u>Years</u>
Land improvements	20 - 50
Buildings	100
Improvements other than buildings	20 - 100
Building improvements	30
Infrastructure	50 - 100
Machinery and equipment	5 - 30
Water and sewer system	5 - 30
Natural gas system	5 - 30

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. During the year ended December 31, 2018, \$52,127 of interest was capitalized.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Compensated Absences

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits because these benefits are paid upon the illness of an employee and the amount of such payments cannot be reasonably estimated. Accumulated unpaid vacation costs are accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

N. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond using the straight-line method, which approximates the effective interest method.

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

O. Fund Equity

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

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Equity (Continued)

Fund Balance (Continued)

Fund balance constraints are classified as follows:

- ***Nonspendable*** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash, such as inventory or prepaid items), or (b) legally or contractually required to be maintained intact.
- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments (e.g., grants or donations).
- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment.
- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. City Council has not delegated the authority to management to assign fund balance and thus has retained the right to assign fund balance.
- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criteria. The City reports positive unassigned fund balance only in the General Fund. All funds may report negative unassigned fund balances.

Flow Assumptions – When multiple categories of fund balance are available for expenditure, the City starts with the most restricted category and spends those funds first before moving down to the next category with available funds. 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.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

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

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of the reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds”. The details of this \$4,218,602 difference are as follows:

Compensated absences	\$ (217,347)
Capital leases payable	(901,815)
Certificates of participation	(845,000)
Net pension liability	(2,249,421)
Accrued interest	<u>(5,019)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ (4,218,602)</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE – BUDGETS

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to November 1, a proposed operating budget is submitted to the Mayor and Council for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted at the December Agenda Setting Meeting in the Council Chambers of the Russell Thomas, Jr. Public Safety Building to obtain citizen comments.
3. Prior to January 1, the budget is legally enacted through passage of an ordinance.
4. The City department heads are authorized to transfer budgeted amounts between line items within a department; however, any revisions that alter the total expenditures of any department or fund must be approved by the Mayor and Council. Requests for additional personnel within a department must also be approved by the Mayor and Council. All appropriations except for capital outlay items encumbered at year-end lapse. Encumbrances for capital outlay items not lapsing at year end are re-appropriated in the ensuing year's budget. Legally-adopted budgets are prepared, as described above, on a departmental basis for General, Special Revenue, and Debt Service Funds.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund and the Special Revenue Funds. To ensure sound financial administration, the Mayor and Council also adopt an annual operating budget for the City's Enterprise Funds. The budget is not formally integrated with the accounts of the Enterprise Funds, but interim detailed management reports are developed which indicate specific variances from the planned budget for operations.
6. Budgets for the General, and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), and are presented in accordance with finance-related legal and contractual provisions. Budgeted amounts are as originally adopted on December 21, 2017, or as amended by the Mayor and Council. Individual amendments were not material in relation to the original appropriations. For the year ended December 31, 2018, the following General Fund departments had actual expenditures in excess of budgeted amounts: Public works streets (\$429,101), Public works transportation (\$57), and Family Connection (\$51,557). These over expenditures were covered by under expenditures in other departments.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS

Credit risk. 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 established by state law; repurchase agreements; and obligations of any other political subdivision of the State of Georgia. The City has no formal credit risk policy other than to only invest in obligations authorized by the State of Georgia. As of December 31, 2018, the City's only investment was a guaranteed investment contract, which was rated AA- by Standard & Poor's.

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
Guaranteed investment contract	June 1, 2028	\$ 561,938

Interest rate risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting its investments to those with maturity of no more than one year, unless matched to a specific requirement.

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized at 100% by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2018, the deposits of the City were fully collateralized as defined by GASB pronouncements and the State of Georgia.

Custodial credit risk – investments. For investments, this is the risk that, in the event of failure of the depository financial institution, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2018, the City was not exposed to custodial credit risk for its investments.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Property taxes are levied as of July 1 on property values assessed as of January 1. The tax levy is divided into two billings. The first billing was mailed on July 2, 2018, and the second billing was mailed on October 23, 2018. The billings are considered due upon receipt by the taxpayer; however, the actual due dates were September 4, 2018 and December 21, 2018. On these dates, the bill becomes delinquent and penalties and interest may be assessed by the City. Property taxes levied for 2018 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during 2018 and expected to be collected by March 1, 2019, are recognized as revenues in 2018. Net receivables estimated to be collectible subsequent to March 1, 2019, are recorded as revenue when received. Prior year levies were recorded using substantially the same principles, and remaining receivables are reevaluated annually.

Receivables consisted of the following at December 31, 2018:

	<u>General</u>	<u>SPLOST</u>	<u>Solid Waste Management</u>	<u>Water and Sewer</u>	<u>Natural Gas</u>	<u>Stormwater Fund</u>	<u>All Other Funds</u>	<u>Total</u>
Receivables:								
Mortgages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 320,349	\$ 320,349
Taxes	1,318,107	-	-	-	-	-	-	1,318,107
Intergovernmental	247,703	285,787	-	-	-	-	23,311	556,801
Accounts	748,134	-	550,647	1,711,267	877,502	163,084	-	4,050,634
Gross receivables	2,313,944	285,787	550,647	1,711,267	877,502	163,084	343,660	6,245,891
Less allowance for uncollectibles	(335,000)	-	(28,000)	(351,000)	(25,000)	(68,495)	(274,366)	(1,081,861)
Net total receivables	<u>\$ 1,978,944</u>	<u>\$ 285,787</u>	<u>\$ 522,647</u>	<u>\$ 1,360,267</u>	<u>\$ 852,502</u>	<u>\$ 94,589</u>	<u>\$ 69,294</u>	<u>\$ 5,164,030</u>

The delinquent taxes receivable account represents a portion of the last seven years of uncollectible tax levies. The allowance for estimated uncollectibles is 16% of the total delinquent taxes receivable at December 31, 2018.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES (CONTINUED)

Additionally, the City has \$271,009 in forgivable loans receivable. These loans are recorded in the following nonmajor governmental funds: CDBG Fund, 2007 CDBG, and the 2007 CHIP Fund. Amounts represent loans to individuals in conjunction with the rehabilitation of private property and financing for locally owned businesses. Provided the terms of the loans are not violated, these loans will be forgiven at the end of the loan term. As the likelihood of violation of the loan terms, and thus cash repayment is remote, the City has elected to record an allowance for the total outstanding balance of the loans.

NOTE 6. CAPITAL ASSETS

A. Primary Government

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

Governmental activities:	
General government	\$ 444,655
Public safety	296,577
Public works	204,934
	<hr/>
Total depreciation expense - governmental activities	<u><u>\$ 946,166</u></u>
Business-type activities:	
Theater Authority	\$ 124,819
Natural gas	117,508
Stormwater	26,387
Water and sewer	1,509,382
	<hr/>
Total depreciation expense - business-type activities	<u><u>\$ 1,778,096</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

	Balance January 1, 2018	Increases	Decreases	Transfers	Balance December 31, 2018
Governmental activities					
Capital assets, not being depreciated:					
Land	\$ 3,749,209	\$ -	\$ -	\$ -	\$ 3,749,209
Construction in progress	3,526,449	609,384	-	(854,000)	3,281,833
Total	<u>7,275,658</u>	<u>609,384</u>	<u>-</u>	<u>(854,000)</u>	<u>7,031,042</u>
Capital assets, being depreciated:					
Buildings	6,210,471	-	-	-	6,210,471
Improvements other than buildings	141,442	-	-	-	141,442
Building improvements	2,922,345	-	-	-	2,922,345
Infrastructure	243,138,106	-	-	854,000	243,992,106
Machinery and equipment	7,647,293	321,821	(63,831)	-	7,905,283
Total	<u>260,059,657</u>	<u>321,821</u>	<u>(63,831)</u>	<u>854,000</u>	<u>261,171,647</u>
Less accumulated depreciation for:					
Buildings	2,647,757	155,554	-	-	2,803,311
Improvements other than buildings	133,334	4,105	-	-	137,439
Building improvements	452,301	215,274	-	-	667,575
Infrastructure	240,863,183	155,283	-	-	241,018,466
Machinery and equipment	5,463,962	415,950	(58,868)	-	5,821,044
Total	<u>249,560,537</u>	<u>946,166</u>	<u>(58,868)</u>	<u>-</u>	<u>250,447,835</u>
Total assets, being depreciated, net	<u>10,499,120</u>	<u>(624,345)</u>	<u>(4,963)</u>	<u>854,000</u>	<u>10,723,812</u>
Governmental activities capital assets, net	<u>\$ 17,774,778</u>	<u>\$ (14,961)</u>	<u>\$ (4,963)</u>	<u>\$ -</u>	<u>\$ 17,754,854</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

	Balance January 1, 2018	Increases	Decreases	Balance December 31, 2018
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 388,973	\$ -	\$ -	\$ 388,973
Construction in progress	749,774	59,156	-	808,930
Total	<u>1,138,747</u>	<u>59,156</u>	<u>-</u>	<u>1,197,903</u>
Capital assets, being depreciated:				
Buildings	3,908,649	-	-	3,908,649
Building improvements	359,358	-	-	359,358
Machinery and equipment	2,247,985	237,542	-	2,485,527
Water and sewer system	43,544,709	-	-	43,544,709
Gas system	3,795,123	-	-	3,795,123
Stormwater system	1,156,830	-	-	1,156,830
Total	<u>55,012,654</u>	<u>237,542</u>	<u>-</u>	<u>55,250,196</u>
Less accumulated depreciation for:				
Buildings	2,606,651	120,622	-	2,727,273
Building improvements	328,913	4,490	-	333,403
Machinery and equipment	1,996,993	100,662	-	2,097,655
Water and sewer system	27,056,618	1,447,204	-	28,503,822
Gas system	2,944,519	101,868	-	3,046,387
Stormwater system	143,639	3,250	-	146,889
Total	<u>35,077,333</u>	<u>1,778,096</u>	<u>-</u>	<u>36,855,429</u>
Total assets, being depreciated, net	<u>19,935,321</u>	<u>(1,540,554)</u>	<u>-</u>	<u>18,394,767</u>
Business-type activities capital assets, net	<u>\$ 21,074,068</u>	<u>\$ (1,481,398)</u>	<u>\$ -</u>	<u>\$ 19,592,670</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

B. Discretely Presented Component Unit – Downtown Development Authority

	Balance January 1, 2018	Increases	Decreases	Balance December 31, 2018
Capital assets, being depreciated:				
Land improvements	\$ 783,728	\$ -	\$ -	\$ 783,728
Equipment	122,742	-	-	122,742
Buildings	70,194	-	-	70,194
Total	<u>976,664</u>	<u>-</u>	<u>-</u>	<u>976,664</u>
Less accumulated depreciation for:				
Land improvements	317,016	17,989	-	335,005
Equipment	131,072	1,749	-	132,821
Buildings	3,852	702	-	4,554
Total	<u>451,940</u>	<u>20,440</u>	<u>-</u>	<u>472,380</u>
Total assets, being depreciated, net	<u>524,724</u>	<u>(20,440)</u>	<u>-</u>	<u>504,284</u>
Capital assets, net	<u><u>\$ 524,724</u></u>	<u><u>\$ (20,440)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 504,284</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT

Revenue Bonds. The City issues revenue bonds where the City pledges income derived from the acquired or constructed assets to pay debt service.

During 2010, the City issued revenue bonds in the amount of \$13,760,000 to finance construction and improvements to its water, sewer and stormwater systems and to repay certain loans from the Georgia Environmental Facilities Authority (GEFA). A portion (73.36%) of the outstanding bonds is recorded in the Water and Sewer Fund, and the remaining amount (26.64%) is recorded in the Stormwater Fund.

During 2013, the City issued revenue bonds in the amount of \$5,760,000 to finance construction and improvements to its water and sewer systems and to repay certain loans from the Georgia Environmental Facilities Authority (GEFA).

Revenue bonds outstanding at December 31, 2018, are as follows:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Original Term</u>	<u>Due Date</u>	<u>Current Amount</u>
Water and Sewer	2.00% - 4.00%	11 years	2021	\$ 3,081,120
Stormwater	2.00% - 4.00%	11 years	2021	1,118,880
Water and Sewer	1.20% - 2.40%	15 years	2028	4,025,000
				<u>\$ 8,225,000</u>

Revenue bonds debt service requirements to maturity are as follows:

<u>Fiscal Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,685,000	\$ 246,570	\$ 1,931,570
2020	1,745,000	188,690	1,933,690
2021	1,805,000	127,860	1,932,860
2022	455,000	64,060	519,060
2023	465,000	56,098	521,098
2024 - 2028	2,070,000	129,025	2,199,025
	<u>\$ 8,225,000</u>	<u>\$ 812,303</u>	<u>\$ 9,037,303</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Certificates of Participation. The City leases certain equipment through a lease pool agreement with the Georgia Municipal Association (GMA). The funding of the lease pool was provided by the issuance of \$150,126,000 Certificates of Participation by GMA. GMA passed the net proceeds through to the participating municipalities with the City's participation totaling \$845,000. The lease pool agreement with GMA provides that the City owns their portion of the assets invested by the pool and is responsible for the payment of their portion of the principal and interest of the Certificates of Participation. The principal of \$845,000 is due in a lump-sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year. The City draws from the investment to lease equipment from GMA. The lease pool agreement requires the City to make lease payments back into its investment account to fund the principal and interest requirements of the 1998 GMA Certificates of Participation. The GMA lease program expires December 2028.

The Certificates of Participation's debt service requirements to maturity are as follows:

Fiscal Year Ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ -	\$ 40,138	\$ 40,138
2020	-	40,138	40,138
2021	-	40,138	40,138
2022	-	40,138	40,138
2023	-	200,690	200,690
2024 - 2028	<u>845,000</u>	<u>40,138</u>	<u>885,138</u>
	<u><u>\$ 845,000</u></u>	<u><u>\$ 401,380</u></u>	<u><u>\$ 1,246,380</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Certificates of Participation (Continued). As part of the issuance of the certificates of participation, the City entered into an interest rate swap agreement. Under the Swap Agreement, the City is required to pay (i) a semi-annual (and beginning July 1, 2003, a monthly) floating rate of interest based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index (plus a 31 basis points spread) to, or on behalf of, the Swap Counterparty (the "Swap Payment"); and the Swap Counterparty will pay to, or on behalf of, the City a semi-annual payment based on a rate equal to the fixed rate on the certificates of participation (4.75%) times a notional amount specified in the Swap Agreement, but generally equal to the outstanding unpaid principal portion of such Contract, less the amount originally deposited in the Reserve Fund relating to the Contract, and (ii) a one-time Swap Premium to be paid on the effective date of the Swap Agreement. The semi-annual payments from the Swap Counterparty with respect to the City are structured, and expected, to be sufficient to make all interest payments due under the Contract, and related distributions of interest on the Certificates. Monthly interest payments between the City, the holders of the Certificates of Participation, and the Swap Counterparty can be made in net settlement form as part of this agreement. Under the Swap Agreement, the City's obligation to pay floating payments to the Swap Counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus 5% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time of the certificates of participation. This derivative qualifies as a fair market hedge.

In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the City would be exposed to credit risk in the amount of the Swap's fair value. To minimize this risk, the City executed this agreement with counterparties of appropriate credit strength, with the counterparty being rated Aa1 by Moody's. At December 31, 2018, the floating rate being paid by the City is 2.02% and the market value of this agreement is \$176,068, a decrease of \$29,373 from the market value at the end of the previous fiscal year. The market value of the hedge was determined using settlement prices at the end of the day on December 31, 2018, based on the derivative contract. This market value is reported as an asset in the statement of net position. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until fiscal year-end) is deferred and reported as a deferred inflow of resources in the statement of net position.

Capital Leases. The City has also entered into lease agreements as lessee for financing the acquisition of energy savings equipment, a fire truck, two fire pumpers, and a customer service center through local financial institutions and through GMA (but not included as part of the above-mentioned lease pool). The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inceptions.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Assets under capital lease totaled \$1,716,322 with accumulated depreciation of \$538,895 as of December 31, 2018. Current year depreciation for these capital assets was \$66,579.

The following is a schedule of the future minimum lease payments under capital leases, and the present value of the net minimum lease payments at December 31, 2018:

Fiscal Year Ending December 31,	
2019	\$ 318,612
2020	207,175
2021	207,175
2022	120,244
Later years	<u>107,011</u>
Total minimum lease payments	960,217
Less: Amount representing interest	<u>(58,402)</u>
Present value of minimum lease payments	<u>\$ 901,815</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Long-term debt activity for the year ended December 31, 2018, is as follows:

	Balance January 1, 2018	Additions	Reductions	Balance December 31, 2018	Due Within One Year
Governmental activities:					
Certificates of participation	\$ 845,000	\$ -	\$ -	\$ 845,000	\$ -
Capital lease obligations	1,185,262	-	283,447	901,815	293,255
Net pension liability	2,580,066	1,504,503	1,835,148	2,249,421	-
Compensated absences	189,359	318,002	290,014	217,347	217,347
Long-term liabilities	<u>\$ 4,799,687</u>	<u>\$ 1,822,505</u>	<u>\$ 2,408,609</u>	<u>\$ 4,213,583</u>	<u>\$ 510,602</u>
Business-type activities:					
Revenue bonds payable	\$ 9,865,000	\$ -	\$ 1,640,000	\$ 8,225,000	\$ 1,685,000
Premium	151,694	-	37,602	114,092	-
	<u>10,016,694</u>	<u>-</u>	<u>1,677,602</u>	<u>8,339,092</u>	<u>1,685,000</u>
Net pension liability	437,555	288,911	326,393	400,073	-
Compensated absences	33,158	50,126	45,762	37,522	37,522
Long-term liabilities	<u>\$ 10,487,407</u>	<u>\$ 339,037</u>	<u>\$ 2,049,757</u>	<u>\$ 8,776,687</u>	<u>\$ 1,722,522</u>

The current portion of revenue bonds payable is included in liabilities payable from restricted assets on the statement of net position. For governmental funds, compensated absences are liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Theater Fund, Water and Sewer Fund, Stormwater Fund, and Natural Gas Fund. Compensated absences are required to be liquidated prior to the employee's anniversary date. Any leave not taken within this time frame is forfeited. As such, the entire liability for compensated absences is shown as due within one year.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of due to/from balances as of December 31, 2018, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Theater Fund	\$ 70,987
General Fund	Water and Sewer Fund	10,255
Nonmajor governmental funds	General Fund	912
General Fund	Insurance Fund	101,076
Water and Sewer Fund	General Fund	11,002
Natural Gas Fund	General Fund	6,469
Solid Waste Management Fund	General Fund	20,833
General Fund	Nonmajor governmental funds	41,018
Water and Sewer Fund	Stormwater Fund	70,907
Nonmajor governmental funds	SPLOST Fund	885
General Fund	Stormwater Fund	69,358
SPLOST Fund	General Fund	430,040
		<u>\$ 833,742</u>

These balances resulted 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 amount due from the General Fund to the SPLOST Fund is to reimburse the SPLOST Fund for eligible SPLOST project expenditures partially funded by a grant recorded in the General Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

The composition of advances to/from other funds is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Stormwater Fund	Water and Sewer Fund	<u>\$ 2,059,422</u>

The advance represents funds from the bond issuance in 2010 to be used for water and stormwater improvements. The entire balance of cash to be used for these improvements is maintained in the Water and Sewer Fund. As funds are spent for stormwater improvements, the balance is reduced.

Interfund transfers:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Theater Fund	General Fund	\$ 185,000
General Fund	Water and Sewer Fund	1,071,000
General Fund	Solid Waste Management Fund	250,000
General Fund	Stormwater Fund	285,000
General Fund	Natural Gas Fund	375,000
General Fund	Nonmajor governmental funds	384,610
		<u>\$ 2,550,610</u>

Transfers are used to: 1) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and 2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN

Plan Description

The City's defined benefit pension plan, the City of Americus Retirement Plan (the "Plan"), provides retirement, disability, and death benefits to plan members and beneficiaries. The Plan is administered through the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The benefit provisions and all other requirements are established by City ordinance. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or by writing to Georgia Municipal Association, Employee Benefit Section, 201 Pryor Street, SW, Atlanta, Georgia 30303.

Plan Membership. As of July 1, 2018, pension plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	127
Terminated employees entitled to but not yet receiving benefits	98
Active plan members	<u>161</u>
	<u><u>386</u></u>

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement System Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, as adopted by the City Council, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. Employees make no contributions to the Plan. The City is required to contribute at an actuarially determined rate. For the year ended December 31, 2018, the City's contribution rate was 9.82% of annual payroll. City contributions to the Plan were \$650,677.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City

Effective January 1, 2015, the City implemented the provisions of GASB Statement no. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, which significantly changed the City's accounting for pension amounts. The information disclosed below is presented in accordance with these new standards.

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

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

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

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

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

The cost of living adjustment is assumed to be 0.00%.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c)
Balances at December 31, 2017	\$ 15,488,959	\$ 12,471,338	\$ 3,017,621
<i>Changes for the year</i>			
Service cost	187,587	-	187,587
Interest	1,161,622	-	1,161,622
Differences between expected and actual experience	138,825	-	138,825
Contributions - employer	-	625,631	(625,631)
Net investment income	-	1,535,910	(1,535,910)
Benefit payments, including refunds of employee contributions	(1,000,576)	(1,000,576)	-
Administrative expenses	-	(42,685)	42,685
Other	262,695	-	262,695
<i>Net changes</i>	750,153	1,118,280	(368,127)
Balances at December 31, 2018	<u>\$ 16,239,112</u>	<u>\$ 13,589,618</u>	<u>\$ 2,649,494</u>

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

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.50%, as well as what the City's net pension liability would be if calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City of Americus' net pension liability	\$ 4,486,907	\$ 2,649,494	\$ 1,105,226

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

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

For the year ended December 31, 2018, the City recognized pension expense of \$(245,699). At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 151,945	\$ 124,550
Changes in assumptions	197,022	-
Net difference between projected and actual earnings on pension plan investments	-	492,231
City contributions subsequent to the measurement date	451,022	-
	<u>\$ 799,989</u>	<u>\$ 616,781</u>

City contributions subsequent to the measurement date of \$451,022 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending December 31, 2019. Other amounts reported as deferred inflows of resources related to pensions will be recognized as a component of pension expense as follows:

Year ending December 31:	
2019	\$ (9,164)
2020	(16,398)
2021	(125,139)
2022	(117,113)
	<u>\$ (267,814)</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 10. HOTEL/MOTEL LODGING TAX

The City has levied a 7% lodging tax. Of this percentage, 2% is given to the Rylander Theater for use in the operating expenditures and promotion of the Theater. The Tourism Council receives 4% of the remaining 5% lodging tax to be used for the promotion of tourism. Remaining funds are used by the City for other activities to promote tourism. During the year ended December 31, 2018, the City collected \$355,562 in hotel/motel taxes, and expended 100% of this amount on tourism and the promotion of the Theater.

NOTE 11. RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which, except as described in the following paragraphs, the City carries commercial insurance in amounts deemed prudent by City management. There was no significant reduction in insurance coverage during the year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

Effective January 1, 2016, the City became self-insured with respect to employee health insurance. The City established the Insurance Fund, an internal service fund, to provide resources for and payment of employee medical claims. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Claims are administered by a third party.

Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The change in the balance of claim liabilities during the year is as follows:

	<u>2018</u>
Unpaid claims, beginning of year	\$ 145,000
Incurred claims	661,242
Claim payments	<u>(729,129)</u>
Unpaid claims, end of year	<u><u>\$ 77,113</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 11. RISK MANAGEMENT (CONTINUED)

Additionally, the City has joined together with other municipalities in the state as part of the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, a public entity risk pool currently operating as common risk management and insurance programs for member local governments. As part of this risk pool, the City is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the fund.

The fund is to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the Workers' Compensation law of Georgia. The fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

NOTE 12. COMMITMENTS AND CONTINGENCIES

Litigation

The City is involved in several small or pending lawsuits. In the opinion of management, based on consultations with legal counsel, an unfavorable outcome in excess of insurance coverage is unlikely.

Grant Contingencies

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, the City's management believes such disallowances, if any, will not be significant.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Construction Commitments

In addition to the liabilities enumerated in the balance sheet at December 31, 2018, the City has contractual commitments on uncompleted contracts of approximately \$552,526.

Agreements with Municipal Gas Authority of Georgia

The City has entered into a contract for the purchase of wholesale natural gas supplies and related services with the Municipal Gas Authority of Georgia ("MGAG") that requires the City to purchase all of its natural gas from MGAG. The gas supply contract with MGAG authorizes MGAG to establish rates and charges so as to produce revenues sufficient to cover its operating costs and retire its bonds issued to acquire long-term gas supplies for sale to its members, including the City. In the event that revenues are insufficient to cover all costs and retire bonds issued by MGAG, the City is obligated to pay its obligation share of the costs of the gas supply and related services MGAG provides to the City, which costs include amounts equal to principal and interest on MGAG's bonds. These obligations, which extend through the year 2050, are general obligations of the City to which the City's full faith, credit and taxing powers are pledged. The City's obligation to MGAG for gas supply costs are based on MGAG's costs to provide such supply, including bonds issued to purchase long-term rights to bulk supply. Payments to MGAG are made monthly based on actual usage. The total payments under these contracts amounted to \$1,459,073.

At December 31, 2018, the outstanding debt of MGAG was approximately \$184,110,000. The City's guarantee varies by individual projects undertaken by MGAG and totals approximately \$1,536,515 at December 31, 2018.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RELATED ORGANIZATIONS

The City's governing board is responsible for all of the board appointments of the Americus Housing Authority. However, the City has no further accountability for this organization.

NOTE 14. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities and counties in the eight county west central Georgia area, is a member of the River Valley Regional Commission and is required to pay annual dues thereto. During its year ended December 31, 2018, the City paid \$15,941 in such dues. Membership in a Regional Commission is required by the Official Code of Georgia Annotated (O.C.G.A.) § 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. O.C.G.A. § 50-8-39.1 provides that the member governments are liable for any debts or obligations of a Regional Commission. Separate financial statements may be obtained from River Valley Regional Commission, 228 West Lamar Street, Americus, Georgia 31709.

The Americus/Sumter County Airport Authority (the "Airport Authority") is comprised of five board members; two appointed by the County, two appointed by the City, and one joint appointment. The City allocates to the Airport Authority an amount each year to assist with general operating expenses. During the year ended December 31, 2018, the City paid the Airport Authority \$17,000. The City governing body does not approve the budget nor does it have any oversight of the day-to-day operations of the Airport Authority. The Airport Authority was established to buy, sell, and own property. Separate financial statements for the Americus/Sumter County Airport Authority are not available.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF AMERICUS, GEORGIA

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

	<u>December 31, 2018</u>	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Total pension liability				
Service cost	\$ 187,587	\$ 175,449	\$ 172,148	\$ 182,249
Interest on total pension liability	1,161,622	1,150,416	1,103,142	1,078,396
Differences between expected and actual experience	138,825	(249,099)	191,308	(33,364)
Changes of assumptions	-	-	-	(63,610)
Benefit payments	(1,000,576)	(863,769)	(849,452)	(839,288)
Other changes	262,695	-	-	-
Net change in total pension liability	<u>750,153</u>	<u>212,997</u>	<u>617,146</u>	<u>324,383</u>
Total pension liability - beginning	<u>15,488,959</u>	<u>15,275,962</u>	<u>14,658,816</u>	<u>14,334,433</u>
Total pension liability - ending	<u><u>\$ 16,239,112</u></u>	<u><u>\$ 15,488,959</u></u>	<u><u>\$ 15,275,962</u></u>	<u><u>\$ 14,658,816</u></u>
Plan fiduciary net position				
Contributions - employer	\$ 625,631	\$ 629,173	\$ 672,090	\$ 722,212
Contributions - employee	-	-	-	-
Net investment income	1,535,910	1,410,116	29,691	1,022,375
Benefit payments, including refunds of contributions	(1,000,576)	(863,769)	(849,452)	(839,288)
Administrative expense	(42,685)	(45,193)	(32,777)	(30,848)
Net change in plan fiduciary net position	<u>1,118,280</u>	<u>1,130,327</u>	<u>(180,448)</u>	<u>874,451</u>
Plan fiduciary net position - beginning	<u>12,471,338</u>	<u>11,341,011</u>	<u>11,521,459</u>	<u>10,647,008</u>
Plan fiduciary net position - ending	<u><u>\$ 13,589,618</u></u>	<u><u>\$ 12,471,338</u></u>	<u><u>\$ 11,341,011</u></u>	<u><u>\$ 11,521,459</u></u>
Net pension liability - ending	<u><u>\$ 2,649,494</u></u>	<u><u>\$ 3,017,621</u></u>	<u><u>\$ 3,934,951</u></u>	<u><u>\$ 3,137,357</u></u>
Plan fiduciary net position as a percentage of total pension liability	83.68%	80.52%	74.24%	78.60%
Covered-employee payroll	\$ 5,938,359	\$ 6,014,237	\$ 5,921,152	\$ 5,554,657
Net pension liability as a percentage of covered payroll	44.62%	50.17%	66.46%	56.48%

Notes to the Schedule

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

CITY OF AMERICUS, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 599,863	\$ 634,220	\$ 625,024	\$ 687,779
Contribution in relation to the actuarially determined contribution	650,677	634,220	625,024	687,779
Contribution deficiency (excess)	<u>\$ (50,814)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 6,952,518	\$ 6,404,253	\$ 6,247,011	\$ 6,223,617
Contributions as a percentage of covered payroll	8.63%	9.90%	10.01%	11.05%

Notes to the Schedule

Valuation date	July 1, 2018 with interest adjustment to fiscal year
Cost method	Projected Unit Credit
Actuarial asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at the end of the year. The actuarial valuation is adjusted, if necessary, to be within 20% of market value.
Assumed rate of return on investments	7.50%
Projected salary increases	2.75% plus service based merit increases
Cost-of-living adjustments	0.00%
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Varies for the bases, with a net effective amortization period of 10 years

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

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Community Development Block Grant Fund – This fund is used to account for the operations of the City's community development department. Financing is provided by grants received from the U.S. Department of Housing and Urban Development and the State of Georgia Departments of Community Affairs and Natural Resources.

State Revolving Loan Fund – This fund is used to account for the operations of the City's revolving loans. Original funding was provided by the U.S. Department of Housing and Urban Development through the State of Georgia's Department of Community Affairs.

Confiscated Asset Fund – This fund accounts for condemned funds received that are restricted by state law for law enforcement expenditures.

2001 Program Income Fund – This fund is used to account for program income associated with a Community Development Block Grant received from the U.S. Department of Housing and Urban Development.

2004 ISTEAFund – This fund is used to account for a grant received from the U.S. Department of Transportation for transportation enhancement activities.

2014 CHIP Fund – This fund is used to account for a grant received from the U.S. Department of Housing and Urban Development under the Community Home Investment Program.

2014 Community Development Block Grant (CDBG) Fund – This fund is used to account for a Community Development Block Grant received from the U.S. Department of Housing and Urban Development.

Hotel/Motel Tax Fund – This fund is used to account for the collection and disbursement of hotel/motel taxes.

TSPLOST Fund – This fund is used to account for the collection and disbursement of TSPLOST contributions received from the Georgia State Financing and Investing Commission.

CITY OF AMERICUS, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018

ASSETS	Special Revenue Funds				
	Community Development Block Grant	State Revolving Loan	Confiscated Asset Fund	2001 Program Income	2004 ISTEA
Cash and cash equivalents	\$ 59,340	\$ 333,279	\$ -	\$ 22,976	\$ 110,099
Due from other governments	-	-	-	-	-
Mortgage receivable, net of allowance	17,145	15,426	-	13,412	-
Due from other funds	759	-	-	153	-
Total assets	<u>\$ 77,244</u>	<u>\$ 348,705</u>	<u>\$ -</u>	<u>\$ 36,541</u>	<u>\$ 110,099</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accrued liabilities	\$ -	\$ -	\$ -	\$ 13,412	\$ -
Due to other funds	-	-	41,018	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>41,018</u>	<u>13,412</u>	<u>-</u>
FUND BALANCES					
Restricted for community development	77,244	348,705	-	23,129	110,099
Restricted for capital projects	-	-	-	-	-
Unassigned (deficit)	-	-	(41,018)	-	-
Total fund balances (deficit)	<u>77,244</u>	<u>348,705</u>	<u>(41,018)</u>	<u>23,129</u>	<u>110,099</u>
Total liabilities and fund balances	<u>\$ 77,244</u>	<u>\$ 348,705</u>	<u>\$ -</u>	<u>\$ 36,541</u>	<u>\$ 110,099</u>

(Continued)

CITY OF AMERICUS, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	Special Revenue Funds				Total Nonmajor Governmental Funds
	2014 CHIP	2014 CDBG	Hotel/Motel Tax	TSPLOST Fund	
ASSETS					
Cash and cash equivalents	\$ -	\$ 8,791	\$ -	\$ 262,839	\$ 797,324
Due from other governments	-	-	-	23,311	23,311
Mortgage receivable, net of allowance	-	-	-	-	45,983
Due from other funds	-	-	-	885	1,797
Total assets	<u>\$ -</u>	<u>\$ 8,791</u>	<u>\$ -</u>	<u>\$ 287,035</u>	<u>\$ 868,415</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ 13,412
Due to other funds	-	-	-	-	41,018
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,430</u>
FUND BALANCES					
Restricted for community development	-	8,791	-	-	567,968
Restricted for capital projects	-	-	-	287,035	287,035
Unassigned (deficit)	-	-	-	-	(41,018)
Total fund balances	<u>-</u>	<u>8,791</u>	<u>-</u>	<u>287,035</u>	<u>813,985</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 8,791</u>	<u>\$ -</u>	<u>\$ 287,035</u>	<u>\$ 868,415</u>

CITY OF AMERICUS, GEORGIA

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

	Special Revenue Funds				
	Community Development Block Grant	State Revolving Loan	Confiscated Asset Fund	2001 Program Income	2004 ISTEA
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Interest income	-	776	-	-	-
Other revenues	-	-	-	899	-
Total revenues	-	776	-	899	-
Expenditures:					
Current:					
Public works	-	-	-	-	-
Public safety	-	-	13,500	-	-
Community development	-	-	-	-	-
Total expenditures	-	-	13,500	-	-
Excess (deficiency) of revenues over expenditures	-	776	(13,500)	899	-
Other financing uses:					
Transfers out	-	-	-	-	-
Total other financing uses	-	-	-	-	-
Net change in fund balances	-	776	(13,500)	899	-
Fund balances (deficit), January 1	<u>77,244</u>	<u>347,929</u>	<u>(27,518)</u>	<u>22,230</u>	<u>110,099</u>
Fund balances (deficit), December 31	<u>\$ 77,244</u>	<u>\$ 348,705</u>	<u>\$ (41,018)</u>	<u>\$ 23,129</u>	<u>\$ 110,099</u>

(Continued)

CITY OF AMERICUS, GEORGIA

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

	Special Revenue Funds				Total Nonmajor Governmental Funds
	2014 CHIP	2014 CDBG	Hotel/Motel Tax	TSPLOST Fund	
Revenues:					
Taxes	\$ -	\$ -	\$ 355,562	\$ -	\$ 355,562
Intergovernmental	47,675	332,312	-	229,952	609,939
Interest income	-	-	-	26	802
Other revenues	-	-	-	-	899
Total revenues	<u>47,675</u>	<u>332,312</u>	<u>355,562</u>	<u>229,978</u>	<u>967,202</u>
Expenditures:					
Current:					
Public works	-	-	-	900	900
Public safety	-	-	-	-	13,500
Community development	<u>47,685</u>	<u>385,342</u>	<u>-</u>	<u>-</u>	<u>433,027</u>
Total expenditures	<u>47,685</u>	<u>385,342</u>	<u>-</u>	<u>900</u>	<u>447,427</u>
Excess (deficiency) of revenues over expenditures	<u>(10)</u>	<u>(53,030)</u>	<u>355,562</u>	<u>229,078</u>	<u>519,775</u>
Other financing uses:					
Transfers out	<u>-</u>	<u>-</u>	<u>(355,562)</u>	<u>(29,048)</u>	<u>(384,610)</u>
Total other financing uses	<u>-</u>	<u>-</u>	<u>(355,562)</u>	<u>(29,048)</u>	<u>(384,610)</u>
Net change in fund balances	(10)	(53,030)	-	200,030	135,165
Fund balances (deficit), January 1	<u>10</u>	<u>61,821</u>	<u>-</u>	<u>87,005</u>	<u>678,820</u>
Fund balances, December 31	<u>\$ -</u>	<u>\$ 8,791</u>	<u>\$ -</u>	<u>\$ 287,035</u>	<u>\$ 813,985</u>

CITY OF AMERICUS, GEORGIA

SPECIAL REVENUE FUND COMMUNITY DEVELOPMENT BLOCK GRANT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

	Final Budget	Actual	Variance With Final Budget
Revenues			
Interest income	\$ 775	\$ -	\$ (775)
Total revenues	<u>775</u>	<u>-</u>	<u>(775)</u>
Expenditures, community development projects	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	775	-	(775)
Fund balance, January 1	<u>77,244</u>	<u>77,244</u>	<u>-</u>
Fund balance, December 31	<u>\$ 78,019</u>	<u>\$ 77,244</u>	<u>\$ (775)</u>

CITY OF AMERICUS, GEORGIA

SPECIAL REVENUE FUND STATE REVOLVING LOAN FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Interest income	\$ 875	\$ 776	\$ (99)
Total revenues	<u>875</u>	<u>776</u>	<u>(99)</u>
Expenditures, community development projects	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	875	776	(99)
Fund balance, January 1	<u>347,929</u>	<u>347,929</u>	<u>-</u>
Fund balance, December 31	<u>\$ 348,804</u>	<u>\$ 348,705</u>	<u>\$ (99)</u>

CITY OF AMERICUS, GEORGIA

**SPECIAL REVENUE FUND
CONFISCATED ASSET FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues, fines and forfeitures	\$ -	\$ -	\$ -
Expenditures, public safety	<u>-</u>	<u>13,500</u>	<u>(13,500)</u>
Net change in fund balance	-	(13,500)	(13,500)
Fund balance, January 1	<u>(27,518)</u>	<u>(27,518)</u>	<u>-</u>
Fund balance, December 31	<u>\$ (27,518)</u>	<u>\$ (41,018)</u>	<u>\$ (13,500)</u>

CITY OF AMERICUS, GEORGIA

**SPECIAL REVENUE FUND
2001 PROGRAM INCOME FUND**

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues, interest income	\$ -	\$ 899	\$ 899
Expenditures, community development projects	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	899	899
Fund balance, January 1	<u>22,230</u>	<u>22,230</u>	<u>-</u>
Fund balance, December 31	<u>\$ 22,230</u>	<u>\$ 23,129</u>	<u>\$ 899</u>

CITY OF AMERICUS, GEORGIA

SPECIAL REVENUE FUND

2004 ISTEAFUND

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues, intergovernmental	\$ -	\$ -	\$ -
Expenditures, community development projects	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance, January 1	<u>110,099</u>	<u>110,099</u>	<u>-</u>
Fund balance, December 31	<u><u>\$ 110,099</u></u>	<u><u>\$ 110,099</u></u>	<u><u>\$ -</u></u>

CITY OF AMERICUS, GEORGIA

SPECIAL REVENUE FUND

2014 CHIP FUND

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Intergovernmental	\$ -	\$ 47,675	\$ 47,675
Total revenues	<u>-</u>	<u>47,675</u>	<u>47,675</u>
Expenditures, community development projects	<u>-</u>	<u>47,685</u>	<u>(47,685)</u>
Net change in fund balance	-	(10)	(10)
Fund balance, January 1	<u>10</u>	<u>10</u>	<u>-</u>
Fund balance, December 31	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ (10)</u>

CITY OF AMERICUS, GEORGIA

SPECIAL REVENUE FUND

2014 CDBG FUND

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues, intergovernmental	\$ 248,038	\$ 332,312	\$ 84,274
Expenditures, community development projects	<u>248,038</u>	<u>385,342</u>	<u>(137,304)</u>
Net change in fund balance	-	(53,030)	(53,030)
Fund balance, January 1	<u>61,821</u>	<u>61,821</u>	<u>-</u>
Fund balance, December 31	<u>\$ 61,821</u>	<u>\$ 8,791</u>	<u>\$ (53,030)</u>

CITY OF AMERICUS, GEORGIA

SPECIAL REVENUE FUND

HOTEL/MOTEL TAX FUND

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues, taxes	<u>\$ 325,000</u>	<u>\$ 355,562</u>	<u>\$ 30,562</u>
Other financing uses:			
Transfers out	<u>(325,000)</u>	<u>(355,562)</u>	<u>30,562</u>
Total other financing uses	<u>(325,000)</u>	<u>(355,562)</u>	<u>30,562</u>
 Net change in fund balance	 -	 -	 -
 Fund balance, January 1	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Fund balance, December 31	 <u><u>\$ -</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ -</u></u>

CITY OF AMERICUS, GEORGIA

SPECIAL REVENUE FUND

TSPLOST FUND

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Intergovernmental	\$ 215,810	\$ 229,952	\$ 14,142
Interest income	-	26	26
Total revenues	<u>215,810</u>	<u>229,978</u>	<u>14,168</u>
Expenditures:			
Public works	<u>202,810</u>	<u>900</u>	<u>201,910</u>
	<u>202,810</u>	<u>900</u>	<u>201,910</u>
Excess of revenues over expenditures	13,000	229,078	216,078
Other financing uses:			
Transfers out	<u>(13,000)</u>	<u>(29,048)</u>	<u>(16,048)</u>
Total other financing uses	<u>(13,000)</u>	<u>(29,048)</u>	<u>(16,048)</u>
Net change in fund balance	-	200,030	200,030
Fund balance, January 1	<u>87,005</u>	<u>87,005</u>	<u>-</u>
Fund balance, December 31	<u><u>\$ 87,005</u></u>	<u><u>\$ 287,035</u></u>	<u><u>\$ 200,030</u></u>

CITY OF AMERICUS, GEORGIA

SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2018
2007 ISSUANCE

Project	Estimated Cost		Expenditures		Cumulative Total
	Original	Current	Prior Years	Current Year	
Rees Park School	\$ 1,215,000	\$ 1,206,453	\$ 1,206,453	\$ -	\$ 1,206,453
Public Safety Building	2,801,000	2,816,063	2,816,063	-	2,816,063
Municipal Building	106,600	106,600	41,997	42,700	84,697
Public Works Infrastructure	184,688	184,688	1,517	-	1,517
Total	<u>\$ 4,307,288</u>	<u>\$ 4,313,804</u>	<u>\$ 4,066,030</u>	<u>\$ 42,700</u>	<u>\$ 4,108,730</u>

NOTE: Sumter County is responsible for collecting all SPLOST funds and administering the SPLOST Program.

CITY OF AMERICUS, GEORGIA

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2018
2014 ISSUANCE**

Project	Estimated Cost		Expenditures		Cumulative Total
	Original	Current	Prior Years	Current Year	
Public Buildings and Facilities Renovations	\$ 2,150,000	\$ 2,150,000	\$ 307,017	\$ 96,138	\$ 403,155
County Roads located in City Limits	81,217	81,217	-	-	-
Roads, Streets, and Bridges	4,000,000	4,000,000	2,000,240	348,880	2,349,120
Rylander Theater Renovations	300,000	300,000	104,617	30,654	135,271
South Jackson Street Corridor	1,000,000	1,000,000	762,988	91,012	854,000
Public Parks and Green Spaces	1,119,480	1,119,480	345,475	-	345,475
Beltway Multipurpose Recreation Trail	1,000,000	1,000,000	-	-	-
Total	<u>\$ 9,650,697</u>	<u>\$ 9,650,697</u>	<u>\$ 3,520,337</u>	<u>\$ 566,684</u>	<u>\$ 4,087,021</u>

NOTE: Sumter County is responsible for collecting all SPLOST funds and administering the SPLOST Program.

CITY OF AMERICUS, GEORGIA
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

		Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
	ASSETS				
Cash		\$ 110,333	\$ 40	\$ 1,841	\$ 108,532
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
	LIABILITIES				
Due to Land Bank Authority		\$ 110,333	\$ 40	\$ 1,841	\$ 108,532
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

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COMPONENT UNIT – DOWNTOWN DEVELOPMENT AUTHORITY

CITY OF AMERICUS, GEORGIA

BALANCE SHEET COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY DECEMBER 31, 2018

ASSETS	
Cash	\$ 49,567
Due from primary government	66,227
Prepaid expenditures	<u>195</u>
Total assets	<u><u>\$ 115,989</u></u>
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	\$ 481
Due to primary government	<u>10,374</u>
Total liabilities	<u>10,855</u>
FUND BALANCE	
Unassigned	<u>105,134</u>
Total liabilities and fund balance	<u><u>\$ 115,989</u></u>

CITY OF AMERICUS, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

Expenditures

Current:

Community development

\$ 5,725

Total expenditures

5,725

Net change in fund balance

(5,725)

Fund balance, January 1

110,859

Fund balance, December 31

\$ 105,134

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COMPONENT UNIT – TOURISM COUNCIL

CITY OF AMERICUS, GEORGIA
BALANCE SHEET
COMPONENT UNIT - TOURISM COUNCIL
DECEMBER 31, 2018

ASSETS		
Cash	\$	92,233
Due from primary government		<u>482</u>
Total assets	\$	<u><u>92,715</u></u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$	7,817
Accrued salaries		<u>1,542</u>
Total liabilities		<u>9,359</u>
FUND BALANCE		
Unassigned		<u>83,356</u>
Total liabilities and fund balance	\$	<u><u>92,715</u></u>

CITY OF AMERICUS, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE COMPONENT UNIT - TOURISM COUNCIL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Revenues

Charges for services	\$ 7,163
Intergovernmental revenue	<u>192,206</u>
Total revenues	<u>199,369</u>

Expenditures

Current:

Community development	<u>216,330</u>
Total expenditures	<u>216,330</u>

Net change in fund balance	(16,961)
----------------------------	----------

Fund balance, January 1100,317**Fund balance, December 31**\$ 83,356

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STATISTICAL SECTION

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

Contents.....	Page
Financial Trends	97 – 101
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity.....	102 – 106
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	
Debt Capacity.....	107 – 111
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	112 – 114
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information.....	115 – 117
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

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

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CITY OF AMERICUS, GEORGIA

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

(accrual basis of accounting)

	2009	2010	2011	2012	2013	2014 ⁽¹⁾	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets	\$ 16,260,814	\$ 11,512,033	\$ 11,538,593	\$ 11,322,765	\$ 10,864,431	\$ 12,197,615	\$ 13,365,957	\$ 13,584,166	\$ 15,744,516	\$ 16,008,039
Restricted	-	-	609,509	1,330,517	3,278,524	5,751,145	4,651,731	5,601,368	3,637,858	4,452,733
Unrestricted	3,478,933	3,319,825	2,627,437	2,780,166	3,590,716	1,162,806	1,664,259	1,870,531	2,065,248	1,705,605
Total governmental activities net position	<u>\$ 19,739,747</u>	<u>\$ 14,831,858</u>	<u>\$ 14,775,539</u>	<u>\$ 15,433,448</u>	<u>\$ 17,733,671</u>	<u>\$ 19,111,566</u>	<u>\$ 19,681,947</u>	<u>\$ 21,056,065</u>	<u>\$ 21,447,622</u>	<u>\$ 22,166,377</u>
Business-type activities										
Net investment in capital assets	\$ 12,990,568	\$ 11,341,519	\$ 11,496,750	\$ 11,389,939	\$ 11,480,131	\$ 12,260,491	\$ 11,197,938	\$ 11,590,862	\$ 11,447,380	\$ 11,636,624
Restricted	2,292,000	2,040,000	1,456,000	1,471,000	1,471,000	1,471,000	1,471,000	1,471,000	1,471,000	1,471,000
Unrestricted	3,051,535	4,172,155	4,801,652	4,375,991	5,365,129	5,813,268	7,998,477	8,988,273	9,778,657	9,451,858
Total business-type activities net position	<u>\$ 18,334,103</u>	<u>\$ 17,553,674</u>	<u>\$ 17,754,402</u>	<u>\$ 17,236,930</u>	<u>\$ 18,316,260</u>	<u>\$ 19,544,759</u>	<u>\$ 20,667,415</u>	<u>\$ 22,050,135</u>	<u>\$ 22,697,037</u>	<u>\$ 22,559,482</u>
Primary government										
Net investment in capital assets	\$ 29,251,382	\$ 22,853,552	\$ 23,035,343	\$ 22,712,704	\$ 22,344,562	\$ 24,458,106	\$ 24,563,895	\$ 25,175,028	\$ 27,191,896	\$ 27,644,663
Restricted	2,292,000	2,040,000	2,065,509	2,801,517	4,749,524	7,222,145	6,122,731	7,072,368	5,108,858	5,923,733
Unrestricted	6,530,468	7,491,980	7,429,089	7,156,157	8,955,845	6,976,074	9,662,736	10,858,804	11,843,905	11,157,463
Total primary government net position	<u>\$ 38,073,850</u>	<u>\$ 32,385,532</u>	<u>\$ 32,529,941</u>	<u>\$ 32,670,378</u>	<u>\$ 36,049,931</u>	<u>\$ 38,656,325</u>	<u>\$ 40,349,362</u>	<u>\$ 43,106,200</u>	<u>\$ 44,144,659</u>	<u>\$ 44,725,859</u>

⁽¹⁾ Unrestricted net position for both governmental activities and business-type activities has been restated for the implementation of GASB Statement No. 68 and No. 71 effective January 1, 2015.

CITY OF AMERICUS, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

(accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses:										
Governmental Activities:										
General government ⁽¹⁾	\$ 1,591,559	\$ 1,391,039	\$ 1,360,399	\$ 1,930,310	\$ 1,263,292	\$ 1,338,170	\$ 1,061,848	\$ 2,610,169	\$ 2,705,220	\$ 2,635,326
Judicial ⁽¹⁾	-	-	81,050	79,336	83,399	88,568	77,591	97,105	98,072	101,398
Public safety	6,514,180	6,474,734	6,542,536	6,289,518	6,546,399	6,238,160	5,890,222	6,585,305	6,692,310	6,854,612
Public works	5,617,069	6,406,697	1,399,458	1,711,443	2,006,413	2,154,276	1,949,200	2,209,502	1,859,432	2,632,335
Community development projects	-	649,819	734,990	368,118	387,284	218,292	495,700	354,133	718,176	744,097
Culture and recreation	687,695	-	-	-	1,024	696	27,732	76,885	-	-
Health and welfare	-	-	-	-	-	-	17,488	50,232	48,230	51,557
Interest on long-term debt	54,278	83,914	103,345	105,590	99,806	114,110	105,076	95,072	86,174	77,912
Total government activities expenses	\$ 14,464,781	\$ 15,006,203	\$ 10,221,778	\$ 10,484,315	\$ 10,387,617	\$ 10,152,272	\$ 9,624,857	\$ 12,078,403	\$ 12,207,614	\$ 13,097,237
Business-type activities:										
Theater	\$ 447,145	\$ 492,354	\$ 471,842	\$ 541,896	\$ 523,076	\$ 443,312	\$ 510,975	\$ 440,889	\$ 468,742	\$ 493,634
Stormwater	8,159	513,372	394,760	502,216	491,243	442,213	458,937	195,444	236,143	193,591
Solid Waste	2,927,800	2,642,940	2,817,110	2,810,229	2,778,832	2,674,321	2,968,631	2,311,243	2,389,869	2,518,578
Water and Sewer	4,689,890	4,916,717	4,970,123	5,926,969	5,197,319	4,764,321	4,895,582	4,990,247	4,888,023	5,412,117
Natural Gas	2,985,863	3,325,219	3,311,089	2,916,692	2,928,228	3,185,808	2,457,505	1,881,099	2,150,153	2,216,679
Total business-type activities expenses	11,058,857	11,890,602	11,964,924	12,698,002	11,918,698	11,509,975	11,291,630	9,818,922	10,132,930	10,834,599
Total primary government expenses	\$ 25,523,638	\$ 26,896,805	\$ 22,186,702	\$ 23,182,317	\$ 22,306,315	\$ 21,662,247	\$ 20,916,487	\$ 21,897,325	\$ 22,340,544	\$ 23,931,836
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,634,019	\$ 1,609,472	\$ 1,713,495	\$ 1,874,736	\$ 1,785,218	\$ 1,617,630	\$ 1,776,359	\$ 1,683,913	\$ 1,850,210	\$ 1,806,389
Public safety	378,172	372,439	346,835	475,014	458,166	312,128	249,284	276,121	237,587	303,844
Community development	31,784	51,382	46,381	17,323	15,910	21,316	884	907	12,020	13,158
Operating grants and contributions	748,965	166,713	191,170	259,341	398,489	208,224	221,878	293,821	149,556	605,188
Capital grants and contributions	887,585	404,021	204,297	764,899	2,340,604	4,123,220	399,296	2,133,717	1,301,516	1,595,056
Total government activities program revenues	\$ 3,680,525	\$ 2,604,027	\$ 2,502,178	\$ 3,391,313	\$ 4,998,387	\$ 6,282,518	\$ 2,647,701	\$ 4,388,479	\$ 3,550,889	\$ 4,323,635
Business-type activities:										
Charges for services:										
Theater	\$ 112,404	\$ 80,391	\$ 53,575	\$ 89,375	\$ 58,764	\$ 40,247	\$ 120,902	\$ 88,088	\$ 23,763	\$ 88,729
Stormwater	-	502,486	860,231	871,401	866,927	846,482	773,501	777,850	747,632	750,304
Solid Waste	2,421,433	2,664,458	2,875,122	2,972,137	2,873,443	2,866,973	2,838,005	2,744,715	2,871,791	2,783,480
Water and Sewer	4,175,851	4,232,671	5,397,091	5,931,182	6,125,894	6,358,624	6,244,153	6,871,886	6,235,174	6,181,290
Natural Gas	2,941,728	3,411,767	3,048,070	2,672,161	3,075,260	3,409,558	2,435,480	2,289,477	2,580,465	2,640,227
Operating grants ⁽²⁾	75,000	75,000	36,300	85,700	75,000	70,000	70,000	32,000	10,000	45,500
Capital grants and contr.	114,483	185,950	-	185,950	-	-	-	-	-	-
Total business-type activities prog rev.	9,840,899	11,152,723	12,270,389	12,807,906	13,075,288	13,591,884	12,482,041	12,804,016	12,468,825	12,489,530
Total primary government program revenues	\$ 13,521,424	\$ 13,756,750	\$ 14,772,567	\$ 16,199,219	\$ 18,073,675	\$ 19,874,402	\$ 15,129,742	\$ 17,192,495	\$ 16,019,714	\$ 16,813,165
Net (expense)/revenue										
Governmental activities	\$ (10,784,256)	\$ (12,402,176)	\$ (7,719,600)	\$ (7,093,002)	\$ (5,389,230)	\$ (3,869,754)	\$ (6,977,156)	\$ (7,689,924)	\$ (8,656,725)	\$ (8,773,602)
Business-type activities	(1,217,958)	(737,879)	305,465	109,904	1,156,590	2,081,909	1,190,411	2,985,094	2,335,895	1,654,931
	\$ (12,002,214)	\$ (13,140,055)	\$ (7,414,135)	\$ (6,983,098)	\$ (4,232,640)	\$ (1,787,845)	\$ (5,786,745)	\$ (4,704,830)	\$ (6,320,830)	\$ (7,118,671)

(Continued)

CITY OF AMERICUS, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

(accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Revenues and Other										
Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 4,018,966	\$ 3,766,104	\$ 3,779,648	\$ 3,779,648	\$ 3,957,451	\$ 3,843,309	\$ 3,858,096	\$ 3,534,700	\$ 3,595,237	\$ 3,816,033
Sales taxes	1,677,397	1,888,546	1,909,128	1,909,128	1,739,073	1,694,752	1,594,865	1,823,623	1,543,108	1,621,312
Hotel/Motel taxes	254,354	279,360	329,321	329,321	315,049	315,628	311,393	318,227	341,217	355,562
Other taxes	1,632,444	1,581,410	1,454,722	1,454,722	1,528,016	1,539,124	1,632,145	1,675,221	1,729,450	1,826,145
Unrestricted invest. earnings	73,119	97,002	75,700	75,700	69,402	78,107	81,427	87,271	70,489	74,956
Gain on disposal of assets	17,420	-	-	-	-	3,902	11	-	35,858	2,349
Insurance proceeds	-	-	-	-	-	-	-	-	27,523	-
Transfers	165,248	(118,135)	114,762	114,762	80,462	430,000	69,600	1,625,000	1,705,400	1,796,000
Total governmental activities	7,838,948	7,494,287	7,663,281	7,663,281	7,689,453	7,904,822	7,547,537	9,064,042	9,048,282	9,492,357
Business-type activities:										
Investment earnings	31,383	15,742	7,036	7,036	3,202	50,058	1,845	840	1,589	3,514
Gain on disposal of assets	828	9,523	2,989	2,989	-	6,515	-	-	14,818	-
Transfers	(165,248)	118,135	(114,762)	(114,762)	(80,462)	(430,000)	(69,600)	(1,625,000)	(1,705,400)	(1,796,000)
Total business-type activities	(133,037)	143,400	(104,737)	(104,737)	(77,260)	(373,427)	(67,755)	(1,624,160)	(1,688,993)	(1,792,486)
Total primary government	\$ 7,705,911	\$ 7,637,687	\$ 7,558,544	\$ 7,558,544	\$ 7,612,193	\$ 7,531,395	\$ 7,479,782	\$ 7,439,882	\$ 7,359,289	\$ 7,699,871
Changes in Net Position										
Governmental activities	\$ (2,945,308)	\$ (4,907,889)	\$ (56,319)	\$ 570,279	\$ 2,300,223	\$ 4,035,068	\$ 570,381	\$ 1,374,118	\$ 391,557	\$ 718,755
Business-type activities	(1,350,995)	(594,479)	200,728	5,167	1,079,330	1,708,482	1,122,656	1,360,934	646,902	(137,555)
Total primary government	\$ (4,296,303)	\$ (5,502,368)	\$ 144,409	\$ 575,446	\$ 3,379,553	\$ 5,743,550	\$ 1,693,037	\$ 2,735,052	\$ 1,038,459	\$ 581,200

⁽¹⁾ The Municipal Court function was recorded in Public Safety for years prior to 2011.

CITY OF AMERICUS, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund										
Reserved	\$ 63,279	\$ 74,298	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	2,278,792	2,266,544	-	-	-	-	-	-	-	-
Nonspendable	-	-	137,090	94,000	144,091	67,419	68,033	70,962	76,374	66,230
Restricted	-	-	2,828	-	57,244	162,344	-	127,092	-	290,477
Assigned	-	-	29,578	222,144	222,144	-	-	-	-	-
Unassigned	-	-	2,199,035	2,156,246	2,294,752	2,938,292	3,330,328	3,637,157	3,833,954	2,641,780
Total General Fund	<u>\$ 2,342,071</u>	<u>\$ 2,340,842</u>	<u>\$ 2,368,531</u>	<u>\$ 2,472,390</u>	<u>\$ 2,718,231</u>	<u>\$ 3,168,055</u>	<u>\$ 3,398,361</u>	<u>\$ 3,835,211</u>	<u>\$ 3,910,328</u>	<u>\$ 2,998,487</u>
All Other Governmental Funds										
Reserved reported in:										
Special revenue funds	\$ 190,263	\$ 206,102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service funds	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	481,262	554,632	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	40,153	35,530	6,298	8,883	45,569	41,506	-	-
Restricted	-	-	606,681	1,330,517	3,486,443	5,832,945	4,651,731	5,474,276	3,637,858	4,162,256
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(3,478)	-	-	-	-	-	(27,518)	(41,018)
Total all other governmental funds	<u>\$ 671,525</u>	<u>\$ 760,734</u>	<u>\$ 643,356</u>	<u>\$ 1,366,047</u>	<u>\$ 3,492,741</u>	<u>\$ 5,841,828</u>	<u>\$ 4,697,300</u>	<u>\$ 5,515,782</u>	<u>\$ 3,610,340</u>	<u>\$ 4,121,238</u>

NOTE: GASB Statement No. 54 was adopted in 2011.

CITY OF AMERICUS, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$ 7,413,834	\$ 7,536,316	\$ 7,568,434	\$ 7,501,552	\$ 7,349,222	\$ 7,270,845	\$ 7,321,669	\$ 7,269,624	\$ 7,314,635	\$ 7,407,997
Licenses and permits	1,433,197	1,410,130	1,474,400	1,600,559	1,546,490	1,412,470	1,592,174	1,567,919	1,563,540	1,494,171
Intergovernmental	958,057	489,519	318,569	958,096	2,438,394	4,508,351	572,704	2,386,136	1,409,893	2,001,088
Charges for services	100,914	183,598	201,924	140,876	156,440	121,705	136,912	77,791	115,815	247,786
Fines and forfeitures	384,890	373,949	352,513	496,502	458,166	312,128	260,247	286,444	237,587	310,971
Interest	73,119	97,002	75,700	74,495	69,402	78,107	83,744	87,901	70,818	74,433
Miscellaneous	159,402	146,830	154,772	195,280	164,342	145,521	77,944	69,537	223,625	180,942
Total revenues	10,523,413	10,237,344	10,146,312	10,967,360	12,182,456	13,849,127	10,045,394	11,745,352	10,935,913	11,717,388
Expenditures										
General government	1,628,629	1,200,797	1,414,936	2,210,399	997,689	1,086,831	926,128	2,170,494	2,503,598	2,294,194
Judicial	-	-	(1) 81,050	79,336	83,399	88,568	80,022	94,713	98,865	104,290
Public safety	6,453,290	7,176,218	6,478,678	6,361,979	6,758,286	7,756,914	7,285,257	6,231,219	6,524,305	7,248,691
Public works	1,803,454	1,742,080	1,689,210	2,047,164	1,777,585	1,933,812	1,770,736	2,646,229	4,239,642	2,497,083
Community development	673,226	619,768	723,732	348,966	333,220	218,292	527,333	340,949	719,258	752,284
Culture and recreation	-	-	-	-	-	-	27,732	76,885	-	-
Health and welfare	-	-	-	-	-	-	17,488	50,232	48,230	51,557
Capital outlay	-	-	-	-	-	-	-	-	-	609,384
Debt service:										
Principal	112,035	185,473	167,860	231,416	340,230	282,512	292,020	300,334	311,520	283,447
Interest	54,829	66,849	88,081	106,269	115,819	117,189	107,682	98,965	89,601	80,713
Total expenditures	10,725,463	10,991,185	10,643,547	11,385,529	10,406,228	11,484,118	11,034,398	12,010,020	14,535,019	13,921,643
Excess of revenues over (under) expenditures	(202,050)	(753,841)	(497,235)	(418,169)	1,776,228	2,365,009	(989,004)	(264,668)	(3,599,106)	(2,204,255)
Other Financing Sources (Uses):										
Capital leases	272,208	936,197	280,000	1,109,542	488,545	-	-	-	-	-
Sale of capital assets	24,980	23,759	12,784	27,808	27,300	3,902	5,182	-	35,858	7,312
Insurance proceeds	-	-	-	-	-	-	-	-	27,523	-
Transfers in	1,396,858	634,794	752,517	661,919	690,212	1,099,614	709,102	2,220,936	2,252,125	2,365,610
Transfers out	(1,231,610)	(752,929)	(637,755)	(554,550)	(609,750)	(669,614)	(639,502)	(700,936)	(546,725)	(569,610)
Total other financing sources (uses)	462,436	841,821	407,546	1,244,719	596,307	433,902	74,782	1,520,000	1,768,781	1,803,312
Net change in fund balance	\$ 260,386	\$ 87,980	\$ (89,689)	\$ 826,550	\$ 2,372,535	\$ 2,798,911	\$ (914,222)	\$ 1,255,332	\$ (1,830,325)	\$ (400,943)
Debt service as a percentage of non-capital expenditures	(2) 12.72%	1.71%	2.70%	2.66%	2.97%	4.40%	4.25%	3.58%	2.79%	2.80%

(1) The Municipal Court function was recorded in Public Safety for years prior to 2011.

(2) General Obligation Bonds were paid in full in 2008 thus increasing the ratio of total debt service to non-capital expenditures.

CITY OF AMERICUS, GEORGIA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year	Property	Sales Tax	Occupancy	Insurance Premium	Other⁽¹⁾	Total
2009	\$ 3,863,211	\$ 1,663,825	\$ 254,354	\$ 943,254	\$ 434,836	\$ 7,159,480
2010	3,788,098	1,887,447	279,360	920,265	661,146	7,536,316
2011	3,860,592	1,923,799	329,321	799,294	655,428	7,568,434
2012	3,735,922	1,942,043	318,419	848,984	656,184	7,501,552
2013	3,767,084	1,739,073	315,049	879,042	648,974	7,349,222
2014	3,721,341	1,694,752	315,628	921,476	617,648	7,270,845
2015	3,783,266	1,594,865	311,393	984,445	647,700	7,321,669
2016	3,452,553	1,823,623	318,227	1,066,345	608,876	7,269,624
2017	3,700,860	1,543,108	341,217	1,136,084	593,366	7,314,635
2018	3,604,978	1,621,312	355,562	1,225,570	600,575	7,407,997
Change 2009-2018	-7.2%	-2.6%	28.5%	23.0%	27.6%	3.4%

⁽¹⁾ Other taxes include transfer taxes, alcoholic beverage taxes, and payments in lieu of taxes.

CITY OF AMERICUS, GEORGIA

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

Fiscal Year Ended Dec 31st	Digest Tax Year	Real and Personal Property	Motor Vehicles	Mobile Home	Timber and Heavy Truck Equipment	Less: Tax-Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a % of Actual Value
2009	2009	\$ 348,049,881	\$ 36,041,850	\$ 184,415	\$ 19,830	\$ 11,122,312	\$ 373,173,664	10.25	\$ 746,347,328	50%
2010	2010	340,614,185	31,580,613	136,045	3,870	7,146,044	365,188,669	10.25	730,377,338	50%
2011	2011	343,915,592	30,679,600	132,475	2,025	5,743,900	368,985,792	10.11	737,971,584	50%
2012	2012	342,308,552	31,869,463	105,870	7,000	6,466,282	367,824,603	10.32	735,649,206	50%
2013	2013	343,910,752	31,530,638	107,605	-	9,165,092	366,383,903	10.32	732,767,806	50%
2014	2014	327,533,886	26,167,700	113,010	89,478	9,561,896	344,342,178	10.32	688,684,356	50%
2015	2015	341,640,188	18,170,900	106,800	30,503	10,619,826	349,328,565	10.32	698,657,130	50%
2016	2016	326,013,854	14,001,213	127,300	4,076	18,519,982	321,626,461	10.32	643,252,922	50%
2017	2017	326,780,209	8,553,770	102,640	58,172	12,075,221	323,419,570	10.32	646,839,140	50%
2018	2018	331,257,475	7,861,500	128,370	91,639	13,921,234	325,417,750	10.92	650,835,500	50%

Source: City of Americus and Sumter County tax records

Note: Property tax assessment is performed by the Sumter County Tax Assessor's Office and reviewed and factored by the State of Georgia Department of Revenue to ensure that the assessed value of property closely approximates 50% of actual market value.

CITY OF AMERICUS, GEORGIA

PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Fiscal Year	Digest Tax Year	City of Americus			Overlapping Rates					
		Operating Millage	Debt Service Millage	Total City Millage	Sumter County			Sumter Board of Education		
					Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage
2009	2009	10.25	-	10.25	11.45	-	11.45	17.53	-	17.53
2010	2010	10.25	-	10.25	11.45	-	11.45	17.53	-	17.53
2011	2011	10.11	-	10.11	11.45	-	11.45	17.53	-	17.53
2012	2012	10.32	-	10.32	11.45	-	11.45	17.53	-	17.53
2013	2013	10.32	-	10.32	12.96	-	12.96	17.53	-	17.53
2014	2014	10.32	-	10.32	12.90	-	12.90	17.53	-	17.53
2015	2015	10.32	-	10.32	12.90	-	12.90	17.53	-	17.53
2016	2016	10.32	-	10.32	12.90	-	12.90	17.53	-	17.53
2017	2017	10.32	-	10.32	13.23	-	13.23	17.86	-	17.86
2018	2018	10.92	-	10.92	15.86	-	15.86	18.22	-	18.22

Source: Sumter County Board of Commissioners and Americus City Records

Note: The City assesses at a rate of 50% and the County assesses at 40%

CITY OF AMERICUS, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
<u>Taxpayer</u>						
Wal-Mart Real Estate/Store	\$ 8,363,311	2	2.52%	\$ 9,136,623	1	2.45%
Georgia Power Company	11,242,798	1	3.39%	5,150,151	4	1.38%
Agrium US, Inc	7,201,973	3	2.17%	6,061,316	3	1.63%
Lowe's Home Center	5,554,391	4	1.68%	6,738,503	2	1.81%
Perry Brothers Oil Company, Inc	4,749,406	5	1.43%	-		0.00%
Barksdale & Associates Inc	1,912,694	9	0.58%	-		0.00%
Bell South Telecommunications/AT&T	-		0.00%	3,410,794	5	0.91%
Boat-N-RV Outlet	3,024,328	6	0.91%	-		0.00%
Sumter, EMC	2,714,164	7	0.82%	2,576,124	7	0.69%
Galileo Apollo IV Sub LLC	2,475,000	8	0.75%	2,930,300	6	0.79%
Market Place of Americus	1,859,800	10	0.56%	1,928,200	8	0.52%
Cheokas, Micheal A	-		0.00%	1,889,000	9	0.51%
Bran Hospitality	-		0.00%	1,818,500	10	0.49%
Total	<u>\$ 49,097,865</u>		<u>14.82%</u>	<u>\$ 41,639,511</u>		<u>11.17%</u>

Source: City of Americus tax records

CITY OF AMERICUS, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31st	Digest Tax Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Taxes Outstanding
			Amount	Percentage of Levy		Amount	Percentage of Levy	
2009	2009	\$ 3,422,075	\$ 2,866,944	83.78%	\$ 555,131	\$ 3,422,075	100.00%	\$ -
2010	2010	3,436,358	2,946,620	85.75%	470,305	3,416,925	99.43%	19,433
2011	2011	3,432,242	2,706,967	78.87%	697,210	3,404,177	99.18%	28,065
2012	2012	3,471,632	2,942,607	84.76%	481,317	3,423,924	98.63%	47,708
2013	2013	3,439,199	2,894,583	84.16%	462,449	3,357,032	97.61%	82,167
2014	2014	3,421,272	2,717,698	79.44%	612,401	3,330,099	97.34%	91,173
2015	2015	3,434,649	2,739,808	79.77%	574,480	3,314,288	96.50%	120,361
2016	2016	3,245,992	2,513,488	77.43%	600,254	3,113,742	95.93%	132,250
2017	2017	3,374,506	2,886,095	85.53%	317,606	3,203,701	94.94%	170,805
2018	2018	3,458,068	2,784,425	80.52%	-	2,784,425	80.52%	673,643

Sources: City of Americus tax records

CITY OF AMERICUS, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita	Population
	Capital Leases ⁽¹⁾	Certificates of Participation	Water Revenue Bonds ⁽²⁾	Combined Utility Revenue Bonds ⁽³⁾						
				Notes Payable						
2009	\$ 1,327,343	\$ 845,000	\$ 405,715	\$ -	\$ 8,031,531	\$ 10,609,589	2.24%	\$ 623.62	17,013	
2010	2,078,067	845,000	-	14,304,092	6,816,675	24,043,834	5.12%	1,410.94	17,041	
2011	2,190,207	845,000	-	13,148,082	6,518,549	22,701,838	4.77%	1,332.19	17,041	
2012	3,068,333	845,000	-	11,967,074	6,233,362	22,113,769	4.52%	1,297.68	17,041	
2013	2,371,648	845,000	-	16,377,947	44,323	19,638,918	3.73%	1,152.45	17,041	
2014	2,089,136	845,000	-	14,828,308	-	17,762,444	3.39%	1,042.34	17,041	
2015	1,797,116	845,000	-	13,259,019	-	15,901,135	3.14%	933.11	17,041	
2016	1,496,782	845,000	-	11,656,743	-	13,998,525	2.66%	821.46	17,041	
2017	1,185,262	845,000	-	10,016,694	-	12,046,956	2.29%	706.94	17,041	
2018	901,815	845,000	-	8,339,092	-	10,085,907	1.73%	591.86	17,041	

⁽¹⁾ In 2012, capital leases increased significantly due to the energy savings contract in the amount of \$1,109,542.

⁽²⁾ The Water Revenue Bonds were paid in full in 2010.

⁽³⁾ Combined Utility Revenue Bonds were issued in 2010 and 2013 for capital projects related to water, sewer and stormwater.

CITY OF AMERICUS, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property ⁽²⁾	Per Capita ⁽³⁾
	General Obligation Bonds ⁽¹⁾	Less: Amounts Avail. in Debt Service Fund	Total		
2009	\$ -	\$ -	\$ -	0.00%	\$ -
2010	-	-	-	0.00%	-
2011	-	-	-	0.00%	-
2012	-	-	-	0.00%	-
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-
2015	-	-	-	0.00%	-
2016	-	-	-	0.00%	-
2017	-	-	-	0.00%	-
2018	-	-	-	0.00%	-

⁽¹⁾ General Obligation Bonds were paid in full in 2008.

⁽²⁾ See also the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for more on property values.

⁽³⁾ See also the Schedule of Demographic and Economic Statistics for population data.

CITY OF AMERICUS, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF DECEMBER 31, 2018

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to the City of Americus</u>	<u>Amount Applicable to the City of Americus</u>
Direct:			
City of Americus	\$ 1,746,815	100%	\$ 1,746,815
Total direct debt			<u>1,746,815</u>
Overlapping:			
Sumter County, Georgia	4,590,000	100%	4,590,000
Sumter County Board of Education	-	100%	-
Total overlapping debt			<u>4,590,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 6,336,815</u></u>

Source: City of Americus, Sumter County Board of Commissioners, Sumter County Board of Education.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that could place burden on the residents and businesses of the City of Americus.

Note: Information presented above for Sumter County and Sumter County BOE is as of June 30, 2018, the most recent audited fiscal year available.

CITY OF AMERICUS, GEORGIA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	\$ 38,429,598	\$ 37,233,471	\$ 37,472,969	\$ 37,429,089	\$ 37,554,900	\$ 35,390,407	\$ 35,994,839	\$ 34,014,644	\$ 33,549,479	\$ 33,933,898
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 38,429,598</u>	<u>\$ 37,233,471</u>	<u>\$ 37,472,969</u>	<u>\$ 37,429,089</u>	<u>\$ 37,554,900</u>	<u>\$ 35,390,407</u>	<u>\$ 35,994,839</u>	<u>\$ 34,014,644</u>	<u>\$ 33,549,479</u>	<u>\$ 33,933,898</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2018

Total assessed value	\$ 325,417,750
Add Exempt:	<u>13,921,234</u>
Total taxable assessed value:	<u>339,338,984</u>
Debt limit (10% of total taxable assessed value)	33,933,898
Debt applicable to limit:	
General obligation debt	-
Less: Amount set aside for repayment of general obligation debt	<u>-</u>
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$ 33,933,898</u>

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

CITY OF AMERICUS, GEORGIA

PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS

Fiscal Year	Utility Revenue Bonds ⁽¹⁾						Coverage Ratio
	Utility Service Charges	Less: Operating Expenses ⁽²⁾	Net Available Revenue ⁽³⁾	Debt Service ⁽⁴⁾			
				Principal	Interest		
2009	\$ 3,909,927	\$ 3,372,159	\$ 537,768	\$ 314,539	\$ 30,065	1.56	
2010	4,735,168	4,105,840	629,328	405,715	8,894	1.52	
2011	6,240,322	4,042,438	2,197,884	1,105,000	410,337	1.45	
2012	6,802,583	4,196,843	2,605,740	1,130,000	379,567	1.73	
2013	6,992,922	3,717,780	3,275,142	1,280,000	391,874	1.96	
2014	7,205,106	3,625,217	3,579,889	1,485,000	452,170	1.85	
2015	7,017,654	3,334,996	3,682,658	1,510,000	348,912	1.98	
2016	7,649,736	3,290,701	4,359,035	1,550,000	293,999	2.36	
2017	6,982,806	3,336,203	3,646,603	1,595,000	260,211	1.97	
2018	6,931,594	3,872,044	3,059,550	1,640,000	292,420	1.58	

⁽¹⁾ Revenue Bonds in the amount of \$3,190,804 were issued in 1998 for the purpose of repaying loans from GEFA. These were paid off in 2010.

Revenue Bonds in the amount of \$13,760,000 were issued in 2010 for Water, Sewer and Stormwater capital projects.

⁽²⁾ Operating Expenses do not include depreciation, amortization, or interest expenses. Stormwater operating expenses in 2010 include primarily allocations from other funds and departments. The recording of direct expenses for stormwater began in 2011.

⁽³⁾ Net Available Revenue decreased in 2008 - 2010 due to lift station repairs and programs that did not qualify for capitalization.

(Hydraulic Model, Inflow & Filtration, Fats, Oils and Greases and Cross Connection ordinance/programs, etc.)

⁽⁴⁾ Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF AMERICUS, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Calendar Year	Population ⁽¹⁾	Median Age ⁽²⁾	Education Level in Years of Schooling ⁽³⁾	Personal Income ⁽⁴⁾ (in thousands of dollars)	Sumter County, Georgia			
					Per Capita Personal Income ⁽⁵⁾	Labor Force ⁽⁶⁾	School Enrollment ⁽⁷⁾	Unemployment Rate ⁽⁸⁾
2009	17,013	34	12.7	\$ 472,638	\$ 27,781	16,338	5,059	12.60%
2010	17,041	29	13.2	469,991	27,580	15,063	4,957	13.20%
2011	17,041	29	13.2	475,972	27,931	14,859	4,920	13.30%
2012	17,041	29	13.2	488,821	28,685	14,956	4,898	12.80%
2013	17,041	29	13.2	526,805	30,914	12,568	4,740	12.30%
2014	17,041	29	13.2	523,619	30,727	13,517	4,671	9.60%
2015	17,041	29	13.2	506,885	29,745	13,517	4,756	9.60%
2016	17,041	29	13.2	527,078	30,930	12,730	4,591	7.70%
2017	17,041	29	13.2	526,652	30,905	12,941	4,700	5.60%
2018	17,041	29	13.2	582,359	34,174	12,782	4,700	5.00%

Sources:

⁽¹⁾ Population is per the U.S. Census Bureau.

⁽²⁾ Median Age is per the U.S Census Bureau.

⁽³⁾ Average education level is per the U.S. Census Bureau.

⁽⁴⁾ Personal Income is the annual amount based on population and Per Capita Personal Income.

⁽⁵⁾ Per Capita Income is from the U.S. Department of Commerce Bureau of Economic Analysis. Information for the City of Americus is not available.

⁽⁶⁾ Labor Force is per the U.S. Department of Commerce Bureau of Economic Analysis. Information for the City of Americus is not available.

⁽⁷⁾ School Enrollment is per the Sumter County Board of Education.

⁽⁸⁾ Unemployment rate is an average for the year and is per the Georgia Department of Labor.

CITY OF AMERICUS, GEORGIA

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Employer	2018			2009		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Sumter County School System	680	1	5.32%	950	1	5.81%
Magnolia Manor	497	2	3.89%	375	6	2.29%
Phoebe Sumter Medical Center (previously Sumter Regional	380	3	2.97%	396	5	2.42%
Cooper Lighting	314	4	2.46%	600	2	3.67%
Georgia Southwestern State University	280	5	2.19%	280	8	1.71%
Wal-Mart Supercenter	268	6	2.10%	399	4	2.44%
Habitat for Humanity	250	7	1.96%	400	3	2.45%
Sumter County Board of Commissioners	232	8	1.82%	253	7	1.55%
Middle Flint Behavioral Health	226	9	1.77%			0.00%
CE Minerals/Mulcoa	224	10	1.75%			0.00%
Collins & Aikman			0.00%	195	10	1.19%
City of Americus			0.00%	235	9	1.44%
Total	<u>3,351</u>		<u>26.22%</u>	<u>4,083</u>		<u>24.98%</u>

Source: Americus - Sumter County Chamber of Commerce and GA Department of Labor.

Note: Due to the close proximity of the cities within the County, information is based on County data. Information based solely on City of Americus is not available.

CITY OF AMERICUS, GEORGIA

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

				(3)	(4)					
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Function										
General government										
Administration	15	15	12	12	12	12	12	12	12	12
Finance	8	8	8	8	8	8	8	8	8	10
Police	54	56	51	50	50	50	50	50	50	50
Municipal Court ⁽¹⁾	-	-	1	1	1	1	1	1	1	1
Planning & Inspections ⁽⁶⁾	-	-	-	-	4	5	5	6	6	7
Fire	56	55	53	53	49	50	50	50	50	50
Public works ⁽²⁾⁽³⁾	30	31	26	24	24	20	20	20	18	16
Main Street ⁽⁷⁾	-	-	-	-	-	-	-	-	-	2
Community and economic development	3	3	3	3	3	2	1	1	-	-
Total General Fund	166	168	154	151	151	148	147	148	145	148
Enterprise Funds										
Water/Sewer Fund	15	16	15	15	15	14	15	15	15	15
Natural Gas Fund	7	7	7	7	7	8	8	8	7	7
Stormwater Fund ⁽³⁾	-	-	4	4	4	2	3	3	3	3
Theater	3	3	3	3	3	3	3	3	3	3
Total Enterprise Funds	25	26	29	29	29	27	29	29	28	28
Total Primary Government	191	194	183	180	180	175	176	177	173	176

Source: City of Americus annual budget document

⁽¹⁾ Municipal Court employees were formerly reported in the Police Department.

⁽²⁾ The Stormwater Fund includes employees formerly reported in Public Works.

⁽³⁾ In 2011, the City had a reduction in force due to economic constraints. The reduction eliminated six positions and combined four positions into two.

⁽⁴⁾ The 2012 report reflects some minor revisions to prior years to exclude part-time employees.

⁽⁵⁾ The Planning and Inspections Department was new in 2013.

⁽⁶⁾ Main Street was new in 2018.

CITY OF AMERICUS, GEORGIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Administration										
Number of Council meetings	69	69	60	43	52	49	33	30	27	32
Number of ordinances adopted	39	45	35	33	28	21	21	8	16	6
Number of new employees processed	38	28	23	25	20	18	28	54	31	32
Finance										
Total dollars expended ⁽¹⁾	\$ 24,597,435	\$ 24,115,832	\$ 24,056,002	\$ 24,743,595	\$ 23,548,824	\$ 24,009,070	\$ 23,708,457	\$ 26,272,064	\$ 28,973,200	\$ 27,881,933
Total number of active funds	16	16	16	16	16	17	18	21	23	22
Number of accounts payable checks issued	4,725	4,924	5,151	5,087	4,411	4,264	3,817	3,832	4,208	3,913
Police										
Number of calls	49,943	62,163	62,450	65,691	71,796	70,369	53,909	51,906	52,376	62,731
Number of accidents	770	774	717	595	543	598	651	792	688	486
Number of animal control incidents/calls	1,306	1,353	1,603	1,129	1,625	1,303	906	1,309	1,063	1,153
Number of offenses reported ⁽²⁾	2,608	2,749	3,157	5,705	6,351	4,417	4,084	3,094	1,960	2,986
Municipal Court activity - number of cases	3,818	4,806	5,384	6,363	5,775	4,680	3,627	3,795	3,128	1,974
Fire and Emergency Services										
Number of calls										
Fire/explosion	181	147	130	100	108	102	76	111	103	102
First responder	1,223	1,081	1,228	1,100	1,223	1,265	1,426	1,607	1,494	1,699
Hazardous condition/materials	88	95	85	104	108	121	118	102	162	136
All other	458	345	465	384	375	425	443	410	324	625
Total number of calls	<u>1,950</u>	<u>1,668</u>	<u>1,908</u>	<u>1,688</u>	<u>1,814</u>	<u>1,913</u>	<u>2,063</u>	<u>2,230</u>	<u>2,083</u>	<u>2,562</u>
Fire safety/prevention/education										
Students	11,809	6,578	5,030	11,328	10,566	13,437	4,609	7,114	6,635	5,059
Adults	6,308	1,499	2,783	5,480	3,174	3,026	1,528	3,792	2,415	1,714
Total number educated	<u>18,117</u>	<u>8,077</u>	<u>7,813</u>	<u>16,808</u>	<u>13,740</u>	<u>16,463</u>	<u>6,137</u>	<u>10,906</u>	<u>9,050</u>	<u>6,773</u>
Building Risk Management										
Number of building permits issued	823	705	914	1,498	1,239	1,117	1,312	1,845	1,212	1,183
Construction value of permitted projects ⁽³⁾	\$ 6,720,935	\$ 109,541,947	\$ 6,483,942	\$ 13,334,635	\$ 15,362,203	\$ 13,611,011	\$ 17,621,176	\$ 9,441,642	\$ 13,160,555	\$ 17,644,138
Public works										
Number of work orders										
Drainage	66	34	7	8	304	177	1,044	1,044	1,148	120
Street patching	459	397	306	341	473	206	1,224	1,224	1,480	400
Street signs	66	64	36	33	90	58	84	84	71	34
Sidewalk repairs	33	18	3	6	9	1	120	120	93	6
Other	161	155	432	90	270	135	552	552	690	1,000
Total number of work orders	<u>785</u>	<u>668</u>	<u>784</u>	<u>478</u>	<u>1,146</u>	<u>577</u>	<u>3,024</u>	<u>3,024</u>	<u>3,482</u>	<u>1,560</u>
Public transit										
Number of trips	24,950	30,428	28,239	27,050	24,065	21,926	20,498	20,498	20,498	-
Revenues	\$ 43,305	\$ 64,769	\$ 73,116	\$ 64,507	\$ 46,591	\$ 39,097	\$ 57,100	\$ 57,100	\$ 100,263	\$ 318,473

(Continued)

CITY OF AMERICUS, GEORGIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Water and Sewer Fund										
Utility billing										
Number of work orders										
Turnoffs for non-payment	1,945	1,947	1,820	1,381	1,550	1,664	1,656	1,662	1,193	970
All other work orders ⁽⁴⁾	4,881	5,185	6,626	6,672	7,581	5,363	5,811	5,894	5,210	5,378
Total number of work orders	<u>6,826</u>	<u>7,132</u>	<u>8,446</u>	<u>8,053</u>	<u>9,131</u>	<u>7,027</u>	<u>7,467</u>	<u>7,556</u>	<u>6,403</u>	<u>6,348</u>
Average number of customers per month										
Water	7,615	7,619	7,530	7,428	7,410	7,363	7,415	7,433	7,409	7,524
Sewer	6,688	6,717	6,677	6,568	6,546	6,506	6,561	6,456	6,557	6,676
Cubic feet of water billed	86,908,419	93,364,671	104,516,419	98,335,605	91,539,276	94,471,280	90,549,052	92,146,393	86,493,589	82,541,987
Water and sewer maintenance										
Number of work orders ⁽⁵⁾	2,912	971	608	561	545	247	1,839	1,509	3,028	499
Natural Gas Fund										
Cubic feet of gas billed	245,621	277,789	253,192	213,762	253,192	312,647	235,854	233,752	223,622	243,801
Number of work orders ⁽⁶⁾	2,349	2,166	1,690	1,644	1,113	-	1,839	2,223	1,656	1,838
Average number of customers per month	2,498	2,467	2,428	2,368	2,358	2,336	2,309	2,300	2,281	2,256
Solid Waste Fund										
Average number of customers per month	6,315	6,831	6,835	6,726	6,652	6,523	6,571	6,541	6,472	6,768
Stormwater Fund ⁽⁷⁾										
Average number of customers per month	-	6,122	6,076	6,004	5,993	5,880	5,748	5,749	5,568	5,514
Number of standard billing units at \$48 per year	-	20,429	20,705	20,460	18,035	19,875	19,947	19,622	19,118	19,835

Sources: Various City departments.

Note - Information is not available for all years and all items. A dash indicates where information could not be obtained.

⁽¹⁾ Finance - Total Dollars Expended - For simplicity, this is the total expenditures on the Revenue and Expenditure statement after year-end adjustments.

⁽²⁾ Number of Offenses includes traffic related enforcement, drug task force activity, code enforcement activities, and all crime reported.

⁽³⁾ The value of permits in 2010 includes \$71,883,000 for the new Phoebe Sumter Hospital Complex.

⁽⁴⁾ Utility Billing - number of Work Orders - All other includes turn offs, turn ons (not related to non-payment), garbage cart/dumpster delivery and pickup, and re-read requests.

⁽⁵⁾ Water & Sewer Maintenance - number of Work Orders includes meter repair & installation, sewer connections, location of water & sewer lines, leak repairs and fire hydrant leaks.

⁽⁶⁾ 2011 showed a decrease due to the replacement of all water meters.

Natural Gas - number of Work Orders include installation of new meters and lines, removal of meters and lines, location of gas lines, gas leak investigation, and customer turn ons. Customer turn ons are not performed by Utility Billing personnel due to the specialized training required. The number of work orders is down in 2009 reflecting the overall downturn in new construction.

⁽⁷⁾ The Stormwater Utility was implemented in June 2010. Standard billing unit represents 3,000 square feet of impervious surface.

CITY OF AMERICUS, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<u>Function/Program</u>										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	47	44	49	46	44	48	55	55	42	42
Fire stations	3	3	3	3	3	3	3	3	3	3
Fire Trucks										
Engine	4	4	4	4	5	5	5	5	5	5
Ladder	2	2	2	2	2	2	2	2	2	2
Tanker	1	0	0	0	0	0	0	0	0	0
Haz Mat Vehicle	1	1	1	1	1	1	1	1	1	1
Communication Trailer	1	1	1	1	1	1	1	1	1	1
Public works										
Streets owned and maintained (miles)	116	116	117	117	117	117	117	117	117	117
Service trucks	16	19	18	18	18	18	18	18	21	21
Public Transit										
Vans	4	3	3	3	3	3	3	3	3	3
Trolley	1	1	1	1	1	1	1	1	1	1
Marketing Van	1	1	1	1	1	1	1	1	1	1
Water System										
Plant Capacity/Gallons per Day	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Miles of Water Mains	138	138	139	139	139	139	139	139	139	139
Water Storage - number of elevated storage tanks	8	8	8	8	8	8	8	8	8	8
Wastewater System										
Treatment capacity/Gallons per day	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000
Miles of Sewer Mains	102	102	103	103	103	103	103	103	103	103
Gas Distribution System										
Allocation from Supplier/Cubic Feet per day	3,000,000	3,000,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Miles of Gas Mains	100	104	106	106	106	106	106	106	106	106

Source: Annual Budget Document and Capital Asset Subledger

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COMPLIANCE SECTION



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**Honorable Mayor and Members
of the City Council
City of Americus, Georgia
Americus, Georgia**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Americus, Georgia (the "City") as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City of Americus, Georgia's basic financial statements, and have issued our report thereon dated June 24, 2019.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control described in the accompanying schedule of findings and responses as 2018-001 through 2018-003 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and response as item 2018-003.

City of Americus, Georgia's Responses to Findings

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The City's responses were not subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

Macon, Georgia
June 24, 2019

Mauldin & Jenkins, LLC

CITY OF AMERICUS, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

☒ Yes ☐ No

Significant deficiencies identified not considered
to be material weaknesses?

☐ Yes ☒ None Reported

Noncompliance material to financial statements noted?

☒ Yes ☐ No

Federal Awards

There was not an audit of major federal award programs as of December 31, 2018 due to the total amount expended being less than \$750,000.

CITY OF AMERICUS, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION II
FINANCIAL STATEMENT FINDINGS

2018-001 Utility Accounts Receivable (Repeat Finding)

Criteria:	Generally accepted accounting principles require the reporting of accounts receivable at net realizable value in the fund coinciding with the related revenues.
Condition:	Accounts receivable for utility services was not properly stated across the various utility funds of the City.
Context:	During our testing of utility accounts receivable we noted that unbilled utility receivables were not properly stated. We also noted that the allowance for doubtful accounts was not properly adjusted to reflect the collectability of the utility accounts receivable balances as of December 31, 2018.
Cause:	Management oversight
Effect:	<p>Audit adjustments were required to adjust current year accounts receivable, revenues, bad debt expense and the allowance for doubtful accounts, net of the original adjustments posted by management. These adjustments were as follows:</p> <ul style="list-style-type: none">• Utility Gas Fund – decrease accounts receivable and revenues by \$419,300;• Solid Waste Fund – increase accounts receivable and revenues by \$60,000; and• Stormwater Fund – increase bad debt expense and allowance for doubtful accounts by \$53,495.
Recommendation:	We recommend that the City strengthen its internal controls over its reporting of accounts receivable to ensure reported balances are accurate and are reported at its net realizable value.
Views of Responsible Officials and Planned Corrective Action:	We concur. Additional controls will be implemented to ensure accounts receivable is properly reconciled and reported.

CITY OF AMERICUS, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION II
FINANCIAL STATEMENT FINDINGS (CONTINUED)

2018-002 Reconciliation of Interfund Activity (Repeat Finding)

Criteria:	Generally accepted accounting principles require the reporting of interfund receivables and payables when transactions occur between individual funds for goods provided or services rendered.
Condition:	Interfund receivables and payables were not reconciled or properly stated for the period ending December 31, 2018.
Context:	During our testing of interfund activity, we noted interfund receivables and payables did not balance and were not properly stated. Adjustments to the General Fund, the Stormwater Fund, and to the Nonmajor governmental funds were made to properly reflect the balances of interfund receivables and payables at year-end.
Cause:	Management oversight
Effect:	<p>The following adjustments were made to balance and to properly state the interfund receivables and payables:</p> <ul style="list-style-type: none">• General Fund – A net reclassifying entry to decrease cash and to increase interfund receivable in the amount of \$80,243;• Solid Waste Management Fund – An adjusting entry to increase Solid Waste Management Fund revenue and to increase interfund receivables in the amount of \$20,833;• Stormwater Fund – An adjustment to increase interest expense in the amount of \$27,592, decrease revenue bonds payable in the amount of \$347,652, and to increase interfund advances in the amount of \$375,244; and• Nonmajor governmental fund – A net adjustment to increase interfund payable and decrease the Insurance Fund's claims funding revenue in the amount of \$101,076.
Recommendation:	We recommend internal controls over interfund activity be strengthened to ensure interfund activity is properly stated and balances at year-end.
Views of Responsible Officials and Planned Corrective Action:	We concur. Additional controls will be implemented to ensure interfund receivables and payables are properly recorded.

CITY OF AMERICUS, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION II
FINANCIAL STATEMENT FINDINGS (CONTINUED)

2018-003 Combined Utility Revenue Bonds, Series 2010 and 2013 Rate Covenant

Criteria:	Pursuant to the Bond Resolution, the City has placed into effect a schedule of rates, fees and charges for the services, facilities and commodities furnished by the Utility System, and shall adjust, as necessary, such schedule of rates, fees and charges in order to produce Net Revenues equal to at least 1.10 times the Debt Service Requirement in the then current Sinking Fund Year.
Condition:	For the year ended December 31, 2018, the City's Net Revenues were \$1,469,740, which was less than the required Net Revenues of \$2,125,662.
Context:	The City's bond documents require that the Net Revenues equal at least 1.10 times the Debt Service Requirement in the current Sinking Fund Year.
Cause:	Management oversight.
Effect:	The City was not in compliance with the requirements of the rate covenant required by the bond documents. Failure to comply could result in difficulties making future debt service payments or could preclude the City from securing financing for additional projects.
Recommendation:	We recommend that management review the current rate schedules and expenses and implement necessary changes to meet the rate covenant requirements.
Views of Responsible Officials and Planned Corrective Action:	We concur. The City will strengthen its internal controls, review current rate schedules and expenses, and implement changes to meet the bond requirements.

CITY OF AMERICUS, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION III
FEDERAL AWARD FINDINGS

Not applicable.

SECTION IV
SCHEDULE OF PRIOR YEAR FINDINGS

2017-001 Utility Accounts Receivable (Repeat Finding)

Criteria: Generally accepted accounting principles require the reporting of accounts receivable at net realizable value in the fund coinciding with the related revenues.

Condition: Accounts receivable for utility services was not properly stated across the various utility funds of the City.

Auditee Response/
Status: Unresolved. Refer to current year finding 2018-001.

2017-002 Capital Assets (Repeat Finding)

Criteria: Generally accepted accounting principles require the reporting of all capital assets at their historical cost which is written off periodically, or depreciated, in a systematic and rational manner. Good, sound internal controls require capital asset and construction in progress accounts be reconciled to detail listings, with all activity recorded in the books and records on a timely basis.

Condition: The City did not appropriately monitor and maintain detail listings of capital asset accounts.

Auditee Response/
Status: Resolved.

CITY OF AMERICUS, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION IV
SCHEDULE OF PRIOR YEAR FINDINGS (CONTINUED)

2017-003 Reconciliation of Cash (Repeat Finding)

Criteria: Generally accepted accounting principles require the reporting of cash when received. Good, sound control require that cash accounts are reconciled periodically and that reconciling items are cleared within a timely manner.

Condition: The City did not appropriately account for cash receipts received during the period ending December 31, 2017. Additionally, cash accounts were not reconciled properly.

Auditee Response/
Status: Resolved.

2017-004 Accounts Receivable and Revenues (Repeat Finding)

Criteria: Generally accepted accounting principles require accounts receivable and related revenues be recognized in the accounting period in which they are both measurable and available to finance expenditures of the current period.

Condition: At year-end, accounts receivable and related revenues were not properly recorded in the General Fund, SPLOST Fund, 2014 CDBG Fund and the Utility Gas Fund.

Auditee Response/
Status: Resolved.

CITY OF AMERICUS, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION IV
SCHEDULE OF PRIOR YEAR FINDINGS (CONTINUED)

2017-005 Property Tax Revenues and Property Tax Unavailable Revenues

Criteria: Generally accepted accounting principles require property tax revenues to be recognized in the accounting period in which they are measurable and available to finance expenditures of the current period. Additionally, unavailable revenues for taxes are deferred and are recognized as an inflow of resources in the period in which the amounts become available.

Condition: At year-end, property tax revenues and the related unavailable revenues for taxes were not properly recorded.

Auditee Response/
Status: Resolved.

2017-006 Claims Payable, Including Incurred but not Reported (IBNR) (Repeat Finding)

Criteria: Generally accepted accounting principles require liabilities to be reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

Condition: Internal controls were not sufficient to properly record claims payable and IBNR amounts in the City's Insurance Fund.

Auditee Response/
Status: Resolved.

CITY OF AMERICUS, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION IV
SCHEDULE OF PRIOR YEAR FINDINGS (CONTINUED)

2017-007 Reconciliation of Interfund Activity

Criteria: Generally accepted accounting principles require the reporting of interfund receivables and payables when transactions occur between individual funds for goods provided or services rendered. Transfers are recorded to move revenues from the fund that the state or budget required to collect them to the fund that the statute or budget requires to expend them.

Condition: Interfund receivables, payables, and transfers were not reconciled for the period ending December 31, 2017.

Auditee Response/
Status: Unresolved. Refer to current year finding 2018-002.

2017-008 Accrued Interest Payable

Criteria: Generally accepted accounting principles require that the amount of interest expense incurred, but not yet paid as of year-end be recorded as accrued interest payable.

Condition: Accrued interest payable was not properly recorded.

Auditee Response/
Status: Resolved.