

City of Moultrie, Georgia

ANNUAL FINANCIAL REPORT

For the Year Ended September 30, 2018



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Annual Financial Report
For the Year Ended September 30, 2018
Table of Contents

INTRODUCTORY SECTION

List of Principal Officials	1
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REPORT

Independent Auditors' Report	2
------------------------------	---

MANAGEMENT'S DISCUSSION AND ANALYSIS	5
---	----------

FINANCIAL STATEMENTS

Government-wide Financial Statements:

Statement of Net Position	22
Statement of Activities	24

Fund Financial Statements:

Governmental Funds

Balance Sheet – Governmental Funds	26
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	27
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	28
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	29
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	30

Proprietary Funds

Statement of Net Position – Proprietary Funds	32
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	34
Statement of Cash Flows – Proprietary Funds	35

Fiduciary Funds

Statement of Fiduciary Net Position – Fiduciary Funds	39
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	40

Notes to Financial Statements	41
-------------------------------	----

Annual Financial Report
For the Year Ended September 30, 2018
Table of Contents

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in Net Pension Liability and Related Ratios	88
Schedule of Employer Contributions – Pension Plan	89

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Nonmajor Governmental Funds:

Combining Balance Sheet – Nonmajor Governmental Funds	90
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	91

Special Revenue Funds:

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
Multiple Grants Fund	92
Confiscated Assets Fund	93
Hotel/Motel Tax Fund	94

Nonmajor Enterprise Funds

Combining Statement of Net Position – Nonmajor Enterprise Funds	95
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Nonmajor Enterprise Funds	97
Combining Statement of Cash Flows Nonmajor Enterprise Funds	98

COMPLIANCE SECTION

Reports Required by *Government Auditing Standards*:

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	101
Schedule of Financial Statement Findings	103
Schedule of Prior Financial Statement Findings	108

State of Georgia Reports:

Schedule of Special Purpose Local Option Sales Tax Expenditures	109
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**City of Moultrie, Georgia
Principal Officials
For the Year Ended September 30, 2018**

ELECTED

William M. McIntosh, Mayor

Lisa Clarke Hill, Council Member

Angela Castellow, Council Member

Cornelius Ponder, Council Member

Cecil Barber, Council Member

Wilma Hadley, Council Member

Daniel L. Dunn, Council Member

STAFF

Peter F. Dillard, City Manager

Gary McDaniel, Finance Director



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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council
City of Moultrie
Moultrie, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the fiduciary funds and the aggregate remaining fund information of the City of Moultrie, Georgia, as of, and for the year ended, September 30, 2018, and the related notes to the financial statements which collectively comprise the City of Moultrie, Georgia'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 did not audit the financial statements of the South Georgia Governmental Services Authority (SGGSA), a joint venture, the investment in which, as discussed in Note 10 to the financial statements, is accounted for by the equity method of accounting. The investment in the SGGSA was \$1,279,477, as of June 30, 2018, and the equity in its net income was \$731,858 for the year then ended. The financial statements of the SGGSA were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the SGGSA, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the fiduciary funds, and the aggregate remaining fund information of the City of Moultrie, Georgia, as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective 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 on pages 5 to 21 and the Required Supplementary Information on pages 88 to 89 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the schedule of pension investment returns that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Moultrie, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has

been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The accompanying schedule of Special Purpose Local Option Sales Tax Expenditures is presented for purposes of additional analysis as required by Official Code of Georgia 48-8-121, and is not a required part of the basic financial statements. The schedule of Special Purpose Local Option Sales Tax Expenditures is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Emphasis of Matter

As disclosed in Note 18 to the financial statements, the City's management discovered an error in its financial statements for the year ended September 30, 2017, resulting in a misstatement of contributions payable, deferred outflows from pensions, deferred inflows from pensions and net pension liability. Accordingly the fund balances and net positions at September 30, 2017 have been adjusted to reflect the correction.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report November 18, 2019, on our consideration of the City of Moultrie, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Moultrie'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 of Moultrie, Georgia's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, LLC
Certified Public Accountants
November 18, 2019

City of Moultrie, Georgia

Management's Discussion and Analysis

September 30, 2018

As management of the City of Moultrie, Georgia, we offer readers of our financial statements this narrative overview and analysis of the financial activities of the City for the year ended September 30, 2018. We encourage readers to read the information presented here in conjunction with the City's financial statements, which follow this narrative.

FINANCIAL HIGHLIGHTS

- The City has \$143.18 million in total assets of which \$71.85 million are capital assets.
- The City has \$32.06 million in total liabilities of which \$22.74 million are long-term.
- The City's net position at the close of the most recent fiscal year was \$111.12 million (net assets). Of this amount, \$54.88 million (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors while \$51.44 million is invested in capital assets net of related debt.
- The City's total net assets increased by \$8.84 million this year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$15.49 million, an increase of \$4.93 million in comparison with the prior year. Of this amount, \$10.676 million was from the General Fund, a \$4.03 million increase from the prior year. This improvement was due to decreased departmental expenditures in the General Fund.
- The City's long-term liabilities decreased by \$3.31 million during the current fiscal year as a result of the payments on long term debt and reductions in net pension liability.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management's discussion and analysis* (which serves as an introduction to the City's basic financial statements), the *basic financial statements*, and *supplementary information* that presents combining statements for nonmajor governmental funds and nonmajor enterprise funds as well as other selected information. The City's basic financial statements consist of three components: 1) Government-Wide financial statements, 2) Fund financial statements and 3) Notes to financial statements.

Government-Wide Financial Statements

The primary role of the government-wide financial statements is to demonstrate operational accountability. Operational accountability requires that a government demonstrate the extent to which it has met its operating objectives efficiently and effectively, using all resources available for that purpose, and whether it can continue to do so.

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Moultrie's finances, in a manner similar to a private-sector business. It provides both long-term and short-term information about the City's overall financial status. The *statement of net assets* and the *statement of activities* report information about the City as a whole and about its activities in a way that helps answer the question - is the City's financial health improving or deteriorating?

City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018

The *statement of net assets* presents information on all the City's assets and liabilities, with the difference between the two reported as net assets. The statement is a tool to measure the City's financial health or financial position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The reader would need to consider other non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure to assess the overall health of the City.

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the 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 (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, parks and recreation, community development, and interest on long-term debt. The business-type activities of the City include water and sewer, electric, gas, cable TV, solid waste, airport operations, telecommunications and mass transit.

The government-wide financial statements include not only the City of Moultrie itself (known as the *primary government*), but also a legally separate Downtown Development Authority, for which the City has some degree of financial accountability. Financial information for the *component unit* is reported separately from the financial information presented for the primary government itself.

Fund Financial Statements

The primary role of the Fund financial statements is to demonstrate fiscal accountability. Fiscal accountability requires that a government demonstrate compliance with public decisions concerning the raising and spending of public monies in the short term (usually one budgetary cycle or one year).

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term*

City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018

inflows and *outflows* of spendable resources, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains six (6) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund only, because it is considered to be a major fund. Data from the other five (5) 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 this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds

The City maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Water and Sewer Fund, Electric Revenue Fund, Gas Revenue Fund, Cable TV Fund, Solid Waste Fund, Airport Fund, Telecommunications Fund, Internal Service Fund, Mass Transit Fund and the Utilities Deposit Fund. The City uses its internal service fund to account for its equipment services and other services. Because the services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and Electric Revenue Fund which are considered to be major funds of the City. Conversely, the non-major enterprise funds are combined into single, aggregated presentations in the proprietary fund financial statements. Individual fund data for the non-major enterprise funds is provided in the form of *combining statements* elsewhere in this report.



City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements

Notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. Table 1 below summarizes the major features of the basic financial statements.

City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018

Table 1 below summarizes the major features of the basic financial statements.

Table 1
Major Features of the Basic Financial Statements

	Fund Financial Statements			
	Government-Wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary funds) and the City's component units	Activities of the City that are not proprietary or fiduciary	Activities of the City that are operated similar to private business	Instances where the City is the trustee or agent for someone else's resources
Required financial statements	Statement of Net position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net position Statement of Revenues, Expenditures, and Changes in Net position Statement of Cash Flows	Statement of Fiduciary Net position Statement of Changes in Fiduciary Net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Condensed Statement of Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$111.12 million at the close of the most recent fiscal year.

A large portion of the City's net assets (46.27%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The City also had \$54.88 million or 49.39% in unrestricted net assets.

Table 2 below presents the City's condensed statement of net assets as of September 30, 2018 and 2017.

Table 2
Condensed Statement of Net Assets

City of Moultrie – Net Position

<i>September 30,</i>	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 20,180,935	\$ 14,464,344	\$47,462,148	\$14,464,344	\$ 67,643,083	\$ 28,928,688
Capital assets	21,789,433	22,850,460	50,061,429	22,850,460	71,850,862	45,700,920
Deferred outflows of resources	2,444,364	3,003,961	1,246,913	3,003,961	3,691,277	6,007,922
Total assets and deferred outflows	44,414,732	40,318,765	98,770,490	40,318,765	143,185,222	80,637,530
Other liabilities	1,280,236	1,023,435	3,613,440	1,023,435	4,893,676	2,046,870
Long-term liabilities	2,141,611	4,917,267	20,604,693	4,917,267	22,746,304	9,834,534
Deferred inflows of resources	3,992,571	4,159,443	432,132	4,159,443	4,424,703	8,318,886
Total liabilities and deferred inflows	7,414,418	10,100,145	24,650,265	10,100,145	32,064,683	20,200,290
Net position:						
Net investment in capital assets	21,204,254	22,266,199	30,218,617	22,266,199	51,422,871	44,532,398
Restricted	4,812,594	3,720,043	-	3,720,043	4,812,594	7,440,086
Unrestricted	10,983,466	4,232,378	43,901,608	4,232,378	54,885,074	8,464,756
Total net position	\$ 37,000,314	\$ 30,218,620	\$74,120,225	\$30,218,620	\$ 111,120,539	\$ 60,437,240

Net Assets may serve over time as a useful indicator of a government's financial position. The City's combined net assets exceed liabilities by \$111.120 million for 2018 as compared to \$102.274 million for 2017 for an increase of 8.846 million. Of this amount, \$74.120 million came from business-type activities and \$37.00 million came from governmental activities.



City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018

An additional portion of the City's net assets (4.33%) or \$4.812 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$54.885 million) may be used to meet the City's ongoing obligations to citizens and creditors. This is an increase of \$8.228 million or 14.99%.

For governmental activities, the City reported a balance of \$10.983 million in unrestricted net assets. This is an increase of \$6.75 million from 2017 due to a reduction in long-term liabilities. The business-type activities unrestricted net assets were \$43.901 million, an increase of 1.477 million from 2017 due to an increase in current assets.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the City as a whole, as well as for its separate governmental and business-type activities.

City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018

Condensed Statement of Activities

Table 3 below presents the City's condensed statement of activities for the years ended September 30, 2018 and 2017. Over time, increases or decreases in net assets measure whether the City's financial position is improving or deteriorating.

Table 3
Condensed Statement of Activities

City of Moultrie – Changes in Net Position

<i>Year ended September 30,</i>	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program revenues:						
Charges for services	\$ 1,710,657	\$ 1,788,141	\$ 34,487,219	\$ 41,426,991	\$ 36,197,876	\$ 43,215,132
Operating grants and contributions	14,457	514,487	105,391	909,919	119,848	1,424,406
Capital grants and contributions	2,142,759	1,924,880	390,820	45,162	2,533,579	1,970,042
General revenues:						
Property taxes	3,322,871	4,119,671	-	-	3,322,871	4,119,671
Sales taxes	887,051	327,551	-	-	887,051	327,551
Other taxes	1,892,746	1,849,696	-	-	1,892,746	1,849,696
Payments in lieu of taxes	28,164	28,164	-	-	28,164	28,164
Investment income	39,899	26,076	310,585	164,718	350,484	190,794
Other revenues	211,230	256,019	761,539	582,170	972,769	838,189
Total revenues	10,249,834	10,834,685	36,055,554	43,128,960	\$ 46,305,388	\$ 53,963,645
Expenses						
Governmental activities:						
General government	1,934,698	2,292,081	-	-	1,934,698	2,292,081
Judicial	280,493	402,907	-	-	280,493	402,907
Public safety	4,732,563	6,413,542	-	-	4,732,563	6,413,542
Public works	1,481,211	3,030,323	-	-	1,481,211	3,030,323
Parks and recreation	309,035	1,348,601	-	-	309,035	1,348,601
Community development	723,675	685,994	-	-	723,675	685,994
Interest on long-term debt	20,985	20,846	-	-	20,985	20,846
Business-type activities:						
Water & sewer	-	-	4,812,174	4,758,090	4,812,174	4,758,090
Electric revenue	-	-	18,706,206	19,726,714	18,706,206	19,726,714
Gas revenue	-	-	1,742,749	1,741,358	1,742,749	1,741,358
Cable TV	-	-	227,843	3,016,609	227,843	3,016,609
Solid waste	-	-	1,844,061	2,392,856	1,844,061	2,392,856
Airport	-	-	247,210	232,514	247,210	232,514
Telecomm	-	-	3,126	652,909	3,126	652,909
Telephony	-	-	69,350	208,487	69,350	208,487
Mass transit	-	-	62,260	64,365	62,260	64,365
Total expenses	9,482,660	14,194,294	27,714,979	32,793,902	37,197,639	46,988,196
Increase (decrease) in net position before transfers	767,174	(3,359,609)	8,340,575	10,335,058	9,107,749	6,975,449
Transfers	5,754,640	4,063,195	(5,754,640)	(4,063,195)	-	-
Increase (decrease) in net position	6,521,814	703,586	2,585,935	6,271,863	9,107,749	6,975,449
Net position, beginning (restate)	30,478,500	29,510,394	71,534,290	65,788,576	102,012,790	95,298,970
Net position, ending	\$ 37,000,314	\$ 30,213,980	\$ 74,120,225	\$ 72,060,439	111,120,539	102,274,419

City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018

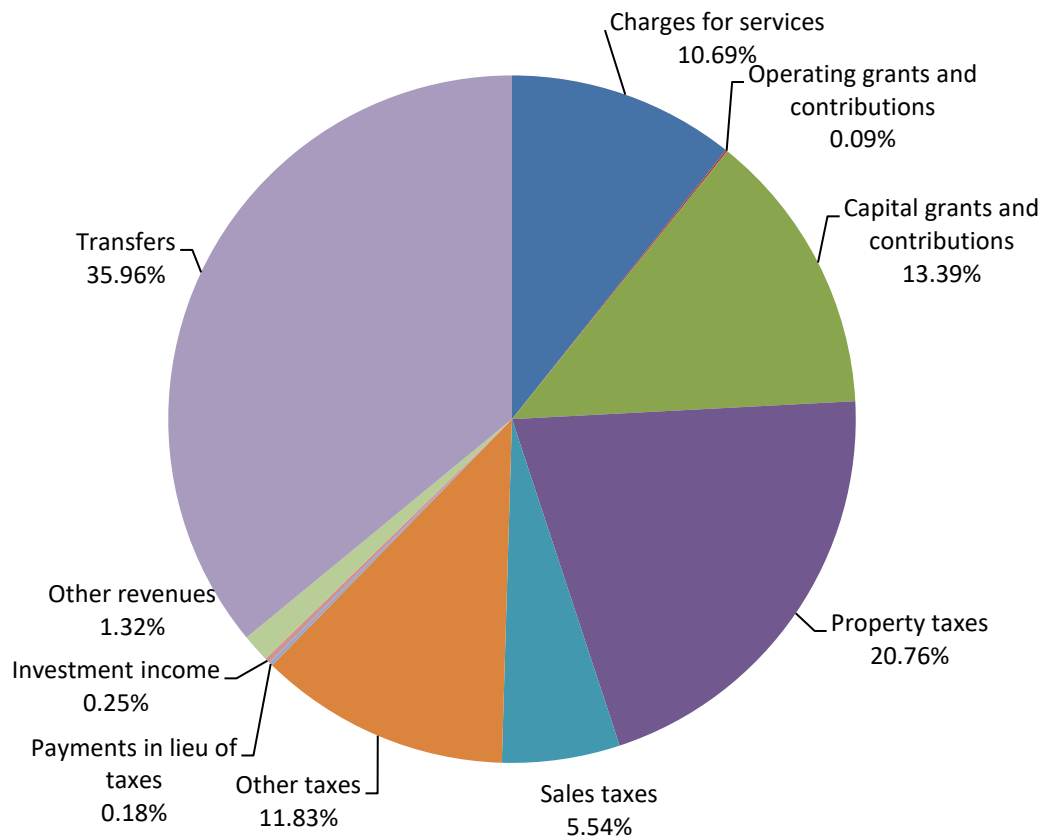
Governmental activities during the fiscal year ended September 30, 2018 increased the City's net position by \$6.521 million. Business-type activities during the same period increased net position by \$2.585 million. The net change in net position was an increase of \$9.107 million. The table above shows the revenues and expenses by activity for the total primary government. This table shows total 2018 revenues from governmental activities at \$10.249 million while expenses were \$9.48 million. Business-type activities total revenues for 2018 were \$36.055 million while expenses were \$27.714 million. The second largest revenue source for governmental activities came from property tax revenues of \$3.32 million, which is 20.76% of the total governmental activity funding. Transfers from Business-type activities are the largest governmental activity revenue source at \$5.75 million or 35.95%. Capital Grants and contributions are the third largest governmental activity revenue source at \$2.142 million or 13.38%. Revenues from Other Taxes are the fourth largest governmental activity revenue source at \$1.89 million or 11.82%. Business-type activities program revenues exceeded expenses by \$8.340 million before internal transfers to support the governmental activities.

Program Revenues and Expenses for Governmental Activities

Governmental Activities - Revenues by Source

The following chart shows the governmental activities revenues by major source and includes revenues from transfers. It is easy to see from the chart that governmental activities are funded to a great degree through transfers from the business-type activities. These transfers are 35.96% of the funding for the primary government ahead of property taxes at 20.76% of governmental revenues. Capital Grants and Contributions revenues provided 13.39% of the governmental activities funding in 2018. Transfers from business-type activities and Property Taxes provide the greatest funding sources for the governmental activities. Transfers from business-type activities increased in 2018 while property taxes decreased by \$796 thousand due to a reduction in millage rates. The majority of funding for capital projects comes from special local option sales taxes and without this funding there would be few capital projects completed. For the year, ended September 30, 2018, transfers were \$5.754 million, an increase of \$1.69 million from \$4.63 million in the year ended September 30, 2017. This increase is due to a transfer from the CNS TV fund. Other business type funding for the General fund decreased.

Governmental Activities - Revenues by Source

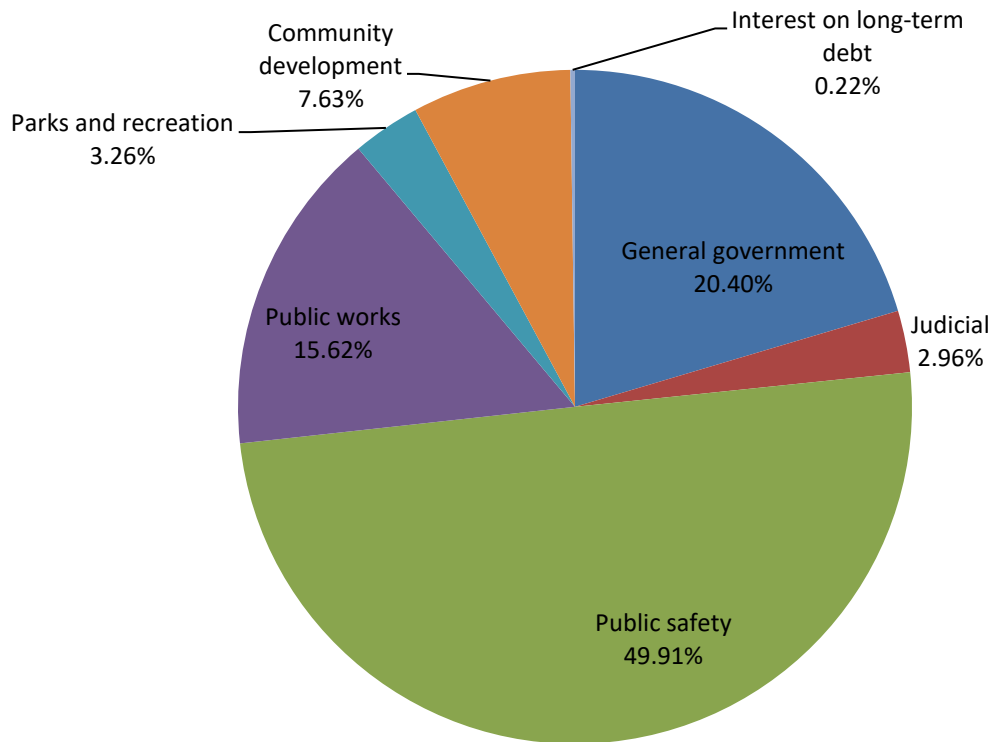


City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018

Governmental Activities – Expenses by Source

The following chart shows the governmental activities expenses by source. The City of Moultrie spent the greatest amount of its available funding on Public Safety at \$4.73 million or 49.91% in 2018. The next largest governmental expense was for Public Works at \$1.481 million or 15.62%. A major part of the expenses for all the governmental sources is in personnel cost of salaries and benefits which includes the ever increasing cost of providing Health care to its employees. The purchase of Public Safety, Public Works capital equipment added to the costs. Capital Leases for General Fund equipment purchases help to reduce the initial impact on capital costs not funded through SPLOST funds or grants.

Governmental Activities - Expenses by Source

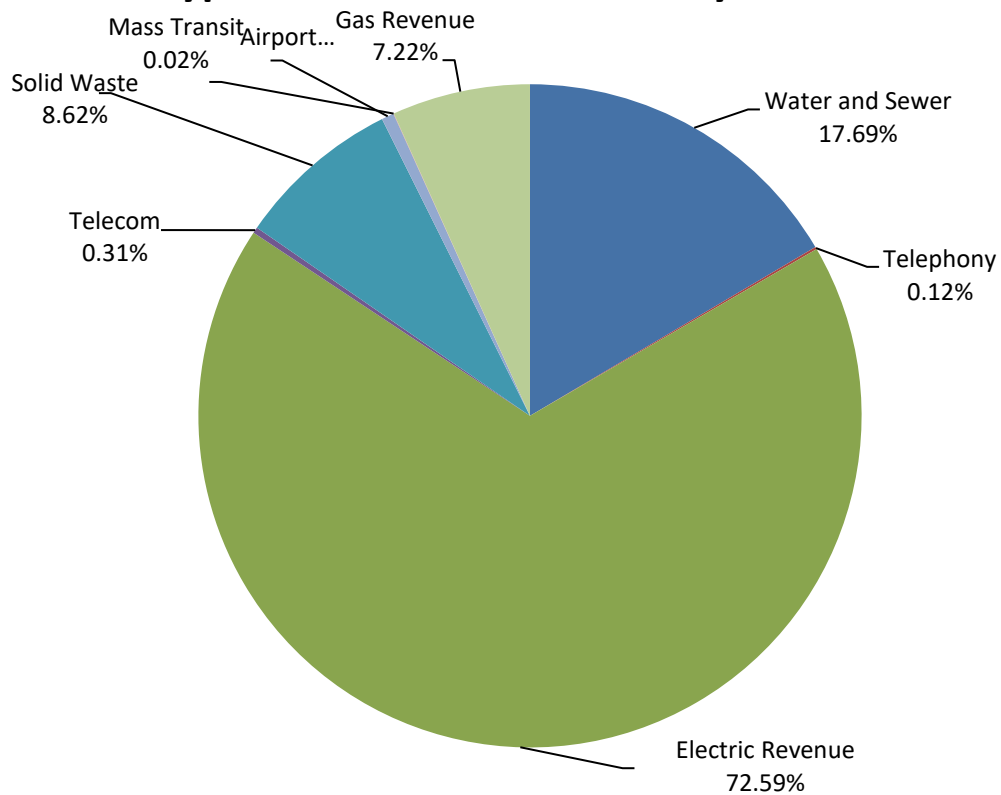


Program Revenues and Expenses for Business-Type Activities

Business-Type Activities – Revenues by Source

The business-type activities largest revenue source is from the Electric Fund. By far, more revenues (72.59%) or \$23.453 million is generated by this fund, which is more than all other business-type activity funds combined. The next largest business-type revenue source comes from the Water & Sewer Fund at 17.69% or \$5.716 million.

Business-Type Activities - Revenues by Source

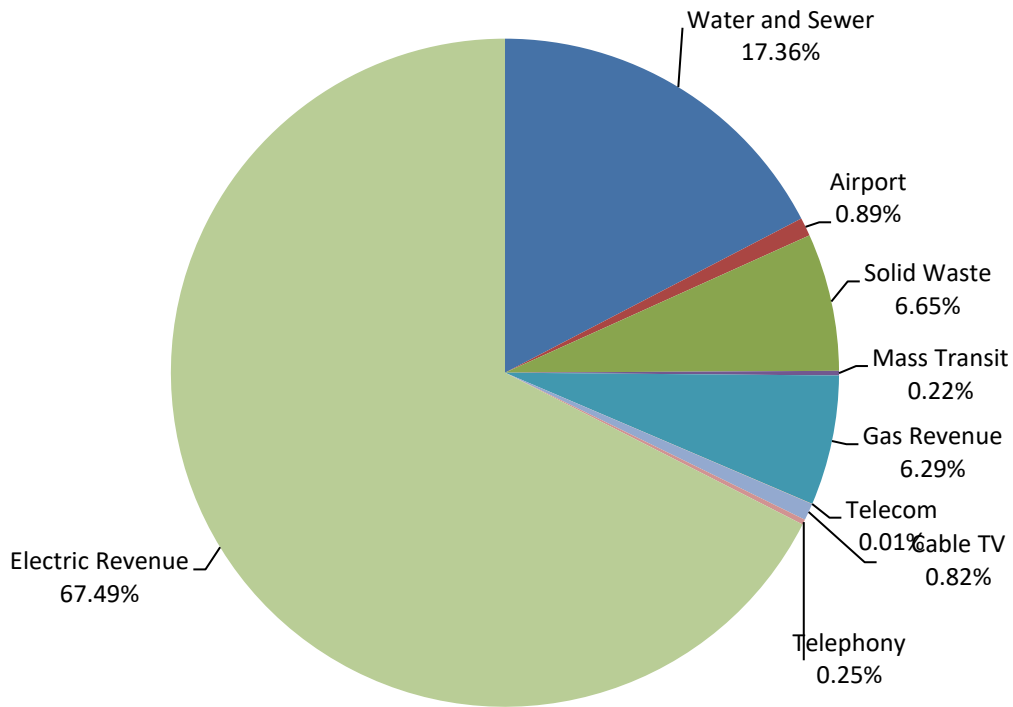


**City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018**

Business-Type Activities – Expenses by Source

As expected, the Electric Fund also has the largest amount of expenses at 67.49% or \$18.706 million, but it generated net income of \$4.746 million before its transfers to governmental activities. The Water and Sewer Fund generated net income of \$904 thousand before transfers. This is a reduction due to increased bond and loan expenses for the completed new sewer plant. This fund had the second largest amount of expenses at \$4.812 million. These two funds provide the largest portion of the transfers to the General fund.

Business-Type Activities - Expenses by Source



City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

The City of Moultrie has two major governmental funds, which include the General Fund and SPLOST Fund.

At September 30, 2018, the General Fund had a fund balance of \$10.676 million. This is an increase of \$4.03 million from the beginning fund balance as of October 1, 2017. The increase in the fund balance was due to several factors. General fund expenditure were \$1.965 million less than 2017 primarily due to move of the Recreation department to a Recreational Authority. Public Works and Public Safety expenditures were 843 thousand less in 2017 also.

At September 30, 2018, the SPLOST Fund had a fund balance of \$2.968 million. This is an increase of \$332 thousand from the beginning fund balance as of October 1, 2017. SPLOST revenues were \$1.213 million more than expenditures in 2018. Those revenues must be used for approved Public Works equipment and roads, the new Sewer Plant construction, and Recreation projects. The fund balances of the other governmental funds increased by \$564 thousand to \$1.845 million primarily due to increased grant revenues and taxes. The final fund balance for all these funds was \$15.490 million, which is an increase of \$4.93 million from 2017.

Proprietary Funds

The Propriety Funds, which include the City's Water & Sewer Fund, and Electric Fund, and the non-major funds consisting of the Solid Waste Fund, Cable TV Fund, Airport Fund, Gas Fund, Mass Transit Fund, Telephony Fund, Utility Deposit Fund and Telecom Funds, showed a combined cash balance of \$16.50 million for the year ended September 30, 2018. Total combined assets increased by \$1.49 million to \$111.958 million due to the addition at completion of the new sewer plant, increased investments due to the repayment of internal debt and increased investment in the South Georgia Governmental Authority. The total net position increased by \$2.06 million from \$72.06 to \$74.12 million.

The Water and Sewer Fund had an ending cash balance of \$15.626 million after accounting for funds owed to the Electric, Gas and Other Enterprise Funds and expenditures for the acquisition and construction of the new sewer plant and payments on the long-term debt related to this construction at September 30, 2018. The total net position in this fund increased by \$493.25 thousand from \$25.967 to \$26.460 million in 2018.

The Electric Fund had an ending cash and investment balance of \$18.457 million after accounting for funds owed from the Water and Gas funds and transfers to the General Fund. This was an increase of \$1.566 million from 2017. The primary reason for this increase is the payoff of the internal debt from the CNS Cable Fund due to the sale of the CNS operations to the South Georgia Governmental Services Authority. These funds are available to draw on for operations and capital projects and to loan to other funds. These funds are used primarily for additional acquisition and

City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018

construction of capital assets, operational costs and the costs of power and the transfer of funds to the General Fund. The Electric Fund has kept property taxes level by its transfer of a large part of its profits to the General Fund. The Electric Fund has also provided funding for community projects that would not have been completed without its help.

The Cable TV, Telecom, and Telephony operations were sold to the South Georgia Governmental Services Authority in April of 2017 and going forward the City will only do the billing and collection of CNS revenues and provide customer service with no other operational costs. The City will receive a distribution of a portion of net profits and has an investment in the SGGSA of \$1.279 million in 2018.

The combined cash balance of the non-major propriety funds at the end of 2018 was \$880 Thousand. This is a decrease of \$1.11 million from the beginning cash balance due to the sale of the Cable TV operations to the SGGSA and repayment of internal debt to the Electric Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

Generally, budget amendments fall into one of the following categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Amendments to the original budget for 2018 related to the transfer of budgeted amounts between departments did not result in additional appropriations.

The actual revenues of the General Fund were more than the final budgeted amounts by \$1.00 million for the year ended September 30, 2018 while actual expenditures were \$777.7 thousand less than budgeted for the same period. The major factors contributing to the expenditure difference were reduced actual Public Works expenditures of \$392.2 thousand, Public Safety expenditures of \$614 thousand and General Government expenses of \$293 thousand. The actual combined revenue, expenditure and transfers translated into a \$4 million increase in fund balance more than was budgeted for 2018. The majority of this increase came from the transfer of the distribution revenues from the Cable TV fund of \$1.941 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2018, governmental activities and business-type activities had capital assets of \$71.850 million (net of accumulated depreciation) invested in land, buildings, system improvements, machinery and equipment and facilities.

The net capital assets from governmental activities decreased \$1.06 million from \$22.85 to \$21.789 million in 2018. Factors attributing to this decrease are the disposal of vehicles and equipment, accumulated depreciation of existing assets, and fewer purchases of new vehicles and equipment.

City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018

The net capital assets from business-type activities decreased by \$1.40 million from the prior year due to less construction in process primarily for the new sewer plant and the sale of the CNS TV and Telecom operations.

Additional information on the City's capital assets can be found in Note 6 of the Notes to Financial Statements.

Long-term Debt

The City's total long-term debt consists of revenue bonds, long-term notes, capital leases, compensated absences and other long-term liabilities.

At September 30, 2018, the City had \$2.14 million in outstanding long-term liabilities related to governmental activities of which \$1.493 million was due to the new requirement of including the City's net pension liability. The City also had \$20.60 million of long-term liabilities related to business-type activities for a total of \$22.75 million compared to the previous year's total of \$27.43 million. This is a total combined decrease of \$4.68 million primarily due to decreased pension liability of \$3.08 million and payments on the debt for the new Sewer Plant and bond payments.

The City's component unit also had \$1.515 million in long-term debt outstanding in connection with Downtown Development Authority Revenue Bonds used to construct the Georgia Department of Labor. Under a lease agreement with the Department of Labor, the Department of Labor is to make rental payments to be used for the purpose of paying the principal and interest payments on the bonds for a period of twenty-three years maturing in 2028.

Additional information on the City's long-term debt can be found in Note 7 of the Notes to Financial Statements.

FACTORS AFFECTING THE 2018 BUDGET

As in previous years, the Mayor and Council of the City of Moultrie are faced with opportunities and challenges when approving the City's budget. Health care costs continue to rise and place an increasing burden on the City's self-funded Health Insurance costs. At the same time, property and workers compensation insurance premiums seem to rise each year. Personnel costs are the greatest cost of the City's operating budget. It is a challenge to provide the services its citizens require and expect without raising property taxes or utility rates. Through conservative spending the City has lowered its property taxes to its citizens for the last three years but we are always looking for other revenues to pay for all these costs.

Actual General Fund expenditures decreased \$1.965 million from 2017 but actual revenues decreased by \$1.043 million. The reduced spending (primarily due to the Recreation Department moving to an Authority) along with the transfers from the Electric, Water and Sewer Fund and Cable TV fund increased the ending fund balance by \$4.036 million from \$6.64 million in 2017 to \$10.676 million this year. With the General Fund's financial condition improving its rating on its bonds should remain or improve from its present A Stable Rating.

City of Moultrie, Georgia
Management's Discussion and Analysis
September 30, 2018

There was also \$1.679 million in Special Local Option Sales Tax proceeds collected in 2018, but these revenues are restricted for special projects and cannot be used for regular governmental operations. Although restricted the SPLOST fund is very important to the city's overall operations as it provides funding for projects that may not have been funded without it or would have required an increase in property tax rates if funded. Even with the improved status of the General Fund Mayor and Council and City Staff are always working to reduce spending and searching for other revenue sources in the coming years in order to continue providing the level of services our citizens desire. We must also prepare for the additional electric costs to the City's Electric fund that will come with the completion of two additional units at Plant Vogtle.

The use of capital leases and funding from grants and SPLOST funding for capital projects have funded projects that could not have been funded through operations. Reductions in overall governmental expenditures, including personnel costs, will be necessary in coming years to truly achieve the spending levels that can be funded by the present revenues available.

The Philadelphia College of Osteopathic Medicine Medical School of South Georgia opened its campus in Moultrie in August of 2018 providing a needed boost in economic growth beyond the school itself to Moultrie.

Over the past three years, Downtown Moultrie has seen \$3.7 million dollars of private and public investment with 26 new businesses opening and 89 net new jobs created. Additionally, the City's Main Street program has attracted over 220,000 visitors to the downtown area to attend civic events.

The City's present financial position is sound and City Staff as well as Mayor and Council are working hard to keep it that way in future years.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions about this report or requests for additional information may be addressed to:

City Finance Department
City of Moultrie
P. O. Box 3368
Moultrie, Georgia 31776

City of Moultrie, Georgia
Statement of Net Position
For the Year Ended September 30, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
ASSETS				
Cash and cash equivalents	\$ 17,772,243	\$ 16,507,346	\$ 34,279,589	\$ 134,671
Investments	-	18,457,555	18,457,555	-
Accounts receivable, net	1,074,679	4,668,450	5,743,129	-
Property tax receivable	3,060,026	-	3,060,026	-
Inventories	63,251	1,133,706	1,196,957	-
Other current assets	229,464	212,087	441,551	1,332
Due from other governments	215,220	-	215,220	-
Due from component unit	-	235,000	235,000	-
Internal balances	(3,554,906)	3,554,906	-	-
Restricted assets:				
Cash and cash equivalents	967,747	1,413,621	2,381,368	128,782
Investments	-	-	-	-
Sales tax receivable	340,653	-	340,653	-
Program receivables	12,558	-	12,558	-
Investment in SGBDA	-	1,279,477	1,279,477	-
Other noncurrent assets	-	-	-	61,134
Capital assets:				
Land	1,394,670	1,209,382	2,604,052	709,191
Construction in progress	-	460,665	460,665	-
Other capital assets, net of accumulated depreciation	20,394,763	48,391,382	68,786,145	1,102,989
Total assets	\$ 41,970,368	\$ 97,523,577	\$ 139,493,945	\$ 2,138,099
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension cost	\$ 2,444,364	\$ 1,246,913	\$ 3,691,277	\$ -
Deferred charge on refunding	-	-	-	-
Total deferred outflows of resources	\$ 2,444,364	\$ 1,246,913	\$ 3,691,277	\$ -

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

City of Moultrie, Georgia
Statement of Net Position
For the Year Ended September 30, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
LIABILITIES				
Accounts payable	\$ 888,823	\$ 2,047,364	\$ 2,936,187	\$ 53
Accrued expenses	252,015	95,447	347,462	31,059
Lines of credit	-	-	-	-
Customer deposits	-	1,146,664	1,146,664	-
Due to other governments	139,398	323,965	463,363	-
Due to primary government	-	-	-	235,000
Short-term notes payable	-	-	-	-
Long-term liabilities:				
Net pension liability	1,493,540	761,881	2,255,421	-
Due within one year	183,778	1,633,646	1,817,424	105,000
Due in more than one year	464,293	18,209,166	18,673,459	1,410,000
Total liabilities	3,421,847	24,218,133	27,639,980	1,781,112
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pension	847,121	432,132	1,279,253	-
Deferred revenue - property tax	3,017,414	-	3,017,414	-
Deferred revenue - other	128,036	-	128,036	-
Total deferred inflows of resources	3,992,571	432,132	4,424,703	-
NET POSITION				
Net investment in capital assets	21,204,254	30,218,617	51,422,871	-
Restricted for:				
Community development	1,242,478	-	1,242,478	-
Public safety	40,705	-	40,705	-
Capital projects	3,529,411	-	3,529,411	-
Unrestricted	10,983,466	43,901,608	54,885,074	356,987
Total net position	\$ 37,000,314	\$ 74,120,225	\$ 111,120,539	\$ 356,987

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

City of Moultrie, Georgia
Statement of Activities
For the Year Ended September 30, 2018

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:					
Governmental activities:					
General government	\$ 1,934,698	\$ 985,090	\$ 11,487	\$ 1,663,088	\$ 724,967
Judicial	280,493	694,432			413,939
Public safety	4,732,563	19,919	2,970	-	(4,709,674)
Public works	1,481,211	-	-	459,566	(1,021,645)
Parks and recreation	309,035	11,216	-	-	(297,819)
Community development	723,675	-	-	20,105	(703,570)
Interest on long-term debt	20,985	-	-	-	(20,985)
Total governmental activities	9,482,660	1,710,657	14,457	2,142,759	(5,614,787)
Business-type activities:					
Water and sewer	4,812,174	5,716,312	-	339,814	1,243,952
Electric revenue	18,706,206	23,452,971	-	-	4,746,765
Gas revenue	1,742,749	2,333,515	-	-	590,766
Cable TV	227,843	583	-	-	(227,260)
Solid waste	1,844,061	2,678,842	105,391	-	940,172
Airport	247,210	157,739	-	51,006	(38,465)
Telecomm	3,126	100,080	-	-	96,954
Telephony	69,350	39,677	-	-	(29,673)
Mass transit	62,260	7,500	-	-	(54,760)
Total business-type activities	27,714,979	34,487,219	105,391	390,820	7,268,451
Total primary government	\$ 37,197,639	\$ 36,197,876	\$ 119,848	\$ 2,533,579	\$ 1,653,664
Component unit:					
Downtown Development Authority	\$ 192,459	\$ 202,119	\$ -	\$ -	\$ 9,660

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

City of Moultrie, Georgia
Statement of Activities
For the Year Ended September 30, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
Change in net position:				
Net (expense) revenue	\$ (5,614,787)	\$ 7,268,451	\$ 1,653,664	\$ 9,660
General revenues:				
Taxes:				
Property taxes	3,322,871	-	3,322,871	-
Sales taxes	887,051	-	887,051	-
Other taxes	1,892,746	-	1,892,746	-
Payments in lieu of taxes	28,164	-	28,164	-
Investment income	39,899	310,585	350,484	950
Equity in income from joint venture	-	731,858	731,858	-
Gain on disposal of capital assets	-	29,681	29,681	-
Other revenues	211,230	-	211,230	-
Transfers	5,754,640	(5,754,640)	-	-
Total general revenues and transfers	12,136,601	(4,682,516)	7,454,085	950
Change in net position	6,521,814	2,585,935	9,107,749	10,610
Net position, beginning of year, restated	30,478,500	71,534,290	102,012,790	346,377
Net position, end of year	\$ 37,000,314	\$ 74,120,225	\$ 111,120,539	\$ 356,987

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

City of Moultrie, Georgia
Balance Sheet – Governmental Funds
September 30, 2018

	General Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 13,963,246	\$ 2,977,614	\$ 706,387	\$ 17,647,247
Investments	-	-	-	-
Accounts receivable, net	527,923	-	164,804	692,727
Property tax receivable	3,060,026	-	-	3,060,026
Inventories	63,062	-	-	63,062
Prepaid expenses	217,561	-	1,306	218,867
Other assets	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	6,346,735	-	16,449	6,363,184
Restricted assets:				
Cash and cash equivalents	-	-	967,747	967,747
Investments	-	-	-	-
Sales tax receivable	201,068	139,585	-	340,653
Program receivables	-	-	12,558	12,558
Total assets	\$ 24,379,621	\$ 3,117,199	\$ 1,869,251	\$ 29,366,071
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 703,800	\$ 149,088	\$ 14,504	\$ 867,392
Accrued expenses	224,295	-	2,032	226,327
Due to other governments	139,398	-	-	139,398
Due to other funds	9,490,407	-	6,926	9,497,333
Advance from other funds	-	-	-	-
Notes payable	-	-	-	-
Total liabilities	10,557,900	149,088	23,462	10,730,450
Deferred Inflows of Resources				
Deferred revenue - property tax	3,017,414	-	-	3,017,414
Deferred revenue - other	128,036	-	-	128,036
Total deferred inflows of resources	3,145,450	-	-	3,145,450
Fund balances				
Nonspendable:				
Inventories	63,062	-	-	63,062
Prepaid insurance	217,561	-	1,306	218,867
Restricted for:				
Debt service	-	-	-	-
Community development	-	-	1,242,478	1,242,478
Public safety	-	-	40,705	40,705
Capital projects	-	2,968,111	561,300	3,529,411
Unassigned, reported in:				
General fund	10,395,648	-	-	10,395,648
Capital projects funds	-	-	-	-
Special revenue funds	-	-	-	-
Total fund balances	10,676,271	2,968,111	1,845,789	15,490,171
Total liabilities, deferred inflows of resources and fund balances	\$ 24,379,621	\$ 3,117,199	\$ 1,869,251	\$ 29,366,071

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

City of Moultrie, Georgia
Reconciliation of the Balance Sheet of
Governmental Funds to the Statement of Net Position
September 30, 2018

Total governmental fund balances	\$ 15,490,171
Amounts reported for governmental activities in the statement of activities are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	21,789,433
Long-term liabilities and related deferred costs are not due and payable in the current period and therefore are not reported in the funds:	
Capital leases	(585,179)
Compensated absences	(62,892)
Net pension liability	(965,428)
Deferred inflows - pension	(735,885)
Deferred pension cost	2,063,993
Other	728
An internal service fund is used by management to charge the costs of the City's services to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	5,373
Net position of governmental activities	\$ 37,000,314

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

City of Moultrie, Georgia
Statement of Revenues, Expenditures, and
Changes in Fund Balances – Governmental Funds
For the Year Ended September 30, 2018

	General Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 3,322,871	\$ -	\$ -	\$ 3,322,871
Other taxes	1,892,746	-	326,111	2,218,857
Licenses and permits	832,858	-	-	832,858
Fines and forfeitures	686,610	-	7,822	694,432
Charges for services	91,472	-	11,260	102,732
Investment income	32,624	1,562	7,635	41,821
Intergovernmental	487,730	1,661,166	584,015	2,732,911
Other revenues	282,796	-	20,556	303,352
Total revenues	7,629,707	1,662,728	957,399	10,249,834
Expenditures				
Current:				
General government	2,334,494	-	-	2,334,494
Public safety	5,436,190	-	-	5,436,190
Public works	1,878,666	-	-	1,878,666
Parks and recreation	52,989	-	-	52,989
Housing and development	361,588	-	-	361,588
Community development	-	-	393,571	393,571
Capital outlays	-	449,080	-	449,080
Debt service:				
Principal	224,893	-	-	224,893
Interest	20,985	-	-	20,985
Total expenditures	10,309,805	449,080	393,571	11,152,456
Excess (deficiency) of revenues over expenditures	(2,680,098)	1,213,648	563,828	(902,622)
Other Financing Sources (Uses)				
Transfers	6,636,653	(882,013)	-	5,754,640
Sale of capital assets	-	-	-	-
Long term debt issued	225,809	-	-	225,809
Other	-	-	-	-
Total other financing sources (uses)	6,862,462	(882,013)	-	5,980,449
Net change in fund balances	4,182,364	331,635	563,828	5,077,827
Fund balances, beginning of year, restated	6,493,907	2,636,476	1,281,961	10,412,344
Fund balances, end of year	\$ 10,676,271	\$ 2,968,111	\$ 1,845,789	\$ 15,490,171

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

City of Moultrie, Georgia
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2018

Net change in fund balances - total governmental funds \$ 5,077,827

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.

Capital asset purchases capitalized	340,048
Loss on disposal of capital assets	(18,858)
Depreciation expense	(1,382,217)

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 has any effect on net assets. Also, governmental funds report the effect of premiums and discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts are the net effect of these differences in the treatment of long-term debt and related items.

Long term debt issued	(225,809)
Debt payments made	224,893

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.

Pension cost	1,965,558
Compensated absences	13,849

An internal service fund is used by management to charge the costs of the City's services to individual funds. The net revenues (expenses) of the internal service fund is reported with governmental activities in the statement of net position.

	526,523
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Change in net position of governmental activities	\$ 6,521,814
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The accompanying footnotes are an integral part of these financial statements.

City of Moultrie, Georgia
Statement of Revenues, Expenditures, and Changes in Fund
Balances – Budget and Actual – General Fund
For the Year Ended September 30, 2018

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Property taxes	\$ 3,325,580	\$ 3,325,580	\$ 3,322,871	\$ (2,709)
Other taxes	1,782,489	1,782,489	1,892,746	110,257
Licenses and permits	882,500	882,500	832,858	(49,642)
Fines and forfeitures	505,500	505,500	686,610	181,110
Charges for services	19,919	19,919	91,472	71,553
Investment income	17,000	17,000	32,624	15,624
Intergovernmental	45,000	45,000	487,730	442,730
Other revenues	335,000	335,000	282,796	(52,204)
Total revenues	6,912,988	6,912,988	7,629,707	716,719
Expenditures				
Current:				
General government				
City council	703,418	708,158	705,230	(2,928)
City manager	218,633	225,519	222,439	(3,080)
Finance	370,637	370,637	337,035	(33,602)
Purchasing	229,183	229,183	224,248	(4,935)
Municipal court	493,687	493,687	310,190	(183,497)
Human resources	230,480	230,480	204,166	(26,314)
City hall	43,196	43,196	38,289	(4,907)
Engineering	338,448	338,448	292,897	(45,551)
Total general government	2,627,682	2,639,308	2,334,494	(304,814)
Public Safety				
Police	3,283,582	3,291,212	2,930,640	(360,572)
Fire	2,767,024	2,767,024	2,505,550	(261,474)
Total public safety	6,050,606	6,058,236	5,436,190	(622,046)

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

City of Moultrie, Georgia
Statement of Revenues, Expenditures, and Changes in Fund
Balances – Budget and Actual – General Fund
For the Year Ended September 30, 2018

	Budget	Final Budget	Actual	Variance With Final Budget
Public works				
Office of the director	313,895	313,895	285,360	(28,535)
Streets and sidewalks Beautification	1,790,391	1,790,391	1,593,306	(197,085)
	-	-	-	-
Total public works	2,104,286	2,104,286	1,878,666	(225,620)
Parks and recreation				
Recreation	-	-	43,092	43,092
Parks and cemetery	-	-	-	-
Other	-	-	9,897	9,897
Total parks and recreation	-	-	52,989	52,989
Housing and development				
Planning and zoning	347,068	347,068	361,588	14,520
Total housing and development	347,068	347,068	361,588	14,520
Debt service:				
Principal	264,015	264,015	224,893	(39,122)
Interest	20,985	20,985	20,985	-
Total expenditures	11,414,642	11,433,898	10,309,805	(1,124,093)
Excess (deficiency) of revenues over expenditures	(4,501,654)	(4,520,910)	(2,680,098)	1,840,812
Other Financing Sources (Uses)				
Transfers	4,778,270	4,778,270	6,636,653	1,858,383
Sale of capital assets	-	-	-	-
Long term debt issued	125,000	125,000	225,809	100,809
Other	(401,616)	(409,716)	-	409,716
Total other financing sources (uses)	4,501,654	4,493,554	6,862,462	2,368,908
Net change in fund balances	-	(27,356)	4,182,364	4,209,720
Fund balances, beginning of year, restated	6,493,907	6,493,907	6,493,907	-
Fund balances, end of year	\$ 6,493,907	\$ 6,466,551	\$ 10,676,271	\$ 4,209,720

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

City of Moultrie, Georgia
Statement of Net Position – Proprietary Funds
September 30, 2018

	Business Type Activities - Enterprise Funds				Governmental
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Activity Internal Service Fund
Assets					
Current assets					
Cash and cash equivalents	\$ 15,626,505	\$ 100	\$ 880,741	\$ 16,507,346	\$ 124,996
Investments	-	18,457,555	-	18,457,555	-
Accounts receivable, net	810,146	3,016,549	841,755	4,668,450	597,172
Due from other funds	2,326	9,908,063	8,079,529	17,989,918	6,671,284
Due from component unit	235,000	-	-	235,000	-
Inventories	171,696	894,374	67,636	1,133,706	189
Other current assets	35,298	18,736	158,053	212,087	10,597
Total current assets	16,880,971	32,295,377	10,027,714	59,204,062	7,404,238
Noncurrent assets					
Investment in SGBDA	-	-	1,279,477	1,279,477	-
Restricted assets - cash	681,725	511,408	220,488	1,413,621	-
Capital assets:					
Land	80,027	1,112,569	16,786	1,209,382	-
Construction in progress	66,704	393,961	-	460,665	-
Other capital assets, net of accumulated depreciation	38,724,742	5,356,097	4,310,543	48,391,382	-
Total noncurrent assets	39,553,198	7,374,035	5,827,294	52,754,527	-
Total assets	56,434,169	39,669,412	15,855,008	111,958,589	7,404,238
Deferred Outflows of Resources					
Deferred pension cost	213,356	508,658	524,899	1,246,913	380,371
Total deferred outflows of resources	213,356	508,658	524,899	1,246,913	380,371

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

City of Moultrie, Georgia
Statement of Net Position – Proprietary Funds
September 30, 2018

	Business Type Activities - Enterprise Funds				Governmental
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Activity Internal Service Fund
Liabilities					
Current liabilities					
Accounts payable	68,776	1,616,408	362,180	2,047,364	21,431
Accrued expenses	70,042	14,217	11,188	95,447	26,416
Current portion of long - term debt	1,423,061	-	210,585	1,633,646	-
Customer deposits	-	-	1,146,664	1,146,664	-
Due to other governments	1,280	-	322,685	323,965	-
Due to other funds	10,557,186	603,504	3,274,322	14,435,012	7,092,041
Total current liabilities	12,120,345	2,234,129	5,327,624	19,682,098	7,139,888
Long - term debt, net of current portion	17,862,187	-	346,979	18,209,166	-
Net pension liability	130,363	310,797	320,721	761,881	528,112
Total liabilities	30,112,895	2,544,926	5,995,324	38,653,145	7,668,000
Deferred Inflows of Resources					
Deferred inflows - pension	73,941	176,281	181,910	432,132	111,236
Total deferred outflows of resources	73,941	176,281	181,910	432,132	111,236
Net Position					
Net investment in capital assets	19,586,225	6,862,627	3,769,765	30,218,617	-
Unrestricted	6,874,464	30,594,236	6,432,908	43,901,608	5,373
Total net position	\$ 26,460,689	\$ 37,456,863	\$ 10,202,673	\$ 74,120,225	\$ 5,373

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

City of Moultrie, Georgia
Statement of Revenues, Expenses, and
Changes in Fund Net Position – Proprietary Funds
For the Year Ended September 30, 2018

	Business Type Activities - Enterprise Funds				Governmental
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Activity Internal Service Fund
Operating Revenues					
Utility revenues	\$ -	\$ 23,438,353	\$ -	\$ 23,438,353	\$ -
Charges for services	5,641,548	-	5,130,370	10,771,918	1,831,749
Other revenues	74,764	14,668	187,516	276,948	34,291
Intergovernmental	-	-	156,397	156,397	-
Total operating revenues	5,716,312	23,453,021	5,474,283	34,643,616	1,866,040
Operating Expenses					
Salaries and wages	-	531,220	404,699	935,919	873,673
Operating, administrative and maintenance	2,873,436	17,502,880	3,278,035	23,654,351	465,844
Depreciation	1,381,384	672,106	497,997	2,551,487	-
Total operating expenses	4,254,820	18,706,206	4,180,731	27,141,757	1,339,517
Operating income	1,461,492	4,746,815	1,293,552	7,501,859	526,523
Non-Operating Income (Expenses)					
Interest income	32,170	275,150	3,265	310,585	-
Interest expense	(556,254)	-	(15,868)	(572,122)	-
Issuance costs	(1,100)	-	-	(1,100)	-
Gain on disposition of capital assets	17,164	-	12,517	29,681	-
Equity in income from joint venture	-	-	731,858	731,858	-
Income before contributions and transfers	953,472	5,021,965	2,025,324	8,000,761	526,523
Transfers	(285,013)	(2,883,157)	(2,586,470)	(5,754,640)	-
Capital contributions	-	339,814	-	339,814	-
Change in net position	668,459	2,478,622	(561,146)	2,585,935	526,523
Net position, beginning of year, restated	25,792,230	34,978,241	10,763,819	71,534,290	(521,150)
Net position, end of year	\$ 26,460,689	\$ 37,456,863	\$ 10,202,673	\$ 74,120,225	\$ 5,373

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

City of Moultrie, Georgia
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2018

	Business Type Activities - Enterprise Funds				Governmental
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Activity Internal Service Fund
Cash Flows from Operating Activities					
Cash received from customers and users	\$ 5,533,792	\$ 23,304,331	\$ 5,483,313	\$ 34,321,436	\$ 1,528,917
Other operating receipts	74,764	14,668	280,865	370,297	34,291
Cash payments to employees	-	(972,757)	(1,368,356)	(2,341,113)	(874,708)
Cash payments to suppliers	(2,993,224)	(17,438,326)	(3,060,537)	(23,492,087)	(584,242)
Intergovernmental receipts	-	-	156,397	156,397	-
New customer utility deposits	-	-	-	-	-
Refunded customer utility deposits	-	-	-	-	-
Net cash provided (used) by operating activities	2,615,332	4,907,916	1,491,682	9,014,930	104,258
Cash Flows from Noncapital Financing Activities					
Transfers from other funds	882,013	475,045	-	1,357,058	-
Transfers to other funds	(1,167,026)	(3,358,202)	(2,586,470)	(7,111,698)	-
Principal payments on debt	-	-	-	-	-
Net change in due from other funds	22,207	(512,135)	(1,626,127)	(2,116,055)	(266,952)
Net change in due from component unit	-	-	-	-	-
Net change in due to other funds	1,740,354	17,562	66,601	1,824,517	287,690
Net cash provided (used) by noncapital financing activities	1,477,548	(3,377,730)	(4,145,996)	(6,046,178)	20,738

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

City of Moultrie, Georgia
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2018

	Business Type Activities - Enterprise Funds				Governmental
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
Cash Flows from Capital and Related Financing Activities					
Debt issuance costs	-	-	-	-	-
Proceeds from issuance of long - term debt	-	-	-	-	-
Proceeds from sale of assets	17,164	-	85,192	102,356	-
Proceeds from capital contributions	-	339,814	-	339,814	-
Transfers from SPLOST Fund	-	-	-	-	-
Acquisition and construction of capital assets	(560,971)	(578,135)	(82,372)	(1,221,478)	-
Principal payments on debt	(1,376,558)	-	(205,394)	(1,581,952)	-
Interest paid	(557,354)	-	(15,868)	(573,222)	-
Net cash provided (used) by capital and related financing activities	(2,477,719)	(238,321)	(218,442)	(2,934,482)	-
Cash Flows from Investing Activities					
Change in deferred charges	-	-	-	-	-
Purchase of investments	-	(1,566,766)	-	(1,566,766)	-
Distributions from joint venture	-	-	238,930	238,930	-
Interest received	32,170	275,150	3,265	310,585	-
Net cash provided (used) by investing activities	32,170	(1,291,616)	242,195	(1,017,251)	-
Net increase (decrease) in cash and cash equivalents	1,647,331	249	(2,630,561)	(982,981)	124,996
Cash and cash equivalents, beginning of year	14,660,899	511,259	3,731,790	18,903,948	-
Cash and cash equivalents, end of year	\$ 16,308,230	\$ 511,508	\$ 1,101,229	\$ 17,920,967	\$ 124,996

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

City of Moultrie, Georgia
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2018

	Business Type Activities - Enterprise Funds				Governmental
	Water and Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Activity Internal Service Fund
Reconciliation of Net Operating Income to Net Cash Provided (Used) By Operating Activities					
Operating income (loss)	\$ 1,461,492	\$ 4,746,815	\$ 1,293,552	\$ 7,501,859	\$ 526,523
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	1,381,384	672,106	497,997	2,551,487	-
Changes in assets and liabilities: (Increase) decrease in:			-		
Utility deposits	-	-	246,363	246,363	-
Accounts receivable	(107,756)	(134,022)	(126,647)	(368,425)	(302,832)
Deferred charges	-	-	-	-	-
Inventories	12,987	(43,948)	3,506	(27,455)	(18)
Other current assets	(7,282)	2,061	6,380	1,159	311
Increase (decrease) in:				-	
Accounts payable	44,791	106,441	19,743	170,975	(118,691)
Accrued expenses	-	1,330	(3,164)	(1,834)	(306)
Compensated absences and pensions	(170,284)	(442,867)	(446,048)	(1,059,199)	(729)
Due to general fund	-	-	-	-	-
Due to other funds	-	-	-	-	-
 Net cash provided (used) by operating activities	 \$ 2,615,332	 \$ 4,907,916	 \$ 1,491,682	 \$ 9,014,930	 \$ 104,258

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

City of Moultrie, Georgia
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2018

	Business Type Activities - Enterprise Funds				Governmental
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Activity Internal Service Fund
NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital assets purchased with debt	\$ -	\$ -	\$ -	\$ -	\$ -
Capital contributions	-	-	-	-	-
Total non-cash capital and related financing activities	\$ -	\$ -	\$ -	\$ -	\$ -

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

City of Moultrie, Georgia
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2018

	Pension Trust Fund	Agency Fund- Municipal Court
Assets		
Cash and cash equivalents	\$ 264,156	\$ 4,838
Investments:		
U.S. Government securities	1,468,568	-
Corporate bonds	1,998,180	-
Municipal bonds	1,079,499	-
Equities - common stock	7,112,799	-
Mutual funds	163,474	-
Asset-backed securities	1,096,461	-
Certificate of deposit	201,306	-
Receivables:		
Accounts receivable, net	-	-
Employer and employee's contribution	114,277	-
Accrued investment income	34,550	-
Other assets	-	658
Total assets	13,533,270	5,496
Deferred Outflows of Resources		
Deferred pension cost	-	-
Liabilities		
Settlements payable	-	-
Accounts payable	-	-
Accrued expenses	-	-
Due to others	-	5,496
	-	-
Total liabilities	-	5,496
Net position		
Held in trust for pension benefits (a schedule of funding progress is presented in the notes to financial statements)	\$ 13,533,270	\$ -

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

City of Moultrie, Georgia
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Year Ended September 30, 2018

	Pension Trust Fund
Additions	
Contributions	
Employer	\$ 189,682
Participants	51,771
Total contributions	241,453
Investment income	
Net appreciation in fair value of investments	562,732
Interest and dividends	345,223
Less - investment expenses	(117,916)
Net investment income	790,039
Total additions	1,031,492
Deductions	
Net depreciation in fair value of investments	-
Pension benefits paid	882,473
Administrative expenses	11,798
Total deductions	894,271
Net increase	137,221
Net assets held in trust for pension benefits	
Beginning of year, restated	13,396,049
End of Year	\$ 13,533,270

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

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Moultrie, Georgia (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government 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 government's accounting policies are described below.

Reporting Entity

The City of Moultrie, Georgia was created in December, 1879, under the provisions of an act by the General Assembly of the State of Georgia. The City's Charter provides for a Council/Manager form of government. The City Manager is the head of the administrative branch of government and is responsible for the day-to-day operations of the city government. The legislative authority of the City is vested in the Mayor and six Council members with an appointed City Manager. The City provides the following services and operations as authorized by its charter: public safety (police and fire), public works, airport, recreation, animal control, emergency management, and public utilities (water and sewer, gas, electric, solid waste, cable TV and mass transit).

The financial reporting entity has been determined by management in accordance with generally accepted accounting principles to be the City of Moultrie, Georgia (the primary government) and its component unit. A component unit is a legally separate organization for which the primary government is financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. In evaluating how to define the government for financial reporting purposes, management has considered all component units.

The criteria used to determine financial accountability are the ability of the primary government to appoint a voting majority of the organization's governing body, and effectively impose its will on the organization. Also, if there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government, financial accountability would exist. Based upon the application of these criteria, the following is a brief review of the component unit included in the City's reporting unit as a discretely presented component unit.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Downtown Development Authority of the City of Moultrie

The Downtown Development Authority of the City of Moultrie (the Authority) plans and develops the downtown area of the City in order to attract new business and residents. The City possesses the authority to review, approve and revise the budget and governs collection and disbursement of funds. The Authority is reported as a proprietary fund type component unit. Separate financial statements are not issued.

Government-Wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Changes in Net Position) report information on all non-fiduciary activities of the primary government and its component unit. As a general rule, 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government – Wide Financial Statements

The City's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental and business-type activities for the City. Fiduciary activities of the City are not included in these statements.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

These statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements. Accordingly, all the City's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in assets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services to customers who directly benefit from goods, services or privileges provided by a given function, 2) operating grants and contributions that are restricted to meeting the operational needs requirements of a particular function, and 3) capital grants and contributions that are restricted to meeting the capital needs requirements of a particular function. 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. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Certain eliminations have been made as prescribed by GASB Statement of Accounting Standards No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments* in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated, however, those transactions between governmental and business-type activities have not been eliminated. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Fund Financial Statements

Governmental Fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. Governmental Fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures, and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. The City considers revenues to be available if they are collected within sixty days after year end. Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, and investment income. All other revenue items are considered to be measurable and available only when cash is received by the City. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The City reports the following major governmental funds:

The *General Fund* is the principal fund of the City and is used to account for all of its activities not otherwise accounted for by a specified fund.

The *SPLOST Capital Projects Fund* is used to account for financial resources for the acquisition or construction of major capital facilities and improvements. These projects are financed through budget appropriations, sales tax proceeds and general obligation sales tax, and capital leases. The City's *SPLOST Capital Projects Fund* is used to account for the collection and disbursement of the 1% Special Purpose Local Option Sales Tax (SPLOST).

Additionally, the City reports the following governmental fund types:

The *Special Revenue Funds* are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

The *Capital Projects Funds* are used to account for financial resources for the acquisition or construction of major capital facilities and improvements other than those financed by Proprietary Funds. These projects are financed through budget appropriations, revenue bonds, sales tax proceeds and general obligation sales tax, and capital leases.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Proprietary Funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting* and are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Enterprise Funds account for activities that are usually self-sustaining, principally through user charges for services rendered.

The City reports the following major enterprise funds:

The *Water and Sewer Fund* accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The *Electric Revenue Fund* accounts for the provisions of electrical services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The City reports the following internal service funds:

The *Internal Service Fund* is used to account for equipment services for the departments of the City on a cost reimbursement basis.

Fiduciary Funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting* and are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The City reports the following fiduciary funds:

The *Pension Trust Fund* is used to account for the activities of the City's Employee Retirement Plan, which accumulates resources for pension benefit payments to qualified City employees.

The *Municipal Court Agency Fund* is used to account for assets held by the County as an agent for individuals, private organizations, other governments, and the County departments.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Component Units: All component units are reported using the *economic resources measurement focus basis* and the *accrual basis of accounting*. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

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.

Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles except that encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase. 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 reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored through subsequent years' budget appropriations.

Cash and Cash Equivalents

Cash and cash equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents and investments with an original maturity at three months or less.

Investments

Statutes authorize the City to invest in obligations of the U.S. Treasury, other U.S. Government agencies, the State of Georgia, other counties, municipal corporations and political subdivisions of the State of Georgia, and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. The fair values of investments in external investment pools are the same as the value of the pool shares.

Receivables

Receivables and Due from Other Governments represent funds to be received from other local governments, state grant in aid, state contracts, or federal funds. No allowance is deemed necessary for these receivables.

All trade and property tax receivables have been reduced to their estimated net realizable value and are shown net of an allowance for doubtful accounts. Estimated uncollectible amounts are based upon historical experience rates.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Inventories

Inventory in enterprise funds is valued at the lower of cost or market, using the first-in, first-out method. Inventory in the General Fund is valued at cost and consists of expendable supplies held for consumption. The City accounts for inventory on the purchase basis.

Prepaid Items

Payments made to vendors for services that will benefit future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

Interfund Receivables / Payables

Outstanding balances between funds at the end of the fiscal year are referred to as either "Due From Other Funds" or "Due To 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".

Restricted Assets

Proceeds from certain revenues and other resources in the General Fund, Special Revenue Funds, and Capital Projects Funds are classified as restricted assets on the balance sheet because they are maintained in separate accounts and their use is limited by applicable statutes or agreements. The Water and Sewer Fund and Cable TV Fund, based on certain bond covenants, are required to establish and maintain prescribed amounts of resources, consisting of cash and temporary investments that can be used only to service outstanding debt.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks and similar items) acquired prior to September 30, 1980, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City's policy has set the capitalization threshold at \$5,000 for reporting capital assets and \$25,000 for infrastructure assets. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received.

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.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. The amount of interest capitalized is calculated by offsetting interest expense incurred (from the date of borrowing until the date of completion of the project) with interest earned on investment proceeds over the same period. During the year ended September 30, 2018, \$61,134 of interest was capitalized within the component unit.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Depreciation is provided on the straight-line method over the following estimated useful lives:

Governmental Assets:

Buildings and improvements	50 years
Machinery and equipment	5 – 15 years
Infrastructure	25 years

Business-type Assets:

Buildings	5 – 50 years
Improvements other than buildings	2 – 50 years
Machinery and equipment	3 – 50 years

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future periods and thus, will not be recognized as an outflow of resources (expense) until then. The City has two items that qualify for reporting in this category. The first is the deferred charge on refunding in the government-wide statement of net position and the Proprietary Funds Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is outflows from changes in the net pension liability.

Deferred Inflows of Resources

In addition to liabilities, the City will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds and government-wide statement of net position report unavailable revenues from property taxes, grants and fees. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

City employees accrue vacation in different amounts, according to the number of years of service. Employees under ten years of service accrue two weeks of vacation each year. Upon reaching ten years of service, employees can accrue three weeks per year. These days can be taken either by time off or by payment upon retirement. (Employees who are terminated forfeit all vacation time they have not taken at the time of termination.)

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Employees earn sick leave in proportion to actual hours worked. Sick leave, however, is not paid upon termination if termination is by manner other than death or retirement. Employees can accrue up to a maximum of 720 hours of sick leave and will be paid up to 50% of the hours accrued at the time of retirement based on the age of the employee at retirement. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds when it is expected to be liquidated with expendable available resources.

Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Total contributions for the year ended September 30, 2018 were \$98,034.

Pursuant to GASB Statement of Accounting Standards No. 32 *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the City does not have a fiduciary relationship with the Plan. Accordingly, the balances and transactions of the City's 457 plan are not reported in the City's financial statements.

Long-Term Obligations

In the government-wide financial statements, proprietary fund types in the fund financial statements, long-term debt, other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method, which is not significantly different than the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the issue is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Fund Equity

Beginning with fiscal year 2011, the City implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a formal action of the City Council through adoption of a resolution. Only the City Council may modify or rescind the commitment;
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the policy of the City to generally consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts. In both instances, when a proposed expenditure is made with specific balances identified as the source of the funding, that specific fund balance will be used.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve the portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Fund, and Capital Projects Funds. Encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at the end of the year. Encumbrances are re-appropriated in the following year, except for encumbrances in the Capital Projects Funds which are continuing. Encumbrances do not represent GAAP expenditures. At September 30, 2018, there were no encumbrances outstanding.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Use of 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The City has performed an evaluation of subsequent events, as defined under FASB ASC 855-10, through November 18, 2019, which is the date the financial statements were available to be issued.

NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING

Budget Process

The annual budget document is the financial plan for the operation of the City. The budget process exists for the purpose of providing a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the City's financial position. An annual operating budget is prepared for the General Fund, Special Revenue Fund, and Enterprise Funds.

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

- 1) Budget requests are completed in July.
- 2) Proposed budgets are reviewed and prepared by the Finance Director and approved by the City Manager before submission to the Mayor and the City Council in August.
- 3) Public hearings on the proposed budget are held in August and September.
- 4) The budget is legally adopted by the Mayor and the City Council in September.
- 5) All budget revisions must be approved as required by Georgia law and administrative policy. Transfer of budgeted amounts in excess of \$5,000 between object categories within departments requires the approval of the City Council. This is consistent with the legal level of budgetary control as the budget is adopted at the object category level. Revisions that alter the total expenditures of any department or fund must be approved by the City Council.
- 6) Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Fund, Capital Projects Funds, and the Enterprise Funds.
- 7) Budgets for the General Fund, Special Revenue Fund, and the Enterprise Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Capital Projects Budget

The construction of certain major capital facilities and improvements, which are accounted for by the City in the Capital Projects Fund, are subject to budgetary control on a project basis. The budgets are approved by the City Council and are generally subject to specific provisions of voter referendums, State Statutes, and/or grant agreements. Appropriations for a specific project do not lapse until completion of the project.

Deficit Fund Balances / Retained Earnings in Individual Funds

The following funds had deficit fund balances / retained earnings as of September 30, 2018:

Fund	Deficit
Telecomm Fund	\$ (778,934)
Utilities Deposit Fund	(276,399)

The fund deficits above are expected to be reduced through increased user charges and transfers from reserve and utility funds.

Excess of Expenditures Over Appropriations in Departments and Individual Funds

No funds incurred actual expenditures in excess of budgeted amounts for the year ended September 30, 2018:

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

NOTE 3 - DEPOSITS AND INVESTMENTS

Total deposits and investments as of September 30, 2018, are summarized as follows:

	Deposits with Financial			Investments			Total
	Institutions						
Cash and cash equivalents	\$ 34,548,583		\$ -				\$ 34,548,583
Restricted cash and cash equivalents	2,381,368		-				2,381,368
Investments	-		31,577,842				31,577,842
	\$ 36,929,951		\$ 31,577,842				\$ 68,507,793

Interest Rate Risk

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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 other political subdivision of the State of Georgia.

Custodial Credit Risk – Deposits

The City does not have a formal custodial credit risk policy. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City 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 by depository insurance, obligations of the U.S. government or bonds of public authorities, counties or municipalities. As of September 30, 2018, the City had no uncollateralized deposits.

Custodial Credit Risk – Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties or municipalities.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

September 30, 2018

Primary government:

Amounts as presented on the entity-wide Statement of Net Position

Governmental Activities:

Cash and cash equivalents	\$	17,772,243
Restricted cash and cash equivalents		967,747

Business Type Activities:

Cash and cash equivalents		16,507,346
Investments		18,457,555
Restricted cash and cash equivalents		1,413,621

Amounts as presented on the Statement of Fiduciary Net Position

Cash and cash equivalents		268,994
Investments		13,120,287

Total primary government	\$	68,507,793
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Component units:

Cash and cash equivalents		134,671
Restricted cash and cash equivalents		128,782

Total component units	\$	263,453
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Investments

The City's investment policies are authorized by State Statutes and City Ordinances. Permissible investments include securities of the United States Treasury, agencies and instrumentalities, repurchase agreements, and the Georgia Fund 1 investment pool regulated by the Georgia Office of the State Treasurer.

Georgia Fund I, created by OCGA 36-83-8, is a stable net asset value investment pool that follows Standard and Poor's criteria for AAA rated money market funds. However, Georgia Fund I operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity, and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on \$1.00 per share.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

The City is a participant in the Municipal Electric Authority of Georgia (MEAG). The MEAG board approves an annual system budget from which MEAG bills its participants. At the end of the year, adjustments are made by MEAG to each participant's billings to agree with actual cost. Whenever MEAG recovers funds from the City in excess of its actual costs to serve the City, the City can elect to have their funds deposited in MEAG's voluntary flexible operating account fund in lieu of receiving a refund. This voluntary stabilization fund is used to reduce future costs of the City at its discretion while also earning interest. The City is authorized to direct the MEAG to retain or use the discretionary funds. At September 30, 2018, the City's balance in the discretionary stabilization fund was \$16,068,772.

Investments are categorized into three categories of credit risk:

- 1) Insured or registered, or securities held by the City or its agent in the City's name.
- 2) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name.
- 3) Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not in the City's name.

As of September 30, 2018, the City's investments were classified as follows:

	Category			Fair Value
	1	2	3	
Pension Trust Fund				
U.S. Government Securities	\$ 575,625	\$ 892,943	\$ -	\$ 1,468,568
Corporate Bonds	1,804,919	193,261	-	1,998,180
Municipal Bonds	-	1,079,499	-	1,079,499
Equities - Common Stock	7,276,273	-	-	7,276,273
Mutual Funds	-	-	-	-
Asset-backed Securities	-	1,096,461	-	1,096,461
Certificate of Deposit	201,306	-	-	201,306
Proprietary Funds				
Municipal Competitive Trust	-	18,457,555	-	18,457,555
	\$ 9,858,123	\$ 21,719,719	\$ -	\$ 31,577,842

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

As of September 30, 2018, the City's Credit and Interest Rate Risk related to the City's investments were as follows:

	Credit Quality	Fair Value	Investment Maturities (in Years)			
			Less Than 1	1-5	6-10	More Than 10
Pension Trust Fund						
U.S. Government Securities	Aaa	\$ 1,468,568	\$ 253,630	\$ 440,611	\$ 774,327	\$ -
Corporate Bonds	Baa1 - Aaa	1,998,180	-	1,274,400	723,780	-
Municipal Bonds	A3 - Aa1	1,079,499	60,285	271,762	465,395	282,057
Equities - Common Stock	NR	7,276,273	7,276,273	-	-	-
Mutual Funds	NR	-	-	-	-	-
Asset-backed Securities	NR	1,096,461	-	320,551	-	775,910
Certificate of Deposit	NR	201,306	201,306	-	-	-
Proprietary Funds						
Municipal Competitive Trust	NR	18,457,555	14,541,853	1,209,128	1,042,647	97,161
		<u>\$ 31,577,842</u>	<u>\$ 22,333,347</u>	<u>\$ 3,516,452</u>	<u>\$ 3,006,149</u>	<u>\$ 1,155,128</u>

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

NOTE 4 – RECEIVABLES AND TAX REVENUE

Property Tax

Property taxes were levied in September 2017 and payable before December 2017 for the fiscal year 2018 tax. Property tax revenues are recognized when levied to the extent they result in current receivables. The City's fiscal year 2018 tax was levied prior to September 30, 2018 and was recorded as taxes receivable and deferred revenue within the City's General Fund.

The tax rate levied during fiscal year 2018 for the City's operations was 9.85 mills (mill equals \$1 per thousand dollars of assessed value).

The City maintains no allowance for uncollectible property taxes at September 30, 2018.

Sales Tax

Colquitt County, Georgia has levied four 1% Special Purpose Local Option Sales Tax Programs (SPLOST) which were passed by referendum in 1994, 2001, 2006 and 2013. The proceeds from these sales tax programs are used to finance various capital projects. The SPLOST programs are administered by Colquitt County, Georgia.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Receivables

Receivables as of September 30, 2018 are as follows:

	General Fund	SPLOST	Nonmajor Governmental Funds	Water and Sewer Fund	Electric Revenue Fund
Receivables					
Accounts	\$ 527,923	\$ -	\$ 164,804	\$ 1,587,331	\$ 4,389,197
Property tax	3,060,026	-	-	-	-
Sales tax	289,928	139,585	-	-	-
Program	-	-	100,070	-	-
Gross receivables	3,877,877	139,585	264,874	1,587,331	4,389,197
Less allowance for uncollectibles	(88,860)	-	(87,512)	(777,185)	(1,372,648)
Total net receivables	\$ 3,789,017	\$ 139,585	\$ 177,362	\$ 810,146	\$ 3,016,549

	Internal Service Fund	Nonmajor Enterprise Funds	Total
Receivables			
Accounts	\$ 597,172	\$ 2,908,435	\$ 10,174,862
Property tax	-	-	3,060,026
Sales tax	-	-	429,513
Program	-	-	100,070
Gross receivables	597,172	2,908,435	13,764,471
Less allowance for uncollectibles	-	(2,066,680)	(4,392,885)
Total net receivables	\$ 597,172	\$ 841,755	\$ 9,371,586

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS

Interfund Receivables and Payables

Interfund receivables and payables result from timing differences related to payroll and other year-end transactions which normally clear within one to two months. The composition of interfund receivables and payables as of September 30, 2018 is as follows:

Due to	Due From				
	General Fund	SPLOST Fund	Nonmajor Governmental Funds	Water and Sewer Fund	Electric Revenue Fund
General Fund	\$ -	\$ -	\$ 5,665	\$ 26,866	\$ 528,463
SPLOST Fund	-	-	-	-	-
Nonmajor Governmental Funds	8,090	-	100	-	-
Water and Sewer Fund	-	-	-	-	-
Electric Revenue Fund	720,000	-	1,082	8,105,873	-
Nonmajor Enterprise Funds	4,751,141	-	-	2,294,015	139
Internal Service Fund	4,011,176	-	79	130,432	74,902
Total	\$ 9,490,407	\$ -	\$ 6,926	\$ 10,557,186	\$ 603,504

Due to	Due From		Total
	Nonmajor Enterprise Fund	Internal Service Fund	
General Fund	\$ -	\$ 5,785,741	\$ 6,346,735
SPLOST Fund	-	-	-
Nonmajor Governmental Funds	8,259	-	16,449
Water and Sewer Fund	602	1,724	2,326
Electric Revenue Fund	1,080,956	152	9,908,063
Nonmajor Enterprise Funds	1,034,234	-	8,079,529
Internal Service Fund	1,150,271	1,304,424	6,671,284
Total	\$ 3,274,322	\$ 7,092,041	\$ 31,024,386

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

The composition of receivables and payables between the City and its component unit as of September 30, 2018 is as follows:

Due To	Due From
	Downtown
	Development
	Authority
Water and Sewer Fund	\$ 235,000

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Interfund Transfers

Interfund transfers are used to move revenues from the fund that Statute or budget requires to collect them to the fund that the Statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund and Enterprise Funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers for the year ended September 30, 2018, consisted of the following:

Transfer From	Transfer To				
	General Fund	SPLOST Fund	Nonmajor Governmental Funds	Water and Sewer Fund	Electric Revenue Fund
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
SPLOST Fund	-	-	-	882,013	-
Nonmajor Governmental Funds	-	-	-	-	-
Water and Sewer Fund	776,960	-	-	-	390,066
Electric Revenue Fund	3,358,202	-	-	-	-
Nonmajor Enterprise Funds	2,501,491	-	-	-	84,979
Internal Service Fund	-	-	-	-	-
Total	\$ 6,636,653	\$ -	\$ -	\$ 882,013	\$ 475,045

Transfer From	Transfer To		Total
	Nonmajor Enterprise Fund	Internal Service Fund	
General Fund	\$ -	\$ -	\$ -
SPLOST Fund	-	-	882,013
Nonmajor Governmental Funds	-	-	-
Water and Sewer Fund	-	-	1,167,026
Electric Revenue Fund	-	-	3,358,202
Nonmajor Enterprise Funds	375,000	-	2,961,470
Internal Service Fund	-	-	-
Total	\$ 375,000	\$ -	\$ 8,368,711

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

NOTE 6 – CAPITAL ASSETS

The following is a summary of capital asset activity as of September 30, 2018:

Primary Government

Primary Government: Governmental Activities	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Nondepreciable					
Land and improvements	\$ 1,394,670	\$ -	\$ -	\$ -	\$ 1,394,670
Construction in progress	-	-	-	-	-
Total nondepreciable capital assets	1,394,670	-	-	-	1,394,670
Other capital assets					
Buildings and improvements	12,212,130	-	-	-	12,212,130
Machinery & equipment	8,745,834	277,074	(218,790)	-	8,804,118
Infrastructure	49,867,226	62,974	-	-	49,930,200
Total other capital assets at cost	70,825,190	340,048	(218,790)	-	70,946,448
Less accumulated depreciation for:					
Buildings and improvements	(7,332,566)	(402,248)	-	-	(7,734,814)
Machinery & equipment	(6,909,926)	(497,138)	199,932	-	(7,207,132)
Infrastructure	(35,126,908)	(482,831)	-	-	(35,609,739)
Total accumulated depreciation	(49,369,400)	(1,382,217)	199,932	-	(50,551,685)
Other capital assets, net	21,455,790	(1,042,169)	(18,858)	-	20,394,763
Governmental activities capital assets, net	\$ 22,850,460	\$ (1,042,169)	\$ (18,858)	\$ -	\$ 21,789,433

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Primary Government: Business-type Activities	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Nondepreciable					
Land and improvements	\$ 1,209,382	\$ -	\$ -	\$ -	\$ 1,209,382
Construction in progress	22,368,770	460,665	-	(22,368,770)	460,665
Total nondepreciable capital assets	23,578,152	460,665	-	(22,368,770)	1,670,047
Other capital assets					
Buildings	5,917,994	-	-	-	5,917,994
Other Improvements	64,882,480	600,523	-	22,368,770	87,851,773
Machinery & equipment	10,439,790	159,193	(253,192)	-	10,345,791
Total other capital assets at cost	81,240,264	759,716	(253,192)	22,368,770	104,115,558
Less accumulated depreciation for:					
Buildings	(3,189,555)	(156,755)	-	-	(3,346,310)
Other improvements	(43,221,816)	(1,850,069)	-	-	(45,071,885)
Machinery & equipment	(6,941,837)	(544,663)	180,519	-	(7,305,981)
Total accumulated depreciation	(53,353,208)	(2,551,487)	180,519	-	(55,724,176)
Other capital assets, net	27,887,056	(1,791,771)	(72,673)	22,368,770	48,391,382
Business-type activities capital assets, net	\$ 51,465,208	\$ (1,331,106)	\$ (72,673)	\$ -	\$ 50,061,429

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 145,645
Public safety	342,797
Public works	631,291
Parks and recreation	256,883
Community Development	5,601
<hr/>	
Total governmental activities depreciation expense	\$ 1,382,217
<hr/>	
Business-type activities:	
Water & Sewer	\$ 1,381,384
Electric	672,106
Gas	91,264
Cable TV	-
Sanitation	271,369
Airport operations	80,644
Telecomm	-
Mass transit	54,720
<hr/>	
Total business-type activities depreciation expense	\$ 2,551,487
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City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Component Units

Capital asset activity for the Downtown Development Authority of the City of Moultrie, a discretely presented component unit, for the year ended September 30, 2018 is as follows:

Governmental Activities:

The Authority had no governmental capital asset activity for the year ended September 30, 2018.

Component Unit:	Beginning				Ending
<i>Business-type Activities</i>	Balance	Increases	Decreases	Transfers	Balance
Nondepreciable					
Land and improvements	\$ 709,191	\$ -	\$ -	\$ -	\$ 709,191
Construction in progress	-	-	-	-	-
Total nondepreciable capital assets	709,191	-	-	-	709,191
Other capital assets					
Buildings	4,087,357	-	-	-	4,087,357
Other Improvements	58,418	-	-	-	58,418
Machinery & equipment	-	-	-	-	-
Total other capital assets at cost	4,145,775	-	-	-	4,145,775
Less accumulated depreciation for:					
Buildings	(2,939,809)	(85,614)	-	-	(3,025,423)
Other improvements	(15,414)	(1,949)	-	-	(17,363)
Machinery & equipment	-	-	-	-	-
Total accumulated depreciation	(2,955,223)	(87,563)	-	-	(3,042,786)
Other capital assets, net	1,190,552	(87,563)	-	-	1,102,989
Business-type activities capital assets, net	\$ 1,899,743	\$ (87,563)	\$ -	\$ -	\$ 1,812,180

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

NOTE 7 – LONG TERM DEBT

Revenue Bonds

The City issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. The City's enterprise funds' revenue bonds outstanding at September 30, 2018, are as follows:

Enterprise Fund and Description	Original Amount	Interest Rate	Due Date	Amount
Water and Sewer Fund - Refunding Project, Series 2009	\$ 5,440,000	2.00–3.50%	2019	\$ 670,000
Water and Sewer Fund – South Georgia Governmental Services Authority, Series 2012	12,775,000	2.00–3.750%	2042	10,005,000
				10,675,000
			Unamortized discount / premium / loss	(111,912)
			Less current portion	(1,315,000)
				\$ 9,248,088

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

South Georgia Governmental Services Authority Revenue Bonds, Series 2009

The City of Moultrie Revenue Bonds, Water and Sewer Refunding Project, Series 2009 were issued September 17, 2009. The Series 2009 bonds were issued to provide funds to refund and redeem the City of Moultrie Combined Utility Revenue Bonds, Series 1998 and provide funds to prepay an outstanding loan made to the City by the Georgia Environmental Facilities Authority and pay certain costs of issuing the hereinafter described bonds.

South Georgia Governmental Services Authority Revenue Bonds, Series 2012

The City of Moultrie South Georgia Governmental Services Authority Revenue Bonds (City of Moultrie Water and Sewer Projects), Series 2012 were issued September 18, 2012. The Series 2012 bonds were issued to provide funds to finance upgrades, refurbishment, renovations, and expansion of the City's wastewater treatment plant, and additions, improvements, and equipment for the water and sewer system of the City, and pay certain costs of issuing the bonds.

The annual debt service requirement to maturity of the Revenue Bonds at September 30, 2018 is as follows:

Year Ending September 30	Principal	Interest	Total
2019	\$ 1,315,000	\$ 187,506	\$ 1,502,506
2020	75,000	169,331	244,331
2021	75,000	168,394	243,394
2022	75,000	167,456	242,456
2023	80,000	166,519	246,519
2024-2028	430,000	814,914	1,244,914
2029-2033	775,000	777,019	1,552,019
2034-2038	4,035,000	586,078	4,621,078
2039-2042	3,815,000	181,594	3,996,594
	<u>\$ 10,675,000</u>	<u>\$ 3,218,811</u>	<u>\$ 13,893,811</u>

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Downtown Development Authority of Moultrie Taxable Revenue Bonds, Series 2006 B – Component Unit

The City’s component unit’s revenue bonds outstanding at September 30, 2018, are as follows:

	Original Amount	Interest Rate	Due Date	Amount
Downtown Development Authority – Series B	\$ 2,410,000	4.92%	2028	\$ 1,515,000
			Less current portion	(105,000)
				<u>\$ 1,410,000</u>

Downtown Development Authority of Moultrie Taxable Revenue Bonds, Series 2006 B

The Downtown Development Authority of Moultrie Taxable Revenue Series 2006 B bonds were issued to provide funds for the purpose of financing the acquisition, construction, installation and equipping of a building for lease to the Georgia Department of Labor. The facility will be leased by the Downtown Development Authority of Moultrie, as assignee of the City of Moultrie, Georgia to the Georgia Department of Labor for a period of twenty years.

The Series 2006 B bonds are limited obligations of the Downtown Development Authority of Moultrie. The bonds are payable solely from payments to be made to the Authority by the Georgia Department of Labor under the lease. The City has agreed, in the event of default by the Georgia Department of Labor, to levy an ad valorem tax at a rate not to exceed 3 mills upon all property located in the City subject to taxation for bond purposes.

The Series 2006 A and B revenue bond debt service requirements to maturities, including interest, are as follows:

Year Ending September 30	Principal	Interest	Total
2019	\$ 105,000	\$ 74,538	\$ 179,538
2020	110,000	69,372	179,372
2021	120,000	63,960	183,960
2022	125,000	58,056	183,056
2023	130,000	51,096	181,096
2024-2028	750,000	157,194	907,194
2029-2042	175,000	8,610	183,610
	<u>\$ 1,515,000</u>	<u>\$ 482,826</u>	<u>\$ 1,997,826</u>

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Other Long-Term Debt

At September 30, 2018, the Water and Sewer Fund had a note payable to the Georgia Environmental Facilities Authority whereby it may borrow up to \$3,384,500. The outstanding balance at September 30, 2018 was \$782,756. The debt is being used for the rehabilitation of the existing wastewater treatment facility.

At September 30, 2018, the Water and Sewer Fund had a note payable to the Georgia Environmental Facilities Authority whereby it may borrow up to \$3,500,000. The outstanding balance at September 30, 2018 was \$992,088. The debt is being used for the renovation of the existing wastewater treatment facility.

At September 30, 2018, the Water and Sewer Fund entered into an agreement with the Georgia Environmental Facilities Authority whereby it may borrow up to \$2,750,000. The outstanding balance at September 30, 2018 was \$1,509,161. The debt is being used to finance the costs of acquiring, constructing, and installing environmental facilities. The project is still in the construction phase; therefore a payment schedule has not been determined at September 30, 2018.

At September 30, 2018, the Water and Sewer Fund entered into an agreement with the Georgia Environmental Facilities Authority whereby it may borrow up to \$6,100,000. At September 30, 2018 there had been \$5,320,000 drawn on the note. The debt is being used to finance the costs of acquiring, constructing, and installing environmental facilities. The project is still in the construction phase; therefore a payment schedule has not been determined at September 30, 2018.

The Water and Sewer Fund note payable debt service requirements to maturities, including interest, are as follows:

Year Ending September 30	Principal	Interest	Total
2019	\$ 108,061	\$ 51,767	\$ 159,828
2020	111,347	48,481	159,828
2021	114,734	45,094	159,828
2022	118,224	41,604	159,828
2023	121,714	38,114	159,828
2024-2028	665,582	133,558	799,140
2029-2033	535,182	28,769	563,951
	<u>\$ 1,774,844</u>	<u>\$ 387,387</u>	<u>\$ 2,162,231</u>

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Debt service requirements of \$1,817,927 do not include the Water and Sewer Fund agreement with the Georgia Environmental Facilities Authority of \$1,509,161 and \$5,320,000 as these notes are not yet in repayment status and no amortization schedules are available.

Capital Leases

The City has entered into several lease agreements as lessee for financing the acquisition of equipment and a fire station through the Georgia Municipal Association direct installment program. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease term) and have been recorded at the present values of the future minimum lease payments as of the date of their inception. These leases are being serviced by General Fund, Water and Sewer Fund and Solid Waste Fund payments with annual interest rates varying from 2.45% to 4.71%.

The following is an analysis of equipment leased under capital leases as of September 30, 2018:

	Governmental Activities	Business-type Activities	
		Water and Sewer Fund	Solid Waste Fund
Buildings and Improvements	\$ -	\$ -	\$ -
Equipment	1,565,771	288,015	1,480,310
Less accumulated amortization	(781,642)	(213,668)	(560,584)
Carrying value	\$ 784,129	\$ 74,347	\$ 919,726

	Governmental Activities	Business-type Activities	
		Water and Sewer Fund	Solid Waste Fund
Current amortization	\$ 119,151	\$ 102,498	\$ 35,799

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

The following is a schedule of future minimum lease payments together with the present value of the net minimum lease payments at September 30, 2018:

Year Ending September 30	Governmental Activities	Business-type Activities	
		Water and Sewer Fund	Solid Waste Fund
2019	\$ 198,741	\$ 60,123	\$ 220,153
2020	142,033	60,123	160,998
2021	83,431		154,853
2022	62,010	-	38,714
2023	62,010	-	-
2024 -2025	77,512	-	-
Total minimum lease payments	625,737	120,246	574,718
Less amount representing interest	(40,558)	(2,091)	(17,154)
	\$ 585,179	\$ 118,155	\$ 557,564

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2018, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Governmental activities:</i>					
Notes payable	\$ -	\$ -	\$ -	\$ -	-
Capital leases	584,261	225,809	(224,891)	585,179	183,778
Compensated absences	77,473	-	(14,581)	62,892	-
<hr/>					
Governmental activities long-term liabilities	661,734	225,809	(239,472)	648,071	183,778
<hr/>					
<i>Business-type activities:</i>					
Bonds payable	11,810,000	-	(1,135,000)	10,675,000	1,315,000
Less deferred amounts:					
Issuance discount	(112,564)	652	-	(111,912)	-
<hr/>					
Total bonds payable	11,697,436	652	(1,135,000)	10,563,088	1,315,000
<hr/>					
Notes payable	8,788,641	-	(184,636)	8,604,005	108,061
Capital leases	938,687	-	(262,968)	675,719	210,585
Compensated absences	5,352	-	(5,352)	-	-
<hr/>					
Business-type activities long-term liabilities	\$ 21,430,116	\$ 652	\$ (1,587,956)	\$ 19,842,812	\$ 1,633,646

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Long-term liability activity for the City's component unit for the year ended September 30, 2018, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Business-type activities:</i>					
Bonds payable	\$ 1,615,000	\$ -	\$ (100,000)	\$ 1,515,000	\$ 105,000
<i>Business-type activities</i>					
long-term liabilities	\$ 1,615,000	\$ -	\$ (100,000)	\$ 1,515,000	\$ 105,000

Compensated absences are liquidated by the General Fund and Enterprise Funds for which the liability is incurred.

NOTE 9 – LEASING ACTIVITIES

As part of the issuance of the Downtown Development Authority revenue bonds, the Authority entered into a lease agreement with the Georgia Department of Labor (DOL) to lease certain property and buildings for use by the DOL. Under the terms of the lease, the DOL will make rental payments in the amount of \$179,460 annually, which shall be paid to the City as agent for the Authority in equal installments at the end of each month. The lease payments will be used for the purpose of paying the principal of, redemption premium (if any) and interest on the Downtown Development Authority bonds. The property and building is leased under an operating lease, which expires on November 1, 2028.

At September 30, 2018, the amount of property and buildings leased by the DOL which is included on the Statement of Net Position of the Downtown Development Authority is \$2,301,101, net of accumulated depreciation of \$787,731.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

At September 30, 2018, the minimum future lease payments to be received under the operating lease are as follows:

Year Ending September 30	Total
2019	\$ 179,460
2020	179,460
2021	179,460
2022	179,460
2023	179,460
2024 - 2028	732,795
	\$ 1,630,095

NOTE 10 – RESTRICTIONS OF FUND BALANCES

In the governmental fund financial statements, fund balances consist of nonspendable, restricted and unassigned amounts. Restrictions of fund balances represent that portion which is not appropriable for expenditure or is legally segregated for a specific future use. The remaining portion is unassigned.

Fund balance restrictions at September 30, 2018 include:

Capital Projects Funds

Restricted for specific projects to reflect	
resources funded by SPLOST and Federal Grants	\$ 3,529,411
Community development	1,020,382

Special Revenue Funds

Restricted to reflect resources legally restricted for:	
Community development	222,096
Public safety	40,705

Total restricted net position	\$ 4,812,594
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City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

NOTE 11 – PENSION PLAN

Plan Description

The City of Moultrie, Georgia maintains a single-employer defined benefit pension plan, the Retirement Plan for Employees of the City of Moultrie (the Plan). The Plan is administered by a board of trustees in accordance with a trust agreement between the City of Moultrie, Georgia and the board of trustees. The board of trustees acts in the dual capacity as the administrator of the Plan and the trustee of the trust fund created in accordance with the Plan and the Trust Agreement. Benefit provisions and contributions are established and may be amended by the City Council.

The Plan covers all full-time employees of the City of Moultrie, Georgia who were hired prior to January 1, 2018. Employees become eligible to participate in the Plan after six months and are fully vested after ten years. Prior to October 1, 1994, the Plan excluded employees for whom the City made contributions directly or indirectly to another retirement program. Employees in this category (firefighters and police officers) became participants in the Plan on October 1, 1994, if they filed an application to participate. Benefit provisions are established by City Ordinance. The Plan provides retirement, disability and death benefits to Plan members and beneficiaries. At October 1, 2017, the date of the most recent actuarial valuation, there were 261 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	101
Vested terminated employees not yet receiving benefits	13
Active employees	147
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Total	261

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Method Used to Value Investments

Investments are reported at their fair values. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrued basis. Dividend income is accrued on the ex-dividend date.

Contributions

The City and individual participants make contributions to the Plan. Effective February 1, 2005, all employees are required to contribute 4.42% of their annual earnings to the Plan. Prior to February 1, 2005, participants contributed 3.5% of their annual earnings. The City's funding policy is to contribute the amount in excess of employee's contribution required to fund the Plan benefits as determined by the Plan actuary. Administrative costs are financed through investment earnings.

The annual required contribution for the year ended September 30, 2018 was determined as part of the October 1, 2017, actuarial valuation using the entry age method. The actuarial assumptions included a) an interest rate of 7.25%, net of investment expenses, b) projected salary increases of 3.25% per year and c) no inflation rate assumption. Mortality rates were based on the RP-2000 Mortality Table projected with Scale AA.

The discount rate used to measure the total pension liability was 5.25%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average City contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

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 investments expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	50%	5.00%
Domestic fixed income	50%	1.50%
Total or weighted arithmetic average	100%	3.25%

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Changes in Net Pension Liability:

The total pension liability was determined by an actuarial valuation as of October 1, 2017 with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2018. Changes in the net pension liability for the year ended September 30, 2018 were as follows:

	Increase (Decrease)		
	Total Pension	Fiduciary Net	Net Pension Liability
	Liability (TPL)	Position (FNP)	(NPL)
	(a)	(b)	(a) - (b)
Balances at September 30, 2017, restated	\$ 18,861,666	\$ (13,396,049)	\$ 5,465,617
Changes for the year:			
Service cost	\$ 293,623	\$ -	\$ 293,623
Expected interest growth	979,243	(689,403)	289,840
Differences between expected and actual experience	-	-	-
Demographic experience	(138,722)	-	(138,722)
Contributions - employer	-	(84,313)	(84,313)
Contributions - employee	-	(51,771)	(51,771)
Unexpected investment income	-	(206,005)	(206,005)
Benefit payments and refunds	(882,473)	882,473	-
Changes in benefit terms	(3,903,182)	-	(3,903,182)
Assumption changes	578,536	-	578,536
Administrative expense	-	11,798	11,798
Net changes	(3,072,975)	(137,221)	(3,210,196)
Balances at September 30, 2018	\$ 15,788,691	\$ (13,533,270)	\$ 2,255,421

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following table presents the net pension liability of the City, calculated using the discount rate of 5.25%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate.

	1% Decrease 4.25%	Current Discount Rate 5.25%	1% Increase 6.25%
Total pension liability	\$ 17,501,101	\$ 15,788,691	\$ 14,357,449
Less fiduciary net position	(13,533,270)	(13,533,270)	(13,533,270)
Net pension liability	\$ 3,967,831	\$ 2,255,421	\$ 824,179

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

At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balances at September 30, 2017, restated	\$ 3,792,469	\$ 1,138,472
Changes for the year:		
Amortization payments	(679,728)	(203,946)
Investment gain/loss	-	206,005
Demographic gain/loss	-	138,722
Assumption changes	578,536	-
Net changes	(101,192)	140,781
Balances at September 30, 2018	\$ 3,691,277	\$ 1,279,253

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at September 30, 2018 will be recognized in pension expense as follows:

Fiscal Year Ending,	Total
2019	679,730
2020	384,334
2021	384,334
2022	384,334
2023	384,334
Thereafter	1,474,211
	\$ 3,691,277

Peace Officers' Annuity and Benefit Fund of Georgia

Plan Description:

The Peace Officers' Annuity and Benefit Fund of Georgia (POABFG) is a cost-sharing multiple employer defined benefit created in 1950 by the General Assembly of Georgia to provide retirement benefits to peace officers. Members of the POABFG are employed by units of government throughout the State of Georgia. The employers of the POABFG's members do not make contributions to the POABFG. The State of Georgia provides nonemployer contributions to the POABFG through the collection of court fines and forfeitures. Detailed information about the benefits provided to members is available in the separately issued POABFG financial report which is publicly available.

Actuarial Assumptions:

The net pension liability was measured as of June 30, 2017 and the total pension liability used to calculate the net pension liability was based on an actuarial valuation as of that date. The total pension liability in the actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	n/a
Investment rate of return	6.50%
Mortality rates	RP-2000, Combined

The long-term expected rate of return on pension plan investments was calculated by the POABFG's investment manager as 6.66% using a Monte Carlo simulation in which best estimate ranges of

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

expected future real rates of return (expected nominal 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. The POABFG's administrator determined that 7.00% was a reasonable assumption for the long-term rate of return on plan assets based on the calculation by the POABFG's investment manager.

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumes revenues will remain level. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Net Pension Liability:

At September 30, 2018, the City did not have a liability for a proportionate share of the net pension liability (asset) of the POABFG because of the related support from the State of Georgia. The amount of the State's proportionate share of the net pension liability (asset) associated with the City was \$2,778 as of September 30, 2018.

Pension Expense:

For the year ended September 30, 2018 the City recognized pension expense related to the POABFG of \$2,207 and revenue of \$2,207 for support provided by the State of Georgia.

Georgia Firefighters' Pension Fund

Plan Description:

The Georgia Firefighters' Pension Fund (GFPF) is a cost-sharing multiple employer defined benefit created by the General Assembly of Georgia to provide retirement benefits to firefighters. Members of the GFPF are employed by units of government throughout the state of Georgia. Detailed information about the benefits provided to members is available in the separately issued GFPF financial report which is publicly available.

Actuarial Assumptions:

The net pension liability was measured as of June 30, 2017 and the total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2017. The total pension liability in the actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Inflation	2.75%
Salary increases	n/a
Investment rate of return	6.00%
Mortality rates	RP-2000, Combined

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The discount rate used to measure the total pension liability was 6.0%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Net Pension Liability:

At September 30, 2018, the City did not have a liability for a proportionate share of the net pension liability of the GPPF because of the related support from the State of Georgia. The amount of the State's proportionate share of the net pension liability associated with the City was \$418,022 as of September 30, 2018.

Pension Expense:

For the year ended September 30, 2018, the City recognized pension expense related to the GPPF of \$87,162 and revenue of \$87,162 for support provided by the State of Georgia.

NOTE 12 – DEFINED CONTRIBUTION PLAN

A 457(a) retirement plan has been established for all full time employees whereby they can contribute up to the allowable annual contribution of \$18,500 if they choose and can use the catchup allowable amount during their final years before retiring. The plan also serves as the retirement plan for the City Manager and the Finance Director. For the year ended September 30, 2018, the City contributed \$14,284 to the 457(a) plan on behalf of the City Manager and Finance Director.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

NOTE 13 – JOINT VENTURES

Southwest Georgia Regional Commission

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 Southwest Georgia Regional Commission and is required to pay annual dues thereto. During the year ended September 30, 2018, the City paid \$15,742 in such dues. Membership in a Regional Commission is required by the Official Code of Georgia Annotated (OCGA), Section 50-8-34, which provides for the organizational structure of the Regional Commission in Georgia. The Regional Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a Regional Commission. Separate financial statements may be obtained from:

Southwest Georgia Regional Commission
P.O. Box 346
Camilla, Georgia 31730

South Georgia Governmental Services Authority

The City of Moultrie, Georgia in conjunction with the Cities of Cairo, Camilla and Thomasville, whom provide distribution of broadband cable television and internet services under the trade name “CNS”, created the South Georgia Governmental Services Authority (SGGSA). The SGGSA was created and activated under the provisions of the Development Authority Law of the State of Georgia (O.C.G.A. 36-62-1) for the purpose of providing governmental, proprietary and administrative services and facilities to the Cities of Cairo, Camilla, Moultrie, and Thomasville and other subdivisions, agencies and authorities within its area of operation. The City of Moultrie’s investment in the SGGSA is accounted for on the equity method and is recorded in the Cable TV enterprise fund. The investment had a carrying value of \$1,279,477 at September 30, 2018. Income from the joint venture was \$731,858 for the year ended September 30, 2018. The SGGSA board is made up of eight members, two appointed by each participating city for one year terms. Separate financial statements may be obtained from:

South Georgia Governmental Services Authority
P.O. Box 1676
Thomasville, Georgia 31799

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Moultrie – Colquitt County Development Authority

Through July of 2018, under an agreement with the Moultrie – Colquitt County Development Authority (MCCDA) in conjunction with Colquitt County, the City of Moultrie provided funding on an annual basis to the MCCDA. The City paid the MCCDA \$- for the year ended September 30, 2018. The MCCDA board is made up of eleven members, four appointed by the County, four appointed by the City and three appointed by the previously appointed eight. The MCCDA is charged with promoting industry and the development of trade, by inducing manufacturing, industrial and commercial enterprises to locate in Moultrie and Colquitt County.

Beginning in August of 2018, the Moultrie – Colquitt County Development Authority was supported by property tax revenues. Separate financial statements may be obtained from:

Moultrie – Colquitt County Development Authority
P.O. Box 487
Moultrie, Georgia 31776

NOTE 14 – RELATED ORGANIZATION

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

NOTE 15 – HOTEL / MOTEL LODGING TAX

The City has levied a 7% lodging tax. For the year ended September 30, 2018, \$326,111 of hotel/motel tax was collected and \$46,587 or 15% was remitted to the Chamber of Commerce and the Colquitt County Arts Center for tourism related activities. Management represents that 100% of the lodging tax received during the year ended September 30, 2018 was used for the promotion of tourism, conventions, or trade shows.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

NOTE 16 - RISK MANAGEMENT

The City is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and General Liability and Workers' Compensation

The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the Worker's Compensation law of Georgia. The funds are to pay all cost 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.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Group Medical Benefits

The City is self-insured for group medical and dental benefits up to \$50,000 annually per participant. The self-insurance program is administered by a third party insurance service company. Administrative costs are allocated among the General Fund, Water and Sewer Fund, Electric Revenue Fund, Gas Revenue Fund, Solid Waste Fund, and the Airport Fund. Liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. 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 social factors. The liability for claims payable is reported in the General Fund. The change in the balance of claim liabilities during the past two years is as follows:

	Year Ended September 30,	
	2017	2018
Unpaid claims, beginning of year	\$ 274,239	\$ 169,705
Incurred claims (including IBNRs)	2,010,232	1,999,693
Claim Payments	(2,114,766)	(2,040,715)
Unpaid claims, end of year	\$ 169,705	\$ 128,683

Settlements

During the year ended September 30, 2018, there were no significant reductions in insurance coverage from the prior year and there have been no settlements exceeding insurance coverage in the years ended September 30, 2016, 2017, and 2018.

NOTE 17 – COMMITMENTS AND CONTINGENCIES

Litigation

The City is involved in a number of legal matters, which either have or could result in litigation. The City has accrued amounts related to litigation where an outcome unfavorable to the City is probable and the amount can be estimated. In the opinion of the City attorney, the ultimate outcome of these contingencies will not have a material impact on the financial position of the City.

Grants from Governments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The City expects such disallowed amounts, if any, would not have a material impact on the financial position of the City.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

Agreements with the Municipal Electric Authority of Georgia

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

As of September 30, 2018, the City is an electric utility participant in MEAG and obligated to purchase all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by the Authority. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each participating City has guaranteed a portion of the unpaid debt based on its individual entitlement shares of the output and services of generating units acquired or constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on KWH usage. The total payments under these contracts amounted to \$16,600,519 in 2018.

At September 30, 2018, the outstanding debt of MEAG was approximately \$6.07 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately \$132.9 million at September 30, 2018.

Agreements with the 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 2019, are general obligations of the City to which the City's full faith, credit and taxing powers are pledged. The City's obligation to MGAG for gas supply costs are based on MGAG costs to provide such supply, including bonds issues to purchase long-term rights to bulk supply. The total payments under these contracts amounted to \$1,290,704 for the year ended September 30, 2018.

At September 30, 2018, MGAG's bonds to which the City's obligation share is applicable were outstanding in the approximate principal amount of \$196 million. The City's obligation share of that amount totals approximately \$1.8 million at September 30, 2018.

City of Moultrie, Georgia
Notes to Financial Statements
For the Year Ended September 30, 2018

NOTE 18 – PRIOR PERIOD ADJUSTMENTS

Subsequent to the issuance of its financial statements for the year ended September 30, 2017, the City discovered an error resulting in the misstatement of contributions payable, deferred outflows from pensions, deferred inflows from pensions and net pension liability relating the City’s pension plan.

The City has restated its beginning net position and fund balances at September 30, 2017 to correct the error as follows:

	Net Position - Fund Balance at September 30, 2017 as Previously Reported	Prior Period Adjustment	Net Position - Fund Balance at September 30, 2017 Fund Balance as Restated
Governmental Activities	\$ 30,213,980	\$ 264,520	\$ 30,478,500
Business-type Activities	72,060,439	(526,149)	71,534,290
Total Government Wide	102,274,419	(261,629)	102,012,790
Water and Sewer Fund	25,967,438	(175,208)	25,792,230
Electric Fund	35,127,276	(149,035)	34,978,241
Gas Fund	1,468,149	(402)	1,467,747
Solid Waste Fund	3,155,198	(201,504)	2,953,694
Total Enterprise Funds	\$ 65,718,061	\$ (526,149)	\$ 65,191,912
Pension Trust Fund	\$ 13,176,403	\$ 219,646	\$ 13,396,049
General Fund	\$ 6,639,357	\$ (145,450)	\$ 6,493,907

City of Moultrie, Georgia
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended September 30, 2018

	2018	2017	2016
Total pension liability			
Service cost	\$ 293,623	\$ 618,598	\$ 637,338
Expected interest growth	979,243	968,914	991,563
Demographic experience	(138,722)	(87,072)	(1,023,159)
Benefit payments	(882,473)	(853,317)	(1,019,237)
Changes in benefit terms	(3,903,182)	-	(438)
Assumption changes	578,536	-	-
Net change in pension liability	(3,072,975)	647,123	(413,933)
Total pension liability - beginning	18,861,666	18,214,543	18,628,476
Total pension liability - ending (a)	15,788,691	18,861,666	18,214,543
Plan fiduciary net position			
Employer contributions	84,313	372,201	329,067
Employee contributions	51,771	224,604	257,851
Expected interest growth	689,403	668,516	647,050
Unexpected investment income	206,005	141,019	138,195
Administrative expenses	(11,798)	(34,012)	(27,721)
Benefit payments	(882,473)	(853,317)	(1,019,237)
Net change in fiduciary net position	137,221	519,011	325,205
Plan fiduciary net position - beginning	13,396,049	12,877,038	12,551,833
Plan fiduciary net position - ending (b)	13,533,270	13,396,049	12,877,038
Net pension liability (a) - (b)	\$ 2,255,421	\$ 5,465,617	\$ 5,337,505
Plan fiduciary net position as a percentage of the total pension liability	85.71%	71.02%	70.70%
Covered-employee payroll	\$ 4,922,494	\$ 4,836,938	\$ 5,044,899
Net pension liability as a percentage of covered-employee payroll	45.82%	113.00%	105.80%

Notes to the Schedule

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

City of Moultrie, Georgia
Required Supplementary Information
Schedule of Employer Contributions –Pension Plan
For the Year Ended September 30, 2018

	2018		2017		2016
Actuarially determined contribution	\$ 336,699	\$	336,892	\$	329,067
Contributions in relation to the actuarially determined contribution	84,313		372,201		329,067
Contribution deficiency (excess)	252,386		(35,309)		-
Covered-employee payroll	\$ 4,922,494	\$	4,836,938	\$	5,044,899
Contributions as a percentage of covered-employee payroll	1.71%		7.69%		6.52%

Notes to the Schedule

(1) Actuarial assumptions

Valuation date	October 1, 2017
Actuarial cost method	Entry age
Actuarial asset valuation method	Market value of assets
Assumed rate of return on investments	3.25%
Projected salary increases	3.25%
Inflation rate	2.00%
Amortization method	20 years level

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

City of Moultrie, Georgia
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2018

	Special Revenue Funds			Capital Projects Funds			Total Nonmajor Governmental Funds
	Multiple Grants	Confiscated Assets	Hotel Motel Tax	Community Development	TSPLOST	Paving Program	
Assets							
Cash and cash equivalents	\$ 255	\$ 40,805	\$ 216,501	\$ -	\$ 448,826	\$ -	\$ 706,387
Accounts receivable, net	-	-	-	52,330	112,474	-	164,804
Prepaid expenses	-	-	1,306	-	-	-	1,306
Due from other funds	16,253	-	-	-	-	196	16,449
Restricted assets:							
Cash and cash equivalents	12,045	-	-	955,702	-	-	967,747
Program receivables	-	-	-	12,558	-	-	12,558
Total assets	28,553	40,805	217,807	1,020,590	561,300	196	1,869,251
Liabilities							
Accounts payable	-	-	14,405	99	-	-	14,504
Accrued expenses	-	-	2,032	-	-	-	2,032
Due to other funds	1,077	100	5,444	205	-	100	6,926
Due to component units	-	-	-	-	-	-	-
Total liabilities	1,077	100	21,881	304	-	100	23,462
Fund Balances							
Nonspendable:							
Prepaid expenses	-	-	1,306	-	-	-	1,306
Restricted for:							
Community development	27,476	-	194,620	1,020,286	-	96	1,242,478
Public safety	-	40,705	-	-	-	-	40,705
Capital projects	-	-	-	-	561,300	-	561,300
Unassigned	-	-	-	-	-	-	-
Total fund balances	27,476	40,705	195,926	1,020,286	561,300	96	1,845,789
Total liabilities and fund balances	\$ 28,553	\$ 40,805	\$ 217,807	\$ 1,020,590	\$ 561,300	\$ 196	\$ 1,869,251

City of Moultrie, Georgia
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances – Nonmajor Governmental Funds
For the Year Ended September 30, 2018

	Special Revenue Funds			Capital Projects Funds			Total Nonmajor Governmental Funds
	Multiple Grants	Confiscated Assets	Hotel Motel Tax	Community Development	TSPLOST	Paving Program	
Revenues							
Taxes	\$ -	\$ -	\$ 326,111	\$ -	\$ -	\$ -	\$ 326,111
Fines, forfeitures and fees	-	7,822	-	-	-	-	7,822
Charges for services	-	-	11,260	-	-	-	11,260
Intergovernmental	23,075	-	-	-	560,940	-	584,015
Investment income	-	28	-	7,247	360	-	7,635
Other revenues	-	-	20,556	-	-	-	20,556
Total revenues	23,075	7,850	357,927	7,247	561,300	-	957,399
Expenditures							
Current:							
Community development	19,950	-	363,998	9,623	-	-	393,571
Capital outlays	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Total expenditures	19,950	-	363,998	9,623	-	-	393,571
Excess (deficiency) of revenues over (under) expenditures	3,125	7,850	(6,071)	(2,376)	561,300	-	563,828
Other Financing Sources (Uses)							
Transfers	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balances	3,125	7,850	(6,071)	(2,376)	561,300	-	563,828
Fund balances,							
beginning of year	24,351	32,855	201,997	1,022,662	-	96	1,281,961
Fund balances,							
end of year	\$ 27,476	\$ 40,705	\$ 195,926	\$ 1,020,286	\$ 561,300	\$ 96	\$ 1,845,789

City of Moultrie, Georgia
Schedule of Revenues, Expenditures, and Changes
in Fund Balances – Budget and Actual
Multiple Grants Fund
For the Year Ended September 30, 2018

	Budget		Actual	Variance With Final Budget
	Original	Final Amended		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and fees	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	23,074	23,074	23,075	1
Investment income	-	-	-	-
Other revenues	-	-	-	-
Total revenues	23,074	23,074	23,075	1
Expenditures				
Current:				
Community development	19,950	19,950	19,950	-
Public safety	-	-	-	-
Capital outlays	-	-	-	-
Total expenditures	19,950	19,950	19,950	-
Excess (deficiency) of revenues over expenditures	3,124	3,124	3,125	1
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	3,124	3,124	3,125	1
Fund balance, beginning of year	24,351	24,351	24,351	-
Fund balance, end of year	\$ 27,475	\$ 27,475	\$ 27,476	\$ 1

City of Moultrie, Georgia
Schedule of Revenues, Expenditures, and Changes
in Fund Balances – Budget and Actual
Confiscated Assets Fund
For the Year Ended September 30, 2018

	Budget		Actual	Variance With Final Budget
	Original	Final Amended		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and fees	-	-	7,822	7,822
Charges for services	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	-	-	28	28
Other revenues	-	-	-	-
Total revenues	-	-	7,850	7,850
Expenditures				
Current:				
Community development	-	-	-	-
Public safety	-	-	-	-
Capital outlays	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	7,850	7,850
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	7,850	7,850
Fund balance, beginning of year	32,855	32,855	32,855	-
Fund balance, end of year	\$ 32,855	\$ 32,855	\$ 40,705	\$ 7,850

City of Moultrie, Georgia
Schedule of Revenues, Expenditures, and Changes
in Fund Balances – Budget and Actual
Hotel/Motel Tax Fund
For the Year Ended September 30, 2018

	Budget		Actual	Variance With Final Budget
	Original	Final Amended		
Revenues				
Taxes	\$ 345,000	\$ 345,000	\$ 326,111	\$ (18,889)
Fines, forfeitures and fees	-	-	-	-
Charges for services	11,500	11,500	11,260	(240)
Intergovernmental	-	-	-	-
Investment income	-	-	-	-
Other revenues	24,500	24,500	20,556	(3,944)
Total revenues	381,000	381,000	357,927	(23,073)
Expenditures				
Current:				
Community development	376,232	376,232	363,998	12,234
Public safety	-	-	-	-
Capital outlays	20,000	20,000	-	20,000
Total expenditures	396,232	396,232	363,998	32,234
Excess (deficiency) of revenues over expenditures	(15,232)	(15,232)	(6,071)	9,161
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(15,232)	(15,232)	(6,071)	9,161
Fund balance, beginning of year	201,997	201,997	201,997	-
Fund balance, end of year	\$ 186,765	\$ 186,765	\$ 195,926	\$ 9,161

City of Moultrie, Georgia
Combining Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2018

Business Type Activities - Enterprise Funds

	Solid Waste Fund	Cable TV Fund	Airport Fund	Tele- Comm Fund	Utilities Deposit Fund	Mass Transit Fund	Gas Fund	Telephony Fund	Total
Assets									
Current assets:									
Cash and cash equivalents	\$ -	\$ 823,409	\$ -	\$ 42,523	\$ -	\$ 14,809	\$ -	\$ -	\$ 880,741
Accounts receivable, net	157,455	336,302	6,280	90,303	1,641	625	228,043	21,106	841,755
Due from other funds	3,486,680	28,577	839,662	5,982	893,931	-	1,816,301	1,008,396	8,079,529
Inventories	-	-	-	-	-	-	67,636	-	67,636
Other current assets	26,383	3,506	7,034	115,373	-	-	5,757	-	158,053
Total current assets	3,670,518	1,191,794	852,976	254,181	895,572	15,434	2,117,737	1,029,502	10,027,714
Noncurrent assets:									
Investment in SGBDA	-	1,279,477	-	-	-	-	-	-	1,279,477
Restricted assets - cash	-	-	-	-	-	-	220,488	-	220,488
Capital assets									
Land	-	-	-	-	-	-	16,786	-	16,786
Construction in progress	-	-	-	-	-	-	-	-	-
Other capital assets, net of accumulated depreciation	1,536,995	-	648,184	-	-	1,504,609	620,755	-	4,310,543
Total noncurrent assets	1,536,995	1,279,477	648,184	-	-	1,504,609	858,029	-	5,827,294
Total assets	5,207,513	2,471,271	1,501,160	254,181	895,572	1,520,043	2,975,766	1,029,502	15,855,008
Deferred Outflows of Resources									
Deferred pension cost	410,100	-	-	-	-	-	114,799	-	524,899
Refunding of debt	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	410,100	-	-	-	-	-	114,799	-	524,899

City of Moultrie, Georgia
Combining Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2018

	Business Type Activities - Enterprise Funds								
	Solid Waste Fund	Cable TV Fund	Airport Fund	Tele- Comm Fund	Utilities Deposit Fund	Mass Transit Fund	Gas Fund	Telephony Fund	Total
Liabilities									
Current liabilities payable from current assets:									
Accounts payable	97,051	57,952	827	-	47,191	632	94,302	64,225	362,180
Accrued expenses	7,298	-	30	-	-	-	3,860	-	11,188
Lines of credit	-	-	-	-	-	-	-	-	-
Current portion of long term debt	210,585	-	-	-	-	-	-	-	210,585
Customer deposits	-	-	6,868	-	1,124,780	-	-	15,016	1,146,664
Due to other governments	-	289,460	-	-	-	-	-	33,225	322,685
Due to other funds	1,027,303	55,204	59,283	1,033,115	-	8,259	1,091,060	98	3,274,322
Advance from other funds	-	-	-	-	-	-	-	-	-
Total current liabilities payable from current assets	1,342,237	402,616	67,008	1,033,115	1,171,971	8,891	1,189,222	112,564	5,327,624
Long-term liabilities:									
Long term debt	346,979	-	-	-	-	-	-	-	346,979
Compensated absences	-	-	-	-	-	-	-	-	-
Net pension liability	250,577	-	-	-	-	-	70,144	-	320,721
Total long-term liabilities	597,556	-	-	-	-	-	70,144	-	667,700
Total liabilities	1,939,793	402,616	67,008	1,033,115	1,171,971	8,891	1,259,366	112,564	5,995,324
Deferred Inflows of Resources									
Deferred inflows - pension	142,125	-	-	-	-	-	39,785	-	181,910
Total deferred inflows of resources	142,125	-	-	-	-	-	39,785	-	181,910
Net Position									
Net investment in capital assets	979,431	-	648,184	-	-	1,504,609	637,541	-	3,769,765
Restricted for debt service	-	-	-	-	-	-	-	-	-
Unrestricted	2,556,264	2,068,655	785,968	(778,934)	(276,399)	6,543	1,153,873	916,938	6,432,908
Total net position	\$ 3,535,695	\$ 2,068,655	\$ 1,434,152	\$ (778,934)	\$ (276,399)	\$ 1,511,152	\$ 1,791,414	\$ 916,938	\$ 10,202,673

City of Moultrie, Georgia
Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended September 30, 2018

	Business Type Activities - Enterprise Funds								
	Solid Waste Fund	Cable TV	Airport Fund	Tele- Comm Fund	Utilities Deposit Fund	Mass Transit Fund	Gas Fund	Telephony Fund	Total
Operating Revenues									
Utility revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	2,658,398	533	-	100,080	-	-	2,331,682	39,677	5,130,370
Miscellaneous	20,444	-	157,739	-	-	7,500	1,833	-	187,516
Intergovernmental	105,391	-	51,006	-	-	-	-	-	156,397
Total operating revenues	2,784,233	533	208,745	100,080	-	7,500	2,333,515	39,677	5,474,283
Operating Expenses									
Salaries and wages	230,465	176	2,919	-	-	-	171,052	87	404,699
Operating, administrative, and maintenance	1,326,652	227,667	163,647	3,126	-	7,540	1,480,433	68,970	3,278,035
Depreciation	271,369	-	80,644	-	-	54,720	91,264	-	497,997
Total operating expenses	1,828,486	227,843	247,210	3,126	-	62,260	1,742,749	69,057	4,180,731
Operating income (loss)	955,747	(227,310)	(38,465)	96,954	-	(54,760)	590,766	(29,380)	1,293,552
Nonoperating Revenues (Expenses)									
Interest income	-	459	-	853	-	-	1,953	-	3,265
Interest expense	(15,575)	-	-	-	-	-	-	(293)	(15,868)
Gain on disposition of assets	12,517	-	-	-	-	-	-	-	12,517
Equity in income from joint venture	-	731,858	-	-	-	-	-	-	731,858
Total nonoperating revenues (expenses)	(3,058)	732,317	-	853	-	-	1,953	(293)	731,772
Income (loss) before transfers and capital contributions	952,689	505,007	(38,465)	97,807	-	(54,760)	592,719	(29,673)	2,025,324
Transfers	(370,688)	(23,930)	(4,800)	(1,918,000)	-	-	(269,052)	-	(2,586,470)
Capital Contributions	-	-	-	-	-	-	-	-	-
Change in net position	582,001	481,077	(43,265)	(1,820,193)	-	(54,760)	323,667	(29,673)	(561,146)
Net position (deficit), beginning of year, restated	2,953,694	1,587,578	1,477,417	1,041,259	(276,399)	1,565,912	1,467,747	946,611	10,763,819
Net position (deficit), end of year	\$ 3,535,695	\$ 2,068,655	\$ 1,434,152	\$ (778,934)	\$ (276,399)	\$ 1,511,152	\$ 1,791,414	\$ 916,938	\$ 10,202,673

City of Moultrie, Georgia
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2018

	Business Type Activities - Enterprise Funds								
	Solid Waste fund	Cable TV Fund	Airport Fund	Tele- Comm Fund	Utilities Deposit Fund	Mass Transit fund	Gas Fund	Telephony Fund	Total
Cash Flows from Operating Activities									
Cash received from customers and users	\$ 2,657,369	\$ 308,767	\$ 156,601	\$ 27,080	\$ -	\$ -	\$ 2,293,517	\$ 39,979	\$ 5,483,313
Other operating receipts	20,444	-	338	-	250,750	7,500	1,833	-	280,865
Cash payments to employees	(585,322)	(516,119)	(2,976)	-	-	-	(263,852)	(87)	(1,368,356)
Cash payments to suppliers	(1,329,450)	-	(163,454)	(47,282)	-	(6,909)	(1,472,496)	(40,946)	(3,060,537)
Intergovernmental receipts	105,391	-	51,006	-	-	-	-	-	156,397
New customer utility deposits	-	-	-	-	-	-	-	-	-
Refunded customer utility deposits	-	-	-	-	-	-	-	-	-
Net cash provided (used) by operating activities	868,432	(207,352)	41,515	(20,202)	250,750	591	559,002	(1,054)	1,491,682
Cash Flows from Noncapital Financing Activities									
Transfers	(370,688)	(23,930)	(4,800)	(1,918,000)	-	-	(269,052)	-	(2,586,470)
Net change in due from other funds	(285,881)	(700,533)	(35,837)	-	(250,750)	-	(354,473)	1,347	(1,626,127)
Net change in due from component unit	-	-	-	-	-	-	-	-	-
Net change in due to other funds	(15,021)	-	(878)	(1,488)	-	-	83,988	-	66,601
Net cash provided (used) by noncapital financing activities	(671,590)	(724,463)	(41,515)	(1,919,488)	(250,750)	-	(539,537)	1,347	(4,145,996)

City of Moultrie, Georgia
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2018

	Business Type Activities - Enterprise Funds								Total
	Solid Waste fund	Cable TV Fund	Airport Fund	Tele-Comm Fund	Utilities Deposit Fund	Mass Transit fund	Gas Fund	Telephony Fund	
Cash Flows from Capital and Related Financing Activities									
Change in deferred costs	-	-	-	-	-	-	-	-	-
Proceeds from issuance of long - term debt	-	-	-	-	-	-	-	-	-
Proceeds from sale of assets	85,192	-	-	-	-	-	-	-	85,192
Proceeds from capital contributions	-	-	-	-	-	-	-	-	-
Acquisition and construction of capital assets	(61,065)	-	-	-	-	-	(21,307)	-	(82,372)
Principal payments on debt	(205,394)	-	-	-	-	-	-	-	(205,394)
Interest paid	(15,575)	-	-	-	-	-	-	(293)	(15,868)
Net cash provided (used) by capital and related financing activities	(196,842)	-	-	-	-	-	(21,307)	(293)	(218,442)
Cash Flows from Investing Activities									
Purchase of investments	-	-	-	-	-	-	-	-	-
Distributions from joint venture	-	238,930	-	-	-	-	-	-	238,930
Interest received	-	459	-	853	-	-	1,953	-	3,265
Net cash provided (used) by investing activities	-	239,389	-	853	-	-	1,953	-	242,195
Net increase (decrease) in cash and cash equivalents	-	(692,426)	-	(1,938,837)	-	591	111	-	(2,630,561)
Cash and cash equivalents, beginning of year	-	1,515,835	-	1,981,360	-	14,218	220,377	-	3,731,790
Cash and cash equivalents, end of year	\$ -	\$ 823,409	\$ -	\$ 42,523	\$ -	\$ 14,809	\$ 220,488	\$ -	\$ 1,101,229

City of Moultrie, Georgia
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2018

Business Type Activities - Enterprise Funds

	Solid Waste fund	Cable TV Fund	Airport Fund	Tele- Comm Fund	Utilities Deposit Fund	Mass Transit fund	Gas Fund	Telephony Fund	Total
Reconciliation of Net Operating Income to Net Cash Provided (Used) By Operating Activities									
Operating income (loss)	\$ 955,747	\$ (227,310)	\$ (38,465)	\$ 96,954	\$ -	\$ (54,760)	\$ 590,766	\$ (29,380)	\$ 1,293,552
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:									
Depreciation	271,369		80,644	-	-	54,720	91,264	-	497,997
New customer utility deposits	-		-	-	246,363	-	-	-	246,363
Refunded customer utility deposits	-		-	-	-	-	-	-	-
Changes in assets and liabilities:									
(Increase) decrease in:									
Accounts receivable	(1,029)	(14,034)	-	(73,000)	-	-	(38,165)	(419)	(126,647)
Deferred charges	-		-	-	-	-	-	-	-
Inventories	-		-	-	-	-	3,506	-	3,506
Other current assets	3,097	58	2,947	-	-	-	278	-	6,380
Increase (decrease) in:									
Accounts payable	(5,895)	33,934	(2,753)	(26,050)	4,387	631	2,608	12,881	19,743
Accrued expenses	425		(858)	(18,106)	-	-	(489)	15,864	(3,164)
Compensated absences and pensions	(355,282)		-	-	-	-	(90,766)	-	(446,048)
Net cash provided (used) by operating activities	\$ 868,432	\$ (207,352)	\$ 41,515	\$ (20,202)	\$ 250,750	\$ 591	\$ 559,002	\$ (1,054)	\$ 1,491,682
NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES									
Capital assets purchased with debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total non-cash capital and related financing activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



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

To the Honorable Mayor and City Council
City of Moultrie, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the fiduciary funds and the aggregate remaining fund information of the City of Moultrie, Georgia, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise The City of Moultrie, Georgia 's basic financial statements and have issued our report thereon dated November 18, 2019. Our report includes a reference to other auditors who audited the financial statements of the South Georgia Governmental Services Authority (SGGSA), a joint venture, as described in our report on the City of Moultrie, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Moultrie's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Moultrie's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Moultries'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 that we consider to be material weaknesses. (2018-001, 2018-002, 2018-003, 2018-004, 2018-005, 2018-006, 2018-007, 2018-008, and 2018-009)

Compliance and Other Matters

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

The City of Moultrie, Georgia's Response to Findings

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

Purpose of this Report

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

Carr, Riggs & Ingram, L.L.C.

November 18, 2019
Tifton, Georgia

City of Moultrie, Georgia
Schedule of Financial Statement Findings
For the Year Ended September 30, 2018

SECTION II FINDINGS – FINANCIAL STATEMENT FINDINGS AND RESPOSNES

Material Weaknesses

2018-1

Criteria:

Duties should be segregated between employees so that the responsibility for authorizing transactions, recording transactions, and maintaining custody of assets are assigned to different personnel.

Condition:

The City of Moultrie, Georgia is a small local government and has a limited amount of resources and employees. Therefore, the City does not have an adequate number of employees to provide for the proper segregation of duties.

Cause of Condition:

Since the City is a small local government, it is not financially feasible for the City to hire additional employees to provide for and adequate segregation of duties.

Effect of Condition:

The City's internal control structure does not contain adequate safeguarding controls provided by segregation of duties that would provide for the prevention or timely detection of unauthorized access to assets that could result in losses that are material to the financial statements.

Response of Management:

Management concurs with this finding and is developing additional policies and procedures and monitoring activities over financial reporting.

2018-002

Criteria:

Fund balances should be reconciled and rolled forward from the prior year balance.

Condition:

Reconciliations and roll forwards of fund balances were not properly performed.

Cause of Condition:

Additional year end closing entries were required for reporting in accordance with generally accepted accounting principles.

Effect of Condition:

Audit adjustments were required for reporting in accordance with generally accepted accounting principles.

Response of Management:

Management concurs with this finding and is developing additional policies and procedures and monitoring activities over the fund balances.

City of Moultrie, Georgia
Schedule of Financial Statement Findings
For the Year Ended September 30, 2018

SECTION II FINDINGS – FINANCIAL STATEMENT FINDINGS AND RESPOSNES (CONTINUED)

Material Weaknesses (Continued)

2018-003

Criteria:

Generally accepted accounting principles (“GAAP”) call for revenues to be reported, under the modified accrual basis of accounting for governmental funds, when realized or realizable and are earned and available.

Condition:

Internal controls did not detect various misstatements in the reporting of the City’s revenue, related receivables and allowances for uncollectible receivables.

Cause of Condition:

During our testing, audit adjustments were necessary to adjust revenues, related receivables and allowances for uncollectible receivables.

Effect of Condition:

Audit adjustments were required because misstatements were not detected in the reporting of the City’s revenues, related receivables and allowances for uncollectible receivables.

Response of Management:

Management concurs with this finding. The adjustments proposed as a result of the findings have been made to the September 30, 2018 financial statements. We will work to revenues, related receivables and allowances for uncollectible receivables are reported accurately at year-end.

2018-004

Criteria:

Generally accepted accounting principles (“GAAP”) call for revenues to be reported, under the modified accrual basis of accounting for proprietary funds, when earned.

Condition:

Internal controls did not detect various misstatements in the reporting of the City’s revenue, related receivables and allowances for uncollectible receivables.

Cause of Condition:

During our testing, audit adjustments were necessary to adjust revenues, related receivables and allowances for uncollectible receivables.

Effect of Condition:

Audit adjustments were required because misstatements were not detected in the reporting of the City’s revenues, related receivables and allowances for uncollectible receivables.

Response of Management:

Management concurs with this finding. The adjustments proposed as a result of the findings have been made to the September 30, 2018 financial statements. We will work to revenues, related receivables and allowances for uncollectible receivables are reported accurately at year-end.

City of Moultrie, Georgia
Schedule of Financial Statement Findings
For the Year Ended September 30, 2018

SECTION II FINDINGS – FINANCIAL STATEMENT FINDINGS AND RESPOSNES (CONTINUED)

Material Weaknesses (Continued)

2018-005

Criteria:

Generally accepted accounting principles (“GAAP”) call for an entity to recognize its respective share of earnings or losses in an investee in the periods for which they are reported by the investee in its financial statements.

Condition:

Internal controls did not detect various misstatements in the reporting of the City’s equity method investment in the joint venture with the South Georgia Governmental Services Authority (SGGSA).

Cause of Condition:

During our testing of investments, audit adjustments were necessary to record the earnings and losses in the SGGSA as reported in the SGGSA’s audited financial statements.

Effect of Condition:

Audit adjustments were required because misstatements were not detected in the reporting of the City’s investment in the SGGSA.

Response of Management:

Management concurs with this finding. The adjustments proposed as a result of the findings have been made to the September 30, 2018 financial statements. We will work to ensure that changes due to earnings or losses from the investment with the SGGSA are reported accurately in the period which they occur.

2018-006

Criteria:

GASBS 10 and 30 require liability claims incurred but not reported (IBNR) to be estimated and recorded at the balance sheet date.

Condition:

Year-end closing policies did not record the IBNR liability accurately based on liability claim historical and projected reports.

Cause of Condition:

During our testing of insurance claims, audit adjustments were necessary to adjust the IBNR liability to actual.

Effect of Condition:

Audit adjustments were required because misstatements were not detected in the reporting of the City’s IBNR liability.

City of Moultrie, Georgia
Schedule of Financial Statement Findings
For the Year Ended September 30, 2018

SECTION II FINDINGS – FINANCIAL STATEMENT FINDINGS AND RESPOSNES (CONTINUED)

Material Weaknesses (Continued)

Response of Management:

Management concurs with this finding. The adjustments proposed as a result of the findings have been made to the September 30, 2018 financial statements. We will work to insurance related IBNR liability is reported accurately at year-end.

2018-007

Criteria:

Proceeds from debt should be recorded as other financing sources and principal payments of debt should be recorded as expenditures in the General Fund.

Condition:

The proceeds from capital leases and payment of capital leases were recorded in the fund balance of the General Fund

Cause of Condition:

Proceeds from capital leases and principal payments on capital leases were not recorded as other financing sources and expenditures in the General Fund.

Effect of Condition:

The other financing sources and expenditures in the General Fund were understated.

Response of Management:

Management concurs with this finding. The adjustments proposed in the finding have been made to the September 30, 2018 financial statements. We will continue to improve our process for recording proceeds and principal payments on capital leases.

2018-008

Criteria:

Internal controls should be in place to ensure that long-term debt balances are accurate and agree with terms of the debt agreements.

Condition:

Long-term debt balances were not recorded accurately at year-end.

Cause of Condition:

Audit adjustments to long-term debt were necessary to agree balances with the terms of the debt agreements.

Effect of Condition:

Audit adjustments to long-term debt were required because misstatements were not detected in the reporting of the aforementioned items.

City of Moultrie, Georgia
Schedule of Financial Statement Findings
For the Year Ended September 30, 2018

SECTION II FINDINGS – FINANCIAL STATEMENT FINDINGS AND RESPOSNES (CONTINUED)

Material Weaknesses (Continued)

Response of Management:

Management concurs with this finding. The adjustments proposed as a result of the findings have been made to the September 30, 2018 financial statements. We will work to ensure that long-term debt are reported accurately in the future.

2018-009

Criteria:

Internal controls should be in place to ensure that defined benefit plan liabilities and deferred outflows/inflows of resources are accurate and agree with actuarial reports.

Condition:

Defined benefit plan liabilities and deferred outflows/inflows of resources related to the City's defined benefit plan were not recorded accurately at year-end.

Cause of Condition:

Audit adjustments to defined benefit plan liabilities and deferred outflows/inflows of resources were necessary to agree with the most recent external defined benefit plan reports.

Effect of Condition:

Audit adjustments to defined benefit plan liabilities and deferred outflows/inflows of resources were required because misstatements were not detected in the reporting of the aforementioned items.

Response of Management:

Management concurs with this finding. The adjustments proposed as a result of the findings have been made to the September 30, 2018 financial statements. We will work to ensure that defined benefit plan liabilities and deferred outflows/inflows of resources are reported accurately in the future.

City of Moultrie, Georgia
Schedule of Prior Financial Statement Findings
For the Year Ended September 30, 2018

SECTION II FINDINGS – FINANCIAL STATEMENT AUDIT

Findings noted on the 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*.

2017-001

Condition:

The City of Moultrie, Georgia is a small local government and has a limited amount of resources and employees. Therefore, the City does not have an adequate number of employees to provide for the proper segregation of duties.

Status:

The above finding is included as finding 2018-001 in the current year Schedule of Financial Statement Findings.

2017-002

Condition:

Generally accepted accounting principles require fund financial statements to be reported using the modified accrual basis of accounting in the governmental funds and the accrual basis of accounting in the proprietary funds.

Status:

The above finding is included as findings 2018-002 to 2018-009 in the current year Schedule of Financial Statement Findings.

City of Moultrie, Georgia
Schedule of Special Purpose Local Option Sales Tax Expenditures
For the Year Ended September 30, 2018

Special Purpose Local Option Sales Tax - 2006	Estimated Cost		Expenditures		
	Original	Revised	Prior Years	Current Year	Total
Wastewater treatment improvement	\$ 9,725,000	\$ -	\$ 10,250,775	\$ -	\$ 10,250,775
Streets and drainage	2,000,000	-	2,550,998	-	2,550,998
Total	\$ 11,725,000	\$ -	\$ 12,801,773	\$ -	\$ 12,801,773

Special Purpose Local Option Sales Tax - 2013	Estimated Cost		Expenditures		
	Original	Revised	Prior Years	Current Year	Total
Wastewater treatment improvement	\$ 7,891,000	\$ -	\$ 7,220,297	\$ 882,013	\$ 8,102,310
Road, bridge and drainage	2,000,000	-	631,081	449,080	1,080,161
Joint project - City of Moultrie recreational facilities	1,500,000	-	363,260	-	363,260
Total	\$ 11,391,000	\$ -	\$ 8,214,638	\$ 1,331,093	\$ 9,545,731