



***Financial Statements for the
Fiscal Year Ended December 31, 2017***

Independent Auditor's Report

J. Robyn Underwood, CPA

Member of American Institute of Certified Public Accountants

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City of West Point, Georgia
Annual Financial Report
For the Year Ended December 31, 2017

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Independent Auditor's Report

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Independent Auditor's Report

Honorable Mayor and
Members of the City Council
West Point, Georgia

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinions the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component opinion units, each major fund, and the aggregate remaining fund information of The City of West Point as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, beginning on page three, the pension information on page forty-eight, and the budgetary comparison be presented to supplement the basic financial statements, beginning on page fifty-one. Such information, although not a part of the basic financial statements, is required by the Governmental Auditing 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. 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. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of West Point's basic financial statements. The Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual – Non Major Funds, Combining and Individual Fund Statements and Schedules – Governmental and Proprietary Funds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual – Non Major Funds, Combining and Individual Fund Statements and Schedules – Governmental and Proprietary Funds is the responsibility of management and was derived from and relates 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 Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual – Non Major Funds, Combining and Individual Fund Statements and Schedules – Governmental and Proprietary Funds is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2018 on our consideration of West Point's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering West Point's internal control over financial reporting and compliance.



J. Rebyn Underwood, CPA
Barnesville, Georgia
May 29, 2018

Management's Discussion and Analysis

City of West Point
Management's Discussion and Analysis
For the fiscal year ended December 31, 2017

As management of City of West Point, Georgia, we offer readers of our financial statements this narrative overview and analysis of the financial activities of City of West Point for the fiscal year ended December 31, 2017. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's financial statements, which follow this narrative.

Financial Highlights

Key financial highlights for FYE 2017 are as follows:

The City's combined net positions totaled \$45.1 million. Of this amount, unrestricted net positions amounted to \$14.7 million.

Combined revenue totaled \$19 million.

Overall expenses totaled \$16 million.

Overall the net change in fund balance was an increase of \$1,001,514.

The net change in the General Fund balance was an increase of \$278,284.

As of December 31, 2017, the City's General Fund reported an unassigned fund balance of \$4.6 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to City of West Point, Georgia's basic financial statements. The City's basic financial statements consist of the following elements:

Government-wide Financial Statements

Government-wide financial statements provide both long-term and short-term information about the City's overall financial condition. Changes in the City's financial position may be measured over time by increases and decreases in the Statement of Net Positions. Information on how the City's net positions changed during the fiscal year is presented in the Statement of Activities.

Fund Financial Statements

Fund financial statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide financial statements. Fund financial statements include the statements for governmental and proprietary funds.

City of West Point
Management's Discussion and Analysis
For the fiscal year ended December 31, 2017

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.

Refer to Note 1 to the financial statements for more detailed information on the elements of the financial statements. Table 1 (shown below) summarizes the major features of the basic financial statements.

Table 1: Major Features of the Basic Financial Statements

	Government-wide Financial Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire State 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
Required Financial Statements	- Statement of Net Positions - Statement of Activities	- Balance Sheet - Statement of Revenues, Expenditures, and Changes in Fund Balances	- Statement of Net Positions - Statement of Revenues, Expenditures, and Changes in Net Positions - Statement of Cash Flows
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
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
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

City of West Point
Management's Discussion and Analysis
For the fiscal year ended December 31, 2017

Government-wide Financial Analysis

Condensed Statement of Net Positions

Table 2 (shown below) presents the City's condensed statement of net positions as of December 31, 2017 and 2016.

Table 2: Condensed Statement of Net Positions

	<u>Governmental Activities</u>	
	2017	2016
Assets		
Current and Other Assets	\$ 7,310,990	\$ 6,228,610
Capital Assets	17,276,269	17,161,466
Total Assets	<u>\$ 24,587,259</u>	<u>\$ 23,390,076</u>
Deferred Outflows - Pensions	\$ 441,794	\$ 649,042
	=====	=====
Liabilities		
Other Liabilities	\$ 243,550	\$ 146,380
Long-term Liabilities	4,504,486	7,280,753
Total Liabilities	<u>\$ 4,748,036</u>	<u>\$ 7,427,133</u>
Deferred Inflows - Pensions	\$ 705,872	\$ 64,944
	=====	=====
Net Positions		
Net Investment in Capital Assets	\$ 14,201,713	\$ 13,244,599
Restricted	2,228,152	1,521,226
Unrestricted	3,145,280	1,781,216
Total Net Positions	<u>\$ 19,575,145</u>	<u>\$ 16,547,041</u>

The largest component of the City's net positions is its investment in capital assets (e.g. land, infrastructure, buildings, equipment, and others), less any related debt outstanding that was needed to acquire or construct the assets. The City uses these capital assets to provide services to the citizens and businesses in the City; consequently, these net positions are not available for future spending. Restricted net positions represent resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. The remaining portion of net positions is unrestricted, which can be used to finance government operations.

	<u>Business-Type Activities</u>	
	2017	2016
Assets		
Current and Other Assets	\$ 13,996,078	\$ 12,222,541
Capital Assets	35,240,094	36,826,179
Total Assets	<u>\$ 49,236,172</u>	<u>\$ 49,048,720</u>
Deferred Outflows - Pensions	\$ 93,383	\$ 105,264
	=====	=====
Liabilities		
Other Liabilities	\$ 192,729	\$ 285,547
Long-term Liabilities	23,599,284	23,316,699
Total Liabilities	<u>\$ 23,792,013</u>	<u>\$ 23,602,246</u>
Net Positions		
Net Investment in Capital Assets	\$ 12,865,384	\$ 12,504,079
Restricted	1,137,760	1,137,557
Unrestricted	11,534,398	11,910,102
Total Net Positions	<u>\$ 25,537,542</u>	<u>\$ 25,551,738</u>

City of West Point
Management's Discussion and Analysis
For the fiscal year ended December 31, 2017

Condensed Statement of Activities

Table 3 (shown below) presents the City's condensed statement of activities for the year ended December 31, 2017 and 2016. Over time, increases and decreases in net positions measure whether the City's financial position is improving or deteriorating.

*Table 3: Condensed Statement of Activities
(Expressed in thousands of dollars)*

	Governmental Activities	Business Activities	Total	Governmental Activities Prior Year	Business Activities Prior Year
Revenues:					
Program:					
Charges for Services	\$ 925	\$ 11,286	\$ 12,211	\$ 863	\$ 12,479
Operating Grants & Contributions	53	-----	53	65	-----
Capital Grants & Contributions	1,852	-----	1,852	262	1,829
General:					
Property Taxes	2,895	-----	2,895	3,074	-----
Sales Taxes	611	-----	611	296	-----
Other Taxes	1,378	-----	1,378	1,912	-----
Interest	9	1	10	23	1
Other	83	-----	83	204	-----
Total Revenues	\$ 7,806	\$ 11,287	\$ 19,093	\$ 6,699	\$ 14,309
Program Expenses:					
General Government	\$ 871	\$ -----	\$ 871	\$ 943	\$ -----
Public Safety	3,446	-----	3,446	3,489	-----
Public Service	722	-----	722	778	-----
Culture and Recreation	373	-----	373	173	-----
Housing and Urban Development	790	-----	790	567	-----
Interest	83	-----	83	128	-----
Water and Sewer	-----	3,360	3,360	-----	3,425
Electric System	-----	5,104	5,104	-----	5,465
Gas System	-----	891	891	-----	975
Sanitation System	-----	441	441	-----	536
Total Expenses	\$ 6,285	\$ 9,796	\$ 16,081	\$ 6,078	\$ 10,401
Excess (deficiency)	\$ 1,521	\$ 1,492	\$ 3,013	\$ 621	\$ 3,908
Transfers	415	< 415>	-----	< 35>	35
Change in Net Positions	\$ 1,936	\$ 1,077	\$ 3,013	\$ 586	\$ 3,943
Beginning Net Positions	\$ 16,547	\$ 25,552	\$ 42,099	\$ 15,961	\$ 21,608.5
Restatement	1,092	< 1,092>	-----	-----	-----
Ending Net Positions	\$ 19,575	\$ 25,537	\$ 45,112	\$ 16,547	\$ 25,551.5

Governmental Activities

During the year ending December 31, 2017, the net positions of the government activities increased \$1,936,102 or 11.7%. Total revenues for FYE 2017 decreased by \$722,353 or 8.5%. The decrease was due to a decrease in Capital grants contributions. Total expenses for governmental activities for FYE 2017 decreased by \$399,462 or 6.57%. The main reason for the decrease in expenses in FYE 2017 was due to a decrease in expenses in the Administrative and Public Service departments.

City of West Point
Management's Discussion and Analysis
For the fiscal year ended December 31, 2017

Approximately 15.16% of the City's revenues came from property taxes and approximately 7.2% came from other taxes. Approximately 63.95% of the City's revenues came from charges for services and approximately 3% came from grants and other revenues. Although a majority of the City's expenses are financed by property taxes and other taxes, the City continues to rely heavily on revenues from charges for services to fund its budget. The City's expenses cover a range of services with 21.42% related to public safety, 4.49% related to public works, 5.42% related to general governmental activities.

Program Expenses and Revenues for Governmental Activities

Table 4 (shown below) presents program expenses and revenues for governmental activities for the year ended December 31, 2017 and 2016.

Table 4: Program Expenses and Revenues for Governmental Activities

2017		
Programs	Program Expenses	*Net Program Expenses (Revenues)
General Government	\$ 871	\$ 712
Public Safety	3,446	2,337
Public Service	722	382
Culture and Recreation	373	< 672 >
Housing and Urban Development	790	612
Interest	83	83
Totals	\$ 6,285	\$ 3,454
2016		
Programs	Program Expenses	*Net Program Expenses (Revenues)
General Government	\$ 943	\$ 2,631
Public Safety	3,489	2,160
Public Service	778	305
Culture and Recreation	173	< 852 >
Housing and Urban Development	567	516
Interest	128	128
Totals	\$ 6,108	\$ 4,888

* Net program expenses are mainly supported by taxes.

The cost of all proprietary (business-type) activities this year was \$9,794,797 and additionally the business-type activities earned \$838 in interest from idle cash and investments. Within the total business-type activities of the City, these activities reported a \$1,491,699 operating gain.

City of West Point
Management's Discussion and Analysis
For the fiscal year ended December 31, 2017

Financial Analysis of the City's Funds

The focus of the City's governmental funds is to provide information on near-term inflows and outflows and the balance of resources available for spending. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the close of the year, the City's governmental funds reported a combined ending fund balance of \$7,067,440 with \$2,228,152 reported as restricted, \$200,461 reported as assigned, and \$4,637,034 as unassigned fund balance.

The General Fund is the operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$4,400,570 and total fund balance was \$4,839,288. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance to total fund expenditures. Unassigned fund balance represents 73.59% of total General Fund expenditures, while total fund balance represents 76.8%. The net change in the General Fund's fund balance for the year ended December 31, 2017, was a decrease of \$278,284 or 9%.

General Fund Budgetary Highlights

During the year, the City revised the budget on several occasions. Generally, budget amendments fall into one of three 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; 3) increases in appropriations that become necessary to maintain services. The year ended December 31, 2017 budget was amended.

The actual operating revenues of the General Fund did not exceed the final budgeted amounts.

The actual operating expenditures of the General Fund did not exceed the final budgeted amounts.

Capital Asset and Long-term Debt Activity

At December 31, 2017, the City reported \$17,276,269 in capital assets for governmental activities and \$35,240,094 for business-type activities. Major capital asset transactions during the year were real estate purchases, recreational facilities, street paving, and sewer improvements. Refer to Note 4-D to the financial statements for additional information on capital assets.

Economic Factors and Next Year's Budget and Rates

As with the rest of the State of Georgia, City of West Point's economic climate for FYE 2017 has been a steady recovery. The City of West Point is experiencing more than average growth with the local college expansion and new industrial investments in the community aiding in the creation of additional employment opportunities. The Special Local Option Sales Tax continues to assist the City in funding much needed capital outlay projects such as resurfacing, construction of recreation and plant facilities. The City's revenues continue to increase over the prior year making the opportunities possible for economic growth, downtown development, increased housing and employment. The City continues to strive to make West Point a place to Work, Live and Play.

Difficult choices have been made as the FYE 2017 budget was developed, and it represents a balance between available resources and needs. This balance was achieved using the objectives and priorities established by the Council of the City of West Point.

City of West Point
Management's Discussion and Analysis
For the fiscal year ended December 31, 2017

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and 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 financial information may be addressed to:

City of West Point
P.O. Box 487
730 1st Avenue
West Point, Georgia 31833
Telephone: (706) 645 – 3522
Website: www.cityofwestpointga.com

City of West Point, Georgia
Statement of Net Positions
For the Year Ended December 31, 2017

	Primary Government			Non-M
	Governmental Activities	Business-Type Activities	Total	Discre Prese Compo Uni
Assets				
Current Assets				
Cash and Cash Equivalents	\$ 6,434,553	\$ 10,587,921	\$ 17,022,474	\$ 920
Receivables (Net of Allowance)	337,137	-----	337,137	44
Taxes	827,482	1,271,928	2,099,410	-
Accounts	< 392,035>	392,035	-----	71
Internal Balances	102,060	-----	102,060	---
Due From Other Governments	1,793	606,434	608,227	---
Inventory	\$ 7,310,990	\$ 12,858,318	\$ 20,169,308	\$ 1,036
Total Current Assets				
Non-Current Assets				
Restricted Cash and Investments	\$ -----	\$ 1,137,760	\$ 1,137,760	\$ --
Capital Assets:				
Land and Construction in Progress	5,360,691	53,000	5,413,691	891,
Other Capital Assets, Net of	11,915,578	35,187,094	47,102,672	---
Accumulated Depreciation	\$ 17,276,269	\$ 36,377,854	\$ 53,654,123	\$ 891,
Total Non-Current Assets				
Total Assets				
Deferred Outflows - Related to Pensions	\$ 24,587,259	\$ 49,236,172	\$ 73,823,431	\$ 1,927,9
Liabilities				
Current Liabilities				
Accounts and Claims Payable	\$ 441,794	\$ 93,383	\$ 535,177	\$ ---
Accrued Liabilities	=====	=====	=====	=====
Total Current Liabilities				
Non-Current Liabilities				
Customer Deposits	\$ 117,352	\$ 166,544	\$ 283,896	\$ ---
Due within One Year	126,198	26,185	152,383	---
Due in more than One Year	\$ 243,550	\$ 192,729	\$ 436,279	\$ ---
Bond Premiums				
Net Pension Liability	\$ -----	\$ 123,220	\$ 123,220	\$ ---
Total Non-Current Liabilities				
622,710	\$ 836,659	\$ 1,459,369		
2,451,846	21,538,042	23,989,888		
36,171	-----	36,171		
1,393,759	1,101,363	2,495,122		
Total Liabilities	\$ 4,504,486	\$ 23,599,284	\$ 28,103,770	\$ ---
Deferred Inflows - Related to Pensions	\$ 4,748,036	\$ 23,792,013	\$ 28,540,049	\$ ---
Net Positions				
Net Investment in Capital Assets				
Restricted For:	\$ 705,872	\$ -----	\$ 705,872	\$ ---
Capital Assets/Projects	=====	=====	=====	=====
Economic Development	\$ 14,201,713	\$ 12,865,384	\$ 27,067,097	\$ 891,660
Tourism	1,633,960	-----	1,633,960	---
Public Service	511,269	-----	511,269	---
Debt Service	6,156	-----	6,156	---
Unrestricted	76,767	-----	76,767	---
1,137,760	1,137,760			
3,145,280	11,534,398	14,679,678		
Total Net Positions	\$ 19,575,145	\$ 25,537,542	\$ 45,112,687	\$ 1,927,972

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

City of West Point, Georgia

Statement of Activities

For the Year Ended December 31, 2017

Functions/Programs	Program Revenues				Net (Expense) Revenue
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government					
Governmental Activities					
General Government	\$ 871,124	\$ 145,108	\$ 14,200	\$ -----	\$ < 711,816 >
Public Safety	3,445,960	513,813	38,846	556,071	< 2,337,230 >
Public Service	722,195	121,616	-----	218,632	< 381,947 >
Culture and Recreation	373,194	38,207	-----	1,006,710	< 671,723 >
Housing and Urban Development	790,006	106,672	-----	71,070	< 612,264 >
Interest on Long-Term Debt	82,307	-----	-----	-----	< 82,307 >
Total Governmental Activities	\$ 6,284,786	\$ 925,416	\$ 53,046	\$ 1,852,483	\$ < 3,453,841 >
Business-Type Activities					
Water and Sewer System	\$ 3,359,511	\$ 3,848,864	\$ -----	\$ -----	\$ 489,353
Electric System	5,103,540	5,523,880	-----	-----	420,340
Gas System	891,194	1,540,523	-----	-----	649,329
Sanitation System	440,552	373,229	-----	-----	< 67,323 >
Total Business-Type Activities	\$ 9,794,797	\$ 11,286,496	\$ -----	\$ -----	\$ 1,491,699
Total Primary Government	\$ 16,079,583	\$ 12,211,912	\$ 53,046	\$ 1,852,483	\$ < 1,962,142 >
Non-Major Discretely Presented Component Units					
West Point Development Authority	\$ 128,359	\$ 47,500	\$ 120,000	\$ -----	\$ 39,141
Downtown West Point Development Authority	23,155	3,190	-----	-----	< 19,965 >
	\$ 151,514	\$ 50,690	\$ 120,000	\$ -----	\$ 19,176
					Non-Major Discretely Presented Component Units
Changes in Net Positions					
Net (Expense) Revenue					
General Revenues					
General Purpose Taxes	\$ 2,895,087	\$ -----	\$ -----	\$ 2,895,087	\$ 132,287
Malt Beverage and Liquor	283,036	-----	-----	283,036	-----
Sales Tax	610,567	-----	-----	610,567	-----
Insurance Premium	229,822	-----	-----	229,822	-----
Franchise Tax	702,629	-----	-----	702,629	-----
Hotel/Motel Tax	8,346	-----	-----	8,346	-----
Motor Vehicle (Ad Valorem)	140,270	-----	-----	140,270	-----
Intangible	4,478	-----	-----	4,478	-----
Energy Excise	9,262	-----	-----	9,262	-----
Unrestricted Investment Earnings	632	-----	838	1,470	863
Restricted Investment Earnings	7,784	-----	-----	7,784	-----
Miscellaneous	83,299	-----	-----	83,299	60
Transfers - Internal Activities	414,731	< 414,731 >	< 414,731 >	-----	-----
Total General Revenues and Transfers	\$ 5,389,943	\$ < 413,893 >	\$ < 413,893 >	\$ 4,976,050	\$ 133,210
Change in Net Positions					
Net Positions - Beginning of Year	\$ 1,936,102	\$ 1,077,806	\$ 1,077,806	\$ 3,013,908	\$ 152,386
Restatement	1,092,002	< 1,092,002	< 1,092,002	-----	-----
Net Positions - End of Year	16,547,041	25,537,542	25,537,542	42,098,779	1,775,586
	\$ 19,575,145	\$ 25,537,542	\$ 25,537,542	\$ 45,112,687	\$ 1,927,972

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

Fund Financial Statements

Governmental Funds

City of West Point, Georgia

Balance Sheet

Governmental Funds

For the Year Ended December 31, 2017

	Major Governmental Funds				Non-Major Governmental Funds		Total Governmental Funds
	Capital Projects						
	SPLOST-Harris 14	SPLOST-Troup 12					
General							
Assets							
Cash and Cash Equivalents	\$ 4,646,016	\$ 524,536	\$	812,865	\$	451,136	\$ 6,434,553
Receivables (Net of Allowance)							
Taxes	337,137	-----				-----	337,137
Intergovernmental	-----	17,761		82,565		1,736	102,062
Other	447,035	-----				380,447	827,482
Due from Other Funds	42,892	-----				-----	42,892
Inventory	1,793	-----				-----	1,793
Total Assets	\$ 5,474,873	\$ 542,297	\$	895,430	\$	833,319	\$ 7,745,919
Liabilities and Fund Balances							
Liabilities							
Accounts Payable	\$ 117,352	-----	\$			-----	\$ 117,352
Accrued Liabilities	126,198	-----				-----	126,198
Due to Other Funds	392,035	-----				42,982	435,017
Total Liabilities	\$ 635,585	-----	\$		\$	42,982	\$ 678,567
Fund Balances							
Nonspendable - Inventory	\$ 1,793	-----	\$			-----	\$ 1,793
Restricted - Capital Projects	-----	542,297		895,430		196,233	1,633,960
Restricted - Economic Development	-----	-----				511,269	511,269
Restricted - Public Service	-----	-----				76,767	76,767
Restricted - Tourism	-----	-----				6,156	6,156
Assigned - Fire Station	115,740	-----				-----	115,740
Assigned - Law Enforcement	84,721	-----				-----	84,721
Unassigned	4,637,034	-----				-----	4,637,034
Total Fund Balances	\$ 4,839,288	\$ 542,297	\$	895,430	\$	790,425	\$ 7,067,440
Total Liabilities and Fund Balances	\$ 5,474,873	\$ 542,297	\$	895,430	\$	833,407	\$ 7,746,007

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

City of West Point, Georgia
Reconciliation of the Balance Sheet of
Governmental Funds to the Statement of Net Positions
For the Year Ended December 31, 2017

	<u>2017</u>	<u>2016</u>
Total Fund Balance - All Governmental Funds	\$ 7,067,440	\$ 6,082,230
Amounts Reported For Governmental Activities in the Statements of Net Positions are Different Because:		
Capital Assets Used in Governmental Activities are not Financial Resources and, Therefore, are not Reported in the Funds	17,276,269	17,161,466
Some Liabilities, Including Capital Leases and Net Pension Obligation, are not Due and Payable in the Current Period and, therefore, are not Reported in the Funds	<4,504,486>	<7,280,753>
The Current Pension Contribution is an expenditure in the Governmental Funds, but is considered a Deferred Outflow on the Statement of Net Positions	220,038	178,077
Deferred Outflows Related to Pension Costs	221,756	470,965
Deferred Inflows Related to Pension Costs	<u>< 705,872></u>	<u>< 64,944></u>
Net Positions of Governmental Activities	<u>\$19,575,145</u>	<u>\$16,547,041</u>

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

City of West Point, Georgia
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017

	Major Governmental Funds			Non-Major Governmental Funds		Total Governmental Funds
	General	SPLOST-Harris 14	Capital Projects SPLOST-Troup 12	Other Funds		
Revenues						
Taxes	\$ 4,875,151	\$ -----	\$ -----	\$ 8,346		\$ 4,883,497
Licenses and Permits	165,995	-----	-----	-----		165,995
Intergovernmental	271,727	524,536	1,006,598	17,975		1,820,836
Charges for Services	483,654	-----	-----	92,023		575,677
Fines, Forfeitures and Penalties	183,744	-----	-----	-----		183,744
Investment Income	632	-----	112	7,784		8,528
Miscellaneous & Donations	129,034	-----	-----	-----		129,034
Total Revenues	\$ 6,109,937	\$ 524,536	\$ 1,006,710	\$ 126,128		\$ 7,767,311
Expenditures						
Current:						
General Government	\$ 891,634	\$ -----	\$ -----	\$ -----		\$ 891,634
Public Safety	3,288,196	-----	-----	-----		3,288,196
Public Service	595,371	-----	-----	20,094		615,465
Culture and Recreation	267,119	-----	-----	8,346		275,465
Housing and Urban Development	897,627	-----	-----	-----		897,627
Capital Outlay	-----	-----	323,695	-----		323,694
Current Operations						
Debt Service:						
Principal Retirements	269,885	93,014	420,000	41,496		824,395
Interest	90,977	3,663	22,975	862		118,477
Total Expenditures	\$ 6,300,809	\$ 96,677	\$ 766,670	\$ 70,798		\$ 7,234,953
Excess of Revenues Over <Under> Expenditures	\$< 190,872>	\$ 427,859	\$ 240,041	\$ 55,330		\$ 532,358
Other Financing Sources (Uses)						
Debt Proceeds	\$ 54,425	\$ -----	\$ -----	\$ -----		\$ 54,425
Transfers In/<Out> - Net	414,731	-----	-----	-----		414,731
Total Other Financing Sources (Uses)	\$ 469,156	\$ -----	\$ -----	\$ -----		\$ 469,156
Change in Fund Balance	\$ 278,284	\$ 427,859	\$ 655,389	\$ 55,330		\$ 1,001,514
Fund Balance - Beginning of Year	\$ 4,561,004	\$ 115,693	\$ 655,389	\$ 750,144		\$ 6,082,230
Restatement	\$ -----	\$ -----	\$ -----	\$< 15,045>		\$< 15,045>
Fund Balance - End of Year	\$ 4,839,288	\$ 543,552	\$ 895,430	\$ 790,429		\$ 7,068,699

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

City of West Point, Georgia
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2017

	2017	2016
Net Change in Fund Balances - All Governmental Funds	\$ 1,001,514	\$< 338,957>
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
Governmental Funds Report Capital Outlay as Expenditures		
However, in the Statement of Activities the Cost of		
those Assets is Allocated over their Estimated Useful		
Lives and Reported as Depreciation Expense.		
Capital Outlay	914,851	2,445,147
Depreciation	< 800,048>	< 933,150>
Contributed Capital Transfer to Business Type Activity	-----	<1,828,999>
Payment of the Current Pension Contribution is an		
expenditure in the governmental funds, but is considered		
a deferred outflow on The Statement of Net Positions and		
is not reported on the Statement of Activities		
	220,038	178,077
Payment of the Current Pension Contribution by the State		
Of Georgia on behalf of the GFP and POAB		
	38,846	27,825
Capital Lease Proceeds provide Current Financial		
Resources to Governmental Funds, but Issuing Debt		
Increases Long-Term Liabilities in the Statement of Net		
Positions. Repayment of Capital Lease Principal is an		
Expenditure in the Governmental Funds, but the Repayment		
Reduces Long-Term Liabilities in the Statement of Net		
Positions.		
Principal Retirements	824,395	1,225,694
Principal from Long-Term Debt	< 54,425>	-----
Amortization of Bond Premiums	36,170	36,170
(a decrease in interest expense)		
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 the		
General Fund.		
Pension Expense - (GMEBS)	< 206,393>	< 198,064>
Pension Expense - (GFP)	< 35,167>	< 27,468>
Pension Expense - (POAB)	< 3,679>	< 357>
Change in Net Positions of Governmental Activities	\$ 1,936,102	\$ 585,918
	=====	=====

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

Proprietary Funds

City of West Point, Georgia

Proprietary Funds

Statement of Net Positions

For the Year Ended December 31, 2017

	BUSINESS-TYPE ACTIVITIES - MAJOR ENTERPRISE FUNDS				TOTAL
	WATER AND SEWER FUND	ELECTRIC FUND	GAS FUND	SANITATION FUND	
Assets					
Current Assets					
Cash and Cash Equivalents	\$ 4,184,858	\$ 4,303,184	\$ 2,099,879	\$ -----	\$10,587,921
Receivables	616,181	165,147	459,821	30,779	1,271,928
Accounts	392,035	-----	-----	-----	392,035
Interfund	88,203	258,666	259,565	-----	606,434
Inventory	\$ 5,281,277	\$ 4,726,997	\$ 2,819,265	\$ 30,779	\$12,858,318
Total Current Assets					
Non-Current Assets					
Restricted Assets	\$ 122,100	-----	-----	-----	\$ 122,100
Restricted Investments	1,015,660	-----	-----	-----	1,015,660
Restricted Cash	31,325,081	868,967	2,756,511	289,535	35,240,094
Capital Assets - Net	\$32,462,841	\$ 868,967	\$ 2,756,511	\$ 289,535	\$36,377,854
Total Non-Current Assets					
Total Assets	\$37,744,118	\$ 5,595,964	\$ 5,575,776	\$ 320,314	\$49,236,172
Deferred Outflows					
Pension Contributions made in Current Year	\$ 26,942	\$ 38,212	\$ 19,427	\$ 8,802	\$ 93,383
Liabilities and Net Positions					
Current Liabilities					
Accounts Payable	\$ 82,286	\$ 63,609	\$ 12,932	\$ 7,717	\$ 166,544
Accrued Liabilities	11,308	11,201	2,912	764	26,185
Notes Payable and Revenue Bonds - Current	637,292	-----	172,560	-----	809,852
Total Current Liabilities	\$ 730,886	\$ 74,810	\$ 188,404	\$ 8,481	\$ 1,002,581
Long-Term Liabilities					
Customer Deposits	\$ 32,215	\$ 64,821	\$ 26,184	\$ -----	\$ 123,220
Net Pension Liability	388,827	434,545	133,168	144,823	1,101,363
Notes Payable/Revenue Bonds	19,393,819	-----	2,171,030	-----	21,564,849
Total Long-Term Liabilities	\$19,814,861	\$ 499,366	\$ 2,330,382	\$ 144,823	\$22,789,432
Total Liabilities	\$20,545,747	\$ 574,176	\$ 2,518,786	\$ 153,304	\$23,792,013
Net Positions					
Net Investment in Capital Assets	\$11,293,970	\$ 868,967	\$ 412,921	\$ 289,535	\$12,865,393
Restricted for Debt Service	1,137,760	-----	-----	-----	1,137,760
Unrestricted	4,793,583	4,191,033	2,663,496	< 113,723>	11,534,389
Total Net Positions	\$17,225,313	\$ 5,060,000	\$ 3,076,417	\$ 175,812	\$25,537,542

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

City of West Point, Georgia

Proprietary Funds

Statement of Revenues, Expenses, and Changes in Fund Net Positions For the Year Ended December 31, 2017

	BUSINESS-TYPE ACTIVITIES - MAJOR ENTERPRISE FUNDS				TOTAL
	WATER AND SEWER FUND	ELECTRIC FUND	GAS FUND	SANITATION FUND	
Operating Revenues					
Water and Sewer System	\$ 3,848,864	\$	\$	\$	\$ 3,848,864
Gas System	-----	-----	1,540,523	-----	1,540,523
Electric System	-----	5,429,296	-----	-----	5,429,296
Sanitation System	-----	-----	-----	373,229	373,229
Other (including intergovernmental)	-----	94,584	-----	-----	94,584
Total Operating Revenues	\$ 3,848,864	\$ 5,523,880	\$ 1,540,523	\$ 373,229	\$11,286,496
Operating Expenses					
Water and Sewer System	\$ 1,903,428	\$	\$	\$	\$ 1,903,428
Gas System	-----	-----	350,231	-----	350,231
Electric System	-----	1,085,681	-----	-----	1,085,681
Sanitation System	-----	-----	-----	423,035	423,035
Gas Purchases	-----	-----	425,464	-----	425,464
Electric Purchases	-----	3,953,981	-----	-----	3,953,981
Depreciation	688,316	63,878	40,001	17,517	809,712
Total Operating Expenses	\$ 2,591,744	\$ 5,103,540	\$ 815,696	\$ 440,552	\$ 8,951,532
Operating Income <Loss>	\$ 1,257,120	\$ 420,340	\$ 724,827	\$< 67,323>	\$ 2,334,964
Non-Operating Revenues (Expenses)					
Investment Income	\$ 838	\$	\$	\$	\$ 838
Interest Expense	< 767,767>	-----	< 75,498>	-----	< 843,265>
Grant Revenue	-----	-----	-----	-----	-----
Total Non-Operating Revenues (Expenses)	\$< 766,929>	\$	\$< 75,498>	\$	\$< 842,427>
Net Income <Loss> before Capital Contributions and Transfers	\$ 490,191	\$ 420,340	\$	\$< 67,323>	\$ 1,492,537
Capital Contributions	-----	-----	-----	-----	-----
Transfers In <Out>	-----	< 489,793>	7,739	67,323	< 414,731>
Change in Net Positions	\$ 490,191	\$< 69,453>	\$ 657,068	\$	\$ 1,077,806
Net Positions - Beginning of Year - Restated	16,735,122	5,129,453	2,419,349	175,812	24,459,736
Net Positions - End of Year	\$17,225,313	\$ 5,060,000	\$ 3,076,417	\$ 175,812	\$25,537,542

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

City of West Point, Georgia
Proprietary Funds

Statement of Cash Flows

For the Year Ended December 31, 2017

	BUSINESS-TYPE ACTIVITIES - MAJOR ENTERPRISE FUNDS				TOTAL
	WATER AND SEWER FUND	ELECTRIC FUND	GAS FUND	SANITATION FUND	
Cash Flows from Operating Activities					
Cash Received from Customers and Users	\$ 3,928,533	\$ 5,862,448	\$ 1,469,997	\$ 369,920	\$ 11,630,898
Cash Paid to Suppliers	< 1,514,171>	< 4,471,280>	< 710,803>	< 293,657>	< 6,989,911>
Cash Paid to Employees	< 491,594>	< 564,147>	< 179,196>	< 133,953>	< 1,368,890>
Net Cash Provided By Operating Activities	\$ 1,922,768	\$ 827,021	\$ 579,998	\$ 57,690	\$ 3,272,097
Cash Flow Provided Non-Capital Financing Activities					
Interfund Loan	\$< 36,171>	\$ -----	\$ -----	\$ -----	\$< 36,171>
Transfers In <Out>	-----	< 489,793>	7,739	67,323	< 414,731>
Increase/<Decrease> in Net Pension Liability	10,883	7,835	276	< 9,633>	9,361
Increase/<Decrease> in Customer Deposits	< 295>	< 7,768>	< 873>	-----	< 8,936>
Net Cash Used in Non-Capital Financing Activities	\$< 25,583>	\$< 489,726>	\$ 7,142	\$ 57,690	\$< 450,477>
Cash Flows from Capital and Related Financing Activities					
Principal Payments on Notes Payable and Revenue Bonds	\$< 637,292>	\$ -----	\$< 172,550>	\$ -----	\$< 809,842>
Acquisition of Capital Assets	< 317,688>	< 68,228>	< 6,095>	-----	< 392,011>
Interest Expense	< 767,767>	-----	< 75,498>	-----	< 843,265>
Net Cash used in Capital and Related Financing Activities	\$< 1,722,747>	\$< 68,228>	\$< 254,143>	\$ -----	\$< 2,045,118>
Cash Flows from Investing Activities					
Interest Income	\$ 838	\$ -----	\$ -----	\$ -----	\$ 838
Net Cash provided by Investing Activities	\$ 838	\$ -----	\$ -----	\$ -----	\$ 838
Net Increase <Decrease> in Cash	\$ 175,276	\$ 269,067	\$ 332,997	\$ -----	\$ 777,340
Cash -- Beginning of Year	5,025,242	4,034,117	1,766,882	-----	10,826,241
Cash -- End of Year	\$ 5,200,518*	\$ 4,303,184	\$ 2,099,879	\$ -----	\$ 11,603,581

* Unrestricted \$4,184,858
Restricted \$1,015,660

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

City of West Point, Georgia
Proprietary Funds
Statement of Cash Flows (Continued)
For the Year Ended December 31, 2017

	BUSINESS-TYPE ACTIVITIES - MAJOR ENTERPRISE FUNDS				TOTAL
	WATER AND SEWER FUND	ELECTRIC FUND	GAS FUND	SANITATION FUND	
Report on the Balance Sheet as					
Cash and Cash Equivalents	\$ 4,184,858	\$ 4,303,184	\$ 2,099,879	\$ -----	\$10,587,921
Restricted Cash	1,015,660	-----	-----	-----	1,015,660
Total	\$ 5,200,518	\$ 4,303,184	\$ 2,099,879	\$ -----	\$11,603,581
Cash Flows from Operating Activities					
Operating Income <Loss>	\$ 1,257,120	\$ 420,340	\$ 724,827	\$ < 67,323>	\$ 2,334,964
Adjustment to Reconcile Operating Income to Net Cash					
Provided by Operating Activities					
Depreciation	688,316	63,878	40,001	17,517	809,712
Changes in Operating Assets and Liabilities					
Accounts Receivable	79,669	338,568	< 70,526>	< 3,309>	344,402
Inventory	< 43,453>	< 7,058>	< 116,361>	-----	< 166,872>
Accounts Payable	< 67,701>	22,755	3,550	< 11,986>	< 53,382>
Accrued Liabilities	< 5,571>	< 1,348>	< 12>	< 1,677>	< 8,608>
Deferred Outflows of Resources for Pensions	14,388	< 10,114>	< 1,481>	9,088	11,881
Net Cash Provided by Operating Activities	\$ 1,922,768	\$ 827,021	\$ 579,998	\$ < 57,690>	\$ 3,272,097

Supplemental Schedule of Non-Cash Investing and Financing Activities

Acquisition of Capital Assets	\$ -----	\$ -----	\$ -----	\$ -----
Capital Assets Acquired through Contributions	-----	-----	-----	-----
Total	\$ -----	\$ -----	\$ -----	\$ -----

Component Units

West Point Development Authority
Statement of Net Positions
For the Year Ended December 31, 2017

	<u>2017</u>
ASSETS	
Current Assets	
Cash	\$ 837,490
Note Receivable	<u>71,010</u>
Total Current Assets	<u>\$ 908,500</u>
Non-current Assets	
Capital Assets, Net	<u>\$ 789,930</u>
Total Non-Current Assets	<u>\$ 789,930</u>
TOTAL ASSETS	<u>\$ 1,698,430</u> =====
NET POSITIONS	
Investment in Capital Assets	\$ 789,930
Unrestricted	<u>908,500</u>
TOTAL NET POSITIONS	<u>\$ 1,698,430</u> =====

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

West Point Development Authority
Statement of Revenues, Expenses,
and Changes In Fund Net Positions
For the Year Ended December 31, 2017

	<u>2017</u>
Operating Revenue	
Bond Commission	\$ 47,500
Intergovernmental	120,000
KIA (Payment in Lieu)	100,000
Miscellaneous	60
Total Operating Revenue	<u>\$ 267,560</u>
Operating Expenses	
Community Development/Project	\$ 38,748
Office Expenses	9,112
Insurance	5,693
Professional Dues	12,410
Travel	568
Contract Work	57,539
Education/Training	2,359
Marketing and Promotions	1,930
Total Operating Expenses	<u>\$ 128,359</u>
Operating Income <Loss>	<u>\$ 139,201</u>
Non-Operating Revenue	
Investment Interest	\$ 863
Change in Net Positions	<u>\$ 140,064</u>
Net Position - Beginning of Year	<u>\$ 1,558,366</u>
Net Position - End of Year	<u>\$ 1,698,430</u> =====

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

Downtown West Point Development Authority
Statement of Net Positions
For the Period Ending December 31, 2017

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash and Cash Equivalents	\$ 82,882
Intergovernmental Receivable	44,930
Total Current Assets	<u>\$ 127,812</u>
Non-Current Assets	
Property and Equipment	\$ 2,117
Land	101,730
Accumulated Depreciation	< 2,117 >
Total Non-Current Assets	<u>\$ 101,730</u>
Total Assets	\$ 229,542 =====
Liabilities	\$ -----
Total Liabilities	\$ ----- =====
Net Positions	
Invested in Capital Assets	\$ 101,730
Unrestricted	<u>127,812</u>
Total Net Positions	\$ 229,542 =====

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

Downtown West Point Development Authority
Statement of Activities
For the Period Ending December 31, 2017

Functions/Programs	Program Revenues				Primary Government			Net (Expense) Revenue and Changes in Net Positions
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Total	2016	
Primary Government:								
Government Activities	\$ 23,155	\$ 3,190	\$ -----	\$ -----	\$< 19,965>	\$< 19,965>	\$< 40,572>	
General Government	\$ 23,155	\$ 3,190	\$ -----	\$ -----	\$< 19,965>	\$< 19,965>	\$< 40,572>	
Total Governmental Activities								
Total Primary Government	\$ 23,155	\$ 3,190	\$ -----	\$ -----	\$< 19,965>	\$< 19,965>	\$< 40,572>	
General Revenues								
General Purpose Taxes					\$ 32,287	\$ 51,125	\$ 80,703	
Property Tax					\$ 32,287	\$ 51,125	\$ 80,703	
Total General Revenues					\$ 12,322	\$ 10,553	\$ 43,274	
Change in Net Positions					217,220	206,667	163,393	
Net Positions - Beginning								
Net Positions - Ending					\$ 229,542	\$ 217,220	\$ 206,667	

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

Notes to the Basic Financial Statements

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

The City of West Point, Georgia (the “City”), which was incorporated in 1828 under the provisions of the State of Georgia, has a population of 3,382 living within an area of 11.7 square miles. The City is a Georgia municipal corporation and operates under a charter adopted in 1900, and is a City Administrator/Mayor and Council form of government.

The City provides the following services as authorized by its charter: public safety (police and fire), highways and streets, housing and urban development, sanitation, recreation, natural gas, electricity, water and sewer, and general administrative services.

Note 1 – Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The City also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities at the government-wide financial reporting level and to its enterprise funds at the fund reporting level, provided they do not conflict with or contradict GASB pronouncements.

The most significant of the City’s accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, and component units and other organizations that are included to ensure that the financial statements are not misleading.

The component unit is a legally separate organization for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations; (2) the City is legally entitled to or can otherwise access the organization’s resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; the City is obligated for the debt of the organization.

The discretely presented component unit generally is reported only at the government-wide financial reporting level.

The component unit columns included on the government-wide financial statements identifies the financial data of the City’s discretely presented component unit. It is reported separately to emphasize that it is legally separate from the City.

The following component units are discretely presented in the reporting entity:

The West Point Development Authority, (the “Authority”), consists of a board appointed by the governing authority of the City. The Authority promotes the industrial and economic development of the City. Although it is legally separate from the City, the Council appoints all of the Authority’s board members and provides a substantial portion of the Authority’s funding. However, the City does not control the operations of the Authority. The Authority is reported as a component unit in the City’s financial statements due to its financial dependence on the City. Separate financial statements are not prepared by the Authority; therefore, the financial statements can be obtained by writing to the City of West Point, P.O. Box 487, West Point, GA 31833.

The Downtown West Point Development Authority (the “DDA”) consists of a board appointed by the governing authority of the City. The DDA promotes the growth of Downtown area. Although it is legally separate from the City, the Council appoints all of the DDA’s board members and the substantial portion of the DDA’s funding is collected by the City through an additional Downtown Tax Levy. However, the City does not control the operations of the DDA. The DDA is reported as a component unit in the City’s financial statements due to its governing dependence on the City. Separate financial statements are not prepared by the DDA; therefore, the financial statements can be obtained by writing to the City of West Point, P.O. Box 487, West Point, GA 31833.

1-B. Basis of Presentation

The City’s basic financial statements consist of government-wide statements, including a statement of net positions and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

Government-wide Financial Statements – The government-wide financial statements include a statement of net positions and a statement of activities. These statements report financial information for the City as a whole. All funds other than fiduciary activities are included at the government-wide reporting level. Individual funds are not displayed at this reporting level, but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of net positions presents the financial position of the governmental and business-type activities of the City.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the business-type activities of the City. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly related to the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which function the revenues are restricted.

Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the City. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements – During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental, proprietary, and fiduciary funds.

Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds. The fiduciary funds are reported by type.

Fund Accounting – The City uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses two categories of funds: governmental and proprietary.

Governmental Funds – Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between governmental fund assets and liabilities as fund balance. The following are the City's major governmental funds:

General Fund – Major Fund - The general fund accounts for all financial resources except those required to be accounted for in other funds. The general fund's fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Georgia.

Capital Projects (SPLOST 2012 Troup Co. and SPLOST 2014 Harris Co.) – Major Fund – These Funds account for the activities carried out by the City from intergovernmental grants and revenues for infrastructure, construction and land acquisition under terms of certain municipal agreements.

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

Proprietary Funds – Proprietary fund reporting focuses on the determination of operating income, changes in net positions, financial position and cash flows. Proprietary funds are classified as enterprise funds.

Water and Sewer System Fund – Major Fund - This fund is used for the operation of the City's water and sewer system which renders services to the residents and businesses located within the City.

Electric Fund – Major Fund - This fund is used to account for the operations of the City's electric system.

Gas Fund – Major Fund - This fund is used for the operation of the City's natural gas system.

Sanitation Fund – Major Fund - This fund is used for the operation of the City's sanitation system.

1-C. Measurement Focus

Government-wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net positions. The statement of activities reports revenues and expenses, including depreciation.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus in these financial statements. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types and fiduciary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net positions. The statements of changes in net position present increases (i.e., revenues) and decreases (i.e., expenses) in net total positions. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting on both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue (inflows), and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase "available for exchange transactions" means expected to be received within twelve months of year-end.

Revenues – Non-exchange Transactions – Non-exchange transactions in which the City receives value without directly giving equal value in return, include sales taxes, property taxes, grants, and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place and on the modified accrual basis, it is recognized in the year received (i.e., when considered available). Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (Note 4-C). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

City of West Point, Georgia
Notes to the Basic Financial Statements
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Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

Deferred Revenue – Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) are recorded as deferred revenue.

Expenses/Expenditures – (including Prepaid) On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable. Expenditure recognition for prepaids in governmental funds is recognized during the benefiting periods.

Deferred Inflow/Outflow of Resources – Deferred inflow and outflow of resources are certain items that were previously classified as Assets or Liabilities, but do not meet the criteria for an asset or liability such as deferred revenue defined above and deferred gains and losses on bond debt refunding.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Georgia Municipal Employees' Benefit System (GMEBS) and additions to/deductions from (GMEBS) fiduciary net position have been determined on the same basis as they are reported by GMEBS. The City of West Point's employer contributions are recognized when due and the City of West Point has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of GMEBS. Investments are reported at fair value.

For purposes of measuring the net pension expense, information about the fiduciary net position of the Firefighters' Pension Fund and the Georgia Peace Officer's Annuity and Benefit Fund and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the Firefighters' Pension Fund and the Georgia Peace Officer's Annuity and Benefit Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

1-E. Assets, Liabilities and Fund Equity

1-E-1. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the City to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the government or governmental agency
- Obligations of any corporation of the government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

Any investment or deposit in excess of the Federal Deposit Insurance Corporation (FDIC) insured amount must be secured by 110% of an equivalent amount of State or U.S. obligations. Investments are stated at fair value based upon quoted market prices.

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

1-E-2. Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

1-E-3. Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables.” These amounts are eliminated in the governmental and business-type activities columns of the government-wide statement of net positions, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4. Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as expenditure in the governmental fund types when consumed.

1-E-5. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The City reports these assets in the governmental activities column of the government-wide statement of net positions but does not report these assets in the governmental fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net positions and in the enterprise funds’ statement of net positions.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of two thousand five hundred dollars. The City’s infrastructure consists of roads, bridges and water and sewer lines. Improvements (i.e., betterments) to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise funds is capitalized.

All reported capital assets are depreciated except for land, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City’s historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	20 years	20 years
Buildings and Plant*	40 years	40 – 50 years
Machinery, Equipment & Furniture	7 – 12 years	7 – 25 years
Vehicles	7 – 25 years	7 – 25 years
Infrastructure	25 – 50 years	25 – 50 years

*Includes Water and Sewer lines.

1-E-6. Compensated Absences

Neither vacation nor sick leave benefits are paid at termination neither does the unused vacation rollover to the subsequent year. Therefore, compensated absences are not accrued.

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

1-E-7. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds.

1-E-8. Bond Premiums, Discounts and Issuance Costs

On the government-wide statement of net positions and the proprietary fund type statement of net positions, bond premiums and discounts are netted against bonds payable and bond issuance costs are reported as current charges. On the government-wide and proprietary fund type statement of activities, bond premiums and discounts are netted against the bond debt (interest) and amortized over the life of the bonds using the interest method or the straight line method, if a material misstatement is not created.

At government fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as an expenditure.

1-E-9. Fund Equity

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

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

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City Manager to assign fund balances.
- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balances are available for use for expenditures incurred, it is the City’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City’s policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

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

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

1-E-10. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, sewer, electric and sanitation programs. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each program.

1-E-11. Non-Operating Revenues and Expenses

Non-operating revenues are those revenues not generated directly from the primary activity of the proprietary funds. For the City, these revenues are interest revenues generated from cash holdings. Non-operating expenses are not considered necessary costs incurred to provide the good or service related to the primary activity of each program. The City's proprietary non-operating expenses are interest expense incurred on the related debt and amortization of a deferred loss.

1-E-12. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-13. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and the after non-operating revenues/expenses section in proprietary funds. Repayments from fund responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are eliminated.

1-E-14. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-15. Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

Note 2 – Changes in Accounting Principles, Fund Reclassifications and Restatement of Equity Balances

Changes in Accounting Principles/Restatement

The City implemented Governmental Accounting Standards Board (GASB) statement 68. Accounting and Financial Reporting for Pensions (an amendment to GASB Statement No. 27) in the fiscal year ending September 30, 2015.

Note 3 – Stewardship, Compliance and Accountability

3-A. Budgetary Information

The City adopts an annual operating budget for the general fund, each special revenue fund and each enterprise fund. A project budget is adopted for each projects fund. The budget resolution reflects the total of each department's appropriation in each fund.

The governmental funds' budgets are adopted on a basis consistent with GAAP, except that outstanding encumbrances at year-end are reported as budgetary expenditures. Enterprise fund budgets are adopted on a basis consistent with GAAP, except that outstanding encumbrances at year-end are reported as budgetary expenses.

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level with the following provisions:

- The City Manager may transfer funds from one object or purpose to another within the same department
- The City Council may amend the budget by motion during the fiscal year.

Formal budgetary integration is employed as management control device during the year for all budgeted funds.

3-B. Excess of Expenditures Over Appropriations

The following funds reported expenditures/expenses over appropriations: Appropriated Actual Unfavorable

None

Note 4 – Detailed Notes on All Funds

4-A. Deposits and Investments

Custodial Credit Risk-Deposits – The bank balance is classified into three categories of credit risk: 1) cash that is insured or collateralized with securities held by the City or by its agent in its name, 2) cash collateralized with securities held by the pledging financial institution's trust department or agent in the City's name, and 3) uncollateralized bank accounts including any bank balance that is collateralized with securities held by the pledging institution's trust department or agent but not in the City's name. The City's deposits are classified as follows at December 31, 2017:

(in thousands of dollars)	Category			Bank Balance	Carrying Amount
	1	2	3		
Primary Government	\$18,184.5	\$ -----	\$ -----	\$18,184.5	\$ 18,083
	=====	=====	=====	=====	=====
Component Unit:					
West Point Development Authority	\$ 837	\$ -----	\$ -----	\$ 837	\$ 837
Downtown West Point Development Authority	83	-----	-----	83	83
	\$ 920	\$ -----	\$ -----	\$ 920	\$ 920
	=====	=====	=====	=====	=====

Investments – Primary Government – Investments of the City are categorized below to give an indication of the level of risk assumed by the City at year-end. Category 1 includes investments that are insured or registered or for which the City's agent in the City's name holds the securities. Category 2 includes uninsured and unregistered investments for which the counterparty's trust department or agent in the City's name holds the securities. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent but not in the City's name. The City also participates in the Georgia Fund 1. The participation is minimal and account balance at December 31, 2017 is zero.

(Amounts Expressed in Thousands)	Category			Carrying Amount/ Fair Value
	1	2	3	
Investment Instrument				
Georgia Fund One	\$ -----	\$ -----	\$ -----	\$ -----
City of West Point Certificates of deposit	122	-----	-----	122
	=====	=====	=====	=====
Grand Total	\$ 122	\$ -----	\$ -----	\$ 122
	=====	=====	=====	=====

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

Cash and Cash Equivalents Reconciliation:

	Primary Government
Fund Reporting Level:	
Governmental Funds - Balance Sheet	\$ 6,434,553
Proprietary Fund Type Statement of Net Positions	<u>11,603,581</u>
Total Carrying Amount	\$ 18,038,134
	=====

4-B. Receivables

Receivables at December 31, 2017, consisted of taxes, grants, and accounts (billings for user charges).

Receivables and payables are recorded on the City's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

The City of West Point participates in the Revolving Loan Fund Program and currently has one Revolving Loan Outstanding; Johnny's Pizza in the original amount of \$420,000 bearing an annual interest rate of two percent. The loan date began on December 1, 2015 with a monthly payment of \$2,702.74 due to the City for 180 months. The purpose of the loan was to acquire an ongoing business including personal and real property. The balance of the loan receivable at year end is \$368,917.

4-C. Property Taxes and Abatements

Normally, property tax levies are set by the City Council in September of each year for collection in the following fiscal year beginning January 1. Troup County spreads all levies over assessable property. Taxes are levied annually by the City and for the year ended December 31, 2017, the levy occurred on October 6, 2017. Real and personal property taxes are due December 11, 2017. Property taxes receivable become a lien on January 13, 2018 and are recorded in the General Fund usually in November of each fiscal year.

The City of West Point approved the following property tax abatement agreements (on an individual basis) originally as a part of an intergovernmental agreement between Troup County, Harris County and itself. The abatements' main purpose is for economic development and revitalization of the employment industry.

Taxpayer	Purpose	Years Remaining in Abatement	Percentage	Abatement		Entered into During Reporting Period?
				Type	Dollar Amount	
Glovis Harris Co	Econ Dev *	2	50%	Real	\$50,000	N
Daesol	Econ Dev *	^6	100%	Real	\$100,000	Y
Glovis	Econ Dev *	3	50%	Real	\$231,342	N
Glovis	Econ Dev *	3	50%	Personal	\$36,692	N
Mobis	Econ Dev *	3	50%	Real	\$154,183	N
Mobis	Econ Dev *	3	50%	Personal	\$68,990	N
Powertech	Econ Dev *	6	50%	Real	\$224,984	N
Powertech	Econ Dev *	4	50%	Personal	\$276,730	N
Powertech	Econ Dev *	4	75%	Personal	\$110,215	N
Hyundai Dymos	Econ Dev *	7	95%	Real	\$166,843	N
Hyundai Dymos	Econ Dev *	7	87.5%	Personal	\$114,146	N
Kia Motors	Econ Dev *	6	100%	Personal	\$1,617,893	N
Total Abatement					<u>\$2,852,108</u>	

*Economic Development

^Percentage decrease to 50% after 2019

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

1. Glovis Harris made the commitment to invest a minimum of \$16,500,000 and create 190 jobs by 2015. No recapture rules apply.
2. Daesol made the commitment to invest a minimum of \$18,000,000 and create 60 jobs by 2017. No recapture rules apply.
3. Glovis made the commitment to invest a minimum \$35,000,000 and create a minimum of 400 jobs. If the commitments are achieved on or before December 31, 2012, the company shall thereafter continue to be entitled to the property tax reduction. If the company fails to meet the commitment the property tax reduction will end.
4. Mobis made the commitment to invest a minimum of \$37,000,000 and create a minimum of 420 jobs. If the commitments are achieved on or before December 31, 2012, the company shall thereafter continue to be entitled to the property tax reduction. If the company fails to meet the commitment the property tax reduction will end.
5. Powertech made the commitment to invest a minimum of \$90,000,000 and create a minimum of 213 jobs. If the company does not achieve the commitment on or before such date of August 1, 2014 the amounts paid by the taxpayer as payments in lieu of taxes in all future years shall be increased by a percentage equal to the percentage by which the company investment and jobs creation has fallen short of the commitment. Job creation and investment shall be weighted equally.
6. Hyundai Dymos made the commitment to invest \$35,000,000 and create 300 new jobs within 24 months (September 2015). If the company does not achieve the commitment on or before such date of September 30, 2015 the amounts paid by the taxpayer as payments in lieu of taxes in all future years shall be increased by a percentage equal to the percentage by which the company investment and jobs creation has fallen short of the commitment. Job creation and investment shall be weighted equally.
7. Kia Motors America, Inc. made the commitment to invest \$450,000,000 and create a minimum of 1,800 jobs. No recapture penalties exist for failing to meet the commitments.

None of the commitments above are in jeopardy of not being fulfilled.

4-D. Capital Assets

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

(in thousands of dollars)	Balance 12/31/16	Transfers In/ Additions	Transfers Out/ Deletions	Balance 12/31/17
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	\$ 1,128	\$ 106.5	\$ -----	\$ 1,234.5
Construction in Progress	4,063.5	62	-----	4,125.5
Total Non Depreciable Assets	<u>\$ 5,191.5</u>	<u>\$ 168.5</u>	<u>\$ -----</u>	<u>\$ 5,360</u>
Depreciable Capital Assets:				
Furniture and Fixtures	\$ 314	\$ -----	\$ -----	\$ 314
Buildings and Plant	7,683.5	317.5	-----	8,001
Vehicles, Machinery and Equipment	6,290.5	333.5	-----	6,624
Infrastructure	<u>6,583</u>	<u>95</u>	<u>-----</u>	<u>6,678</u>
Total Depreciable Capital Assets	<u>\$ 20,871</u>	<u>\$ 746</u>	<u>\$ -----</u>	<u>\$ 21,617</u>
Accumulated Depreciation				
Furniture and Fixtures	\$ 178	\$ 5	\$ -----	\$ 183
Buildings and Plant	2,500	216	-----	2,716
Vehicles, Machinery and Equipment	3,874	353	-----	4,227
Infrastructure	<u>2,349</u>	<u>226</u>	<u>-----</u>	<u>2,575</u>
Total Accumulated Depreciation	<u>\$ 8,901</u>	<u>\$ 800</u>	<u>\$ -----</u>	<u>\$ 9,701</u>
Governmental Activities Depreciable Capital Assets, Net	<u>\$ 11,970</u>	<u>\$ < 54 ></u>	<u>\$ -----</u>	<u>\$ 11,916</u>
Total Non and Depreciable Capital Assets	<u>\$ 17,161.5</u>	<u>\$ 1114.5</u>	<u>\$ -----</u>	<u>\$ 17,276</u>
	=====	=====	=====	=====

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

Governmental Activities Depreciation Expense:

General Government	\$ 66
Public Safety	354
Public Service	275
Culture and Recreation	98
Housing and Urban Development	7
	<u>7</u>

Total Governmental Activities Depreciation Expense	\$ 800
	<u>=====</u>

	Balance 12/31/16	Additions	Deletions	Balance 12/31/17
Business-Type Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 53	\$ -----	\$ -----	\$ 53
Construction In Progress	-----	-----	-----	-----
Total Non-Depreciated Assets	<u>\$ 53</u>	<u>\$ -----</u>	<u>\$ -----</u>	<u>\$ 53</u>
Depreciable Capital Assets:				
Buildings and Plant	\$44,943.5	\$ 336	\$ -----	\$45,279.5
Vehicles, Machinery and Equipment	2,605	25	-----	2,630
Total Depreciable Capital Assets	<u>\$47,548.5</u>	<u>\$ 361</u>	<u>\$ -----</u>	<u>\$47,909.5</u>
Accumulated Depreciation				
Buildings and Plant	\$ 10,692	\$ 706	\$ -----	\$ 11,398
Vehicles, Machinery & Equipment	1,221	104	-----	1,325
Total Accumulated Depreciation	<u>\$ 11,913</u>	<u>\$ 810</u>	<u>\$ -----</u>	<u>\$ 12,723</u>
Business-Type Activities Depreciable Capital Assets, Net	<u>\$35,635.5</u>	<u>\$< 449></u>	<u>\$ -----</u>	<u>\$35,186.5</u>
Total Non and Depreciable Capital Assets	<u>\$35,688 .5</u>	<u>\$< 449></u>	<u>\$ -----</u>	<u>\$35,239.5*</u>
* Rounding error of <.5>				
Component Units:				
West Point Development Authority				
Business-Type Activities	\$ 790	\$ -----	\$ -----	\$ 790
Capital Assets Not Being Depreciated				
Land				
Downtown West Point Development Authority				
Business-Type Activities	\$ 101.5	\$ -----	\$ -----	\$ 101.5
Current Assets Not Being Depreciated				
Land	2	-----	-----	2
Depreciable Capital Assets				
Vehicles, Machinery and Furniture	< 2>	-----	-----	< 2>
Accumulated Depreciation	<u>\$ 101.5</u>	<u>\$ -----</u>	<u>\$ -----</u>	<u>\$ 101.5</u>
Vehicles, Machinery and Equipment				
Total Non and Depreciable Capital Assets				

4-E. Interfund Balances and Transfers

Interfund balances at December 31, 2017, consisted of the following amounts. The inter fund balances are not expected to be paid in one year from the date of the financial statements and have existed for more than one year and the original purpose of the inter fund balances were to finance capital acquisitions in other funds.

Payable To:	Payable From:		
	Non-Major Other Funds	General Fund	Total
General Fund	\$ 42,892	\$ -----	\$ 42,892
Water and Sewer Fund	-----	392,035	392,035
	<u>\$ 42,892</u>	<u>\$ 392,035</u>	<u>\$ 434,927</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

Interfund transfers for the year ended December 31, 2017, consisted of the following:

Transfers From:			
Transfers To:	General Fund	Electric Fund	Total
General Fund	\$ -----	\$ 489,793	\$ 489,793
Sanitation Fund	67,323	-----	67,323
Gas Fund	7,739	-----	7,739
Total	\$ 75,062	\$ 489,793	\$ 564,855
	=====	=====	=====

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; and to return money to the fund from which it was originally provided, once a project is completed.

All City transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

4-F. Revenue Bonds Payable

The City issued Water and Sewer Bond Series Revenue A and B 2001 on June 1, 2001. The Bond Series of 2001 proceeds paid all expenses incident to the issuance of the bonds. The bonds are secured by a first lien on and payable solely from the net revenues of the system and the proceeds were used for water and sewer plant additions.

The City issued Water & Sewer Bond Series 2008 Bonds. The Bond Series of 2008 proceeds paid all expenses incident to the issuance of the Bonds. The Bonds are secured by a first lien on and payable solely from the net revenues of the system and the proceeds were used for water and sewer plant additions.

The following is a summary of revenue bond transactions of the City for the year ended December 31, 2017.

Name	Interest Rate	Balance Beginning of Year	Additions (Reductions) in Indebtedness	Balance End of Year
*2001 Series A	4.50% to 4.500%	\$ 3,617,977	\$< 76,043>	\$ 3,541,934
**2001 Series B	4.50% to 4.500%	633,652	< 13,336>	620,316
^2008 Series	2.50% to 4.125%	8,861,774	< 132,913>	8,728,861
		\$13,133,403	\$< 212,456>	\$12,891,111
		=====	=====	=====

*Original issue amount \$4,393,830 - Purpose to Construct Water and Sewer Treatment Plant

**Original issue amount \$ 769,580 - Purpose to Construct Water and Sewer Treatment Plant

^Original issue amount \$9,463,000 - Purpose to Construct a Sewer Treatment Plant

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

The annual principal maturities of the debt during the years following 2017 are as follows:

Year	2001 A	2001 B	2008	2001 A Interest	2001 B Interest	2008 Interest
2018	\$ 79,378	\$ 13,965	\$ 135,396	\$ 157,835	\$ 27,613	\$ 338,155
2019	83,025	14,553	142,397	154,188	27,026	345,451
2020	86,839	15,131	148,272	150,372	25,060	339,576
2021	90,513	17,211	150,419	146,763	24,357	338,305
2022	95,000	17,434	166,269	142,564	24,162	321,594
2023 - 2027	567,510	99,846	1,152,005	618,556	112,434	1,775,175
2028 - 2032	710,407	153,533	1,198,186	475,659	102,684	1,241,131
2033 - 2037	889,284	163,647	1,797,378	296,782	42,154	1,129,937
2038 - 2042	940,048	124,996	1,869,290	190,343	-----	570,027
2043 - 2047	-----	-----	1,792,878	-----	-----	645,837
2048	-----	-----	176,371	-----	-----	137
	<u>\$ 3,541,934</u>	<u>\$ 620,316</u>	<u>\$ 8,728,861</u>	<u>\$ 2,333,062</u>	<u>\$ 413,155</u>	<u>\$ 7,045,325</u>

Interest expense for 2017 amounted to \$543,788 for the above and has been expended within the accompanying financial statements.

The City of West Point refunded the GEFA note with Revenue Bonds issued by J. P. Chase during the fiscal year 2014. The details are as follows:

Name	Interest Rate	Balance Beginning of Year	Additions (Reductions) in Indebtedness	Balance End of Year
J. P. Chase Bonds	3.03%	\$ 7,555,000	\$ 415,000	\$ 7,140,000

* Original Issue amount \$ 7,850,000 – Purpose to refund GEFA Note

Original purpose was to construct Water
and Sewer plant.

The annual principal maturities of the debt during the years following 2017 are as follows:

Year	Principal	Interest
2018	430,000	209,828
2019	445,000	196,571
2020	455,000	182,936
2021	500,000	139,077
2022	485,000	154,454
2023-2027	2,650,000	539,339
2028-2031	2,175,000	156,273
	<u>\$ 7,140,000</u>	<u>\$ 1,578,478</u>

Interest amount of the above debt for the current year was \$222,629 and has been expended within the accompanying financial statements.

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

Through the West Point Development Authority, Revenue Bonds were issued to finance certain City of West Point projects. The Debt Service will be funded by the Special Purpose Local Option Sales Tax collected from 2013-2019.

The following is a summary of the revenue bond transactions of the City for the year ending December 31, 2017.

Name	Interest Rate	Balance Beginning of Year	Additions (Reductions) in Indebtedness	Balance End of Year
*Series 2012	2% to 4%	\$ 1,115,000	\$ 420,000	\$ 695,000
*Original issue amount \$4,505,000 - Purpose to renovate the City Gym, Ball Field and other Recreational Facilities				

The annual principal maturities of the debt in the years following 2017 are as follows:

Year	2012 Series	Interest
2018	\$ 425,000	\$ 14,575
2019	270,000	6,075
	\$ 695,000	\$ 20,650
Bond Premiums	36,171	-----
	\$ 658,829	\$ 20,650
	=====	=====

Interest expenditure amounted to \$22,975 for the year ending December 31, 2017.

4-G. Notes Payable and Capital Leases

General Obligation Debt – The City has issued general obligation debt to provide funds for the purchase of a fire truck, and a new fire station. The City assumed the general obligation debt of the West Point 2100 for the West Point Depot. The debt is a direct obligation of the City and is pledged by the full faith and credit of the City. General obligation debt currently outstanding as of December 31, 2017, is as follows:

Name	Interest Rate	Balance Beginning of Year	Additions	(Reductions) in Indebtedness	Balance End of Year	Original Debt Amount
Fire Station	3.50%	\$ 1,787,388	\$ -----	\$< 39,929>	\$ 1,747,459	\$ 1,899,094
Fire Truck	^1.70%	480,021	-----	< 57,583>	422,438	850,000
Depot	6.00%	152,412	-----	< 152,412>	-----	156,590
Total		\$ 2,419,821	\$ -----	\$< 249,924>	\$ 2,169,897	\$ 2,905,684
		=====	=====	=====	=====	=====

^ New rate for 2018 is 1.98%

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

Annual debt service requirements and interest to maturity are as follows:

Year Ending December 31	Fire Truck		Fire Station	
	Principal	Interest	Principal	Interest
2018	\$ 60,100	\$ 17,357	\$ 41,356	\$ 60,500
2019	362,338	44,049	42,827	59,029
2020	-----	-----	44,479	57,377
2021	-----	-----	45,928	55,928
2022	-----	-----	47,566	54,294
2023-2027	-----	-----	264,414	244,864
2028-2032	-----	-----	314,900	151,177
2033-2037	-----	-----	444,911	134,247
2038-2040	-----	-----	501,078	110,211
Totals	\$ 422,438	\$ 61,406	\$1,747,459	\$ 927,627

Interest expense on the above amounted to \$89,711 and has been expended within the accompanying financial statements.

Enterprise Funds – The following lists of the notes payable of the City as of December 31, 2017 for the Enterprise Funds:

JP Chase – Gas Fund - \$2,717,580 (Original debt amount)

The loan proceeds are to refund the prior BB&T Bank loan for gas line replacement. The loan terms are interest at 3.08% and payments are quarterly. The interest paid for 2017 was 75,504 and the principal paid was \$172,550. The accrued interest added to the debt amount was \$20,636.

Year Ending	Principal	Interest
2018	\$ 177,930	\$ 70,128
2019	183,480	64,583
2020	189,180	44,697
2021	195,080	52,984
2022	201,160	46,904
2023 - 2027	1,103,820	136,420
2028 - 2029	292,940	20,800
	<u>\$ 2,343,590</u>	<u>\$ 436,516</u>

Changes in Long-term Debt – Changes in the City's long-term obligations consisted of the following for the year ended December 31, 2017:

	Outstanding 1/1/2017	Additions	Reductions	Outstanding 12/31/2017	Amounts Due in One Year
Governmental Activities					
General Obligation Debt					
(Fire Station)	\$ 1,787,388	\$ -----	\$< 39,929>	\$ 1,747,459	\$ 41,356
(Fire Truck)	480,021*	-----	< 57,583>	422,438	60,100
(Depot/Visitor's Center)	152,412*	-----	< 152,412>	-----	-----
Total General Obligation Debt	<u>\$ 2,417,445</u>	<u>\$ -----</u>	<u>\$< 249,924></u>	<u>\$ 2,169,897</u>	<u>\$ 101,456</u>
Capital Project Revenue Debt					
SPLOST Series 2012 Bonds	\$ 1,115,000	\$ -----	\$< 420,000>	\$ 695,000	\$ 425,000
Bond Premiums	72,341	-----	< 36,170>	36,171	-----
	<u>\$ 1,187,341</u>	<u>\$ -----</u>	<u>\$< 456,170></u>	<u>\$ 731,171</u>	<u>\$ 425,000</u>
Total Governmental Activities	<u>\$ 3,604,786</u>	<u>\$ -----</u>	<u>\$< 706,094></u>	<u>\$ 2,901,068</u>	<u>\$ 526,456</u>
Business-Type Activities					
Water & Sewer Revenue Bonds					
(Water line extension and plants)	\$20,668,403*	\$ -----	\$< 637,292>	\$20,031,111	\$ 658,739
Gas Fund - Gas Lines	2,516,140	-----	< 172,550>	2,343,590	177,930
Total Business-Type Activities	<u>\$23,184,543</u>	<u>\$ -----</u>	<u>\$< 809,842></u>	<u>\$22,374,701</u>	<u>\$ 836,659</u>

* Corrected from Prior Year

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

Capital Lease Payable

Governmental Fund – Purchased new police vehicles, E-911 upgrades and a state of the art Fire Truck through Georgia Municipal Association under a Capital Lease. At the end of the lease, the ownership of the asset will transfer to the City. Original cost of E-911 upgrade: \$135,327, Police Vehicle \$45,408 and Fire Truck \$393,000. The amortization for the capital leases are included in the Depreciation of the Capital Assets on the Government wide statements.

Year Ending December 31	E-911		Fire Truck		Police Vehicles	
	Minimum Lease Payment	Interest	Minimum Lease Payment	Interest	Minimum Lease Payments	Interest
2018	\$ 8,736	\$ 62	\$ 94,544	\$ 2,326	\$ 27,418	\$ 881
2019	-----	-----	71,907	714	7,043	47
	<u>\$ 8,736</u>	<u>\$ 62</u>	<u>\$ 166,461</u>	<u>\$ 3,040</u>	<u>\$ 34,461</u>	<u>\$ 928</u>

	Outstanding 1/1/2017	Additions	Reductions	Outstanding 12/31/2017	Amounts Due in One Year
General Fund					
Police Vehicle	\$ -----	\$ 54,424	\$ < 19,963 >	\$ 34,461	\$ 27,418
E-911 Upgrade	* 50,232	-----	< 41,496 >	8,736	8,736
Fire Truck	259,475	-----	< 93,014 >	166,461	60,100
Total	<u>\$ 309,707</u>	<u>\$ 54,424</u>	<u>\$ < 154,473 ></u>	<u>\$ 209,658</u>	<u>\$ 96,254</u>

* Corrected from Prior Year

4-H. Pensions Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Plan Description – The City's defined benefit pension plan, the City of West Point Retirement Plan, provides retirement, disability, and death benefits to plan members and beneficiaries. The City of West Point Retirement Plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The benefit provisions and all other requirements are established by City ordinance. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information for the City of West Point Retirement Plan. That report may be obtained by writing to Georgia Municipal Association, Employee Benefit Section, 201 Pryor Street, SW, Atlanta, Georgia 30303-3606.

At December 31, 2017, the City reported a liability of \$2,495,122 (allocated to General and Proprietary Funds) for its net pension liability. The net pension liability was measured as of March 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The total pension liability was then rolled forward to the measurement date of March 31, 2017 utilizing update procedures in incorporating the actuarial assumptions. The City's net pension liability was based on a projection of the City's long-term future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan, actuarially determined.

For the year ended December 31, 2017, the City recognized pension expense of \$293,985 (allocated to General and Proprietary Funds). At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 85,434	\$ < 433,944 >
Changes of assumptions	318	-----
Net difference between projected and actual earnings on pension plan investments	2,641	-----
City contributions subsequent to the measurement date	313,421	-----
Total	<u>\$ 401,814</u>	<u>\$ < 433,944 ></u>

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

The contributions made subsequent to the measurement date of \$313,421 are reported as deferred outflows of resources related to pensions resulting from City contributions and will be recognized as a decrease of the net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended December 31:	Deferred Outflows	Deferred Inflows
2018	120,873	< 187,292>
2019	120,873	< 187,292>
2020	118,575	< 165,644>
2021	-----	< 165,644>
Total	<u>\$360,321</u>	<u>\$< 705,872></u>

Net Pension Liability

Changes in the Net Pension Liability

	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (NPL) (a) - (b)
Balances at March 31, 2016*	\$ 9,469,477	\$ 6,105,561	\$ 3,363,886
Changes for the year:			
Service cost	240,942	-----	240,942
Interest	709,411	-----	709,411
Differences between expected and actual experience	< 542,429>	-----	< 542,429>
Contributions - employer	-----	400,948	< 400,948>
Contributions - employee	-----	145,625	< 145,625>
Net investment income	-----	754,725	< 754,725>
Benefit payments, including refunds of employee contributions	<631,510>	<631,510>	-----
Administrative expense	-----	<24,610>	24,610
Other	-----	-----	-----
Net changes	<223,586>	645,178	< 868,764>
Balances at March 31, 2016**	<u>\$ 9,245,861</u>	<u>\$ 6,750,739</u>	<u>\$ 2,495,122</u>

Notes to Schedule of Contributions

Valuation Date The actuarially determined contribution rate was determined as of July 1, 2017 with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending December 31, 2018.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed level dollar for remaining unfunded liability; see Section 5, Exhibit II for additional detail
Remaining Amortization Period	Remaining amortization period varies for the bases, with a net effective amortization period of 12 years
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary to be within 20% of market value.
Actuarial Assumptions:	
Net Investment Rate of Return	7.75%
Projected Salary Increases	3.25% plus service based merit increases
Cost of Living Adjustments	0.00%
Retirement Age	See Section 5, Exhibit III for summary of assumption and Section 4, Exhibit 6 for the history of changes to this assumption, if any.
Mortality	See Section 5, Exhibit III for summary of assumption and Section 4, Exhibit 6 for the history of changes to the assumption, if any.
Other information:	See Section 4, Exhibit 6 for the history of changes to plan provisions, if any.

* Entry Age Normal liabilities calculated using ages and service amounts as of July 1, 2016 are used to measure TPL as of March 31, 2016. The balances as of March 31, 2016 constitute measurements of NPL for the fiscal year ending December 31, 2016.

** Entry Age Normal liabilities calculated using ages and service amounts as of July 1, 2017 are used to measure TPL as of March 31, 2017. The balances as of March 31, 2017 constitute measurements of NPL for the fiscal year ending December 31, 2017.

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

Actuarial Valuation History for Notes to Schedules

Changes of assumptions

- As a result of the new administrative fee structure approved by the Board, the administrative expense assumption was updated for fiscal years beginning in 2016. See Section 5, Exhibit III for details.
- Amounts reported for the Fiscal Year ending in 2016 and later reflect the following assumption changes approved by the Board in December, 2014 based on the results of an actuarial experience study covering the period January 1, 2010 to June 30, 2014.
 - The mortality table for disabled participants was changed to remove the two-year set-forward for males and the one-year set-forward for females.
 - The turnover rates were updated to introduce select rates for service less than five years and to reduce the ultimate rate by 15% and to assume no turnover on and after age 55. The select period rates were further constrained to not be less than the ultimate rates.
 - The retirement rates where normal retirement is only available on or after age 65 were changed from the prior assumption of 100% at age 65 to the new assumption of 60% at ages 65 to 69 and 100% at age 70. Where normal retirement is available prior to age 65, the rates were changed from the prior assumption of 100% at earliest unreduced age, but not below age 60, to the new assumption of 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65-69, and 100% at age 70.
 - The inflation assumption was decreased from 3.50% to 3.25%.
 - The salary increase assumption was changed from select period rates during the first five years of service, followed by age-related rates to an assumption based on new service-related rates. Under the prior assumption, the salary increases ranged from 4.00% to 11.00% and included an inflation assumption of 3.50%. Under the new assumption, the salary increases range from 3.75% to 8.00% and include an inflation assumption of 3.25%.

Benefit changes

- *There have been no changes in benefit provisions since GASB 67/68 implementation.*

EXHIBIT 1

Summary of Actuarial Valuation Results

The valuation was made with respect to the following data supplied to us:

1. Pensioners as of the valuation date (including 3 beneficiaries)		34
2. Participants inactive during the year ended June 30, 2015 with vested rights		13
3. Participants active during the year ended June 30, 2015 (including 0 elected officials)		82
Fully vested	23	
Not vested	59	

The actuarial factors as of the valuation date are as follows:

1. Normal cost, including administrative expenses		\$ 126,503
2. Present value of future benefits		10,965,836
3. Actuarial accrued liability		8,797,094
Pensioners and beneficiaries	\$ 4,976,908	
Inactive participants with vested rights	212,120	
Active participants	3,608,066	
4. Actuarial value of assets (6,211,223 at market value)		6,647,445
5. Unfunded/(Surplus) actuarial accrued liability		2,149,649

The determination of the recommended contribution is as follows:

1. Total benefit normal cost	273,555
2. Administrative expenses	23,484
3. Expected employee contributions	-170,536
4. Employer normal cost (1) + (2) + (3)	126,503
5. Payment on unfunded/(surplus) actuarial accrued liability	274,968
6. Full funding credit	0
7. Recommended mid-year contribution at valuation date: (4) + (5) + (6)	401,471
8. Adjustment to fiscal year*	15,267
9. Total recommended mid-year contribution, for fiscal year	416,738
10. Total recommended contribution as a percentage of expected payroll	12.48%

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

Retirement Rates:

	<u>Age</u>	<u>Annual Rate (%)</u>
Employees and Officials (Class 2)	65-69	60
	70 and over	100
Employees and Officials (Class 00 and Class 01)	55-59	10
	60	20
	61	25
	62	35
	63	40
	64	45
	65-69	50
	70 and over	100

Retirement Age for Inactive Vested Participants:
Form of Payment

65
Life Annuity

Unknown Data for Participants:

Same as those exhibited by Participants with similar known characteristics. If not specified, Participants are assumed to be male.

Percent Married:

100%

Age of Spouse:

Females three years younger than males

**Fiscal year begins January 1, 2017.*

Benefit Election:

All participants are assumed to elect the life annuity form of payment and the valuation includes the 30 months of guaranteed benefits. On a system-wide basis, the optional forms of payment are essentially actuarially equivalent.

Net Investment Return:

On-going basis:

7.75% - On-going basis, based on long-term expected rate of return on pension plan investments

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2015 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	45%	6.71%
International equity	20%	7.71%
Fixed income	25%	5.47%
Real estate	10%	5.21%
Cash	0%	
Total	100%	

Plan termination basis:

3.20% (30-year Treasury Securities Rate as of August, 2016, published in September, 2016; 2.86% last year)

Inflation:

3.25%

Salary Increases:

<u>Years of Service</u>	<u>Annual Rate (%)</u>
0-1	8.75
2	5.75
3	5.50
4	5.25
5	5.00
6	4.75
7	4.50
8	4.25
9	4.00
10 or more	3.75

Note the above rates include inflation of 3.25%

City of West Point, Georgia
Notes to the Basic Financial Statements
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Social Security Wage Base Increase: 3.25%
Cost of Living Adjustment: N/A
Administrative Expenses: Base fee - \$9,000
Per active and terminated vested participant - \$66
Per retiree and beneficiary - \$78
Percentage of the market value of assets - 0.06%
Per active participant for the administration of employee contributions - \$18
Per inactive participant for the administration of employee contributions - \$9

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

Actuarial Cost Method: Projected Unit Credit Cost Method. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by service.

Amortization: The amortization of the unfunded actuarial accrued liability is level dollar over 30 years for the initial unfunded accrued liability, 15 years for actuarial gains and losses, 10 years for temporary retirement incentive programs 20 years for other changes to plan provisions, and 30 years for actuarial assumptions and cost methods. The total amortization must be within a corridor of the 10-year and the 30-year amortization of the unfunded/(surplus) actuarial accrued liability. In a year when the 10-year or 30-year corridor applies, the following year, the prior year bases are combined into one 10-year or 30-year base.

Asset Data: GMEBS has supplied all asset data used in the valuation. The market value of assets is based on current values as of three months preceding the valuation date (March 31, 2017) and is assumed to be current through the date.

Participant Data: The primary source of participant data for the current valuation is a census of all participants which was prepared by the employer through GMEBS. The data is typically collected four months prior to the valuation date and assumed to be current through that date.

Changes in Methods and Assumptions: As a result of the new administrative fee structure, the administrative expense assumption changed as follows:

	Current	Prior
Base fee	\$9,000	\$7,000
Per active and terminated vested participant	\$66	\$65
Per retiree and beneficiary	\$78	\$65
Percentage of the market value of assets	0.06%	0.05%
Per active participant for the administration of employee contributions	\$18	\$10 (employees only)
Per inactive participant for the administration of employee contributions	\$9	\$0

Based on the results of an actuarial experience study covering the period January 1, 2010 to June 30, 2014, the following assumptions were changed in this valuation:

- The mortality table for disabled participants was changed to remove the two-year set-forward for males and The one-year set-forward for females.
- The turnover rates were updated to introduce select rates for service less than five years and to reduce the ultimate rate by 15% and to assume no turnover on and after age 55. The select period rates were further constrained to not be less than the ultimate rates.
- The retirement rates where normal retirement is only available on or after age 65 were changed from the prior assumption of 100% at age 65 to the new assumption of 60% at ages 65 to 69 and 100% at age 70. Where normal retirement is available prior to age 65, the rates were changed from the prior assumption of 100% at earliest unreduced age, but not below age 60, to the new assumption of 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70. If retirement is not available at a given age or a participant does not meet the plan's service criteria to retire at a given age, no retirement is assumed at that age.
- The inflation assumption was decreased from 3.50% to 3.25%.
- The salary increase assumption was changed from select period rates during the first five years of service, followed by age-related rates to an assumption based on new service-related rates. Under the prior assumption, the salary increases ranged from 4.00% to 11.00% and included an inflation assumption of 3.50%. Under the new assumption, the salary increases range from 3.75% to 8.00% and include an inflation assumption of 3.25%.

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Actuarial Valuation and Review Report from the Georgia Municipal Association, 201 Pryor Street, SW, Atlanta, Georgia 30303-3606.

4-I. Equity

Net Positions – Net positions on the government-wide statement of net positions as of December 31, 2017 are as follows:

(Amounts Expressed in Thousands)		
	Governmental Activities	Business-Type Activities
Net Investment in capital assets:		
Cost of Capital Assets	\$ 26,979.5	\$ 47,964
Less Accumulated Depreciation	9,703	< 12,724>
Book Value	17,276.5	35,240
Less Capital Related Debt	< 3,074>	< 22,375>
Net Investment in capital assets	\$ 14,202	\$ 12,865
	=====	=====

Fund Balances – At December 31, 2017, fund balance assignments at the fund reporting level are as follows:

	General	Special Revenue	Capital Projects
Assigned for Fire Station Construction	\$ -----	\$ -----	\$ -----
Assigned for Law Enforcement Expenditures	-----	-----	-----
	-----	-----	-----
	\$ -----	\$ -----	\$ -----
	=====	=====	=====

At December 31, 2017, fund balance restrictions at the fund reporting level are as follows:

	Capital Projects	Other Funds Non-Major
Restricted for SPLOST Projects	\$1,438,982	\$ 196,237
Restricted for Tourism	-----	6,156
Restricted for Revolving Fund	-----	511,269
Restricted for E-911 Service	-----	76,767
Total Restricted	-----	-----
Funds:	\$1,438,982	\$ 790,429
	=====	=====

4-J. Compliance with Legal Provisions

Federal Laws – Grants –

The City received a Community Housing Improvement Program grant in the amount of \$70,070 for the improvements of public housing.

Hotel/Motel Lodging Tax – During the year ended December 31, 2017, the City levied a 5% lodging tax. The Official Code of Georgia Annotated 48-13-50 requires that all lodging taxes levied in excess of 3% be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. The City collected \$8,346 in hotel/motel tax for the year ending December 31, 2017 and expended \$8,346 for the same period. The expenditures of hotel/motel tax for December 31, 2017 are 100% of the hotel/motel tax collected for the same period.

Emergency 911 Funds – The City of West Point, Georgia certifies E 911 charges collected and expended for the fiscal year ending December 31, 2017 were in accordance with Code Section 36-81-7 of the Georgia State Law.

4-K. Other Required Individual Fund Disclosures

Deficit fund balances or retained earnings balances of individual funds: None

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

The Electric Fund had a deficit of \$69,453, for the year ending December 31, 2017. This fund has \$5,060,000 surplus to offset future deficits.

4-L. Segment Information

The following Enterprise funds have been created to provide various services to the general public:

Water and Sewer Fund – established to account for the operation of the City’s water and sewer services.

Electric Fund – established to account for the operation of the City’s electric services.

Gas Fund – established to account for the operation of the City’s natural gas services.

Sanitation Fund – established to account for the operation of the City’s waste collection and disposal services.

The Water and Sewer Fund consists of water and sewer system operations, of which the revenues are pledged against revenue bonds. The Electric Fund consists of electric operations and there are no outstanding revenue bonds. The Gas Fund consists of natural gas operations and there are no outstanding revenue bonds. The Sanitation Fund consists of garbage collection and disposal and there are no outstanding revenue bonds.

Segment information for the Enterprise Funds for the year ended December 31, 2017 is not presented here since it is presented in the basic financial statements.

4-M. Commitment and Contingencies

Agreements with Municipal Electric Authority of Georgia

During 1976, the City, along with 45 other cities and one county, all political subdivisions of the State of Georgia, entered into a Power Sales Contract with the Municipal Electric Authority of Georgia, a public corporation and instrumentality of the State of Georgia.

Under the terms of the agreement, the Authority agrees to provide, and the Cities are obligated to purchase, all of the Cities’ bulk power supply requirements for a period not to exceed 50 years. The Cities have agreed to purchase all their future power and energy requirements in excess of that received by the Cities 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 City has guaranteed a portion of the unpaid debt based on their individual entitlement shares of the output and services of generating units acquired or constructed by the Authority. 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.

At December 31, 2017, the outstanding debt of the Authority was approximately \$6.78 billion. The City’s guarantee varies by individual projects undertaken by the Authority and totals approximately \$29 million at December 31, 2017.

On January 1, 1999, the City approved a resolution adopting the provisions of the Municipal Competitive Trust (the “Trust”), which was created by MEAG for the mutual benefit of MEAG and its wholesale customers which have elected to become beneficiaries. The Trust was established to provide MEAG and the Trust’s beneficiaries a means to mitigate the expected differential between market rates for power and the costs of power generated by MEAG facilities, after deregulation of the electric industry.

The Trust created two types of funds, which are held by MEAG in the name of the City. The first type represents amounts that are available to the City for withdrawal without restriction. The second type represents amounts that are available to the City in the form of a loan or as an off-set to billings from MEAG for power usage if certain criteria related to the difference between the cost of power generated by MEAG facilities and the market rates for power are met.

At December 31, 2017, \$4,200,501 has been placed into the Trust for the benefit of the City, of which \$4,097,819 is available without restriction and \$103,682 is subject to restrictions. Of the \$4,200,501 approximately \$4,200,501 has been recognized as

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

revenue for the years ended December 31, 2017 and prior. Due to the restricted nature of the \$102,682, the amount is not reported as deferred revenue at December 31, 2017, on the City financial statements.

Pending Litigation or Overtly Threatened Litigation, Claims, or Assessments

The City is presently involved in a number of matters involving pending litigation, overtly threatened litigation, claims, or assessments. While the City intends to defend these actions, the ultimate outcome is uncertain at this time. The City's management and legal counsel are of the opinion that any unfavorable outcome would not materially affect the financial statements.

4-N. Joint Ventures

Under Georgia Law, the City, in conjunction with other Cities and Counties in the five county west Georgia area, is a member of the Chattahoochee-Flint Regional Development Commission (the "RDC") and is required to pay annual dues thereto.

Membership in an RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC in Georgia. The RDC Board Membership includes the Chief elected official of each county and municipality in the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RDC. Separate financial statements may be obtained from: Chattahoochee-Flint Regional Development Center, P.O. Box 1600, Franklin, Georgia 30217.

4-O. Related Organization

The City's Mayor is responsible for appointing all board members of the City of West Point Housing Authority. However, the City has no further accountability for the Authority.

4-P. Change in Accounting Principles/Restatement

The City implemented Governmental Accounting Standards Board (GASB) statement 68. Accounting and Financial Reporting for Pensions (an amendment to GASB Statement No. 27) in the fiscal year ending December 31, 2015. The implementation of the statement required the City to record beginning net pension liability and the effects on net position of contributions made by the City during the measurement period (fiscal year ending December 31, 2015).

The Net Position for the business type activities was restated to include a prorated amount of the Net Pension Liability as per GASB Statement 68 and 27. The Net Position of the business type activities before the restatement was \$25,551,738; the Net Position of the business type activities after the restatement was \$24,459,736. The Revolving Fund Loan Fund was restated by \$<15,045> due to the investment interest being overstated in the prior year.

Note 5 – Other Notes

5-A. Closure and Postclosure Care Requirements

GASB Statement No. 18, "Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs", require certain disclosures be reported relating to the closure and postclosure care.

The current estimated cost of postclosure is \$0.

The City owned and operated the city landfill until 1990. The landfill was closed in 1990 in order to meet the State of Georgia Solid Waste Reduction requirements. The solid waste disposal is conducted in the Sanitation Fund.

The estimated costs of postclosure are based on the landfill capacity used to date. The landfill capacity used to date is 100 percent. The estimated remaining landfill life is zero years. The current estimated postclosure costs recognized for the year ending are \$0.

The source of the estimated cost of postclosure care requirements are regulated by the Environmental Protection Division of the Environmental Protection Agency. The nature of the postclosure care requirements consist of well monitoring, laboratory analysis, and inspections. The estimated cost of postclosure varies due to environmental changes and requirements stipulated by the Environmental Protection Division. Requirements for post closure are fulfilled.

City of West Point, Georgia
Notes to the Basic Financial Statements
For the year ended December 31, 2017

The City received postclosure certification from the State of Georgia and is not liable for future postclosure activities.

5-B. 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. To manage and provide for these risks, the City carries commercial insurance coverage for these risks to the extent deemed prudent by City management. There was no significant reduction in insurance coverage during the year. Losses and settled claims have not exceeded insurance coverage in any of the past three fiscal years.

The City participates in the Georgia Municipal Association Worker's Compensation Self Insurance Fund. The Fund was established to insure members for liabilities imposed under workers' compensation and employers' liability laws. The Fund is obligated to provide for the cost of claims and related interest incurred by the City under the Workers' Compensation Law of Georgia along with the cost of investigating, negotiation, and defending such claims. The Fund is intended to be self-sustaining through member premiums. Accordingly, the City is required to pay an annual premium to the Fund.

5-C. Contingent Liabilities

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the City believes such disallowances, if any, will be immaterial.

5-D. Subsequent Events

No significant subsequent events have been experienced by the City since the report date of the audited financial statements, May 29, 2018.

Required Supplementary Information

City of West Point
City of West Point Contributions
Required Supplementary Information
December 31, 2017, 2016 and 2015

**A Participating Member of the Georgia Municipal Employees Benefit System
(Local Government Employees' Retirement System)**

	2017	2016	2015
Contractually required contribution	\$ 416,738	\$ 401,471	\$ 367,250
Contributions in relation to the contractually required contribution	<u>416,738</u>	<u>401,471</u>	<u>367,250</u>
Contribution deficiency (excess)	<u>\$ -----</u>	<u>\$ -----</u>	<u>\$ -----</u>
City's covered-employee payroll	\$ 2,870,446	\$ 3,285,790	\$ 3,048,579
Contributions as a percentage of covered- employee payroll	12.48%	12.22%	12.31%

City of West Point
City of West Point's Proportionate Share of Net
Pension Liability
Required Supplementary Information
December 31, 2017

Georgia Firefighter's Pension Fund

	<u>2017</u>
City's proportionate share of the net pension liability %	0.00%
City's proportionate share of the net pension liability \$	\$ -----
City's covered-employee payroll	\$ 742,472
State's proportionate share of the net pension liability as a percentage of its covered employee payroll	.097583%
Plan fiduciary net position as a percentage of the total pension liability	83.74%
State's proportionate share of the net pension liability associated with City of West Point, Georgia	\$ 159,832

City of West Point
City of West Point's Proportionate Share of Net
Pension Liability
Required Supplementary Information
December 31, 2017

Georgia Peace Officer's Annuity and Benefit Fund

	<u>2017</u>
City's proportionate share of the net pension liability %	0.00%
City's proportionate share of the net pension liability \$	\$ -----
City's covered-employee payroll	\$ 276,725
State's proportionate share of the net pension liability as a percentage of its covered employee payroll	.038568%
Plan fiduciary net position as a percentage of the total pension liability	92.18%
State's proportionate share of the net pension liability associated with City of West Point, Georgia	\$ 4,630

City of West Point, Georgia
General Fund
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – GAAP Basis
For The Year Ended December 31, 2017

	Budgeted Amounts		Actual GAAP Basis	Variance Positive <Negative>
	Original	Final		
Revenues				
Tax Revenue	\$ 4,426,000	\$ 4,837,510	\$ 4,837,510	\$ -----
Licenses and Permits	156,000	165,995	165,995	-----
Intergovernmental	50,000	301,393	301,393	-----
Fines and Forfeitures	242,000	183,744	183,744	-----
Charges for Services	460,075	533,095	533,095	-----
Investment Income	1,000	632	632	-----
Miscellaneous & Donations	78,500	49,927	49,927	-----
Total Revenues	\$ 5,413,575	\$ 6,072,296	\$ 6,072,296	\$ -----
Expenditures				
Current				
General Government	\$ 969,650	\$ 891,634	\$ 891,634	\$ -----
Public Safety - Police	1,975,450	1,850,402	1,850,402	-----
Public Safety - Fire	1,373,825	1,437,794	1,437,794	-----
Highways and Streets	778,600	595,371	595,371	-----
Culture and Recreation	158,000	267,119	267,119	-----
Housing and Urban Development	1,817,522	897,627	897,627	-----
Debt Service				
Principal	331,313	269,885	269,885	-----
Interest	-----	90,977	90,977	-----
Total Expenditures	\$ 7,404,360	\$ 6,300,809	\$ 6,300,809	\$ -----
Excess of Revenues Over <Under> Expenditures	\$ <1,990,785>	\$ < 228,513>	\$ < 228,513>	\$ -----
Other Financing Sources (Uses)				
Transfers In	\$ 1,935,785	\$ 489,793	\$ 489,793	\$ -----
Transfers Out	-----	< 75,062>	< 75,062>	-----
Debt Proceeds	55,000	54,425	54,425	-----
Total Other Financing Sources (Uses)	\$ 1,990,785	\$ 469,156	\$ 469,156	-----
Net Change in Fund Balance	\$ -----	\$ 240,643	\$ 240,643	\$ -----
Fund Balance - Beginning of Year - Restated	\$ -----	\$ 4,561,004	\$ 4,561,004	\$ -----
Fund Balance - End of Year	\$ -----	\$ 4,801,647	\$ 4,801,647	\$ -----
	=====	=====	=====	=====

City of West Point, Georgia
Capital Project Fund – Major
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2017

	SPLOST PROCEEDS - Troup County 2012		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE POSITIVE <NEGATIVE>
REVENUES			
Intergovernmental	\$ 1,358,900	\$ 1,006,598	\$< 352,302>
Miscellaneous Income	100	112	12
TOTAL REVENUES	<u>\$ 1,359,000</u>	<u>\$ 1,006,710</u>	<u>\$< 352,290></u>
EXPENDITURES			
Capital Outlay	\$ 274,000	\$ 323,694	\$< 49,694>
Debt Service			
Principal	1,020,000	420,000	600,000
Interest	65,000	22,975	42,025
TOTAL EXPENDITURES	<u>\$ 1,359,000</u>	<u>\$ 766,669</u>	<u>\$ 592,331</u>
EXCESS REVENUES OVER <UNDER> EXPENDITURES	\$ -----	\$ 240,041	\$ 240,041
Fund Balance - Beginning of Year	-----	655,389	655,389
Fund Balance - End of Year	<u>\$ -----</u>	<u>\$ 895,430</u>	<u>\$ 895,430</u>

City of West Point, Georgia
Capital Project Fund – Major
SUPPLEMENTARY INFORMATION (UNAUDITED)
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2017

	SPLOST PROCEEDS - Harris County 2014		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE POSITIVE <NEGATIVE>
REVENUES			
Intergovernmental	\$ 98,000	\$ 523,281	\$ 425,281
Investment Income	-----	-----	-----
TOTAL REVENUES	<u>\$ 98,000</u>	<u>\$ 523,281</u>	<u>\$ 425,281</u>
EXPENDITURES			
Capital Outlay	\$ -----	\$ -----	\$ -----
Debt Service			
Principal	94,000	93,014	986
Interest	<u>4,000</u>	<u>3,663</u>	<u>337</u>
TOTAL EXPENDITURES	<u>\$ 98,000</u>	<u>\$ 96,677</u>	<u>\$ 1,323</u>
EXCESS REVENUES OVER <UNDER> EXPENDITURES	<u>\$ -----</u>	<u>\$ 426,604</u>	<u>\$ 426,604</u>
Excess of Revenues and Other Sources Over <Under> Expenditures and Other Financing Uses	\$ -----	\$ 426,604	\$ 426,604
Fund Balance - Beginning of Year	-----	115,693	115,693
Fund Balance - End of Year	<u>=====</u>	<u>542,297</u>	<u>542,297</u>

Supplementary Information

City of West Point, Georgia
Capital Project Fund – Non-Major
SUPPLEMENTARY INFORMATION (UNAUDITED)
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2017

	TRANSPORTATION ENHANCEMENT SPLOST		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE POSITIVE <NEGATIVE>
REVENUES			
Intergovernmental	\$ 16,000	\$ 17,975	\$ 1,975
Investment Income	-----	-----	-----
TOTAL REVENUES	<u>\$ 16,000</u>	<u>\$ 17,975</u>	<u>\$ 1,975</u>
EXPENDITURES			
Capital Outlay	\$ 16,000	\$ -----	\$ 16,000
TOTAL EXPENDITURES	<u>\$ 16,000</u>	<u>\$ -----</u>	<u>\$ 16,000</u>
EXCESS REVENUES OVER <UNDER> EXPENDITURES	<u>\$ -----</u>	<u>\$ 17,975</u>	<u>\$ 17,975</u>
OTHER FINANCING SOURCES (Uses)			
Transfer In	\$ -----	\$ -----	\$ -----
Transfer Out	-----	-----	-----
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ -----</u>	<u>\$ -----</u>	<u>\$ -----</u>
Excess of Revenues and Other Sources Over <Under> Expenditures and Other Financing Uses	<u>\$ -----</u>	<u>\$ 17,975</u>	<u>\$ 17,975</u>
Fund Balance - Beginning of Year	<u>-----</u>	<u>71,991</u>	<u>71,991</u>
Fund Balance - End of Year	<u>\$ -----</u>	<u>\$ 89,966</u>	<u>\$ 89,966</u>
	=====	=====	=====

City of West Point, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Special Revenue Funds
For the Year Ended December 31, 2017

	REVOLVING LOAN FUND			EMERGENCY TELEPHONE SYSTEM			HOTEL/MOTEL TAX	
	ORIGINAL & FINAL BUDGET	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE <NEGATIVE >	ORIGINAL & FINAL BUDGET	ACTUAL
REVENUES								
Hotel/Motel Tax	\$ -----	\$ -----	\$ -----	\$ -----	\$ -----	\$ -----	\$ 8,346	\$ 8,346
Charges for Services	-----	-----	95,200	92,023	92,023	-----	-----	-----
Governmental	-----	-----	-----	-----	-----	-----	-----	-----
Investment Income (Loss)	7,647	7,647	-----	25	25	-----	-----	-----
TOTAL REVENUES	\$ 7,647	\$ 7,647	\$ 95,200	\$ 92,048	\$ 92,048	\$ -----	\$ 8,346	\$ 8,346
EXPENDITURES								
Current								
Public Service	\$ -----	\$ -----	\$ 37,800	\$ 20,094	\$ 20,094	\$ -----	\$ -----	\$ -----
Culture and Recreation	-----	-----	-----	-----	-----	-----	8,346	8,346
Capital Outlay	-----	-----	15,000	-----	-----	-----	-----	-----
Debt Service	-----	-----	42,400	42,358	42,358	-----	-----	-----
TOTAL EXPENDITURES	\$ -----	\$ -----	\$ 95,200	\$ 62,452	\$ 62,452	\$ -----	\$ 8,346	\$ 8,346
EXCESS REVENUES OVER <UNDER> EXPENDITURES	\$ 7,647	\$ 7,647	\$ -----	\$ 29,596	\$ 29,596	\$ -----	\$ -----	\$ -----
Other Financing Sources <Uses>								
Transfer In	\$ -----	\$ -----	\$ -----	\$ -----	\$ -----	\$ -----	\$ -----	\$ -----
Lease Proceeds	-----	-----	-----	-----	-----	-----	-----	-----
TOTAL OTHER FINANCING SOURCES <USES>	\$ -----	\$ -----	\$ -----	\$ -----	\$ -----	\$ -----	\$ -----	\$ -----
Fund Balance - Beginning of Year -	\$ 518,667	\$ 518,667	\$ -----	\$ 47,171	\$ 47,171	-----	-----	-----
Restatement	< 15,045>	< 15,045>	-----	-----	-----	\$ -----	\$ 6,156	\$ 6,156
Fund Balance - End of Year	\$ 511,269	\$ 511,269	\$ -----	\$ 16,767	\$ 16,767	\$ -----	\$ 6,156	\$ 6,156

Governmental Funds

City of West Point, Georgia
General Fund
Schedule of Tax Revenues Compared to Budget
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE <NEGATIVE>
Sales	\$ 700,000	\$ 610,567	\$ 772,005	\$ -----
City	2,344,000	2,895,087	3,073,960	-----
Ad Valorem	132,000	140,270	134,041	-----
Intangible	11,000	4,478	11,130	-----
Insurance Premium	185,000	229,822	215,953	-----
Malt Beverage and Liquor	320,000	283,036	295,582	-----
Gross Receipts Tax (Franchise)	729,000	702,629	691,288	-----
Energy Excise Tax	<u>5,000</u>	<u>9,262</u>	<u>80,386</u>	<u>-----</u>
Total Tax Revenues	\$ 4,426,000 =====	\$ 4,875,151 =====	\$ 5,274,345 =====	\$ ----- =====

City of West Point, Georgia
General Fund
Schedule of Expenditures Compared to Budget
For the Year Ended December 31, 2017

	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE <NEGATIVE>
General Government			
Personnel Services	\$ 357,497	\$ 357,497	\$ -----
Supplies and Materials	77,420	77,420	-----
Other Services and Charges	373,393	373,393	-----
Capital Outlay	83,324	83,324	-----
Total General Government	<u>\$ 891,634</u>	<u>\$ 891,634</u>	<u>\$ -----</u>
Public Safety			
Police Department			
Personnel Services	\$ 1,338,415	\$ 1,338,415	\$ -----
Supplies and Materials	30,867	30,867	-----
Other Services and Charges	285,345	285,345	-----
Debt Service	21,228	21,228	-----
Capital Outlay	195,775	195,775	-----
Total Police Department	<u>\$ 1,871,630</u>	<u>\$ 1,871,630</u>	<u>\$ -----</u>
Fire Department			
Personnel Services	\$ 1,018,719	\$ 1,018,719	\$ -----
Supplies and Materials	41,182	41,182	-----
Other Services and Charges	346,358	346,358	-----
Debt Service	179,313	179,313	-----
Capital Outlay	31,535	31,535	-----
Total Fire Department	<u>\$ 1,617,107</u>	<u>\$ 1,617,107</u>	<u>\$ -----</u>
Total Public Safety	<u>\$ 3,488,737</u>	<u>\$ 3,488,737</u>	<u>\$ -----</u>
Public Works			
Highways and Streets			
Personnel Services	\$ 300,119	\$ 300,119	\$ -----
Supplies and Materials	21,542	21,542	-----
Other Services and Charges	106,878	106,878	-----
Capital Outlay	166,832	166,832	-----
Total Public Works	<u>\$ 595,371</u>	<u>\$ 595,371</u>	<u>\$ -----</u>
Culture and Recreation - Study Center/Depot/VCB			
Community Parks			
Personnel Services	\$ 48,612	\$ 48,612	\$ -----
Supplies and Materials	22,522	22,522	-----
Other Services and Charges	195,985	195,985	-----
Debt Service	160,321	160,321	-----
Total Culture and Recreation Study Center	<u>\$ 427,440</u>	<u>\$ 427,440</u>	<u>\$ -----</u>
Housing and Urban Development			
Planning and Zoning			
Personnel Services	\$ 169,491	\$ 169,491	\$ -----
Supplies and Materials	11,282	11,282	-----
Other Services and Charges	170,972	170,972	-----
Capital Outlay	13,471	13,471	-----
Total Planning and Zoning Development	<u>\$ 365,216</u>	<u>\$ 365,216</u>	<u>\$ -----</u>
Economic Development and Community Action			
Professional Personnel	\$ 101,535	\$ 101,535	\$ -----
Supplies	21,574	21,574	-----
Other Services and Charges	309,082	309,082	-----
Capital Outlay	100,220	100,220	-----
Total Economic Development and Community Action	<u>\$ 532,411</u>	<u>\$ 532,411</u>	<u>\$ -----</u>
Total Housing and Urban Development	<u>\$ 897,627</u>	<u>\$ 897,627</u>	<u>\$ -----</u>
Total General Fund	<u>\$ 6,300,809</u>	<u>\$ 6,300,809</u>	<u>\$ -----</u>
	=====	=====	=====

City of West Point, Georgia
General Fund
Statement of Revenues and Expenditures
Administrative Department
For the Year Ended December 31, 2017

	2017
EXPENDITURES:	
Personnel Services	\$ 236,094
Employee Benefits	121,403
Professional Services	89,043
Repairs and Maintenance	72,677
Insurance	24,900
Training and Education	27,465
Donations - Health and Welfare	7,708
Public Property Expenditure	822
Library Contribution	40,547
Supplies	77,420
Postage	3,041
Telephone	14,799
Utilities	15,958
Miscellaneous	39,158
Fuel and Oil	14,301
Recreation	1,575
Advertisement	7,820
Election Expenditure	19,055
Capital Outlay - Video Equipment	83,324
 Total Administrative Expenditures	 \$ 897,110

City of West Point, Georgia
General Fund
Statement of Revenues and Expenditures
Police Department
For the Year Ended December 31, 2017

	2017
REVENUES:	
Fines and Forfeitures	\$ 183,743
Miscellaneous	10,131
Total Revenues	\$ 193,874
EXPENDITURES:	
Personnel Services	\$ 1,052,950
Employee Benefits	285,465
Professional Services	19,007
Repairs and Maintenance	51,346
Insurance	40,251
Training and Education	15,783
Inmate Housing	18,633
Inmate Detail	7,645
Recruitment	8,836
Supplies	30,867
Fuel	42,758
Telephone	27,906
Uniforms	14,382
Utilities	30,795
Capital Outlay	195,775
Debt Service	21,228
Miscellaneous	8,003
Total Police Department Expenditures	\$ 1,871,630
EXPENDITURES OVER REVENUES	\$ <1,677,756>
	=====

City of West Point, Georgia
General Fund
Statement of Revenues and Expenditures
Fire Department
For the Year Ended December 31, 2017

	<u>2017</u>
REVENUES:	
Ambulance Calls	\$ 148,575
Fire - Miscellaneous (Including Donations)	97,632
EMT Course Fees	181,495
Intergovernmental	-----
Total Revenues	\$ 427,702
EXPENDITURES:	
Personnel Services	\$ 771,214
Employee Benefits	247,505
Professional Services	11,101
Repairs and Maintenance	37,859
Insurance	40,774
Training and Education	171,418
EMS Billing	9,588
Supplies	41,182
Fuel	16,912
Telephone	8,890
Uniforms	19,845
Capital Outlay - Vehicle	31,535
Debt Service	179,313
Miscellaneous	29,971
Total Fire Department Expenditures	\$ 1,617,107
EXPENDITURES OVER REVENUES	\$ <1,189,405> =====

City of West Point, Georgia
General Fund
Statement of Revenues and Expenditures
Street Department
For the Year Ended December 31, 2017

	<u>2017</u>
REVENUES:	
Intergovernmental	\$ 200,658
Miscellaneous	<u>29,593</u>
Total Revenues	<u>\$ 230,251</u>
EXPENDITURES:	
Personnel Services	\$ 217,357
Employee Benefits	82,762
Professional Services	4,100
Repairs and Maintenance	35,713
Insurance	25,958
State Contract - Inmate Detail	7,644
Supplies	21,542
Fuel	16,069
Telephone	4,887
Uniforms	10,650
Capital Outlay	166,832
Miscellaneous	<u>1,857</u>
Total Street Department Expenditures	<u>\$ 595,371</u>
EXPENDITURES OVER REVENUES	<u>\$< 365,120></u> =====

City of West Point, Georgia
General Fund
Statement of Revenues and Expenditures
Study Center
For the Year Ended December 31, 2017

	2017
REVENUES:	\$ -----
EXPENDITURES:	
Repairs and Maintenance	\$ 8,497
Insurance	20,920
Supplies	2,013
Telephone	4,530
Utilities	14,178
Total Study Center Expenditures	\$ 50,138
EXPENDITURES OVER REVENUES	\$< 50,138> =====

City of West Point, Georgia
General Fund
Statement of Revenues and Expenditures
Economic Development
For the Year Ended December 31, 2017

	<u>2017</u>
REVENUES:	<u>\$ 51,231</u>
EXPENDITURES:	
Personnel Services	\$ 58,631
Employee Benefits	9,208
Professional Services	10,949
Repairs and Maintenance	3,204
Training and Education	6,281
Supplies	3,107
Capital Outlay - Building and Site Improvements	100,220
Economic Development Contributions	<u>265,859</u>
Total Economic Development Expenditures	<u>\$ 457,459</u>
EXPENDITURES OVER REVENUES	<u>\$< 406,228></u> =====

City of West Point, Georgia
General Fund
Statement of Revenues and Expenditures
Community Action Program
For the Year Ended December 31, 2017

	<u>2017</u>
REVENUES:	\$ -----
EXPENDITURES:	
Personnel Services	\$ 31,302
Employee Benefits	2,394
Repairs and Maintenance	11,514
Supplies	18,467
Telephone	1,721
Utilities	9,117
Miscellaneous	<u>437</u>
Total Community Action Program Expenditures	\$ <u>74,952</u>
EXPENDITURES OVER REVENUES	\$< 74,952> =====

City of West Point, Georgia
General Fund
Statement of Revenues and Expenditures
Depot/Visitor's Center
For the Year Ended December 31, 2017

	2017
REVENUES:	
Rental Fees	\$ 36,532
EXPENDITURES:	
Tourism - Better Hometown Program	\$ 4,397
Professional Fees and Dues	200
Repairs and Maintenance	10,889
Telephone	3,463
Utilities	10,412
Debt Service	160,321
Supplies	948
Total Depot/Visitor's Center Expenditures	\$ 190,630
EXPENDITURES OVER REVENUES	\$< 154,098> =====

City of West Point, Georgia
General Fund
Statement of Revenues and Expenditures
Recreation and Parks
For the Year Ended December 31, 2017

	2017
REVENUES:	\$ -----
EXPENDITURES:	
Professional Services	\$ 2,195
Recreational Venues	31,257
Repairs and Maintenance	49,942
Supplies	11,198
Miscellaneous	2,803
Total Recreation and Parks Expenditures	\$ 97,395
EXPENDITURES OVER REVENUES	\$< 97,395> =====

City of West Point, Georgia
General Fund
Statement of Revenues and Expenditures
Virginia Community Center
For the Year Ended December 31, 2017

	<u>2017</u>
REVENUES:	\$ <u>1,675</u>
EXPENDITURES:	
Professional Services	\$ 46,417
Repairs and Maintenance	33,056
Supplies	8,363
Miscellaneous	<u>1,441</u>
Total Virginia Community Center Expenditures	\$ <u>89,277</u>
EXPENDITURES OVER REVENUES	\$< 87,602> =====

City of West Point, Georgia
General Fund
Statement of Revenues and Expenditures
Planning and Zoning
For the Year Ended December 31, 2017

	<u>2017</u>
REVENUES:	
Zoning and Annexations	\$ 1,791
Land Disturbing Permits	460
Land Development Plan Reviews	1,000
Building Permits	52,190
Intergovernmental - CHIP Grant	<u>71,070</u>
Total Revenues	\$ <u>126,511</u>
EXPENDITURES:	
Personnel Services	\$ 169,491
Employee Benefits	54,661
Professional Services	28,382
Repairs and Maintenance	4,004
Insurance	3,033
Telephone	7,906
Supplies	11,282
Miscellaneous	1,916
Capital Outlay - Copier	13,471
Grant Expenditures - W. P. Housing Authority (passthru)	<u>71,070</u>
Total Planning and Zoning Expenditures	\$ <u>365,216</u>
EXPENDITURES OVER REVENUES	\$< 238,705> =====

City of West Point, Georgia
Combining Balance Sheet
Special Revenue Funds – Non-Major
For the Year Ended December 31, 2017

	REVOLVING LOAN FUND	EMERGENCY TELEPHONE SYSTEM	HOTEL/ MOTEL TAX	TOTAL 2017
ASSETS				
Cash and Cash Equivalents	\$ 142,352	\$ 95,953	\$ 18,332	\$ 256,637
Receivables				
Accounts	<u>368,917</u>	<u>11,530</u>	<u>-----</u>	<u>380,447</u>
TOTAL ASSETS	<u>\$ 511,269</u>	<u>\$ 107,483</u>	<u>\$ 18,332</u>	<u>\$ 637,084</u>
LIABILITIES AND FUND BALANCE				
Liabilities				
Due to other Funds	<u>\$ -----</u>	<u>\$ 30,716</u>	<u>\$ 12,176</u>	<u>\$ 42,892</u>
Total Liabilities	<u>\$ -----</u>	<u>\$ 30,716</u>	<u>\$ 12,176</u>	<u>\$ 42,892</u>
Fund Balance				
Restricted	<u>\$ 511,269</u>	<u>\$ 76,767</u>	<u>\$ 6,156</u>	<u>\$ 594,192</u>
Unassigned	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
Total Fund Balance	<u>\$ 511,269</u>	<u>\$ 76,767</u>	<u>\$ 6,156</u>	<u>\$ 594,192</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 511,269</u>	<u>\$ 107,483</u>	<u>\$ 18,332</u>	<u>\$ 637,084</u>

City of West Point, Georgia
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Special Revenue Funds
For the Year Ended December 31, 2017

	REVOLVING LOAN FUND	EMERGENCY TELEPHONE SYSTEM	HOTEL/MOTEL TAX	Total 2017
REVENUES				
Hotel/Motel Tax	\$ -----	\$ -----	\$ 8,346	\$ 8,346
Charges for Services	-----	92,023	-----	92,023
Investment Income (Loss)	7,647	25	-----	7,672
TOTAL REVENUES	\$ 7,647	\$ 92,048	\$ 8,346	\$ 108,041
EXPENDITURES				
Current				
Public Services	\$ -----	\$ 20,094	\$ -----	\$ 20,094
Culture and Recreation	-----	-----	8,346	8,346
Intergovernmental	-----	-----	-----	-----
Capital Outlay	-----	-----	-----	-----
Debt Service	-----	42,358	-----	42,358
TOTAL EXPENDITURES	\$ -----	\$ 62,452	\$ 8,346	\$ 70,798
Excess of Revenues Over <Under> Expenditures	\$ 7,647	\$ 29,596	\$ -----	\$ 37,243
Excess of Revenues and Other Sources Over <Under> Expenditures and Other Financing Uses	\$ 7,647	\$ 29,596	\$ -----	\$ 37,243
Fund Balance - Beginning of Year - Restated	503,622	47,171	6,156	556,949
Fund Balance - End of Year	\$ 511,269 =====	\$ 76,767 =====	\$ 6,156 =====	\$ 594,192 =====

City of West Point, Georgia
Capital Projects Fund - Major
Balance Sheet
For the Year Ended December 31, 2017

	<u>2012 SPLOST Proceeds Troup County</u>
ASSETS	
Cash and Cash Equivalents	\$ 812,865
Receivables	
Intergovernmental	<u>82,565</u>
	\$ 895,430
TOTAL ASSETS	<u>=====</u>
LIABILITIES AND FUND BALANCE	
Liabilities	\$ -----
Accounts Payable	<u>-----</u>
Due to other Funds	
	<u>\$ -----</u>
Total Liabilities	
Fund Balance	\$ 895,430
Restricted - Capital Projects	
	<u>\$ 895,430</u>
Total Fund Balance	
	\$ 895,430
TOTAL LIABILITIES AND FUND BALANCE	<u>=====</u>

City of West Point, Georgia
Capital Projects Fund – Major
Balance Sheet
For the Year Ended December 31, 2017

	SPLOST Proceeds Harris County 2014
ASSETS	
Cash and Cash Equivalents	\$ 524,536
Receivables	
Intergovernmental	<u>17,761</u>
TOTAL ASSETS	\$ 542,297 =====
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts Payable	\$ <u>-----</u>
Total Liabilities	\$ <u>-----</u>
Fund Balance	
Restricted – Capital Projects	\$ 542,297
Unassigned	<u>-----</u>
Total Fund Balance	\$ <u>542,297</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ 542,297 =====

City of West Point, Georgia
Capital Projects Fund – Non-Major
Balance Sheet
For the Year Ended December 31, 2017

	SPLOST Proceeds Harris County 2004
ASSETS	
Cash and Cash Equivalents	\$ 106,267
Receivables	
Intergovernmental	-----

TOTAL ASSETS	\$ 106,267
	=====
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts Payable	\$ -----

Total Liabilities	\$ -----

Fund Balance	
Restricted – Capital Projects	\$ 106,267
Unassigned	-----

Total Fund Balance	\$ 106,267

TOTAL LIABILITIES AND FUND BALANCE	\$ 106,267
	=====

City of West Point, Georgia
Capital Projects Fund – Non-Major
Balance Sheet
For the Year Ended December 31, 2017

	Transportation Enhancement SPLOST Harris County
ASSETS	
Cash and Cash Equivalents	\$ 88,232
Receivables	
Intergovernmental	<u>1,734</u>
TOTAL ASSETS	\$ 89,966 =====
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts Payable	\$ -----
Total Liabilities	\$ -----
Fund Balance	
Restricted - Capital Projects	<u>\$ 89,966</u>
Total Fund Balance	<u>\$ 89,966</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ 89,966 =====

City of West Point, Georgia
Capital Assets Used in the
Operation of Governmental Funds
Comparative Schedules by Source
For the Year Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
General Fixed Assets		
Land and Land Improvements	\$ 1,494,662	\$ 1,388,338
Buildings	8,210,171	7,892,581
Furniture and Fixtures	321,922	314,087
Vehicles, Machinery and Equipment	6,978,090	6,571,200
Infrastructure	5,949,727	5,862,196
Construction in Progress	<u>4,033,918</u>	<u>3,971,803</u>
Total General Fixed Assets	\$26,988,490	\$26,000,205
	=====	=====
Investment in General Fixed Assets From:		
General Fund Revenues	\$16,820,113	\$16,155,522
Special Revenue Funds and Capital Projects Fund	<u>10,168,377</u>	<u>9,844,683</u>
Total Investment in General Fixed Assets	\$26,988,490	\$26,000,205
	=====	=====

City of West Point, Georgia
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes in General Fixed
Assets by Function and Activity
For the Year Ended December 31, 2017

	Balance December 31, 2016	Transfers In/ Additions	Transfers Out/ Deletions	Balance December 31, 2017
General Government	\$ 2,678,230	\$ 83,324	\$ -----	\$ 2,761,554
Public Safety				
E-911	279,014	-----	-----	279,014
Police Protection	3,240,676	269,210	-----	3,509,886
Fire Protection	5,174,160	31,535	-----	5,205,695
Highways and Streets	6,141,653	166,831	-----	6,308,484
Culture and Recreation	4,506,811	323,694	-----	4,830,505
Cemetery	175,051	-----	-----	175,051
Planning and Zoning	92,196	13,471	-----	105,667
SPLOST CIP	2,840,293	233,694	< 233,694>	2,840,293
SPLOST Land	450,081	90,000	< 90,000>	450,081
Economic Development	422,040	100,220	-----	522,260
	<u>\$ 26,000,205</u>	<u>\$ 1,311,979</u>	<u>\$< 323,694></u>	<u>\$ 26,988,490</u>
	=====	=====	=====	=====

Proprietary Funds

Proprietary Funds

City of West Point, Georgia
Water and Sewer Fund
Comparative Statements of Net Positions
For the Year Ended December 31, 2017 and 2016

	2017	2016
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 4,184,858	\$ 4,009,785
Accounts Receivable		
Utility	616,181	695,850
Interfund	392,035	355,864
Inventory	88,203	44,750
Total Current Assets	\$ 5,281,277	\$ 5,106,249
Restricted Assets		
Restricted Cash	\$ 1,015,660	\$ 1,015,457
Investments	122,100	122,100
Total Restricted Assets	\$ 1,137,760	\$ 1,137,557
Capital Assets - Net	\$ 31,325,081	\$ 31,726,537
Total Assets	\$ 37,744,118	\$ 37,970,343
Deferred Outflows Pension Contributions made after measurement date	\$ 26,942	\$ 41,330
	=====	=====
Liabilities and Net Positions		
Current Liabilities		
Accounts Payable	\$ 55,935	\$ 149,987
Accrued Liabilities	11,308	16,879
Total Current Liabilities	\$ 67,243	\$ 166,866
Liabilities Payable from Restricted Assets		
Revenue Bonds - Current	\$ 637,292	\$ 637,292
Total Liabilities Payable from Restricted Assets	\$ 637,292	\$ 637,292
Long-Term Liabilities		
Revenue Bonds - Long-Term	\$ 19,393,819	\$ 20,031,111
Net Pension Liability	388,827	-----
Customer Deposits	32,215	32,510
Total Long-Term Liabilities	\$ 19,814,861	\$ 20,063,621
Net Positions		
Net Investment in Capital Assets	\$ 11,293,970	\$ 11,058,134
Restricted for Debt Service	1,137,760	1,137,557
Unrestricted	4,819,934	4,917,375
Total Net Positions	\$ 17,251,664	\$ 17,113,066
	=====	=====

City of West Point, Georgia
Water Fund
Comparative Statement of Revenues,
Expenses, and Changes in Fund Net Positions
For the Year Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Operating Revenues		
Water System	\$ 2,182,602	\$ 2,594,983
Other	<u>4,955</u>	<u>878</u>
Total Operating Revenues	<u>\$ 2,187,557</u>	<u>\$ 2,595,861</u>
Operating Expenses		
Personnel Services and Benefits	\$ 339,874	\$ 315,110
Supplies	191,669	194,770
Repairs and Maintenance	143,288	96,907
Professional/Technical Services	20,080	20,200
Utilities	141,852	117,031
Other Operating	45,650	111,225
Depreciation	<u>316,222</u>	<u>316,222</u>
Total Operating Expenses	<u>\$ 1,198,635</u>	<u>\$ 1,171,465</u>
Operating Income	<u>\$ 1,015,273</u>	<u>\$ 1,424,396</u>
Non-Operating Revenues (Expenses)		
Investment Income	\$ 458	\$ 396
Interest Expense	<u>< 300,778></u>	<u>< 309,485></u>
Total Non-Operating Revenues (Expenses)	<u>\$< 300,320></u>	<u>\$< 309,089></u>
Net Income <Loss> before Capital Contributions And Transfers	<u>\$ 688,602</u>	<u>\$ 1,115,307</u>
Change in Net Positions	\$ 688,602	\$ 1,115,307
Net Positions - Beginning of Year - Restated	<u>9,029,944</u>	<u>8,103,609</u>
Net Positions - End of Year	<u>\$ 9,718,546</u> =====	<u>\$ 9,218,916</u> =====

City of West Point, Georgia
Sewer Fund
Comparative Statement of Revenues,
Expenses, and Changes in Fund Net Positions
For the Year Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Operating Revenues		
Sewer System	\$ 1,661,307	\$ 1,808,226
Total Operating Revenues	<u>\$ 1,661,307</u>	<u>\$ 1,808,226</u>
Operating Expenses		
Personnel Services and Benefits	\$ 160,537	\$ 190,616
Supplies	166,157	112,494
Repairs and Maintenance	93,317	186,681
Professional/Technical Services	53,041	40,981
Utilities	434,618	444,756
Other Operating	113,345	129,154
Depreciation	<u>372,094</u>	<u>361,947</u>
Total Operating Expenses	<u>\$ 1,393,109</u>	<u>\$ 1,466,629</u>
Operating Income	<u>\$ 268,198</u>	<u>\$ 341,597</u>
Non-Operating Revenues (Expenses)		
Investment Income	\$ 380	\$ 392
Interest Expense	<u>< 466,989></u>	<u>< 477,574></u>
Total Non-Operating Revenues (Expenses)	<u>\$< 466,609></u>	<u>\$< 477,182></u>
Net Income <Loss> Before Transfers and Capital Contributions	<u>\$< 198,411></u>	<u>\$< 135,585></u>
Contributed Capital Transferred In	<u>\$ -----</u>	<u>\$ 1,828,999</u>
Change in Net Positions	<u>\$< 198,411></u>	<u>\$ 1,693,414</u>
Net Positions - Beginning of Year - Restated	<u>7,705,178</u>	<u>6,200,736</u>
Net Positions - End of Year	<u>\$ 7,506,767</u> =====	<u>\$ 7,894,150</u> =====

City of West Point, Georgia
Electric Fund
Comparative Statements of Net Positions
For the Year Ended December 31, 2017 and 2016

	2017	2016
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 4,303,184	\$ 4,034,117
Receivables		
Accounts	165,147	503,715
Inventory	<u>258,666</u>	<u>251,608</u>
Total Current Assets	<u>\$ 4,726,997</u>	<u>\$ 4,789,440</u>
Capital Assets - Net	<u>\$ 868,967</u>	<u>\$ 864,617</u>
Total Assets	<u>\$ 5,595,964</u>	<u>\$ 5,654,057</u>
Deferred Outflows - Pension Contributions made after measurement date	<u>\$ 38,212</u> =====	<u>\$ 28,098</u> =====
Liabilities and Net Positions		
Current Liabilities		
Accounts Payable	\$ 63,609	\$ 40,854
Accrued Liabilities	<u>11,201</u>	<u>12,549</u>
Total Current Liabilities	<u>\$ 74,810</u>	<u>\$ 53,403</u>
Long-Term Liabilities		
Customer Deposits	\$ 64,821	\$ -----
Net Pension Liability	<u>434,545</u>	<u>72,589</u>
Total Long-Term Liabilities	<u>\$ 499,366</u>	<u>\$ 72,589</u>
Total Liabilities	<u>\$ 574,176</u>	<u>\$ 125,992</u>
Net Positions		
Net Investment in Capital Assets	\$ 868,967	\$ 864,617
Unrestricted	<u>4,191,033</u>	<u>4,691,546</u>
Total Net Positions	<u>\$ 5,060,000</u> =====	<u>\$ 5,556,163</u> =====

City of West Point, Georgia
Electric Fund
Comparative Statement of Revenues,
Expenses, and Changes in Fund Net Positions
For the Year Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Operating Revenues		
Electricity Sales	\$ 5,143,439	\$ 5,730,224
Other	94,584	91,080
MEAG Trust	<u>285,857</u>	<u>480,367</u>
Total Operating Revenues	<u>\$ 5,523,880</u>	<u>\$ 6,301,671</u>
Operating Expenses		
Personnel Services and Benefits	\$ 552,685	\$ 570,981
Electric System Supplies	389,482	181,654
Repairs and Maintenance	86,167	136,983
Electric Purchases	3,953,981	4,227,237
System Improvements	-----	4,770
Depreciation	63,878	62,178
Insurance	24,977	23,828
Other Operating	<u>32,370</u>	<u>257,060</u>
Total Operating Expenses	<u>\$ 5,103,540</u>	<u>\$ 5,464,691</u>
Operating Income	<u>\$ 420,340</u>	<u>\$ 836,980</u>
Transfers Out	<u>\$< 489,793></u>	<u>\$< 212,287></u>
Change in Net Positions	<u>\$< 69,453></u>	<u>\$ 624,693</u>
Net Positions - Beginning of Year - Restated	<u>5,129,453</u>	<u>4,931,470</u>
Net Positions - End of Year	<u>\$ 5,060,000</u> =====	<u>\$ 5,556,163</u> =====

City of West Point, Georgia
Gas Fund
Comparative Statements of Net Positions
For the Year Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 2,099,879	\$ 1,766,883
Receivables		
Accounts	459,821	389,295
Inventory	<u>259,565</u>	<u>143,204</u>
Total Current Assets	<u>\$ 2,819,265</u>	<u>\$ 2,299,382</u>
Capital Assets - Net	<u>\$ 2,756,511</u>	<u>\$ 2,790,416</u>
Total Assets	<u>\$ 5,575,776</u>	<u>\$ 5,089,798</u>
Deferred Outflows of Resources Pension		
Contributions in Current Fiscal Year	\$ 19,427	\$ 17,946
	=====	=====
Liabilities and Net Positions		
Current Liabilities		
Accounts Payable	\$ 12,932	\$ 9,382
Accrued Liabilities	2,912	2,924
Note Payable - Current	<u>172,560</u>	<u>172,560</u>
Total Current Liabilities	<u>\$ 188,404</u>	<u>\$ 184,866</u>
Long-Term Liabilities		
Notes Payable	\$ 2,171,030	\$ 2,343,580
Net Pension Liability	133,168	-----
Customer Deposits	<u>26,184</u>	<u>27,057</u>
Total Long-Term Liabilities	<u>\$ 2,330,382</u>	<u>\$ 2,370,637</u>
Total Liabilities	<u>\$ 2,518,786</u>	<u>\$ 2,555,503</u>
Net Positions		
Net Investment in Capital Assets	\$ 412,921	\$ 274,276
Unrestricted	<u>2,663,496</u>	<u>2,277,965</u>
Total Net Positions	<u>\$ 3,076,417</u>	<u>\$ 2,552,241</u>
	=====	=====

City of West Point, Georgia
Gas Fund
Comparative Statement of Revenues,
Expenses, and Changes in Fund Net Positions
For the Year Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Operating Revenues		
Gas Sales	\$ 1,540,523	\$ 1,425,827
Total Operating Revenues	<u>\$ 1,540,523</u>	<u>\$ 1,425,827</u>
Operating Expenses		
Personnel Services and Benefits	\$ 177,703	\$ 177,823
Repairs and Maintenance	60,671	43,780
Gas Purchases	425,464	491,724
Insurance	20,110	18,961
Supplies	64,366	62,240
Other Operating	27,381	56,490
Depreciation	<u>40,001</u>	<u>42,976</u>
Total Operating Expenses	<u>\$ 815,696</u>	<u>\$ 893,994</u>
Operating Income	\$ 724,827	\$ 531,833
Non-Operating Revenues (Expenses)		
Interest Expense	< 75,498>	< 80,719>
Transfers In/<Out>	<u>7,739</u>	<u>5,946</u>
Change in Net Positions	\$ 657,068	\$ 457,060
Net Positions - Beginning of Year - Restated	<u>2,419,349</u>	<u>2,095,181</u>
Net Positions - End of Year	<u>\$ 3,076,417</u> =====	<u>\$ 2,552,241</u> =====

City of West Point, Georgia
Sanitation Fund
Comparative Statements of Net Positions
For the Year Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets		
Current Assets		
Receivables		
Accounts	\$ 30,779	\$ 27,470
Total Current Assets	\$ 30,779	\$ 27,470
Capital Assets - Net	\$ 289,535	\$ 307,052
Total Assets	\$ 320,314	\$ 334,522
	=====	=====
Deferred Outflows of Resources Pension		
Contributions in Current Fiscal Year	\$ 8,802	\$ 17,890
	=====	=====
Liabilities and Net Positions		
Current Liabilities		
Accounts Payable	\$ 7,717	\$ 19,703
Accrued Liabilities	764	2,441
Total Current Liabilities	\$ 8,481	\$ 22,144
Long-Term Liabilities		
Net Pension Liability	\$ 144,823	\$ -----
Total Long-Term Liabilities	\$ 144,823	\$ -----
Total Liabilities	\$ 153,304	\$ 22,144
Net Positions		
Net Investment in Capital Assets	\$ 289,535	\$ 307,052
Unrestricted	< 113,723 >	23,216
Total Net Positions	\$ 175,812	\$ 330,268
	=====	=====

City of West Point, Georgia
Sanitation Fund
Comparative Statement of Revenues,
Expenses, and Changes in Fund Net Positions
For the Year Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Operating Revenues		
Garbage Fees	\$ 373,229	\$ 347,119
Total Operating Revenues	<u>\$ 373,229</u>	<u>\$ 347,119</u>
Operating Expenses		
Personnel Services and Benefits	\$ 141,364	\$ 206,677
Contracted Services	194,818	222,565
Repairs and Maintenance	12,379	18,628
Insurance	8,832	23,116
Landfill and Dumpster Fees	34,784	12,232
Supplies	29,865	26,485
Other Operating	993	8,458
Depreciation	<u>17,517</u>	<u>17,517</u>
Total Operating Expenses	<u>\$ 440,552</u>	<u>\$ 535,678</u>
Operating Income <Loss>	\$< 67,323>	\$< 188,559>
Transfers In	<u>\$ 67,323</u>	<u>\$ 241,124</u>
Change in Net Positions	-----	52,565
Net Positions - Beginning of Year - Restated	<u>175,812</u>	<u>277,703</u>
Net Positions - End of Year	<u>\$ 175,812</u> =====	<u>\$ 330,268</u> =====

Required Supplementary Information

SPLOST Information

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Independent Auditor's Report on Special County 1 Percent Sales and Use Tax Approved in special Election

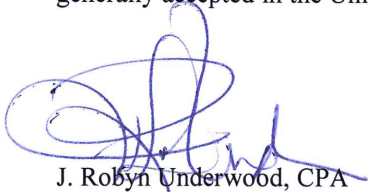
Honorable Mayor and
Members of the City Council
West Point, Georgia

We have audited the accompanying Schedule of Special Purpose Local Option Sales Tax for the City of West Point, Georgia for the year ended December 31, 2017. This schedule is the responsibility of the City of West Point's management. Our responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule of Special Purpose Local Option Sales Tax is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Special Purpose Local Option Sales Tax. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Special Purpose Local Option Sales Tax. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Schedule of Special Purpose Local Option Sales Tax was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121, on the modified accrual basis of accounting and is not intended to be a complete presentation of the City of West Point's revenues and expenditures.

In our opinion, the Schedule of Special Purpose of Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated costs, and the current and prior year expenditures for each project in the City of West Point's resolution or ordinance called for the tax for the year ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.



J. Robyn Underwood, CPA
May 29, 2018

City of West Point, Georgia
Schedule of Projects Constructed
with Special Sales Tax Proceeds
For the Year Ended December 31, 2017

PROJECT - Troup County	ORIGINAL ESTIMATED COSTS	EXPENDITURES		ESTIMATED PERCENTAGE OF COMPLETION
		PRIOR YEARS	CURRENT YEAR	
2013				
Recreation Facilities and Grounds	\$4,722,021	\$4,540,509	\$ 323,694	\$4,864,203 100.01%
Reconciling Items:				
Principle	-----	3,390,000	420,000	3,810,000
Interest	-----	420,213	22,975	443,188
Total 2013	\$4,722,021	\$8,350,722	\$ 766,669	\$9,117,391

PROJECT - Harris County	ORIGINAL ESTIMATED COSTS	EXPENDITURES		ESTIMATED PERCENTAGE OF COMPLETION
		PRIOR YEARS	CURRENT YEAR	
Recreation (2004)	\$ 276,000	\$ 170,114	\$ -----	\$ 170,114 61.6%
Public Safety (2014)				
Fire Truck	\$ 347,628	\$ 350,988	\$ -----	\$ 350,988 101.01%
Fire Equipment	-----	10,778	-----	10,778
Reconciling Items				
Principle	\$ -----	\$ 55,201	\$ 93,014	\$ 148,215
Interest	-----	2,396	3,663	6,059
Total	\$ 347,628	\$ 419,363	\$ 96,677	\$ 154,274

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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*

***(No Material Weaknesses Identified; No Significant Deficiencies Identified; and No Reportable
Instances of Noncompliance and Other Matters Identified)***

Honorable Mayor and
Members of the City Council
West Point, 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 activity, the aggregate discretely component units, each major fund, and the aggregate remaining fund information of the City of West Point (the “City”) as of and for the year ended December 31, 2017, and related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated May 29, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City’s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control over financial reporting.

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 City’s financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

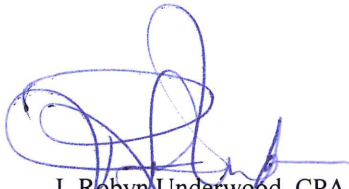
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of West Point's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective in our audit, and accordingly, we do not express such an opinion. The results of our tests did not disclose an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 result of that testing, and not to provide an opinion on the effectiveness of the City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink, appearing to read "J. Robyn Underwood", is written over the printed name.

J. Robyn Underwood, CPA
Barnesville, Georgia
May 29, 2018

City of West Point, Georgia
Schedule of Findings and Responses
For the Year Ended December 31, 2017

As of December 31, 2017, the schedule of findings and questioned costs pertain to the following:

Findings: (Internal Control Structure) related to the financial statements which are to be reported in accordance with Government Auditing Standards.

None.

(Compliance Structure) related to the financial statements which are to be reported in accordance with Government Auditing Standards.

None.

Prior Year Findings

(Internal Control Structure) related to the financial statements which are to be reported in accordance with Government Auditing Standards:

None.

(Compliance Structure) related to the financial statements which are to be reported in accordance with Government Auditing Standards.

None.

J. Robyn Underwood, CPA

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Honorable Mayor and Members
of the City Council
West Point, Georgia

Gentlemen:

We have concluded our examination of the financial statements of the City of West Point, Georgia for the year ended December 31, 2017, as we noted in our engagement letter, our firm believes that an auditor's responsibilities should include recommendations to the entity being audited for needed improvements to the financial and managerial systems. This letter includes the major observations and recommendations that we felt should be brought to your attention.

Budgetary Control:

The budgetary process is an important element of proper control and financial planning and can be further refined by estimating revenues from taxes, police fines, utility service charges, and interest income. Many non-profit organizations (and for profits) find it helpful to monitor the budgetary process in order to achieve better control of cash flow and expenditures. The budget should be prepared and approved before the beginning of a new fiscal year. The budget may be amended as necessary for various changes during the year. We suggest the budget be reviewed periodically to determine if the budgeted line items have been properly utilized. We also suggest the budget amendments be made on a monthly/quarterly basis as the City Councilman and management encounter various financial changes.

Financial Records:

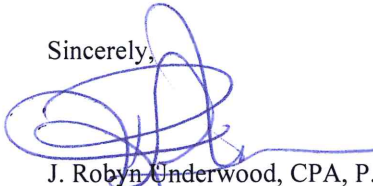
We found the financial records to be in good order. We did, however, make the appropriate yearend adjustments. We feel the change in accounting software will enhance the financial reporting for the City. We will be available to assist with any conversion needs the City wishes.

The City's management is to be commended for meeting all financial obligations and liabilities without any loans for normal operations and also for decreasing the debt of the City in an expeditious manner..

The Financial status of the various funds is as follows: the General Fund increased \$278,284 an due to increase in transfers from other funds. Enterprise funds had a combined surplus of \$1,077,806. The water and sewer revenues continue to increase upon completion of the pollution control plant and water line installations. The Gas net revenues also have increased since completion of the gas line replacement project. We commend the City on the financial decisions made to improve the quality of its residents well being and the financial status of the City.

We certainly appreciate the cooperation and promptness extended by Mr. Moon, Richard, and Virginia and the other staff members during our engagement. We also appreciate the more than adequate working facilities provided to us. We will be available to discuss the matters reported and to answer any questions you may have on these items.

Sincerely,



J. Robyn Underwood, CPA, P.C.
May 29, 2018