City of Prattville, Alabama

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Prepared by:
Department of Finance
Daniel F. Oakley, CPA
Finance Director

INTRODUCTORY SECTION

CITY OF PRATTVILLE, ALABAMA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

TABLE OF CONTENTS

	PAGE
I. INTRODUCTORY SECTION	
Table of contents	i - iii
Letter of transmittal	iv - viii
Certificate of Achievement for Excellence in Financial Reporting	ix
List of principal officials	x
Organizational chart	xi
Map of the City	xii
II. FINANCIAL SECTION	
Independent auditor's report	1 - 3
Management's discussion and analysis	4 - 14
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of net position	15
Statement of activities	16
Fund Financial Statements	
Balance sheet - governmental funds	17
Reconciliation of balance sheet of governmental funds to statement of net position	18
Statement of revenues, expenditures, and changes in fund balances - governmental funds	19
Reconciliation of statement of revenues, expenditures, and changes in fund balances of governmental funds to statement of activities	20
Statement of revenues, expenditures, and changes in fund balances - budget and actual general fund	21 - 24
Statement of revenues, expenditures, and changes in fund balances - budget and actual gas tax special revenue fund	25

TABLE OF CONTENTS (Continued)

II. FINANCIAL SECTION (Continued)

	PAGE
Statement of revenues, expenditures, and changes in fund balances - budget and actual judicial special revenue fund	26
Statement of net position - proprietary funds	27
Statement of revenues, expenses, and changes in net position - proprietary funds	28
Statement of cash flows - proprietary funds	29
Notes to financial statements	30 - 72
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of changes in the City's net pension liability and related ratios	73
Schedule of employer contributions to the pension plan	74
Schedule of funding progress of the City's post-employment benefits other than pensions	75
OTHER SUPPLEMENTARY INFORMATION	
Schedule of revenues, expenditures, and changes in fund balances - budget and actual capital projects fund	76
Schedule of revenues, expenditures, and changes in fund balances - budget and actual debt service fund	77
III. STATISTICAL SECTION	
Financial Trends	
Schedule 1 Net position by component	78
Schedule 2 Changes in net position	79 - 80
Schedule 3 Fund balances of governmental funds	81

TABLE OF CONTENTS (Continued)

III. STATISTICAL SECTION (Continued)

	PAGE
Schedule 4 Changes in fund balances of governmental funds	82
Revenue Capacity	
Schedule 5 Net taxable sales by category	83
Schedule 6 Sales tax revenue payers by category	84 - 85
Schedule 7 Direct and overlapping sales tax rates	86
Debt Capacity	
Schedule 8 Ratios of outstanding debt by type	87
Schedule 9 Ratios of net general bonded debt outstanding	88
Schedule 10 Direct and overlapping governmental activities debt	89
Schedule 11 Legal debt margin information	90
Demographic and Economic Information	
Schedule 12 Demographic and economic statistics	91
Schedule 13 Principal employers	92
Operating Information	
Schedule 14 Full-time equivalent city government employees by function	93
Schedule 15 Operating indicators by function/program	94
Schedule 16 Capital asset statistics by function/program	95

BILL GILLESPIE, JR.
MAYOR

CITY OF PRATTVILLE

CITY COUNCIL

ALBERT C. STRIPLIN PRESIDENT DISTRICT 1 | DENISE B. BROWN PRESIDENT PRO TEMPORE DISTRICT 3 | MARCUS JACKSON DISTRICT 2 | JERRY STARNES DISTRICT 4 | RICHARD CABLES DISTRICT 5 | ROBERT E. STRICHIK DISTRICT 6 | LORA LEE BOONE DISTRICT 7

March 23, 2018

The Citizens of
The City of Prattville
Prattville, Alabama

The Comprehensive Annual Financial Report (CAFR) of The City of Prattville (the government) for the fiscal year ended September 30, 2017 is hereby transmitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Prattville management. To the best of our knowledge and belief, the enclosed data is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the government and its component units. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities have been included.

The Report

The financial section of the CAFR includes the management's discussion and analysis (MD&A), the basic financial statements for the primary government and its separately presented component units, and the primary government's combining and individual financial statements and schedules, as well as the independent auditor's report on the financial statements and schedules. The MD&A contains a narrative introduction, overview, and analysis of the City's financial statements. It should be read in conjunction with this letter of transmittal.

This report includes all funds of the primary government and its component units. The primary government provides a full range of services. These services include public safety, public works, environmental services, culture and recreation, economic and community development, planning, and general administrative services.

GASB Reporting Requirements

Each year, management evaluates new GASB reporting requirements to determine applicability to the City. The requirements issued by GASB that became effective during this fiscal period and those that will become effective in the next fiscal period are described in this document.

GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits other than Pensions*. This Statement will improve the usefulness of information about post-employment benefits other than pensions (other post-employment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The requirements for this Statement are effective for financial statements whose fiscal year begins after June 15, 2017.

GASB Statement No. 77, *Tax Abatement Disclosures.* This Statement requires state and local governments, for the first time, to disclose information about tax abatement agreements. It requires governments to disclose information about their own tax abatements separately from information about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues. The requirements for this Statement are effective for financial statements whose fiscal year begins after December 15, 2015.

GASB Statement No. 86, *Certain Debt Extinguishment Issues.* This Statement seeks to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources (resources other than the proceeds of refunding debt) are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of Statement No. 86 are effective for reporting periods beginning after June 15, 2017.

City Profile

The City of Prattville is the County seat of Autauga County, it was incorporated on August 8th 1865, and is located in south central Alabama. It serves a population of approximately 35,606. The City of Prattville operates under a Mayor/Council form of government with a fiscal year from October 1st through September 30th. The Mayor and seven (7) Council members are each elected to four (4) year terms. City services include police and fire protection; sanitation services; sewer services; the construction and maintenance of highways, streets, and infrastructure; recreational activities; and cultural events.

Formal budgetary integration is employed as a management control device. On a day to be set by the Council, the Mayor submits to the Council a balanced budget for the next fiscal year. The Council schedules public hearings for the purpose of discussing and adopting the budget and may add to or delete from the budget submitted by the Mayor as long as the budget remains in balance. The Council, by a majority vote, shall adopt the budget. Activities of the General Fund, Debt Service Fund, Capital Projects Fund, and Special Revenue Funds are included in the annual appropriated budget. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Appropriations lapse at the end of the fiscal year unless expended or encumbered.

In order to prepare a financial report, it is necessary to identify all components of the reporting entity. Potential component units were evaluated to determine whether they should be reported in the City's financial report. A component unit was considered to be part of the City's reporting entity if it was concluded that the City was financially accountable for the entity or the nature and significance of the relationship between the City and the entity was such that exclusion would cause the City's financial statements to be misleading or incomplete. The Autauga-Prattville Public Library, Prattville Airport Authority, and Historic Prattville Redevelopment Authority were determined to be the only reportable component units and have been included in this report.

Economic Condition and Outlook

The proximity of the state capital and Maxwell Gunter Air Force Base make significant contributions to the local economy.

The City of Prattville maintains a contract for service with The Prattville Area Chamber of Commerce to provide economic development services. The Prattville Area Chamber of Commerce is a voluntary partnership of business and professional people working together to build a healthy economy and to improve the community's quality of life. The Prattville Area Chamber of Commerce has the responsibility to promote the economic wellbeing and to advocate for a positive business environment.

Chamber members are businesses, organizations, and individuals concerned with the socio-economic climate of the community.

The Chamber works to improve the community, observing these objectives:

- to help businesses grow and prosper;
- to increase job opportunities;
- to encourage orderly expansion/development of all segments;
- to contribute to the overall economic stability of the community;
- to encourage and promote the nation's private enterprise system of competitive marketing.

Financial Information

Management of the government is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate data is compiled to allow for the presentation of financial statements in conformance with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) that valuation of costs and benefits requires estimates and judgments by management.

Single Audit - As recipient of federal and state financial assistance, the government is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As part of the City's audit in accordance with generally accepted government auditing standards, tests are made to determine the adequacy of the internal control structure, including that portion related to federal assistance programs, as well as to determine that the government has complied with applicable laws and regulations.

Budgeting - Budgetary tracking is maintained at the line item level by the encumbrance of actual or estimated purchase amounts prior to the release of purchase orders to vendors. Accountability for budgetary compliance is held at the department level. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Purchase orders resulting in an overrun within a department balance are released only after the approval of the finance director or mayor.

Budget amendments are effected by resolutions enacted by the governing body when needed. Activities of the General Fund, Debt Service Fund, Capital Projects Fund, and Special Revenue Funds are included in the budget. Encumbrances lapse at year-end; however, encumbrances remaining against a positive department budget balance may be re-appropriated as a "prior year carryover."

The City's budget is prepared in accordance with generally accepted accounting principles (GAAP), with the exception that capital outlays are budgeted within those departments. The financial statements presented in the financial section of this report are presented in accordance with GAAP; that is all capital outlays have been aggregated in a single line captioned "capital outlay."

Healthcare costs - With the healthcare costs continuing to increase, the City of Prattville opened the primary healthcare clinic in 2011. This clinic provides City employees and their dependents with those services that would be rendered by a family practice physician. The City hired CareHere, LLC to manage all aspects of operations for these clinics.

General Fund Reserves - Management has, through council resolution, established a goal of achieving a net ending fund balance in the General Fund that is equal to or greater than 15% of the total expenditures and other financing uses.

Awards and Acknowledgements

During 2012 the City of Prattville won Coca-Cola's America's Favorite Park contest. The prize for the contest was a $100,000 grant to be used for a project within the park. During the 2013 Fiscal year the city used the funds to construct a splash pad for all citizens to enjoy.

During 2013 the Alabama Policy Institute ranked Prattville number 6 out of 50 cities in their Overall Business-Friendly Ranking. This was based on economic vitality, business tax burden, community allure, and transportation infrastructure. Prattville was ranked #1 on community allure based on our cost of living, per capita violent crime rate, high school graduation rate and SAT averaged reading, and math scores.

Two bronze medals were awarded to the City of Prattville for action taken to improve access to healthy affordable food and increased opportunities for physical activity. These medals were awarded because of Prattville's achievements in collaborating with other agencies on early care and education programs and for also having at least 60% of public schools participating in the School Breakfast Program.

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Prattville for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2016. In order to be awarded a Certificate of Achievement, a governmental entity must publish an easily readable and efficiently organized CAFR. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe the City's 2017 CAFR continues to meet the Certificate of Achievement Program's requirements, and it is being submitted to the GFOA to determine its eligibility for another certificate.

Other Information

Independent Audit - The government is required by State law to undergo an annual audit by independent public accountants; to meet federal requirements of the Single Audit Act Amendments of 1996, and the resultant issuance of Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the City's audit report must be signed by a certified public accountant. The accounting firm of Jackson Thornton & Co. P.C. was selected through a competitive proposal process. The auditor's report on the basic financial statements and the combining and individual fund statements and schedules is included in the financial section of this report.

Acknowledgements - The preparation of the comprehensive annual financial report could not be accomplished without the dedicated services of all City departments but in particular an efficient Finance Department staff. We express appreciation to each member of these departments for their contributions made in the preparation of this report.

Respectfully submitted,

Daniel F. Oakley

Daniel F. Oakley, Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Prattville

Alabama

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2016

Christopher P. Morrill

Executive Director/CEO

LIST OF PRINCIPAL OFFICIALS
AS OF SEPTEMBER 30, 2017

Mayor	Bill Gillespie, Jr.

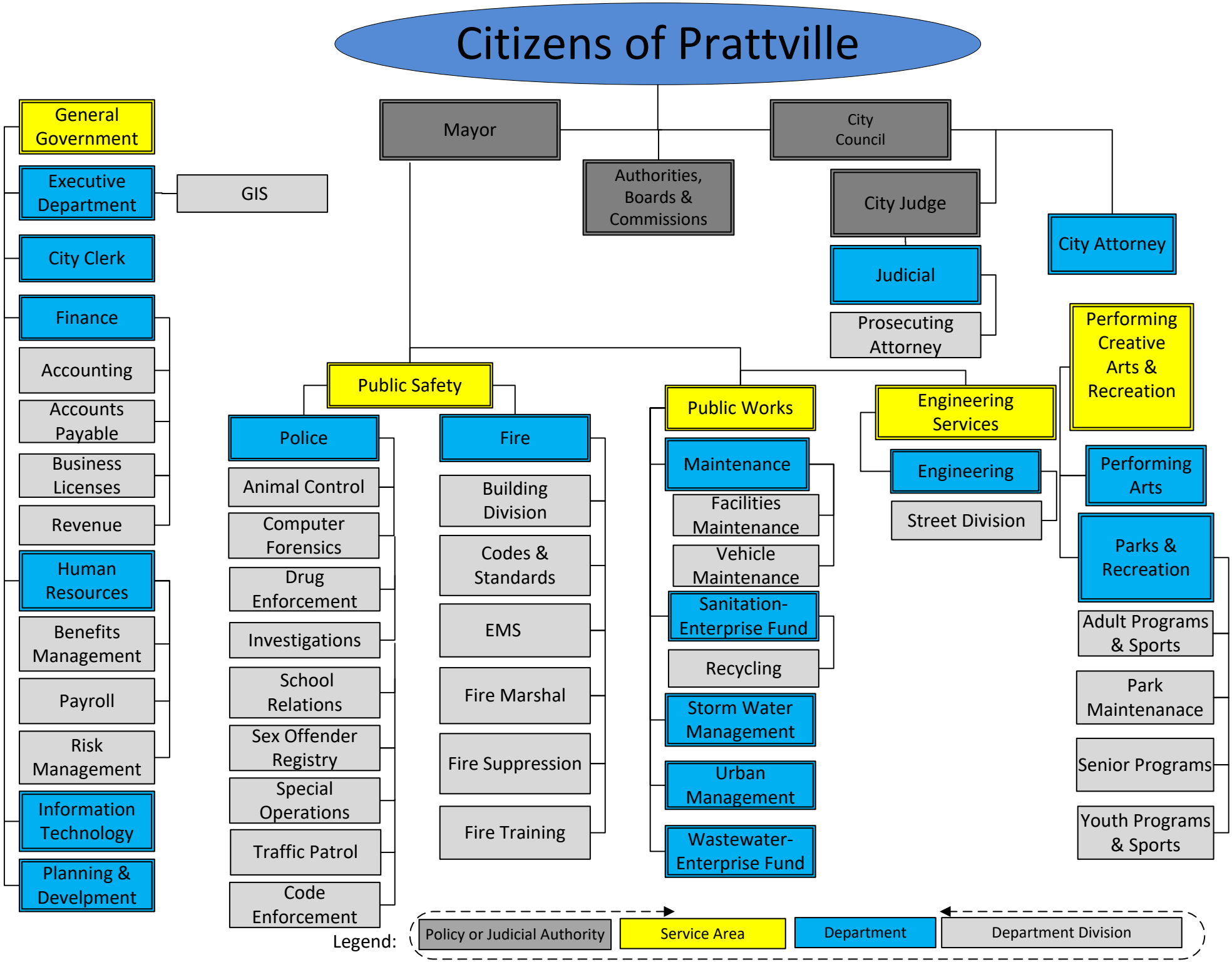
CITY COUNCIL

Albert Striplin, President

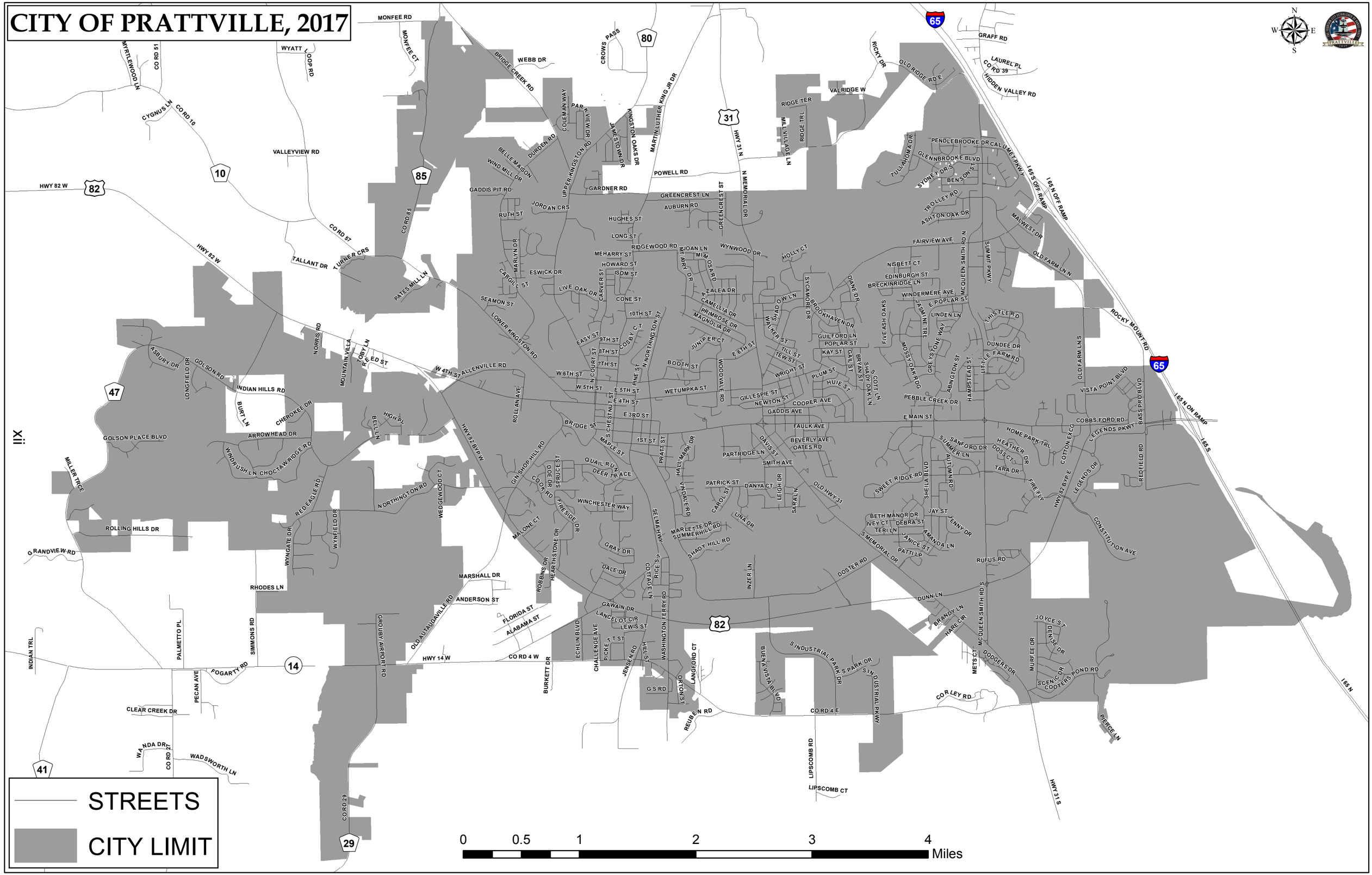
Marcus Jackson	Richard Cables
Denise Brown, President Pro Tempore	Robert Strichik
Jerry Starnes	Lora Lee Boone

HEADS OF DEPARTMENTS

Municipal Court	Judge Louis C. Colley
City Attorney	David McDowell
City Prosecutor	Brad E. Ekdahl
City Clerk	Cathy Dickerson
Finance Director	Daniel Oakley
Engineering	Robby Anderson
Public Works	Dale Gandy
Police	Chief Mark Thompson
Fire	Chief Terry Brown
Parks and Recreation	Kellie Cook
Human Resources	Lisa Thrash
Information Technology	Jose Figueroa
Planning & Development	Joel Duke


Citizens of Prattville
Mayor
Authorities, Boards & Commissions
City Council
City Judge
Judicial
Prosecuting Attorney
City Attorney
General Government
Executive Department
GIS
City Clerk
Finance
Accounting
Accounts Payable
Business Licenses
Revenue
Human Resources
Benefits Management
Payroll
Risk Management
Information Technology
Planning & Develpment
Public Safety
Police
Animal Control
Computer Forensics
Drug Enforcement
Investigations
School Relations
Sex Offender Registry
Special Operations
Traffic Patrol
Code Enforcement
Fire
Building Division
Codes & Standards
EMS
Fire Marshal
Fire Suppression
Fire Training
Public Works
Maintenance
Facilities Maintenance
Vehicle Maintenance
Sanitation-Enterprise Fund
Recycling
Storm Water Management
Urban Management
Wastewater-Enterprise Fund
Engineering Services
Engineering
Street Division
Performing Creative Arts & Recreation
Performing Arts
Parks & Recreation
Adult Programs & Sports
Park Maintenanace
Senior Programs
Youth Programs & Sports
Legend:
Policy or Judicial Authority
Service Area
Department
Department Division

CITY OF PRATTVILLE, 2017



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the City Council
City of Prattville, Alabama

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, and each major fund of the City of Prattville, Alabama (the City), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Autauga Prattville Public Library and the Historic Prattville Redevelopment Authority were not audited in accordance with *Government Auditing Standards.*

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, and each major fund of the City of Prattville, Alabama, as of September 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund, gas tax special revenue fund, and the judicial special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in the City's net pension liability and related ratios, the schedule of employer contributions to the pension plan, and the schedule of funding progress of the City's post-employment benefits other than pensions on pages 4 through 14 and pages 73 through 75 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Prattville, Alabama's basic financial statement. The introductory section, other supplementary information section, and statistical section are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information section 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 other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2018 on our consideration of the City of Prattville, Alabama's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Prattville, Alabama's internal control over financial reporting and compliance.

Jackson Thornton & Co. PC

Montgomery, Alabama
March 23, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Prattville, Alabama, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2017. This discussion and analysis is designed to look at the City's financial performance as a whole. We encourage readers to consider the information presented here in conjunction with the City's financial statements.

Financial Highlights

- The City of Prattville, Alabama's assets and deferred outflows exceeded its liabilities and deferred inflows at September 30, 2017, by $39,423,533 (net position). Of the net position balance amount, ($22,654,697) (unrestricted net position) is the deficit balance of the City representing the indebtedness incurred for incentive obligations including the purchase of development property supporting the significant retail development activities within the City which originated in the fiscal years ended 2006 and 2008 as well as the unfunded pension and OPEB liability for the City.

- During the year, the City's total net position increased by $10,893,534. Revenues of $50,372,725 exceeded expenses of $39,479,191. The increase in revenue over the prior year is due in part to the increase in fees for services received in the Wastewater Enterprise Fund. This increase was expected as a result of the rate increase implemented to assist in funding the debt service for a major plant expansion project for which construction began during the year. Expenses decreased slightly due to close monitoring of expenses throughout the year by management and department heads. The significant areas of decreased spending were in the public works and cultural and recreational governmental activities.

- Under the Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employees for Post-Retirement Benefits Other than Pensions* (GASB 45), the City recognized an expense of $452,736 in the current year to record unfunded OPEB obligation.

- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $20,358,189. There was an increase of $45,884 from the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Prattville, Alabama's basic financial statements. The City's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. In addition to the basic financial statements, this report contains other supplementary information that will enhance the reader's understanding of the financial condition of the City of Prattville, Alabama.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Prattville, Alabama's finances in a manner similar to a private-sector business. The basic financial statements include two kinds of statements that present different views of the City, a statement of net position and a statement of activities. These statements include the City's three component units,

the Autauga-Prattville Public Library (the Library), the Prattville Airport Authority (the Authority), and the Historic Prattville Redevelopment Authority (HPRA), which are separate legal entities. Although legally separate, these component units are important because the City is financially accountable for them. Complete financial statements of the Library, the Authority, and HPRA can be obtained at their administrative offices located in Prattville, Alabama.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both statements distinguish functions of the City of Prattville, Alabama that are principally supported by sales taxes, property taxes, and lodging taxes (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities reported in the statements include general government, public safety, public works, and cultural/recreational. The business-type activities of the City of Prattville, Alabama include the Sanitation and Wastewater departments.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Like other state and local governments, the City of Prattville, Alabama uses fund accounting to ensure and demonstrate compliance with finance-related legal matters. All of the funds of the City of Prattville, Alabama are governmental funds which account for the basic services of the government. Experienced readers of governmental financial statements will find these financial statements most familiar.

Governmental funds - Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*, which provides a conservative short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps in determining if there are more or less financial resources available to finance the City's programs. The relationship between governmental activities in the government-wide financial statements and the governmental funds financial statements is described in a reconciliation that is a part of the fund financial statements.

The City maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance of the major funds.

The City adopts an annual appropriated budget for its general fund, gas tax special revenue fund, capital projects fund, debt service fund, and judicial special revenue fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with these budgets.

Proprietary funds - Services for which the City charges customers a fee are generally reported in proprietary funds. The City of Prattville, Alabama maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the entity-wide financial statements. The City of Prattville, Alabama uses enterprise funds to account for its Sanitation and Wastewater departments. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal funds to account for its employees' medical insurance. The internal service fund is presented, in total, in the fund financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sanitation and the Wastewater departments, which are considered to be major funds of the City of Prattville, Alabama.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements also include information regarding the City of Prattville, Alabama's progress in funding its obligation to provide pension benefits to its employees. The notes are presented on pages 30 through 72 of this report.

Government-Wide Financial Analysis

The City's condensed statement of net position as of September 30, 2017 and 2016, derived from the government-wide statement of net position is presented below.

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTALS	
	2017	2016	2017	2016	2017	2016
Current and other assets	$ 20,892,072	$ 20,058,713	$ 3,511,894	$ 2,660,658	$ 24,403,966	$ 22,719,371
Capital assets, net of depreciation	59,610,770	53,959,885	10,944,819	9,151,317	70,555,589	63,111,202
Restricted assets	2,276,732	2,018,432			2,276,732	2,018,432
Total assets	82,779,574	76,037,030	14,456,713	11,811,975	97,236,287	87,849,005
Deferred outflows	4,940,311	3,536,931	527,845	328,409	5,468,156	3,865,340
Long-term liabilities outstanding	54,729,880	56,531,927	3,686,989	3,717,977	58,416,869	60,249,904
Other liabilities	3,112,647	2,111,269	1,751,394	321,180	4,864,041	2,432,449
Total liabilities	57,842,527	58,643,196	5,438,383	4,039,157	63,280,910	62,682,353
Deferred inflows		435,015		66,978		501,993
Net position:						
Net investment in capital assets	50,777,504	43,629,725	9,544,408	7,367,599	60,321,912	50,997,324
Restricted	1,756,318	1,800,916			1,756,318	1,800,916
Unrestricted (deficit)	(22,656,464)	(24,934,891)	1,767	666,650	(22,654,697)	(24,268,241)
Total net position	$ 29,877,358	$ 20,495,750	$ 9,546,175	$ 8,034,249	$ 39,423,533	$ 28,529,999

The largest component of the City's net position as of September 30, 2017 reflects its investment in capital assets (i.e. land, buildings, furniture and equipment, infrastructure, etc.); less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities. The City's capital assets, net of accumulated depreciation, at September 30, 2017 increased by $7,444,387 from the prior year primarily due to the amount of current year increases in construction in progress, vehicles, and infrastructure.

As noted earlier in this discussion, changes in net position over time can be one of the best and most useful indicators of the City's financial position. The City of Prattville, Alabama's total assets exceeded liabilities by $39,423,533.

The City's net position increased by $10,893,534 during the current fiscal year and was affected by increasing wastewater fees for services revenue, stable General Fund revenues and overall continued control over expenses. The City saw an increase in wastewater fees for services revenue of $511,486 during the current fiscal year.

A portion of net position is restricted, or has restrictions on how they may be used. Governmental activities restricted net position totaled $1,756,318 at September 30, 2017 and is restricted for use in public safety, capital projects, and road projects. The remaining balance of unrestricted net position generally may be used to meet the City's ongoing obligations. The City, at September 30, 2017, reported a deficit balance in unrestricted net position in governmental activities of ($22,656,464). The large negative unrestricted net position is the result of the adoption of GASB 68 during fiscal year 2015, which required the unfunded portion of the City's pension obligation to be recorded as a liability, and $33,675,000 in outstanding general obligation warrants that were issued in the fiscal years ended September 30, 2006 and 2008 to finance economic development incentive obligations for retail development within the City. It is anticipated the governmental revenues generated from the retail growth will provide the primary source of revenue for repayment of this debt. Business-type activities reported unrestricted net position of $1,767 at September 30, 2017.

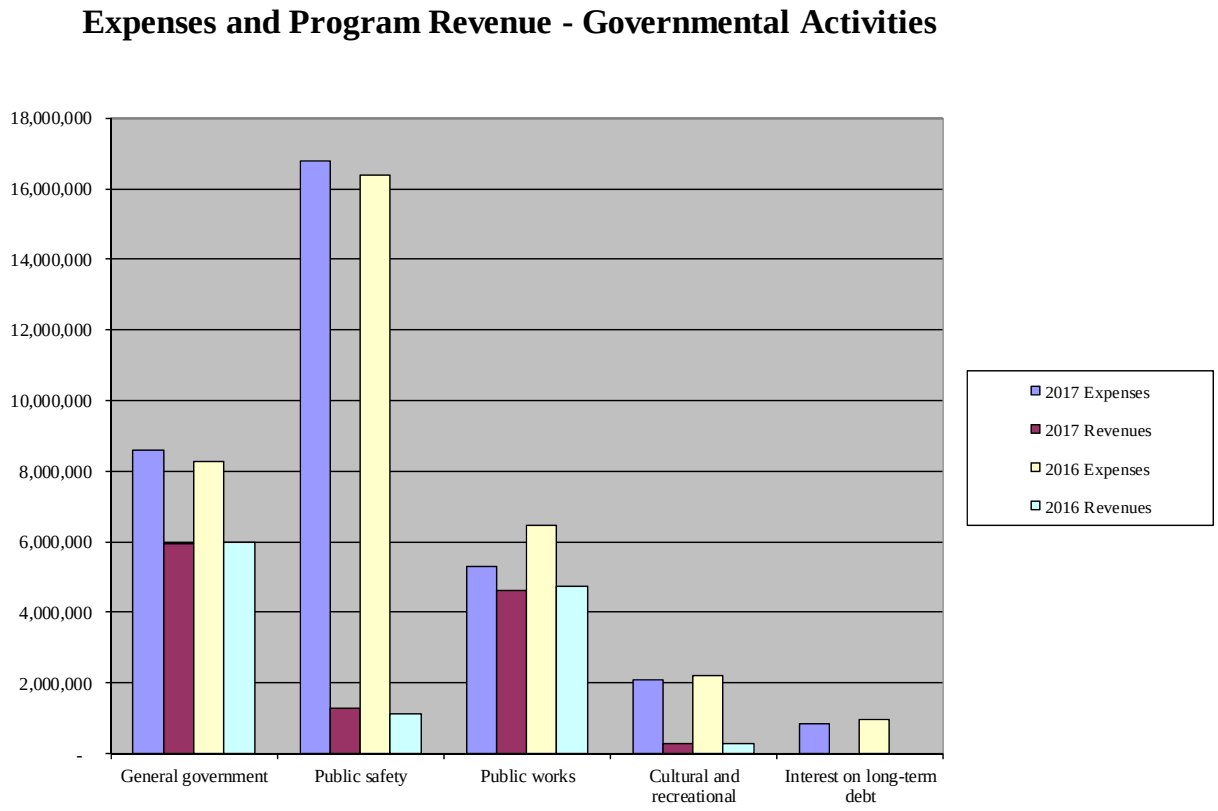
The following presents the City's condensed statement of activities for the fiscal years ended September 30, 2017 and 2016 as derived from the government-wide statement of activities. Over time, increases and decreases in net position measure whether the City's financial position is improving or deteriorating. During the fiscal year, the net position of the primary government increased by $10,893,534. This increase is primarily due to increases in wastewater fees for services, lodging tax, and restaurant sales tax, as well as continued control over expenses.

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTALS	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	$ 7,515,548	$ 7,365,209	$ 7,107,353	$ 6,545,121	$ 14,622,901	$ 13,910,330
Operating grants and contributions	31,943	135,291			31,943	135,291
Capital grants and contributions	4,581,613	4,596,515			4,581,613	4,596,515
Total program revenues	12,129,104	12,097,015	7,107,353	6,545,121	19,236,457	18,642,136
General revenues:						
Sales and use taxes	23,336,649	23,261,064			23,336,649	23,261,064
Real and personal property taxes	2,796,943	2,812,535			2,796,943	2,812,535
Lodging taxes	2,028,437	1,898,959			2,028,437	1,898,959
Local gasoline taxes	1,034,599	1,015,531			1,034,599	1,015,531
Alcoholic beverage taxes	378,800	356,953			378,800	356,953
Rental taxes	378,341	388,975			378,341	388,975
Tobacco taxes	117,974	121,636			117,974	121,636
Excise taxes	175,042	77,436			175,042	77,436
Investment earnings	94,168	93,022	7,760	4,852	101,928	97,874
Miscellaneous revenue	491,229	500,249			491,229	500,249
Gain on disposal of assets	3,320		293,006	18,247	296,326	18,247
Total general revenues	30,835,502	30,526,360	300,766	23,099	31,136,268	30,549,459
Total revenues	42,964,606	42,623,375	7,408,119	6,568,220	50,372,725	49,191,595
Expenses:						
General government	8,592,901	8,280,428			8,592,901	8,280,428
Public safety	16,801,682	16,385,499			16,801,682	16,385,499
Public works	5,288,183	6,451,296			5,288,183	6,451,296
Cultural and recreational	2,096,394	2,204,798			2,096,394	2,204,798
Debt service	853,853	943,460			853,853	943,460
Sanitation			3,019,998	2,886,650	3,019,998	2,886,650
Wastewater			2,826,180	2,869,892	2,826,180	2,869,892
Total expenses	33,633,013	34,265,481	5,846,178	5,756,542	39,479,191	40,022,023
Increase in net position before transfers	9,331,593	8,357,894	1,561,941	811,678	10,893,534	9,169,572
Transfers	50,015		(50,015)			
Increase in net position	9,381,608	8,357,894	1,511,926	811,678	10,893,534	9,169,572
Net position - beginning	20,495,750	12,137,856	8,034,249	7,222,571	28,529,999	19,360,427
Net position - ending	$ 29,877,358	$ 20,495,750	$ 9,546,175	$ 8,034,249	$ 39,423,533	$ 28,529,999

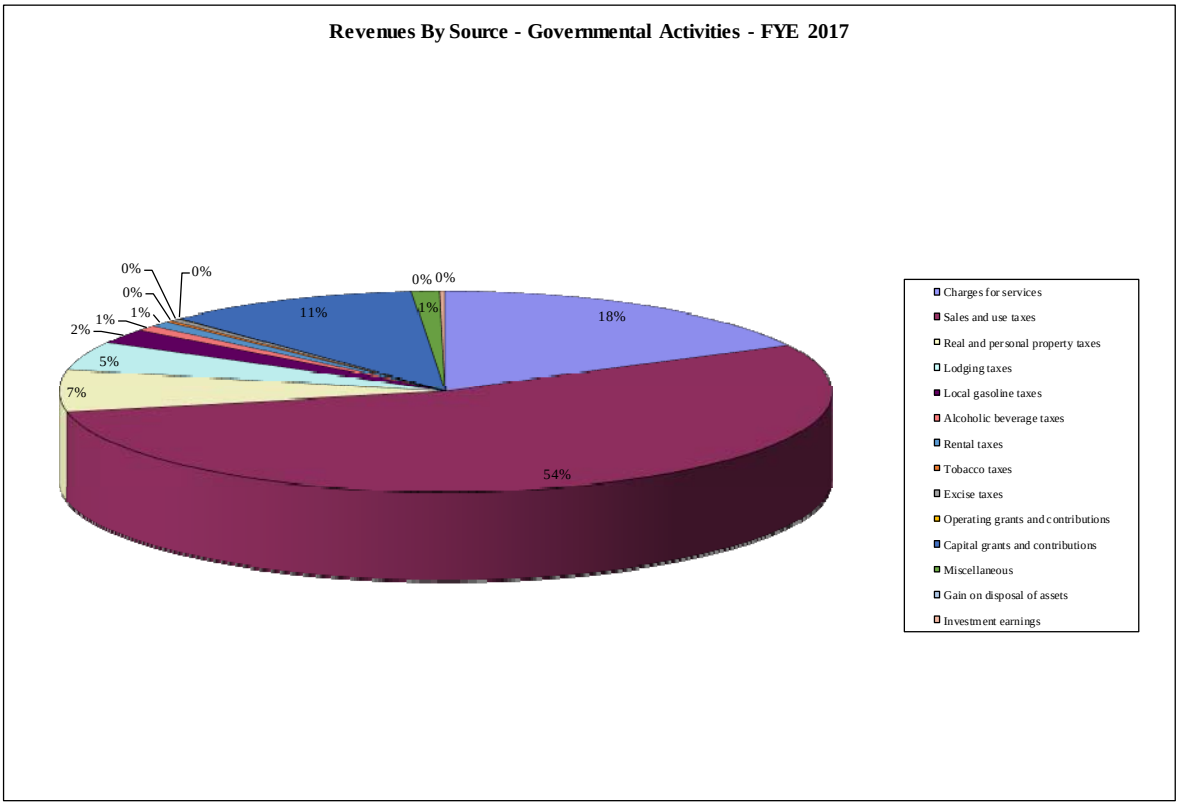
Expenses and Program Revenues for Governmental Activities

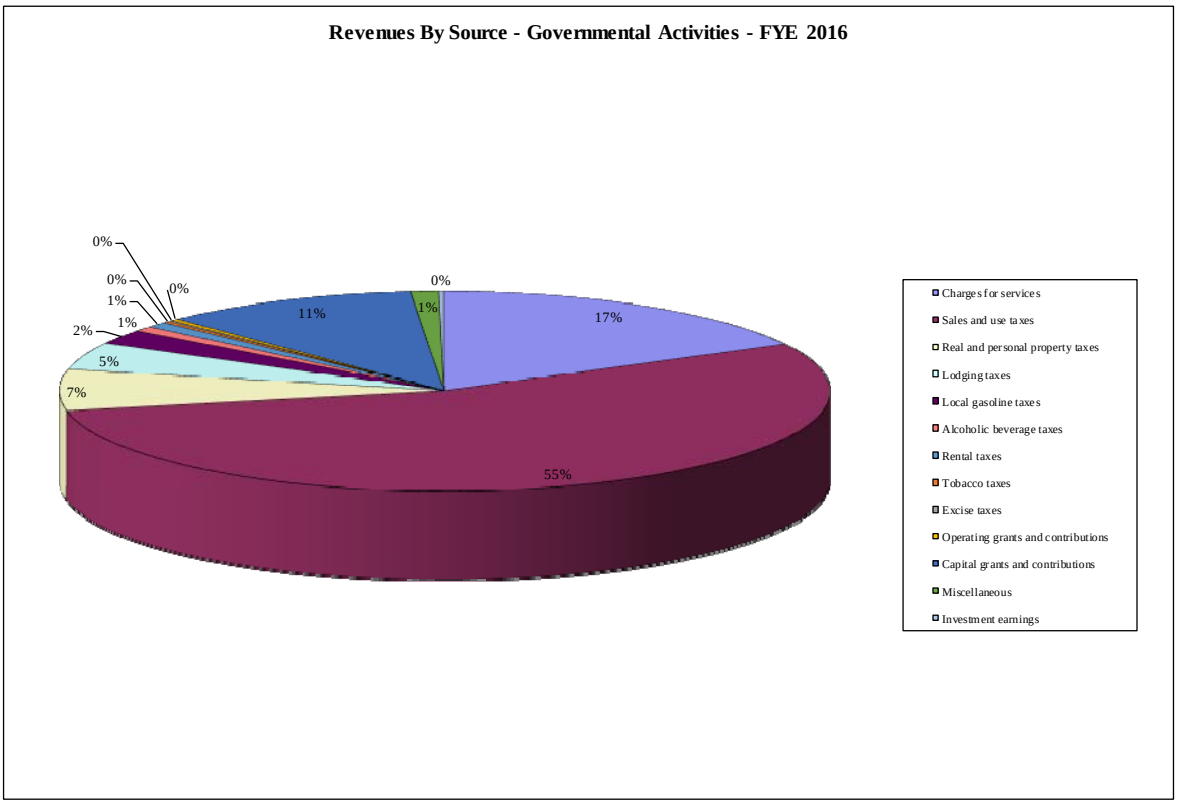
Governmental activities increased the City of Prattville, Alabama's net position by $9,381,608 for fiscal year 2017. The key elements of the increase in net position are the increases in revenue from the prior year as follows:

- Overall increase in general revenues and transfers of $359,157.
- Continued control over expenses, including a decrease in governmental activities expenses of $632,468.



Program and General Revenues for Governmental Activities



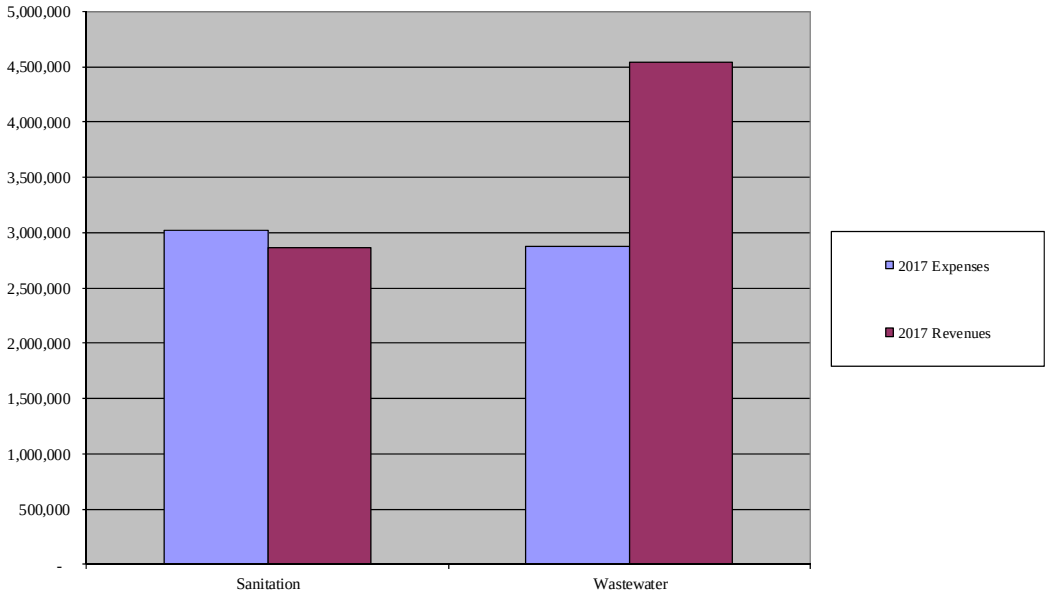


Expenses and Program Revenues for Business-Type Activities

Business-type activities increased the City of Prattville, Alabama's net position by $1,511,926. Key elements of this change in net position are as follows:

- Wastewater expenses remained consistent with prior year, while the wastewater revenue increased by $511,486 due in large part to the rate increase implemented to assist in funding the debt service for a major plant expansion project for which construction began during the year.
- Sanitation revenue remained consistent with prior year, while an increase in the operating expenses due to the purchase of one side arm truck and sanitation cans throughout the year resulted in a negative change in net position of $156,715.

Expenses and Program Revenue - Business-Type Activities



Financial Analysis of the City's Funds

As noted earlier, the City of Prattville, Alabama uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds - The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Governmental fund types include general, debt service, capital projects, and special revenue funds. Such information is useful in assessing the City's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year. The general fund is the chief operating fund of the City of Prattville, Alabama.

As of September 30, 2017, governmental funds reported a combined ending fund balance of $20,358,189, an increase of $45,884 in comparison with the prior year balance. Of this balance $147,083 is not available for new spending because it is a prepaid item; $1,535,197 is restricted for public safety, road projects, and capital improvements; $6,454,518 is committed to debt service and capital projects; and $4,551,732 is assigned for industrial park improvements, capital projects, capital equipment, and other purposes.

The fund balance of the general fund increased $1,323,468 during the current fiscal year after other financing sources including fund transfers. Total revenue increased $344,903 as compared to the prior year primarily due to an increase in sales tax revenue and continued control over expenses.

The fund balance of the capital projects fund decreased $1,524,680 during the current fiscal year after other financing sources including fund transfers, primarily due to various projects including the construction of a new building for the City's public works departments, the Silver Hills drainage project, and the Woodvale drainage project.

The fund balance of the debt service fund increased by $1,829 during the current fiscal year.

The fund balance of the gas tax special revenue fund increased $275,158 during the current fiscal year after other financing sources including transfers. This increase in the fund balance was the result of fewer paving projects executed during the fiscal year compared to the prior year.

The fund balance of the judicial special revenue fund decreased $29,891 during the current fiscal year after other financing sources including transfers. The decrease in the fund balance was primarily the result of increased transfers to other funds.

Proprietary funds - The City of Prattville, Alabama's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the proprietary funds at the end of the year amounted to $1,767. The Sanitation fund had an overall decrease in net position of $156,715 and Wastewater fund had an overall increase in net position of $1,668,641.

Internal service funds - Internal service funds are designed to recover the internal costs of government services provided to other funds groups. At September 30, 2017, the internal service fund reported a deficit of $257,237 for its net position balance. Contributions were increased for all participating funds for the year ended September 30, 2017. For 2017, the Enterprise funds funded the exact allocation of costs.

Capital Assets and Long-Term Debt Administration

Capital assets - The City of Prattville, Alabama's investment in capital assets for its governmental and business-type activities as of September 30, 2017 was $70,555,589 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings, improvements, construction in progress, vehicles, and machinery and equipment.

Major capital asset additions during the year include:

- Purchase of vehicles of $1,821,808.
- Increases in infrastructure of $3,435,159.

CITY OF PRATTVILLE, ALABAMA
CAPITAL ASSETS

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Land	$ 2,719,938	$ 1,257,019	$ 3,976,957
Construction in progress	3,289,976	2,863,235	6,153,211
Buildings and building improvements	3,533,741	3,608,049	7,141,790
Land improvements	642,068	1,176,493	1,818,561
Vehicles	2,853,300	1,673,919	4,527,219
Office, nonoffice, and computer equipment	2,277,568	366,104	2,643,672
Infrastructure	44,294,179		44,294,179
Totals	$ 59,610,770	$ 10,944,819	$ 70,555,589

Additional information on the City's capital assets can be found in Note 4 of the financial statements.

Long-term debt - As of September 30, 2017, the governmental activities had total debt outstanding of $34,145,337 and the business-type activities had a total debt outstanding of $1,400,411.

Long-term debt	2017	2016	CHANGE
General obligation warrants and other notes payable	$ 33,150,411	$ 38,818,718	$ (5,668,307)
Limited obligation warrant	1,513,174	1,529,406	(16,232)
Capital lease	882,163	206,620	675,543
Totals	$ 35,545,748	$ 40,554,744	$ (5,008,996)

The City of Prattville, Alabama's total debt outstanding decreased by $5,008,996 during the current fiscal year. This decrease was the result of payments made in accordance with regularly scheduled maturity dates and calling the remainder of the Series 2009 general obligation refunding warrants. Additional information on the City's debt can be found in Note 6 of the financial statements.

During 2017, the City issued General Obligation Warrants Series 2017-CWSRF-DL Special Authority Loan with Alabama Water Pollution Control Authority and Alabama Department of Environmental Management in the amount of $240,000. The City also entered into a capital lease of $726,905 for the purchase of a fire truck.

Budgetary Highlights for the Fiscal Year Ending September 30, 2017

Budget to actual statements and schedules are provided in the financial statements for the general fund and gas tax special revenue fund. Columns are provided for both the original adopted budget as well as the final budget. These budgets are followed by columns for actual expenditures and for variances between the final budget and actual expenditures.

As of September 30, 2017, actual operating revenues for the general fund were more than the budgeted amount by $769,892, or 2.10%. The primary reasons for the variance are as follows:

- Sales and use taxes were $179,049 more than budgeted due to increased sales primarily as a result of an overall improvement in economic conditions, as well as increased participation in the State of Alabama's simplified sellers use tax program.

As of September 30, 2017, actual operating expenditures for the general fund were less than the budgeted amount by $1,231,328, or 4.23%.

Economic Factors and Year 2017 Budget

Economic conditions for the City of Prattville, Alabama remain stable in the current environment.

- The City relies on taxes, fees, fines, and charges for services to fund their governmental activities. The primary source of revenue is sales taxes, which comprised approximately 62% of general fund revenues in fiscal year 2017. In the current economic climate, the City has instituted a temporary increase to the City's sales tax rate to be used to service the City's debt and to build reserves.

- The unemployment rate for Autauga County, where the City of Prattville, Alabama is primarily located, is currently 4.0%, which is a significant decrease compared to the prior year. The unemployment rate for the City of Prattville, Alabama is 3.8%. The unemployment rate is comparable to the state's current unemployment rate of 3.7% and compares favorably to the national average rate of 4.1%.

- The level of taxes, fees, and charges for services have a direct bearing on the City's ability to (a) annex additional land into its corporate limits and (b) encourage development (office, retail, residential, and industrial) to choose to be located in the jurisdiction. The City places emphasis on encouraging both annexation and economic development.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers and investors, and creditors with a general overview of the City of Prattville, Alabama's finances and to demonstrate the City's accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Clerk, 101 West Main Street, Prattville, Alabama 36067.

BASIC FINANCIAL STATEMENTS

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CITY OF PRATTVILLE, ALABAMA

STATEMENT OF NET POSITION
SEPTEMBER 30, 2017

	PRIMARY GOVERNMENT			COMPONENT UNITS		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	AUTAUGA-PRATTVILLE PUBLIC LIBRARY	PRATTVILLE AIRPORT AUTHORITY	HISTORIC PRATTVILLE REDEVELOPMENT AUTHORITY
ASSETS:						
Cash and cash equivalents	$ 17,365,854	$ 3,565,888	$ 20,931,742	$ 351,049	$ 510,742	$ 210,260
Internal balances	587,437	(587,437)				
Taxes receivable	2,377,888		2,377,888			
Accounts receivable, net	413,810	506,853	920,663		18,249	120,435
Prepaid items	147,083	26,590	173,673	2,503		3,753
Restricted assets:						
Cash and cash equivalents	1,616,167		1,616,167			194,080
Other	660,565		660,565		10,683	
Capital assets, not depreciated	6,009,914	4,120,254	10,130,168		3,079,667	2,030,359
Capital assets, net of accumulated depreciation	53,600,856	6,824,565	60,425,421	29,394	5,047,932	2,668,284
Total assets	82,779,574	14,456,713	97,236,287	382,946	8,667,273	5,227,171
DEFERRED OUTFLOWS:						
Deferred loss on refunding	989,168		989,168			
Pension related items	3,951,143	527,845	4,478,988	129,985		
Total deferred outflows	4,940,311	527,845	5,468,156	129,985		
LIABILITIES:						
Accounts payable	2,055,079	1,751,394	3,806,473	385	8,746	24,000
Accrued liabilities	209,785		209,785	14,398		
Accrued interest	267,795		267,795		477	11,410
Unearned revenues				48,300		
Other liabilities	579,988		579,988			
Long-term liabilities:						
Portion due or payable in one year:						
General obligation warrants payable, capital leases, and other long-term debt	2,937,202	400,792	3,337,994		30,375	136,232
Compensated absences	208,762	79,104	287,866			
Portion due or payable after one year:						
General obligation warrants payable, capital leases, and other long-term debt	32,224,380	999,619	33,223,999		427,467	4,577,380
Compensated absences	925,638	88,121	1,013,759			
Post-employment benefits other than pensions	3,585,928		3,585,928			
Net pension liability	14,847,970	2,119,353	16,967,323	91,923		
Total liabilities	57,842,527	5,438,383	63,280,910	155,006	467,065	4,749,022
DEFERRED INFLOWS:						
Pension related items				70,927		
Total deferred inflows				70,927		
NET POSITION:						
Net investment in capital assets	50,777,504	9,544,408	60,321,912	29,394	7,669,757	34,539
Restricted for:						
Law enforcement	95,980		95,980			
Road projects	311,310		311,310			
Capital projects	675,302		675,302			194,080
Elmore County district improvements	648,002		648,002			
Cultural and recreational	25,724		25,724			
Unrestricted (deficit)	(22,656,464)	1,767	(22,654,697)	257,604	530,451	249,530
Total net position	$ 29,877,358	$ 9,546,175	$ 39,423,533	$ 286,998	$ 8,200,208	$ 478,149

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

CITY OF PRATTVILLE, ALABAMA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

		PROGRAM REVENUE			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION					
					PRIMARY GOVERNMENT			COMPONENT UNITS		
	EXPENSES	FINES, FEES, AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	AUTAUGA-PRATTVILLE PUBLIC LIBRARY	PRATTVILLE AIRPORT AUTHORITY	HISTORIC PRATTVILLE REDEVELOPMENT AUTHORITY
ACTIVITIES:										
Primary government:										
Governmental activities:										
General government	$ 8,592,901	$ 5,942,996			$ (2,649,905)		$ (2,649,905)			
Public safety	16,801,682	1,276,310	$ 11,475		(15,513,897)		(15,513,897)			
Public works	5,288,183		20,468	$ 4,581,613	(686,102)		(686,102)			
Cultural and recreational	2,096,394	296,242			(1,800,152)		(1,800,152)			
Interest on long-term debt	853,853				(853,853)		(853,853)			
Total governmental activities	33,633,013	7,515,548	31,943	4,581,613	(21,503,909)		(21,503,909)			
Business-type activities:										
Sanitation	3,019,998	2,601,138				$ (418,860)	(418,860)			
Wastewater	2,826,180	4,506,215				1,680,035	1,680,035			
Total business-type activities	5,846,178	7,107,353				1,261,175	1,261,175			
Total primary government	$ 39,479,191	$ 14,622,901	$ 31,943	$ 4,581,613	(21,503,909)	1,261,175	(20,242,734)			
Component units:										
Autauga-Prattville Public Library	$ 567,093	$ 31,192	$ 86,495					$ (449,406)		
Prattville Airport Authority	568,969	120,008		$ 519,401					$ 70,440	
Historic Prattville Redevelopment Authority	265,655	403,300								$ 137,645
Total component units	$ 1,401,717	$ 554,500	$ 86,495	$ 519,401				(449,406)	70,440	137,645
General revenue:										
Sales and use taxes					23,336,649		23,336,649			
Real and personal property taxes					2,796,943		2,796,943			
Lodging taxes					2,028,437		2,028,437			
Local gasoline taxes					1,034,599		1,034,599			
Alcoholic beverage taxes					378,800		378,800			
Rental taxes					378,341		378,341			
Tobacco taxes					117,974		117,974			
Excise taxes					175,042		175,042			
Investment earnings					94,168	7,760	101,928	613	865	1,280
Miscellaneous revenue					491,229		491,229			2,983
Unrestricted appropriation from City/County								500,000		2,726
Gain on disposal of assets					3,320	293,006	296,326			
Transfers					50,015	(50,015)				
Total general revenues and transfers					30,885,517	250,751	31,136,268	500,613	865	6,989
CHANGE IN NET POSITION					9,381,608	1,511,926	10,893,534	51,207	71,305	144,634
NET POSITION - BEGINNING					20,495,750	8,034,249	28,529,999	235,791	8,128,903	333,515
NET POSITION - ENDING					$ 29,877,358	$ 9,546,175	$ 39,423,533	$ 286,998	$ 8,200,208	$ 478,149

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

CITY OF PRATTVILLE, ALABAMA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	GAS TAX SPECIAL REVENUE FUND	JUDICIAL SPECIAL REVENUE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS:						
Cash and cash equivalents	$ 13,536,829	$3,752,337				$ 17,289,166
Receivables:						
Taxes receivable	2,377,888					2,377,888
Accounts receivable, net	160,887	220,554		$ 23,152	$ 9,217	413,810
Due from other funds	612,372	25,476				637,848
Prepaid items	146,829				254	147,083
Restricted assets:						
Cash and cash equivalents	806,184	319,448	$ 1,879	288,158	200,498	1,616,167
Other		660,565				660,565
Total assets	$ 17,640,989	$4,978,380	$ 1,879	$ 311,310	$ 209,969	$ 23,142,527
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:						
Liabilities:						
Accounts payable	$ 924,145	$ 771,318			$ 25,701	$ 1,721,164
Accrued liabilities	206,332				3,453	209,785
Other liabilities	380,323				199,665	579,988
Due to other funds	25,476				24,925	50,401
Total liabilities	1,536,276	771,318			253,744	2,561,338
Deferred inflows of resources:						
Unavailable revenue		223,000				223,000
Total deferred inflows of resources		223,000				223,000
Fund balances (deficits):						
Nonspendable:						
Prepaid items	146,829				254	147,083
Restricted for:						
Law enforcement	95,980					95,980
Road projects				$ 311,310		311,310
Capital projects	36,479	415,823				452,302
Elmore County district improvements	648,002					648,002
Cultural and recreational	25,724					25,724
Debt service			$ 1,879			1,879
Committed to:						
Debt service	6,253,712					6,253,712
Capital projects		200,806				200,806
Assigned to:						
Industrial park improvement fund		2,621,141				2,621,141
Parks and recreation		369,414				369,414
Facilities improvement	224,454					224,454
Infrastructure		376,878				376,878
Fire training	22,260					22,260
Capital equipment reserve	61,613					61,613
Other purposes	875,972					875,972
Unassigned	7,713,688				(44,029)	7,669,659
Total fund balances	16,104,713	3,984,062	1,879	311,310	(43,775)	20,358,189
Total liabilities, deferred inflows of resources, and fund balances	$ 17,640,989	$4,978,380	$ 1,879	$ 311,310	$ 209,969	$ 23,142,527

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

CITY OF PRATTVILLE, ALABAMA

RECONCILIATION OF BALANCE SHEET OF
GOVERNMENTAL FUNDS TO STATEMENT OF NET POSITION
SEPTEMBER 30, 2017

Differences in amounts reported for governmental activities in the statement of net position on page 15.

Total fund balances - governmental funds		$ 20,358,189
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. Those assets consist of:		
Land	$ 2,719,938	
Construction in progress	3,289,976	
Land improvements, net of $5,488,971 accumulated depreciation	642,068	
Buildings and building improvements, net of $1,703,750 accumulated depreciation	3,533,741	
Office, nonoffice, and computer equipment, net of $3,818,180 accumulated depreciation	2,277,568	
Vehicles, net of $4,205,761 accumulated depreciation	2,853,300	
Infrastructure, net of $10,929,828 accumulated depreciation	44,294,179	
Total capital assets		59,610,770
Long-term receivables are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds.		223,000
Internal service funds are used by management to charge the costs of employee medical insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		(257,237)
Deferred outflows and inflows of resources are applicable to future periods and, therefore, are not reported in the governmental funds.		
Deferred loss on advance refunding	989,168	
Deferred outflows related to the net pension liability	3,951,143	
Total deferred outflows of resources		4,940,311
Long-term liabilities, including general obligation warrants payable and capital leases, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Balances at September 30, 2017 were:		
Accrued interest on bonds	267,795	
General obligation warrants and other notes payable	33,263,174	
Unamortized debt issuance discounts	(57,150)	
Unamortized debt issuance premiums	1,073,395	
Capitalized lease obligations	882,163	
Compensated absences	1,134,400	
Post-employment benefit plans other than pensions	3,585,928	
Net pension obligation	14,847,970	
Total long-term liabilities		(54,997,675)
Total net position of governmental activities		$ 29,877,358

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

CITY OF PRATTVILLE, ALABAMA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	GAS TAX SPECIAL REVENUE FUND	JUDICIAL SPECIAL REVENUE FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:						
Taxes	$ 29,918,543	$ 328,242				$ 30,246,785
Licenses and permits	5,942,996					5,942,996
Intergovernmental revenues	39,704	790,634		$ 300,987		1,131,325
Charges and fees for services	945,962					945,962
Fines and forfeitures	160,234				$ 466,356	626,590
Interest	78,277	13,712	$ 1,974	116		94,079
Miscellaneous revenues	378,870					378,870
Total revenues	37,464,586	1,132,588	1,974	301,103	466,356	39,366,607
EXPENDITURES:						
Current:						
General government	5,770,105	132,192			451,060	6,353,357
Public works	4,082,515	56,622		82,354		4,221,491
Public safety	13,436,701					13,436,701
Cultural and recreational	1,825,309					1,825,309
Capital outlay	2,136,570	3,072,337		43,628		5,252,535
Debt service:						
Principal payments	67,594		5,115,000			5,182,594
Interest and fiscal charges	3,010		1,096,050			1,099,060
Total expenditures	27,321,804	3,261,151	6,211,050	125,982	451,060	37,371,047
Excess of revenue over (under) expenditures	10,142,782	(2,128,563)	(6,209,076)	175,121	15,296	1,995,560
OTHER FINANCING SOURCES (USES):						
Insurance proceeds	111,359	1,000				112,359
Sale of general capital assets	40,906					40,906
Transfers in	66,725	438,554	6,210,905	100,037	7,067	6,823,288
Transfers out	(9,765,209)	(75,671)			(52,254)	(9,893,134)
Issuance of bonds		240,000				240,000
Capital lease	726,905					726,905
Total other financing sources (uses)	(8,819,314)	603,883	6,210,905	100,037	(45,187)	(1,949,676)
NET CHANGE IN FUND BALANCE	1,323,468	(1,524,680)	1,829	275,158	(29,891)	45,884
FUND BALANCE - BEGINNING	14,781,245	5,508,742	50	36,152	(13,884)	20,312,305
FUND BALANCE - ENDING	$ 16,104,713	$ 3,984,062	$ 1,879	$ 311,310	$ (43,775)	$ 20,358,189

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

CITY OF PRATTVILLE, ALABAMA

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

Differences in amounts reported for governmental activities in the statement of activities on page 16.

Net change in fund balance - total governmental funds.		$ 45,884
Capital outlay, reported as expenditures in governmental funds, is shown as capital assets in the statement of net position.		5,252,535
Donations of capital assets increase net position in the statement of net position but do not appear in the governmental funds because they are not financial resources.		3,090,000
Depreciation expense on governmental capital assets included in the governmental activities in the statement of activities.		(2,630,062)
The net effect of transactions involving the sale of capital assets is to decrease net assets in the statement of net position.		(61,587)
Loan proceeds provide current financial resources to the governmental funds and thus contribute to the change in fund balance. However, issuing debt increases long-term liabilities in the statement of net position:		
Bond proceeds	$ (240,000)	
Capital lease financing	(726,905)	
		(966,905)
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds but has no effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
General obligation warrants payable	5,525,000	
Limited obligation warrant	16,232	
Capital leases	51,362	
		5,592,594
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Accrued interest payable	(8,351)	
Compensated absences	(7,364)	
Post-employment benefit plans other than pensions	(452,736)	
Change in net pension liability and related deferred amounts	(578,243)	
		(1,046,694)
Governmental funds report the effect of premiums, discounts, and deferred loss on refunding, whereas these amounts are deferred and amortized in the statement of activities:		
Amortization	53,095	
		53,095
Revenues are reported in the funds when there is an established claimed to the resources and the resources are available to finance current expenditures. Revenues are reported in the statement of activities when there is an established claim with no availability criterion.		(17,769)
Internal service funds are used by management to charge the costs of employee medical insurance to individual funds. The net income (expense) of certain activities of internal service funds is reported with governmental activities.		70,517
Change in net position of governmental activities		$ 9,381,608

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

CITY OF PRATTVILLE, ALABAMA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Taxes:				
Sales and use taxes	$23,157,600	$23,157,600	$ 23,336,649	$ 179,049
Real and personal property taxes	2,742,150	2,742,150	2,796,943	54,793
Lodging taxes	1,576,000	1,576,000	1,700,195	124,195
Local gasoline taxes	1,002,000	1,002,000	1,034,599	32,599
Alcoholic beverage taxes	324,500	324,500	378,800	54,300
Rental taxes	379,400	379,400	378,341	(1,059)
Tobacco taxes	130,000	130,000	117,974	(12,026)
Excise taxes	60,000	60,000	175,042	115,042
Total taxes	29,371,650	29,371,650	29,918,543	546,893
Licenses and permits:				
Business licenses	5,023,500	5,023,500	5,012,613	(10,887)
Franchise fees	590,000	590,000	605,170	15,170
Building permits and inspection fees	302,000	302,000	315,858	13,858
Yard sale and special event permits	9,350	9,350	9,355	5
Total licenses and permits	5,924,850	5,924,850	5,942,996	18,146
Charges and fees for services:				
Ambulance fees	625,000	625,000	649,720	24,720
Recreation rentals	277,780	277,780	296,242	18,462
Total charges and fees for services	902,780	902,780	945,962	43,182

(Continued)

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

CITY OF PRATTVILLE, ALABAMA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES: (continued)				
Fines and forfeitures:				
Drug confiscation proceeds	$ 52,000	$ 52,000	$ 135,854	$ 83,854
Penalties	30,000	30,000	24,380	(5,620)
Total fines and forfeitures	82,000	82,000	160,234	78,234
Intergovernmental revenue:				
Grant income	75,000	75,000	39,704	(35,296)
Total intergovernmental revenue	75,000	75,000	39,704	(35,296)
Investment income:				
Interest	48,000	48,000	78,277	30,277
Total investment income	48,000	48,000	78,277	30,277
Miscellaneous revenues:				
Accident reports	9,150	9,150	7,798	(1,352)
Concessions	7,500	7,500	14,315	6,815
Donations	85,000	91,000	98,752	7,752
Lambert property tower	18,060	18,060	20,109	2,049
Miscellaneous income	67,954	142,954	184,253	41,299
Parades	3,150	3,150	4,637	1,487
Performing and creative arts	18,000	18,000	47,719	29,719
Sex offender registration fee	600	600	1,287	687
Total miscellaneous revenues	209,414	290,414	378,870	88,456
Total revenues	36,613,694	36,694,694	37,464,586	769,892

(Continued)

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

CITY OF PRATTVILLE, ALABAMA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
EXPENDITURES:				
General government:				
Executive	$ 303,763	$ 292,922	$ 280,953	$ 11,969
Legislative	161,642	161,642	151,124	10,518
Administrative finance	552,869	552,869	525,293	27,576
Administrative city clerk	233,327	236,294	226,587	9,707
Human resources	312,391	388,291	379,642	8,649
Information technology	1,246,555	1,230,509	1,393,028	(162,519)
Vehicle maintenance	317,179	313,695	257,612	56,083
Sales tax incentives	976,000	976,000	946,721	29,279
Building	93,549	86,096	70,404	15,692
City/County services	260,000	260,000	263,333	(3,333)
Community initiatives	769,279	629,279	702,308	(73,029)
Appropriations	661,112	661,112	772,934	(111,822)
Total general government	5,887,666	5,788,709	5,969,939	(181,230)
Public works:				
General public works	390,854	355,082	321,832	33,250
Planning and development	1,316,787	1,309,268	1,174,876	134,392
Urban management	1,660,559	1,660,559	1,436,396	224,163
Engineering	1,141,871	1,138,754	887,578	251,176
Facility maintenance	345,177	351,062	295,411	55,651
Total public works	4,855,248	4,814,725	4,116,093	698,632
Public safety:				
Police	7,150,963	7,070,876	6,963,379	107,497
Fire	6,412,766	6,412,766	6,487,053	(74,287)
Total public safety	13,563,729	13,483,642	13,450,432	33,210
Cultural and recreation:				
Parks and recreation	1,852,451	1,855,772	1,611,037	244,735
Performing and creative art	265,649	265,649	218,556	47,093
Total cultural and recreation	2,118,100	2,121,421	1,829,593	291,828
Capital outlay	1,535,944	2,836,739	2,443,119	393,620
Debt service:				
Principal	62,862	62,862	67,594	(4,732)
Interest	3,010	3,010	3,010	
Total debt service	65,872	65,872	70,604	(4,732)
Total expenditures	28,026,559	29,111,108	27,879,780	1,231,328
Excess of revenues over expenditures	8,587,135	7,583,586	9,584,806	2,001,220

(Continued)

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

CITY OF PRATTVILLE, ALABAMA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
OTHER FINANCING SOURCES (USES):				
Insurance proceeds	$ 10,000	$ 55,348	$ 111,359	$ 56,011
Sale of surplus equipment	27,500	27,500	40,906	13,406
Transfers from judicial fund			54	54
Transfers from capital projects fund		8,203	66,671	58,468
Transfers to capital projects fund			(388,480)	(388,480)
Transfers to debt service fund			(6,210,905)	(6,210,905)
Transfers to internal service fund	(2,486,025)	(2,484,854)	(3,067,661)	(582,807)
Transfers to sanitation fund			(59)	(59)
Transfers to judicial fund	(7,067)	(7,067)	(7,067)	
Transfers to gas tax fund			(91,037)	(91,037)
Capital lease		726,905	726,905	
Total other financing uses	(2,455,592)	(1,673,965)	(8,819,314)	(7,145,349)
Net change in fund balance, budgetary basis	$6,131,543	$5,909,621	765,492	$ (5,144,129)
Adjustment for reconciling items to adjust from budgetary basis to modified accrual basis:				
Change in encumbrances			557,976	
			557,976	
NET CHANGE IN FUND BALANCE, MODIFIED ACCRUAL BASIS			1,323,468	
FUND BALANCE - BEGINNING			14,781,245	
FUND BALANCE - ENDING			$ 16,104,713	

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

CITY OF PRATTVILLE, ALABAMA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GAS TAX SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
State gasoline and lubricating oil excise tax	$ 257,500	$ 257,500	$ 300,987	$ 43,487
Interest income			116	116
Total revenues	257,500	257,500	301,103	43,603
EXPENDITURES:				
Current operations:				
Public works	348,195	348,195	82,354	265,841
Capital outlay		27,500	43,628	(16,128)
Total expenditures	348,195	375,695	125,982	249,713
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(90,695)	(118,195)	175,121	293,316
OTHER FINANCING SOURCES:				
Transfers in			100,037	100,037
Total other financing sources			100,037	100,037
NET CHANGE IN FUND BALANCE, BUDGETARY BASIS	$ (90,695)	$ (118,195)	275,158	$ 393,353
Adjustment for reconciling items to adjust from budgetary basis to modified accrual basis:				
Change in encumbrances				
NET CHANGE IN FUND BALANCE, MODIFIED ACCRUAL BASIS			275,158	
FUND BALANCE AT BEGINNING OF YEAR			36,152	
FUND BALANCE AT END OF YEAR			$ 311,310	

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

CITY OF PRATTVILLE, ALABAMA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
JUDICIAL SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Fines and forfeitures	$ 560,900	$ 560,900	$ 466,356	$ (94,544)
Total revenues	560,900	560,900	466,356	(94,544)
EXPENDITURES:				
Current operations:				
Legislative			7,500	(7,500)
Judicial	515,767	515,767	460,912	54,855
Total expenditures	515,767	515,767	468,412	47,355
EXCESS OF REVENUES OVER EXPENDITURES	45,133	45,133	(2,056)	(47,189)
OTHER FINANCING USES:				
Transfers in	7,067	7,067	7,067	
Transfers out	(52,200)	(52,200)	(52,254)	(54)
Total other financing uses	(45,133)	(45,133)	(45,187)	(54)
NET CHANGE IN FUND BALANCE, BUDGETARY BASIS	$ -	$ -	(47,243)	$ (47,243)
Adjustment for reconciling items to adjust from budgetary basis to modified accrual basis:				
Change in encumbrances			17,352	
			17,352	
NET CHANGE IN FUND BALANCE, MODIFIED ACCRUAL BASIS			(29,891)	
FUND BALANCE AT BEGINNING OF YEAR			(13,884)	
FUND BALANCE AT END OF YEAR			$ (43,775)	

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

CITY OF PRATTVILLE, ALABAMA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2017

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	SANITATION	WASTEWATER	TOTAL	
ASSETS:				
Current assets:				
Cash and cash equivalents	$ 308,578	$ 3,257,310	$ 3,565,888	$ 76,688
Accounts receivables, net	195,522	311,331	506,853	
Prepaid items	20,988	5,602	26,590	
Total current assets	525,088	3,574,243	4,099,331	76,688
Noncurrent assets:				
Capital assets, not being depreciated	338,654	3,781,600	4,120,254	
Capital assets, net of accumulated depreciation	1,429,895	5,394,670	6,824,565	
Total noncurrent assets	1,768,549	9,176,270	10,944,819	
Total assets	2,293,637	12,750,513	15,044,150	76,688
DEFERRED OUTFLOWS:				
Pension related items	252,027	275,818	527,845	
Total deferred outflows	252,027	275,818	527,845	
LIABILITIES:				
Current liabilities:				
Accounts payable and accrued liabilities	62,575	1,688,819	1,751,394	333,915
Due to other funds	449,898	137,539	587,437	10
Current portion of long-term debt	269,336	131,456	400,792	
Compensated absences	12,290	66,814	79,104	
Total current liabilities	794,099	2,024,628	2,818,727	333,925
Noncurrent liabilities:				
Long-term debt	738,147	261,472	999,619	
Compensated absences	32,193	55,928	88,121	
Net pension obligation	1,007,801	1,111,552	2,119,353	
Total noncurrent liabilities	1,778,141	1,428,952	3,207,093	
Total liabilities	2,572,240	3,453,580	6,025,820	333,925
NET POSITION:				
Net investment in capital assets	761,066	8,783,342	9,544,408	
Unrestricted (deficit)	(787,642)	789,409	1,767	(257,237)
Total net position	$ (26,576)	$ 9,572,751	9,546,175	$ (257,237)
Net position of business-type activities			$ 9,546,175	

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

CITY OF PRATTVILLE, ALABAMA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	SANITATION	WASTEWATER	TOTAL	
OPERATING REVENUES:				
Charges for goods and services	$ 2,601,138	$ 4,506,215	$ 7,107,353	$ 681,400
Total operating revenues	2,601,138	4,506,215	7,107,353	681,400
OPERATING EXPENSES:				
Cost of sales and services	901,629	230,926	1,132,555	
Salaries and benefits	1,209,758	1,252,043	2,461,801	
Repairs and maintenance	98,412	118,052	216,464	
Utilities	4,865	396,176	401,041	
Insurance	79,372	47,315	126,687	
Other	19,217	66,325	85,542	413,772
Depreciation	402,487	496,502	898,989	
Benefits paid				3,812,963
Total operating expenses	2,715,740	2,607,339	5,323,079	4,226,735
OPERATING INCOME (LOSS)	(114,602)	1,898,876	1,784,274	(3,545,335)
NONOPERATING REVENUES (EXPENSES):				
Gain on sale of capital assets	264,482	28,524	293,006	
Interest income	294	7,466	7,760	91
Interest expense	(17,158)	(10,041)	(27,199)	
Total nonoperating revenues	247,618	25,949	273,567	91
Net income before transfers	133,016	1,924,825	2,057,841	(3,545,244)
TRANSFERS IN	59		59	3,615,761
TRANSFERS OUT	(289,790)	(256,184)	(545,974)	
CHANGE IN NET POSITION	(156,715)	1,668,641	1,511,926	70,517
TOTAL NET POSITION - BEGINNING	130,139	7,904,110		(327,754)
TOTAL NET POSITION - ENDING	$ (26,576)	$ 9,572,751		$ (257,237)
Change in net position of business-type activities			$ 1,511,926	

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

CITY OF PRATTVILLE, ALABAMA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	SANITATION	WASTEWATER	TOTAL	
CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:				
Receipts from customers	$ 2,608,932	$ 4,521,461	$ 7,130,393	
Receipts from interfund services provided				$ 681,400
Payments to suppliers	(1,125,087)	(1,005,273)	(2,130,360)	(4,248,403)
Payments to employees	(1,176,315)	(1,198,720)	(2,375,035)	
Net cash from (used for) operating activities	307,530	2,317,468	2,624,998	(3,567,003)
CASH FLOWS FROM (USED FOR) NONCAPITAL FINANCING ACTIVITIES:				
Transfers to other funds	(289,790)	(256,184)	(545,974)	
Transfers from other funds	59		59	3,615,761
Net cash payments from (to) other funds	(213,962)	(2,282)	(216,244)	10
Net cash from (used for) noncapital financing activities	(503,693)	(258,466)	(762,159)	3,615,771
CASH FLOWS FROM (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(231,422)	(878,540)	(1,109,962)	
Proceeds from sale of capital assets	283,054	28,524	311,578	
Principal paid on long-term debt	(265,355)	(117,952)	(383,307)	
Interest paid on long-term debt	(17,158)	(10,041)	(27,199)	
Net cash used for capital and related financing activities	(230,881)	(978,009)	(1,208,890)	
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest received	294	7,466	7,760	91
Net cash from investing activities	294	7,466	7,760	91
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(426,750)	1,088,459	661,709	48,859
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	735,328	2,168,851	2,904,179	27,829
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 308,578	$ 3,257,310	$ 3,565,888	$ 76,688
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM (USED FOR) OPERATING ACTIVITIES:				
Operating income (loss)	$ (114,602)	$ 1,898,876	$ 1,784,274	$ (3,545,335)
Adjustments to reconcile operating income to net cash provided by operations:				
Depreciation expense	402,487	496,502	898,989	
(Increase) decrease in assets and deferred outflows/inflows:				
Accounts receivable	7,794	15,246	23,040	
Prepaid items	2,855	822	3,677	
Deferred outflows/inflows	(120,819)	(145,595)	(266,414)	
Increase (decrease) in liabilities:				
Accounts payable and accrued liabilities	129,815	1,652,718	1,782,533	(21,668)
Net cash from (used for) operating activities	$ 307,530	$ 3,918,569	$ 4,226,099	$ (3,567,003)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Reporting entity - The City of Prattville, Alabama (the City) was incorporated under the laws of the State of Alabama in 1865 and operates under a Mayor-Council form of government. The Mayor is elected at large and all seven council members are elected by districts for concurrent terms of four years. As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City of Prattville, Alabama (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of its operational or financial relationship with the City. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

The component unit's column in the combined financial statements includes the financial data of the Autauga-Prattville Public Library (the Library), the Prattville Airport Authority (the Authority), and the Historic Prattville Redevelopment Authority (HPRA), which are determined to be component units of the City.

The Library operates for the benefit of the City and Autauga County residents. The City annually provides significant operating subsidies to the Library and appoints its governing body. Based on these criteria, the Library is included as a component unit of the City for the year ended September 30, 2017. The Library operates on a fiscal year ending September 30. Financial statements of the Library can be obtained at its administrative office located in Prattville, Alabama.

The Prattville Airport Authority was established for the purpose of acquiring, operating, constructing, and developing airport and industrial facilities. The City appoints the governing body and became obligated under a federal grant initiated by the Authority in September 2000. Based on this criteria, the Authority is included as a component unit of the City for the year ended September 30, 2017. The Authority also operates on a fiscal year ending September 30. Financial statements of the Authority can be obtained at its administrative office located in Prattville, Alabama.

The Historic Prattville Redevelopment Authority (HPRA) was formed to promote trade and commerce by inducing commercial enterprises to upgrade, improve, modernize, and expand existing facilities and to locate new facilities to the central business district of Prattville. The City annually provides operating subsidies to the HPRA and appoints its governing body. Based on this criteria, the HPRA is included as a component unit of the City for the year ended September 30, 2017. The Authority operates on a fiscal year ending September 30. Financial statements of HPRA can be obtained from the City's finance department in Prattville, Alabama.

The City's officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. These organizations would not be considered component units of the City; therefore, their financial information is not reflected in the City's financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Government-wide and fund financial statements - The basic financial statements consist of the government-wide financial statements and fund financial statements. Both sets of statements distinguish between governmental and business-type activities. Government-wide financial statements are comprised of the statement of net position and the statement of activities. For the most part, the effect of interfund activity has been removed from these statements. The exception to this is interfund services provided and used which are eliminated in the consolidation process. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of the City's governmental activities are offset by the City's program revenues. Direct expenses are those that are clearly identifiable with a specific program or function. Program revenues are classified into three categories: (1) fines, fees, and charges, (2) operating grants and contributions, and (3) capital grants and contributions. Charges for services refer to direct recovery from customers for services rendered. Grants and contributions refer to revenues restricted for specific programs whose use may be restricted further to operational or capital items. The general revenues section displays revenue collected that helps support all functions of government and contribute to the change in the net position for the fiscal year.

The fund financial statements follow and report additional and detailed information about operations for major funds individually and nonmajor funds in the aggregate for governmental funds. A reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentations.

The City reports the following major governmental funds:

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

Capital projects fund - The capital projects fund is used to account for financial resources used for the acquisition or construction of major capital facilities.

Debt service fund - The debt service fund is used to account for the resources accumulated and payments made for principal and interest on general long-term debt.

Gas tax special revenue fund - The gas tax special revenue fund is used to account for proceeds from a state gasoline tax. The use of these funds is restricted to expenditures related to construction, improvements, resurfacing, restoration, and rehabilitation of highways, roads, bridges, and streets.

Judicial special revenue fund - The judicial special revenue fund is used to account for all fines and forfeitures as a result of municipal court operations. The use of these funds is restricted and used for the operation of the municipal court and jail.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)
The City reports the following major proprietary funds:

Sanitation - The fund accounts for the revenues and costs related to the provision of sanitation services in the City.

Wastewater - The fund accounts for the revenues and costs related to the provision of sanitary sewer and wastewater treatment services in the City.

Additionally, the City reports the following fund type:

Internal service fund - The fund accounts for the operations of the self-insured medical insurance plan provided to funds of the City on a cost reimbursement basis.

Measurement focus, basis of accounting, and financial statement presentation
Government-wide financial statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar items are recognized as revenue in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements - The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within 90 days after year-end. Sales taxes, gasoline taxes, grants, donations, and interest revenue are all considered to be susceptible to accrual. Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. All other revenue items are considered to be measurable and available only when cash is received by the City.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted fund balance available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Proprietary fund financial statements - Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

Property tax calendar - All ad valorem taxes levied by the state, county, and any municipality in Autauga and Elmore Counties are assessed by the Tax Assessors and collected by the Tax Collectors of the counties. The counties' property tax calendars require the Tax Assessors to assess and attach taxes as enforceable liens on property as of September 30 and taxes are due October 1 through December 31 of the following year. Property taxes that have not been paid by January 1 are considered delinquent. Tax collections received by the County Tax Collectors are remitted to the City on a monthly basis.

Receivables - Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Accounts receivable in governmental funds consist of fees for public services rendered, reimbursable payments paid for the benefit of other governmental entities that are collected on a periodic basis, and grants receivable from other governments. Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment, it has concluded that realization losses on balances outstanding at year-end will be immaterial. Receivables as of year-end are considered fully collectible and are recorded at net realizable value.

Accounts receivable in the proprietary funds consist of monthly billings to customers for services provided. The City extends credit to its customers, who are located primarily in Prattville, Alabama. Trade accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial; therefore, no allowance for doubtful accounts has been provided.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Prepaid items - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Inventory - Governmental fund inventories are reported as an expenditure when purchased rather than capitalized as an asset. The City has no significant inventories as of September 30, 2017; therefore, none are reported on the statement of net position.

Restricted assets - Resources from federal and state grants/loans, appropriations and shared taxes, and drug confiscation proceeds are classified as restricted assets on the balance sheet.

Certain resources from federal and state grants set aside for airport improvements are classified as restricted assets on the statement of net position of the Prattville Airport Authority because their use is limited by their funding agreement.

Capital assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value on the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets of the primary government and the Autauga-Prattville Public Library, a component unit, are depreciated using the straight-line method over the following estimated useful lives:

ASSET CLASS	ESTIMATED USEFUL LIVES	CAPITALIZATION THRESHOLD
Buildings and building improvements	40 years	$ 25,000
Land improvements	20 years	25,000
Vehicles	5 - 15 years	5,000
Office, nonoffice, and computer equipment	5 - 20 years	5,000
Infrastructure	50 years	50,000

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)
Capital assets of the Prattville Airport Authority, a component unit, are depreciated using the straight-line method over the following estimated useful lives:

ASSET CLASS	ESTIMATED USEFUL LIVES	CAPITALIZATION THRESHOLD
Land improvements	20 years	$ 5,000
Building and improvements	3 - 40 years	5,000
Furniture and equipment	5 - 20 years	5,000
Runways	8 - 25 years	5,000

Capital assets of the Historic Prattville Redevelopment Authority, a component unit, are depreciated using the straight-line method of depreciation over the following estimated useful lives:

ASSET CLASS	ESTIMATED USEFUL LIVES	CAPITALIZATION THRESHOLD
Machinery and equipment	5 - 10 years	$ 5,000
Land improvements	20 years	25,000
Buildings	40 years	25,000

The City has historical assets including statues and fountains that are not capitalized, in accordance with established criteria. Specifically, the historical assets are held for reasons other than financial gain. The assets are protected, kept unencumbered, cared for and preserved, and are subject to a City policy requiring that sales proceeds from any historical assets be used to acquire similar assets.

Deferred outflows of resources - Decreases in net position that relate to future periods are reported as deferred outflows of resources in a separate section of the government-wide statement of net position and/or governmental funds' balance sheet. The City has two items that qualify for reporting in this category. The deferred loss on refunding is reported in the government-wide statement of net position. A deferred loss on refunded debt results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. In addition, the City and Library each have one deferred outflow related to the City's pension plan. See Note 8.

Deferred inflows of resources - Increases in net position that apply to a future period(s) are reported as deferred inflows of resources in a separate section of the government-wide statement of net position and/or governmental funds' balance sheet. The Library has one item that qualifies for reporting in this category. In the government-wide statement of activities for the Library, a deferred inflow of resources is reported for pension related items. This amount is deferred and recognized as an inflow of resources in the period that the amounts become earned.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)
In addition, the City's governmental funds report unavailable revenues from receivables collected outside of the period of availabilty. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated absences - The City allows employees to accumulate vacation and sick leave up to certain limits for use in subsequent periods. Upon termination of employment, an employee receives payment of accumulated vacation hours up to a maximum of 360 hours at current wage rates. Upon retirement, an employee can receive payment of 50% of accumulated sick leave hours up to a maximum of 360 hours at current wage rates. All vacation and sick pay is accrued when incurred in the government-wide financial statements up to certain limits for use in subsequent periods. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-term obligations - In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs other than prepaid insurance are expensed when incurred.

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

Lease obligations - Capital lease obligations are stated at the original fair market value of leased assets capitalized, less payments since the inception of the lease discounted at the implicit rate of interest in the lease. Also, in the year an asset is acquired by capital lease, the expenditure for the asset and the offsetting amount of the financing source are reflected in the fund financial statements in the statement of revenues, expenditures, and changes in fund balances. Capital lease obligations of governmental activities in the government-wide financial statements and the cost of assets so acquired are reflected in the accounts of those statements. Capital lease obligations of business-type activities in the government-wide financial statements and proprietary fund type financial statements and the cost of assets so acquired are reflected in the accounts of those funds and statements.

Fund balance - In accordance with Governmental Accounting Standards Board Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies government fund balance as follows:

- Nonspendable - includes fund balance amounts that cannot be spent either because it is not in spendable form, or for legal or contractual requirements. This would include inventories, deposits, and prepaid items.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

- Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation.

- Committed - includes fund balance amounts that can be used only for the specific purposes that are internally imposed by formal action of the government's highest level of decision making authority. Commitments may be changed by the government taking the same action that imposed the constraint initially. Contractual obligations are included to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual obligations. Fund balance is committed by the City Council by ordinance.

- Assigned - includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. This indicates that resources in these funds are, at a minimum, intended to be used for the purpose of that fund. The City Council, Mayor, Finance Director, or the City Clerk is authorized to assign amounts to a specific purpose. The authorization, which is established by the City Council, is pursuant to the policy of the City Council to delegate such authority.

- Unassigned - includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The City considers committed, then assigned amounts to have been spent when an expenditure is incurred for purposes for which amounts of unrestricted fund balance is available.

Pensions - The Employees' Retirement System of Alabama (the Plan) financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to the Plan requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Expenses are recognized when the corresponding liability is incurred, regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with requirements of the Governmental Accounting Standards Board (GASB). Under these requirements, the Plan is considered a component unit of the State of Alabama and is included in the State's Comprehensive Annual Financial Report.

Management estimates and assumptions - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could vary from estimates used.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

Budgets and budgetary accounting - The budget is adopted annually at the beginning of each fiscal year for the general fund, gas tax special revenue fund, capital projects fund, debt service fund, and judicial special revenue fund. The Council must approve transfers of appropriations or revisions between and among departments. Management can approve transfers within an individual department only. Actual expenditures should not exceed appropriations in departments. During 2017, the general government excess of expenditures over budget was primarily due to under budgeted service provider costs in the Information Technology department and under budgeted appropriations.

Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbered appropriations are carried forward. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as assigned fund balance and do not constitute expenditures or liabilities of the fund.

Budgets for the above-mentioned funds are adopted on a basis other than accounting principles generally accepted in the United States of America (GAAP) insofar as encumbrances are included with expenditures. Reconciliation of expenditures reported in accordance with GAAP and those presented in accordance with the non GAAP budgetary basis are noted below.

	GENERAL FUND
Net change in fund balance, modified accrual basis	$ 1,323,468
Encumbrances at beginning of the year	(839,550)
Encumbrances at end of the year	281,574
Net change in fund balance, budgetary basis	$ 765,492

	JUDICIAL SPECIAL REVENUE FUND
Net change in fund balance, modified accrual basis	$ (29,891)
Encumbrances at beginning of the year	
Encumbrances at end of the year	(17,352)
Net change in fund balance, budgetary basis	$ (47,243)

Deficit net position - The City had a deficit unrestricted net position at September 30, 2017 of $22,997,654. This deficit represents the indebtedness incurred for incentive obligations including the purchase of development property supporting the significant retail development activities within the City which originated in the fiscal years ended 2006 and 2008. In 2015, the deficit increased because of the adoption of GASB Statement No. 68 and recognition of the net pension liability. See Note 8.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY: (continued)
Deficit fund equity - Funds with deficit fund balance or net position are as follows:

	DEFICIT AMOUNT
Judicial special revenue fund	$ 43,775
Sanitation fund	26,576
Internal service fund	257,237

The deficits in the judicial special revenue fund and sanitation fund are the result of current year expenditures exceeding revenues and a net transfer out. The deficit in the internal service fund is a result of actual costs exceeding the amounts charged to other departments in previous years. The City's intent is to appropriate funds from the general fund in order to reduce the deficits and to increase the contribution rates to the internal service fund.

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS:
Deposits - *Custodial credit risk* - The City's investment policy requires that bank deposits be fully insured by the Federal Deposit Insurance Corporation or be covered under the Security for Alabama Funds Enhancement (SAFE) Program. The SAFE program is a multiple financial collateral pool administered by the State Treasurer according to State of Alabama statute.

NOTE 4 - CAPITAL ASSETS:
Capital asset activity for the City's governmental activities for the year ended September 30, 2017 was as follows:

	BEGINNING BALANCE	INCREASE	DECREASE	ENDING BALANCE
Governmental activities:				
Capital assets, not being depreciated:				
Construction in progress	$ 534,225	$ 3,124,910	$ 369,159	$ 3,289,976
Land	2,719,938			2,719,938
Total capital assets, not being depreciated	3,254,163	3,124,910	369,159	6,009,914
Capital assets, being depreciated:				
Buildings and building improvements	5,184,791	52,700		5,237,491
Land improvements	6,131,039			6,131,039
Vehicles	6,163,827	1,354,157	458,923	7,059,061
Office, nonoffice, and computer equipment	5,561,782	720,767	186,801	6,095,748
Infrastructure	51,788,848	3,435,159		55,224,007
Total capital assets, being depreciated	74,830,287	5,562,783	645,724	79,747,346
Less accumulated depreciation for:				
Buildings and building improvements	1,567,171	136,579		1,703,750
Land improvements	5,379,567	109,404		5,488,971
Vehicles	3,753,950	886,559	434,748	4,205,761
Office, nonoffice, and computer equipment	3,579,110	412,459	173,389	3,818,180
Infrastructure	9,844,767	1,085,061		10,929,828
Total accumulated depreciation	24,124,565	2,630,062	608,137	26,146,490
Total capital assets, being depreciated, net	50,705,722	2,932,721	37,587	53,600,856
Governmental activities capital assets, net	$ 53,959,885	$ 6,057,631	$ 406,746	$ 59,610,770

NOTE 4 - CAPITAL ASSETS: (continued)
Capital asset activity for the City's business-type activities for the year ended September 30, 2017 was as follows:

	BEGINNING BALANCE	INCREASE	DECREASE	ENDING BALANCE
Business-type activities:				
Capital assets, not being depreciated:				
Construction in progress	$ 732,533	$ 2,130,702		$ 2,863,235
Land	1,257,019			1,257,019
Total capital assets, not being depreciated	1,989,552	2,130,702		4,120,254
Capital assets, being depreciated:				
Buildings and building improvements	6,770,754	43,000		6,813,754
Land improvements	3,270,920		$ 8,070	3,262,850
Vehicles	3,194,942	467,651	660,271	3,002,322
Office, nonoffice, and computer equipment	1,829,238	69,710	688,054	1,210,894
Total capital assets, being depreciated	15,065,854	580,361	1,356,395	14,289,820
Less accumulated depreciation for:				
Buildings and building improvements	3,034,180	171,525		3,205,705
Land improvements	1,951,994	142,433	8,070	2,086,357
Vehicles	1,502,397	480,670	654,664	1,328,403
Office, nonoffice, and computer equipment	1,415,518	104,361	675,089	844,790
Total accumulated depreciation	7,904,089	898,989	1,337,823	7,465,255
Total capital assets, being depreciated, net	7,161,765	(318,628)	18,572	6,824,565
Business-type activities capital assets, net	$ 9,151,317	$ 1,812,074	$ 18,572	$ 10,944,819

NOTE 4 - CAPITAL ASSETS: (continued)
Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 1,136,502
Public works	470,732
Public safety	862,078
Cultural and recreational	160,750
Total depreciation expense - governmental activities	$ 2,630,062
Business-type activities:	
Sanitation	$ 402,487
Wastewater	496,502
Total depreciation expense - business-type activities	$ 898,989

Component units - Capital asset activity for the Autauga-Prattville Public Library for the fiscal year ended September 30, 2017 is as follows:

	BEGINNING BALANCE	INCREASE	DECREASE	ENDING BALANCE
Capital assets, being depreciated:				
Equipment	$ 160,475		$ 11,437	$ 149,038
Total capital assets, being depreciated	160,475		11,437	149,038
Less: Accumulated depreciation	123,920	$ 7,161	11,437	119,644
Total capital assets, being depreciated, net	$ 36,555	$ (7,161)	$ -	$ 29,394

NOTE 4 - CAPITAL ASSETS: (continued)
Capital asset activity for the Prattville Airport Authority for the fiscal year ended September 30, 2017 is as follows:

	BEGINNING BALANCE	INCREASE	DECREASE	ENDING BALANCE
Capital assets, not being depreciated:				
Land	$ 2,687,332	$ 392,335		$ 3,079,667
Total capital assets, not being depreciated	2,687,332	392,335		3,079,667
Capital assets, being depreciated:				
Land improvements	1,495,301			1,495,301
Runways	6,708,698			6,708,698
Building improvements	1,411,009			1,411,009
Furniture and equipment	494,422			494,422
Total capital assets, being depreciated	10,109,430			10,109,430
Less: Accumulated depreciation				
Land improvements	784,672	74,765		859,437
Runways	3,264,008	233,306		3,497,314
Building improvements	530,692	32,214		562,906
Furniture and equipment	116,996	24,845		141,841
Total accumulated depreciation	4,696,368	365,130		5,061,498
Total capital assets, being depreciated, net	5,413,062	(365,130)		5,047,932
Total capital assets, net	$ 8,100,394	$ 27,205	$ -	$ 8,127,599

NOTE 4 - CAPITAL ASSETS: (continued)
Capital asset activity for the Historic Prattville Redevelopment Authority for the fiscal year ended September 30, 2017 is as follows:

	BEGINNING BALANCE	INCREASE	DECREASE	ENDING BALANCE
Capital assets, not being depreciated:				
Land	$ 184,500	$ 955,250		$ 1,139,750
Construction in progress	3,480,708	863,061	$ 3,453,160	890,609
Total capital assets, not being depreciated	3,665,208	1,818,311	3,453,160	2,030,359
Capital assets, being depreciated:				
Land improvements	12,000	153,499		165,499
Building improvements	285,000	2,344,411		2,629,411
Machinery and equipment	23,000			23,000
Total capital assets, being depreciated	320,000	2,497,910		2,817,910
Less: Accumulated depreciation	108,758	40,868		149,626
Total capital assets, being depreciated, net	211,242	2,457,042		2,668,284
Total capital assets, net	$ 3,876,450	$ 4,275,353	$ 3,453,160	$ 4,698,643

NOTE 5 - INTERFUND BALANCES:
Interfund transactions are generally used to meet cash demands necessary to pay operating expenditures. These amounts should be repaid during the next fiscal year. Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the entity-wide governmental column of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

NOTE 5 - INTERFUND BALANCES: (continued)
The composition of interfund receivables and payables as of September 30, 2017 consists of the following:

RECEIVABLE FUND	PAYABLE FUND	AMOUNT
General	Judicial fund	$ 24,925
General	Sanitation	449,898
General	Wastewater	137,539
General	Internal service fund	10
Capital projects fund	General	25,476
Total		$ 637,848

The following is a schedule of interfund transfers for the year ended September 30, 2017:

TRANSFER OUT	TRANSFER IN			
	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	JUDICIAL SPECIAL REVENUE FUND
General fund		$ 388,480	$ 6,210,905	$ 7,067
Capital projects fund	$ 66,671			
Judicial special revenue fund	54			
Sanitation fund		2,690		
Wastewater fund		47,384		
Totals	$ 66,725	$ 438,554	$ 6,210,905	$ 7,067

NOTE 5 - INTERFUND BALANCES: (continued)

TRANSFER OUT	TRANSFER IN			
	GAS TAX SPECIAL REVENUE FUND	SANITATION FUND	INTERNAL SERVICE FUND	TOTAL
General fund	$ 91,037	$ 59	$ 3,067,661	$ 9,765,209
Capital projects fund	9,000			75,671
Judicial special revenue fund			52,200	52,254
Sanitation fund			287,100	289,790
Wastewater fund			208,800	256,184
Totals	$ 100,037	$ 59	$ 3,615,761	$ 10,439,108

Transfers are used to move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, and to move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

NOTE 6 - LONG-TERM DEBT:
State statute limits the amount of long-term debt the City can incur. The amount of debt applicable to this limit during a year can be no greater than 20% of the assessed value of taxable property as of the beginning of the fiscal year. As of September 30, 2017, the amount of outstanding debt applicable to this limit was equal to 8.44% of property assessments as of October 1, 2016.

NOTE 6 - LONG-TERM DEBT: (continued)
Long-term liability activity for the year ended September 30, 2017, was as follows:

	BEGINNING BALANCE	ADDITIONS	REDUCTIONS	ENDING BALANCE	DUE WITHIN ONE YEAR
Governmental activities:					
Warrant and other notes payable	$ 37,035,000	$ 240,000	$ 5,525,000	$ 31,750,000	$ 2,825,000
Limited obligation warrant	1,529,406		16,232	1,513,174	
Less deferred amounts:					
Debt issuance discounts	(65,185)		(8,035)	(57,150)	
Add deferred amounts:					
Debt issuance premiums	1,334,988		261,593	1,073,395	
Total warrants and other notes payable	39,834,209	240,000	5,794,790	34,279,419	2,825,000
Capital leases	206,620	726,905	51,362	882,163	112,202
Compensated absences	1,127,036	574,453	567,089	1,134,400	208,762
Post-employment benefits other than pensions	3,133,192	492,025	39,289	3,585,928	
Net pension liability	12,230,870	4,804,919	2,187,819	14,847,970	
Governmental activities long-term liabilities	56,531,927	6,838,302	8,640,349	54,729,880	3,145,964
Business-type activities:					
General obligation warrants	1,783,718		383,307	1,400,411	400,792
Compensated absences	156,877	75,226	64,878	167,225	79,104
Net pension liability	1,777,382	627,849	285,878	2,119,353	
Business-type activities long-term liabilities	3,717,977	703,075	734,063	3,686,989	479,896
Total long-term debt	$ 60,249,904	$ 7,541,377	$ 9,374,412	$ 58,416,869	$ 3,625,860

NOTE 6 - LONG-TERM DEBT: (continued)
Warrants and other notes payable at September 30, 2017 consists of the following:

Governmental activities:

		TOTAL
General Obligation Chevron Warrants Series 2009A; principal amount $1,820,000; graduated principal payments are due annually beginning on December 1, 2010 and semiannual interest payments due each June 1 and December 1, beginning June 1, 2010; interest rate ranges from 2.2% to 4.5%; rate on current bonds 2.2%; final payment is due December 1, 2029. Proceeds used for the acquisition, construction, installation, and equipping of certain energy efficient improvements.	$	1,550,000
General Obligation Refunding Warrants Series 2013A; principal amount $9,815,000; graduated principal payments are due annually beginning on March 1, 2014 and semiannual interest payments due each September 1 and March 1, beginning September 30, 2013; interest rate ranges from .80% to 2.75%; rate on current bonds 2.00%; final payment is due March 1, 2027. Proceeds used for the partial refunding of the Series 2006A General Obligation Economic Development Improvement Warrants.		9,185,000
General Obligation Refunding Warrants Series 2014A; principal amount $9,955,000; graduated principal payments are due annually beginning on March 1, 2015 and semiannual interest payments due each September 1 and March 1, beginning March 1, 2015; interest rate ranges from 1.55% to 4.00%; rate on current bonds 2.00%; final payment is due March 1, 2026. Proceeds used for the partial refunding of the Series 2007 General Obligation Economic Development Improvement Warrants.		9,310,000
General Obligation Refunding Warrants Series 2015; principal amount $12,280,000; graduated principal payments are due annually beginning November 1, 2015 and semiannual interest payments due each November 1 and May 1, beginning November 1, 2015; interest rate ranges from 1.5% to 5.0%; rate on current bonds 2.0%; final payment is due November 1, 2025. Proceeds used for the partial refunding of the Series 2006A General Obligation Economic Development Improvement Warrants and partial refunding of the Series 2006B General Obligation Economic Development Improvement Warrants.		11,065,000

NOTE 6 - LONG-TERM DEBT: (continued)

	TOTAL
Special Authority Loan with Alabama Water Pollution Control Authority and Alabama Department of Environmental Management; principal amount $825,000; graduated principal payments due annually beginning February 15, 2017 and semiannual interest payments due each February 15 and August 15, beginning February 15, 2017; interest rate 1.45% from July 15, 2016 to October 31, 2016 and 2.20% thereafter; final payment is February 15, 2036; partial principal forgiveness of $410,000 as of August 1, 2017 per the terms of the agreement; includes issuance of General Obligation Warrants Series 2016-CWSRF-DL totaling $415,000 as evidence of indebtedness. Proceeds will be used for the North Silver Hills Drainage Canal Restoration.	$ 400,000
General Obligation Warrants Series 2017-CWSRF-DL Special Authority Loan with Alabama Water Pollution Control Authority and Alabama Department of Environmental Management; principal amount $240,000; graduated principal payments due annually beginning February 15, 2019 and semiannual interest payments due each February 15 and August 15, beginning August 15, 2018; interest rate 1.45% from April 1, 2017 to March 30, 2018 and 2.20% thereafter; final payment is February 15, 2038; Proceeds will be used for the Woodvale Drainage Project.	240,000
Total governmental activities	31,750,000
Business-type activities:	
General Obligation Sewer Warrant, Series 2013; principal amount $900,000; monthly principal and interest payments of $11,570 due monthly beginning on September 15, 2013; interest rate of 2.190%; final maturity date is August 15, 2020. Proceeds used to pay for purchase of property to be used as a waste water byproduct application site.	392,928
General Obligation Revenue Warrant, Series 2016; principal amount of $1,360,415; monthly principal and interest payments of $23,543 due monthly beginning on June 27, 2016; interest rate of 1.49%; final maturity date is May 27, 2021. Proceeds were used to purchase sanitation trucks.	1,007,483
Total business-type activities	1,400,411
Total general obligation warrants	$ 33,150,411

NOTE 6 - LONG-TERM DEBT: (continued)

Limited obligation warrant - The City issued Limited Obligation Warrant, Series 2006B in the amount of $1,594,489 for the construction of infrastructure. The warrant bears a 0% interest rate and matures on August 1, 2036. The warrant was issued pursuant to an agreement with a private entity for the construction of infrastructure. Repayment of the warrant is secured by a pledge of 75% of the sales tax revenue remitted by retail establishments located on the specified property. As of September 30, 2017, the City had redeemed $81,315 of the outstanding warrants. The balance on the warrant at September 30, 2017 is $1,513,174.

The Limited Obligation Warrant does not constitute a direct obligation and pledge of the full faith and credit of the City.

Debt service requirements on long-term debt at September 30, 2017 are as follows:

	TOTAL ANNUAL REQUIREMENTS			GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES		
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
YEAR ENDING SEPTEMBER 30:									
2018	$ 3,225,792	$ 932,720	$ 4,158,512	$ 2,825,000	$ 912,154	$ 3,737,154	$ 400,792	$ 20,566	$ 421,358
2019	3,332,776	840,934	4,173,710	2,925,000	827,358	3,752,358	407,776	13,576	421,352
2020	3,434,551	743,750	4,178,301	3,030,000	737,288	3,767,288	404,551	6,462	411,013
2021	3,302,292	660,434	3,962,726	3,115,000	659,386	3,774,386	187,292	1,048	188,340
2022	3,210,000	568,041	3,778,041	3,210,000	568,041	3,778,041			
2023 - 2027	15,750,000	1,280,782	17,030,782	15,750,000	1,280,782	17,030,782			
2028 - 2032	705,000	66,584	771,584	705,000	66,584	771,584			
2033 - 2037	175,000	10,340	185,340	175,000	10,340	185,340			
2038	15,000	328	15,328	15,000	329	15,329			
Totals	$33,150,411	$ 5,103,914	$ 38,254,325	$31,750,000	$5,062,262	$ 36,812,262	$ 1,400,411	$ 41,652	$ 1,442,063

Capital leases - The City has entered into lease agreements as lessee for financing the acquisition of property and equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

ASSET	GOVERNMENTAL ACTIVITIES
Vehicles	$ 985,215
Less: Accumulated depreciation	126,905
Total	$ 858,310

NOTE 6 - LONG-TERM DEBT: (continued)
The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2017, were as follows:

GOVERNMENTAL ACTIVITIES		
YEAR ENDING SEPTEMBER 30:		AMOUNT
2018	$	138,591
2019		138,591
2020		138,591
2021		84,218
2022		84,218
2023 - 2027		421,093
Total minimum lease payments		1,005,302
Less amount representing interest		123,139
Present value of minimum lease payments	$	882,163

Other long-term debt - Compensated absences, pension benefits, post-employment benefits other than pensions, and other governmental activity obligations are generally liquidated by the general fund.

Component units - The Prattville Airport Authority's capital debt at September 30, 2017 is as follows:

Revenue and Grant Anticipation Bond Series 2014 - River Bank & Trust; $551,266; interest rate of 4.69% until April 1, 2029; principal and interest due monthly beginning May 22, 2014; secured by pledge of all	$ 457,842
Total long-term capital debt	$ 457,842

NOTE 6 - LONG-TERM DEBT: (continued)
Maturities on capital debt are as follows:

	CITY OF PRATTVILLE AIRPORT AUTHORITY		
	PRINCIPAL	INTEREST	TOTAL
YEAR ENDING SEPTEMBER 30:			
2018	$ 30,375	$ 21,112	$ 51,487
2019	31,852	19,635	51,487
2020	33,349	18,138	51,487
2021	35,021	16,466	51,487
2022	36,723	14,764	51,487
2023 - 2027	212,148	45,287	257,435
2028 - 2029	78,374	3,134	81,508
Totals	$ 457,842	$ 138,536	$ 596,378

Total interest cost on capital debt in 2017 was $24,374.

Capital debt activity for the year ended September 30, 2017 for the Prattville Airport Authority was as follows:

	BEGINNING BALANCE	ADDITIONS	REDUCTIONS	ENDING BALANCE	DUE WITHIN ONE YEAR
Revenue and grant anticipation bond - River Bank & Trust	$ 486,810		$ 28,968	$ 457,842	$ 30,375
Totals	$ 486,810	$ -	$ 28,968	$ 457,842	$ 30,375

NOTE 6 - LONG-TERM DEBT: (continued)
The Historic Prattville Redevelopment Authority's notes payable at September 30, 2017 are as follows:

Trustmark National Bank secured by real estate; monthly principal and interest payments of $1,811; interest rate of 4.34%; final maturity date is December 5, 2019. Proceeds used to purchase real estate.	$ 93,060
Trustmark National Bank unsecured; monthly principal and interest payments of $291; interest rate of 4.34%; maturity date of December 15, 2019.	7,456
Series 2016 Redevelopment Bonds; principal amount of $4,780,000; graduated principal payments due annually beginning March 1, 2017 and semiannual interest payments due each September 1 and March 1, beginning September 1, 2016; interest rate ranges from 1.700% to 3.625%; final payment is due March 1, 2046. A portion of the proceeds were used to redeem an outstanding loan of $1,755,250 during fiscal year 2016 and the remainder was used to renovate the administrative building which is leased to the City of Prattville, Alabama.	4,670,000
Total	$ 4,770,516

NOTE 6 - LONG-TERM DEBT: (continued)
Notes payable maturities at September 30, 2017 are as follows:

	HISTORIC PRATTVILLE REDEVELOPMENT AUTHORITY		
	PRINCIPAL	INTEREST	TOTAL
YEAR ENDING SEPTEMBER 30:			
2018	$ 136,232	$ 137,563	$ 273,795
2019	137,185	134,310	271,495
2020	172,099	129,573	301,672
2021	120,000	126,616	246,616
2022	120,000	124,396	244,396
2023 - 2027	645,000	586,425	1,231,425
2028 - 2032	725,000	508,051	1,233,051
2033 - 2037	825,000	401,693	1,226,693
2038 - 2042	975,000	254,788	1,229,788
2043 - 2046	915,000	67,878	982,878
Totals	$ 4,770,516	$ 2,471,293	$ 7,241,809

Long-term debt activity for the Historic Prattville Redevelopment Authority for the year ended September 30, 2017, was as follows:

	BEGINNING BALANCE	ADDITIONS	REDUCTIONS	ENDING BALANCE	DUE WITHIN ONE YEAR
Redevelopment bonds	$ 4,780,000		$ 110,000	$ 4,670,000	$ 115,000
Notes payable	120,836		20,320	100,516	21,232
Less deferred amounts:					
Debt issuance discounts	(60,313)		(3,409)	(56,904)	
Totals	$ 4,840,523	$ -	$ 126,911	$ 4,713,612	$ 136,232

NOTE 7 - NOTES PAYABLE:
The City issued General Obligation Note, Series 2011A dated May 1, 2011 in the amount of $1,000,000. The proceeds of the note were used as a line of credit for paying operation expenditures as needed for the City. The line of credit was most recently renewed on June 30, 2017 with a maturity date of June 30, 2018. The line of credit bears interest at 2.75%, with interest due monthly. At September 30, 2017, the balance of the loan had been paid in full. On October 10, 2017, the City entered into an agreement to increase the available amount on the line of credit to $4,000,000 with interest and maturity terms remaining the same.

NOTE 8 - PENSION PLAN:

Plan description - The Employees' Retirement System of Alabama (ERS), an agency multiple-employer plan, was established October 1, 1945 under the provisions of Act 515 of the Legislature of 1945 for the purpose of providing retirement allowances and other specified benefits for state employees, State Police, and on an elective basis, to all cities, counties, towns, and quasi-public organizations. The responsibility for the general administration and operation of ERS is vested in its Board of Control. The ERS Board of Control consists of 13 trustees. The Plan is administered by the Retirement Systems of Alabama (RSA). Title 36-Chapter 27 of the Code of Alabama grants the Board to establish and amend the benefit terms to the ERS Board of Control. The Plan issues a publicly available financial report that can be obtained at www.rsa-al.gov.

The ERS Board of Control consists of 13 trustees as follows:

1) The Governor, ex officio.

2) The State Treasurer, ex officio.

3) The State Personnel Director, ex officio.

4) The State Director of Finance, ex officio.

5) Three vested members of ERS appointed by the Governor for a term of four years, no two of whom are from the same department of state government nor from any department of which an ex officio trustee is the head.

6) Six members of ERS who are elected by members from the same category of ERS for a term of four years as follows:

    a. Two retired members with one from the ranks of retired state employees and one from the ranks of retired employees of a city, county, or a public agency each of whom is an active beneficiary of ERS.

    b. Two vested active state employees.

    c. Two vested active employees of an employer participating in ERS pursuant to § 36-27-6.

NOTE 8 - PENSION PLAN: (continued)

Benefits provided - State law establishes retirement benefits as well as death and disability benefits and any ad hoc increase in postretirement benefits for the ERS. Benefits for ERS members vest after 10 years of creditable service. State employees who retire after age 60 (52 for State Police) with 10 years or more of creditable service or with 25 years of service (regardless of age) are entitled to an annual retirement benefit, payable monthly for life. Local employees who retire after age 60 with 10 years or more of creditable service or with 25 or 30 years of service (regardless of age), depending on the particular entity's election, are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or a formula method, with the member receiving payment under the method that yields the highest monthly benefit. Under the formula method, members of the ERS (except State Police) are allowed 2.0125% of their average final compensation (highest three of the last 10 years) for each year of service. State Police are allowed 2.8750% for each year of State Police service in computing the formula method.

Act 377 of the Legislature of 2012 established a new tier of benefits (Tier 2) for members hired on or after January 1, 2013. Tier 2 ERS members are eligible for retirement after age 62 (56 for State Police) with 10 years or more of creditable service and are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or a formula method, with the member receiving payment under the method that yields the highest monthly benefit. Under the formula method, Tier 2 members of the ERS (except State Police) are allowed 1.6500% of their average final compensation (highest five of the last 10 years) for each year of service. State Police are allowed 2.3750% for each year of State Police service in computing the formula method.

Members are eligible for disability retirement if they have 10 years of credible service, are currently in-service, and determined by the RSA Medical Board to be permanently incapacitated from further performance of duty. Preretirement death benefits are calculated and paid to the beneficiary on the member's age, service credit, employment status, and eligibility for retirement.

The ERS membership includes approximately 85,874 participants, and the City's membership includes 464 participants. As of September 30, 2016, membership consisted of:

	ERS	CITY
Retirement and beneficiaries currently receiving benefits	23,007	108
Terminated vested employees	1,155	3
Terminated non-vested employees	6,654	25
Active members	54,823	328
Post-DROP retired members still in active service	235	
Totals	85,874	464

NOTE 8 - PENSION PLAN: (continued)

Contributions - Covered members of the ERS contributed 5.00% of earnable compensation to the ERS as required by statute until September 30, 2011. From October 1, 2011 to September 30, 2012, covered members of the ERS were required by statute to contribute 7.25% of earnable compensation. Effective October 1, 2012, covered members of the ERS are required by statute to contribute 7.50% of earnable compensation. Certified law enforcement, correctional officers, and firefighters of the ERS contributed 6.00% of earnable compensation as required by statute until September 30, 2011. From October 1, 2011 to September 30, 2012, certified law enforcement, correctional officers, and firefighters of the ERS were required by statute to contribute 8.25% of earnable compensation. Effective October 1, 2012, certified law enforcement, correctional officers, and firefighters of the ERS are required by statute to contribute 8.50% of earnable compensation. State Police of the ERS contribute 10.00% of earnable compensation. ERS local participating employers are not required by statute to increase contribution rates for their members.

Tier 2 covered members of the ERS contribute 6.00% of earnable compensation to the ERS as required by statute. Tier 2 certified law enforcement, correctional officers, and firefighters of the ERS are required by statute to contribute 7.00% of earnable compensation. Tier 2 State Police members of the ERS contribute 10.00% of earnable compensation. These contributions rates are the same for Tier 2 covered members of ERS local participating employers.

The ERS establishes rates based upon an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with additional amounts to finance any unfunded accrued liability, the pre-retirement death benefit, and administrative expenses of the Plan. For the year ended September 30, 2017, the City's average active employee contribution rate was 5.82% of covered employee payroll, and the City's average employer contribution rate to fund the normal and accrued liability costs was 8.90% of covered employee payroll.

The City's contractually required contribution rate for the year ended September 30, 2017 was 9.54% of pensionable pay for Tier 1 employees, and 6.76% of pensionable pay for Tier 2 employees. These required contribution rates are based upon the actuarial valuation dated September 30, 2014, a percent of annual pensionable payroll, and actuarially determined as an amount that, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, with an additional amount to finance any unfunded accrued liability. Total employer contributions to the pension plan from the City were $1,296,995 for the year ended September 30, 2017.

NOTE 8 - PENSION PLAN: (continued)
The City's net pension liability was measured as of September 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2015 rolled forward to September 30, 2016 using standard roll-forward techniques as shown in the following table:

	EXPECTED	ACTUAL 2015 VALUATION ASSUMPTIONS	ACTUAL 2016 VALUATION ASSUMPTIONS
(a) Total pension liability as of September 30, 2015	$ 51,970,374	$ 52,741,132	$ 55,571,999
(b) Discount rate	8.00%	8.00%	7.75%
(c) Entry age normal cost for October 1, 2015 - September 30, 2016	1,252,658	1,252,658	1,285,371
(d) Transfers among employees		(33,807)	(33,807)
(e) Actual benefit payments and refunds for October 1, 2015 - September 30, 2016	(2,473,697)	(2,473,697)	(2,473,697)
(f) Total pension liability as of September 30, 2016 = [(a) x (1+(b))] + (c) + (d) + [(e) x (1+0.5*(b))]	$ 54,808,017	$ 55,606,629	$ 58,560,840
(g) Difference between expected and actual		$ 798,612	
(h) Less liability transferred for immediate recognition		(33,807)	
(i) Experience (gain)/loss = (g) - (h)		$ 832,419	
(j) Difference between actual (2015 assumptions) and actual (2016 assumptions): Assumptions Change (gain)/loss			$ 2,954,211

Actuarial assumptions - The total pension liability as of September 30, 2016 was determined based on the annual actuarial funding valuation report prepared as of September 30, 2015. The key actuarial actuarial assumptions used in the valuation are summarized below:

Inflation	2.75%
Salary increases	3.25% - 5.00%
Investment rate of return *	7.75%

* Net of pension plan investment expense, including inflation

NOTE 8 - PENSION PLAN: (continued)
Mortality rates were based on the sex distinct RP-2000 Blue Collar Mortality Table Projected with Scale BB to 2020 with an adjustment of 125% at all ages for males and 120% for females at ages on and after age 78. The rates of mortality for the period after disability retirement are according to the sex distinct RP-2000 Disabled Retiree Mortality Table Projected with Scale BB to 2020 with an adjustment of 130% at all ages for females.

The actuarial assumptions used in the September 30, 2015 valuation were based on the results of an actuarial experience study for the period October 1, 2010 to September 30, 2015.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected 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 target asset allocation and best estimates of geometric real rates of return for each major asset class are as follows:

	TARGET ALLOCATION	LONG-TERM EXPECTED RATE OF RETURN *
Fixed income	17.0%	4.4%
U.S. large stocks	32.0%	8.0%
U.S. mid stocks	9.0%	10.0%
U.S. small stocks	4.0%	11.0%
International developed market stocks	12.0%	9.5%
International emerging stocks	3.0%	11.0%
Alternatives	10.0%	10.1%
Real estate	10.0%	7.5%
Cash equivalents	3.0%	1.5%
Total	100.00%	

* Includes assumed rate of inflation of 2.50%.

Discount rate - The discount rate used to measure the total pension liability was the long-term rate of return, 7.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the employer contributions will be made in accordance with the funding policy adopted by the ERS Board of Control.

NOTE 8 - PENSION PLAN: (continued)
Projected future benefit payments for all current plan members were projected for all years. Based on those assumptions, each employer's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability, and a municipal bond rate was not used in determining the discount rate.

	INCREASE (DECREASE)		
	TOTAL PENSION LIABILITY (a)	PLAN FIDUCIARY NET POSITION (b)	NET PENSION LIABILITY (a)-(b)
Balances at September 30, 2015	$ 51,970,374	$ 37,962,122	$ 14,008,252
Changes for the year:			
Service cost	1,252,658		1,252,658
Interest	4,058,682		4,058,682
Changes of assumptions	2,954,211		2,954,211
Difference between expected and actual experience	832,419		832,419
Contributions - employer		1,381,338	(1,381,338)
Contributions - employee		902,821	(902,821)
Net investment income		3,854,740	(3,854,740)
Benefit payments, including refunds of employee contributions	(2,473,697)	(2,473,697)	
Transfer among employers	(33,807)	(33,807)	
Net changes	6,590,466	3,631,395	2,959,071
Balances at September 30, 2016	$ 58,560,840	$ 41,593,517	$ 16,967,323

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

	1.00% DECREASE (6.75%)	CURRENT RATE (7.75%)	1.00% INCREASE (8.75%)
City's net pension liability	$ 24,332,156	$ 16,967,323	$ 10,777,928

NOTE 8 - PENSION PLAN: (continued)

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued RSA Comprehensive Annual Report for the fiscal year ended September 30, 2016. The supporting actuarial information is included in the GASB Statement No. 68 Report for the ERS prepared as of September 30, 2016. The auditor's report dated September 18, 2017 on the schedule of changes in fiduciary net position by employer and accompanying notes is also available. The additional financial and actuarial information is available at www.rsa-al.gov.

For the year ended September 30, 2017, the City recognized pension expense of $1,950,797. At September 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions of the following sources:

	DEFERRED OUTFLOWS OF RESOURCES
Differences between expected and actual experience	$ 296,078
Changes of assumptions	2,549,525
Net differences between projected and actual earnings on plan investments	336,390
Employer contributions subsequent to the measurement date	1,296,995
Totals	$ 4,478,988

NOTE 8 - PENSION PLAN: (continued)
Amounts reported as deferred inflows and outflows of resources to pensions will be recognized in pension expense as follows:

YEAR ENDED SEPTEMBER 30:		
2018	$	515,415
2019		515,416
2020		788,001
2021		273,694
2022		439,034
Thereafter		650,433

NOTE 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS:
The City of Prattville, Alabama administers a single-employer defined benefit (OPEB) plan for the employees of the City. From an accrual accounting perspective, the cost of post-employment healthcare benefits, like the cost of pension benefits, should be associated with the periods in which the cost occurs, rather than in the future years when it will be paid. The City recognizes the cost of post-employment healthcare in the year when employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the City's future cash flows.

Plan description - The City of Prattville, Alabama's medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement.

The employees are covered by the Retirement System of Alabama and must meet the eligibility provisions adopted by resolution to receive retiree medical benefits. The earliest retirement eligibility provisions are as follows: 25 years of service at any age; or, age 60 and 10 years of service (called "Tier I" members). Employees hired on and after January 1, 2013 (called "Tier II" members) are eligible to retire only after attainment of age 62 or later completion of 10 years of service. Benefit provisions and contribution requirements of the plan may be established or amended by the Council.

Contribution rates - Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

NOTE 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS: (continued)
The number of participants as of October 1, 2016, the effective date of the biannual actuarial valuation, are as follows:

	NUMBER OF ENROLLEES
Active employees	353
Retired employees	13
Total	366

Funding policy - Until fiscal year ended September 30, 2008, the City of Prattville, Alabama recognized the cost of providing post-employment medical benefits (the City of Prattville, Alabama's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. The City's funding policy is not to fund the Annual Required Contribution (ARC) of the employer except to the extent of the current year's retiree funding costs.

In fiscal year ended September 30, 2017, the City of Prattville, Alabama's portion of health care funding cost for retired employees totaled $39,289. These amounts were applied toward the net OPEB obligation as shown in the table below.

Annual required contribution - The City of Prattville, Alabama's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years, (the maximum amortization period allowed by GASB 45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning October 1, 2016 is $547,890, as set forth as follows:

	MEDICAL
Normal cost	$ 269,648
30 year unfunded AAL amortization amount	278,242
Annual required contribution (ARC)	$ 547,890

NOTE 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS: (continued)
Net post-employment benefit obligation (asset) - The following table shows the components of the annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation:

	MEDICAL
Annual required contribution	$ 547,890
Interest on net OPEB obligation	125,328
Adjustment to annual required contribution	(181,193)
Annual OPEB cost	492,025
Contributions made	0
Current year retiree premium	(39,289)
Increase in net OPEB obligation	452,736
Net OPEB obligation - beginning of year	3,133,192
Net OPEB obligation - end of year	$ 3,585,928

The City's annual OPEB cost, percentage of the cost contributed, and the net OPEB obligation for fiscal year 2017 and the previous two years is as follows:

POST-EMPLOYMENT BENEFIT	FISCAL YEAR ENDED	ANNUAL OPEB COST	PERCENTAGE OF ANNUAL COST CONTRIBUTED	NET OPEB OBLIGATION
Medical	September 30, 2015	$ 405,227	5.54%	$ 2,741,136
Medical	September 30, 2016	416,294	5.82%	3,133,192
Medical	September 30, 2017	492,025	7.99%	3,585,928

NOTE 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS: (continued)
Funded status and funding progress - As of September 20, 2017, the actuarial accrued liability for benefits was $5,003,927 all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was $14,972,324 and the ratio of the unfunded actuarial liability to the covered payroll was 33.42% as presented in the following table:

	MEDICAL
Actuarial accrued liability (AAL)	$ 5,003,927
Actuarial value of plan assets	0
Unfunded actuarial accrued liability (UAAL)	$ 5,003,927
Funded ratio (Actuarial value assets/AAL)	0%
Covered payroll (active plan members)	$ 14,972,324
UAAL as a percentage of covered payroll	33.42%

Actuarial methods and assumptions - Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the City and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the City of Prattville, Alabama and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the City and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial cost method - The ARC is determined using the projected unit credit actuarial cost method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial value of plan assets - There are no plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45 would be used.

NOTE 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS: (continued)

Turnover rate - An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 9%. It has further been assumed that 10% of retirees decline coverage because of the substantial retiree contribution required.

Post-employment benefit plan eligibility requirements - Based on past experience, it has been assumed that entitlement to benefits will commence immediately upon retiree coverage eligibility, as described under "Plan Description". In addition, "Tier II" retirement plan members (those hired on and after January 1, 2013) would not be eligible to retire before age 62.

Investment return assumption (discount rate) - GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health care cost trend rate - The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5% for 10 years out and later.

Mortality rate - The 1994 Group Annuity Reserving (94GAF) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is the actuary's opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

Method of determining value of benefits - The value of benefits has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The retiree pays for 100% of the cost of the medical insurance for the retiree and dependents (except for the incentive retirees), but it is based on the active/retiree blended rate. Therefore, there is an implicit employer subsidy since a portion of the active/retired blended rate is attributable to the retiree coverage. Since use of unblended rates is required by GASB 45 for valuation purposes, the actuary has estimated the unblended retiree total rate before age 65 to be 130% of the blended rate. The employer cost is then the difference between this total unblended rate and the portion paid by the retiree, if any. Retiree coverage ceases at age 65.

Inflation rate - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected salary increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement benefit increases - The plan benefit provisions in effect for retireees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

NOTE 10 - CONTINGENT LIABILITIES:
The City has received federal and state grants for specific purposes which are subject to review and audit by the grantor agencies. Such audits could produce requests for reimbursements to the grantor agencies due to the disallowance of expenditures pursuant to the terms of the grant. It is the opinion of the City that such disallowances, if any, would not be material.

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

NOTE 11 - RISK MANAGEMENT:
The City is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and self-insured employee health. The City purchases commercial insurance for property, general liability claims, and title insurance and has effectively managed risk through various employee education and prevention programs. All risk management activities are accounted for in the general fund.

The City has estimated that the amount of actual or potential claims against the City as of September 30, 2017, will not materially affect the financial condition of the City. Settlement amounts have not exceeded insurance coverage for the current year or the three previous years.

Employees' medical insurance fund - The City maintains the employees' medical insurance fund (an internal service fund) to account for and finance its uninsured risks of loss. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount, as it depends on many complex factors. The estimate of the claims liability includes amounts for incremental claim adjustments related to specific claims and other claim adjustments regardless of whether they are allocated to specific claims. Estimated recoveries are another component of the claims liability estimate. An excess coverage insurance policy covers individual claims in excess of $110,000. Changes in the balances of claims liabilities during the year are as follows:

EMPLOYEES' MEDICAL INSURANCE FUND	2017	2016
Unpaid claims, beginning of fiscal year	$ 194,400	$ 231,700
Incurred claims (including IBNRs)	3,812,963	3,821,672
Claim payments	(3,800,263)	(3,858,972)
Unpaid claims, end of fiscal year	$ 207,100	$ 194,400

NOTE 12 - RELATED PARTY TRANSACTIONS:
The City Council appoints members of the Water Works Board of the City of Prattville. The City utilizes the Water Works Board of the City of Prattville as the collection agent for the sewer and sanitation services. The City recognizes revenue for services when billed by the Water Works Board of the City of Prattville. The receivable from the Water Works Board of the City of Prattville for sewer and sanitation collection fees at September 30, 2017 was $492,768.

The City imposes a 3% license fee on gross water receipts. The 3% fees are collected by the Water Works Board of the City of Prattville from charges to water customers on their monthly water bill and remitted to the City annually on January 1. The receivable from the Water Works Board of the City of Prattville for license fees at September 30, 2017 was $132,130.

Total collection fees retained by the Water Works Board of the City of Prattville for the services described above were $358,668 for the year ended September 30, 2017.

The City paid rent for fire hydrants to the Water Works Board of the City of Prattville. The amount paid to the Board was $48,707 for the year ended September 30, 2017.

On March 1, 2016, the City entered into a lease agreement with the HPRA for a building to be used by the police, fire, and information technology divisions. The lease agreement is for 30 years with annual payments of $249,000. The City intends to fund the payment through lodging taxes. The lease revenue is used as security on the $4,780,000 Series 2016 bonds issued by the HPRA. For the fiscal year ended September 30, 2017, the City remitted $370,027 to the HPRA. At September 30, 2017, accounts payable of the City includes $120,395 payable to the HPRA.

The City appropriated $311,966 to the Library and $90,941 to the Airport Authority, component units, during the fiscal year ended September 30, 2017. These appropriations made were, or will be used, as operating and capital subsidies.

NOTE 13 - FUNDING AGREEMENTS:
On September 1, 2006, the City of Prattville, Alabama entered into a funding agreement with the Cooperative District of the City of Prattville (the District), a public corporation, simultaneously with the District's issuance of Limited Obligation Taxable Economic Development Bonds (Bass Pro Project), Series 2006 which were used to finance the acquisition, construction, and installation of a retail shopping center and related improvements in the City of Prattville, Alabama. The funding agreement provides that the City agrees to collect certain taxes on persons, firms, and corporations which sell at retail certain tangible personal property (excluding automotive vehicles) in the area owned by the District. Pursuant to the funding agreement, the City will collect and remit to First Commercial Bank, the trustee of the District's bond indenture, an amount equal to 2.5% of the gross proceeds of such sales through the earlier date of September 2026 or full payment of bonds. The Limited Obligation Taxable Economic Development Bonds (Bass Pro Project), Series 2006 do not constitute an obligation of the City of Prattville, Alabama.

NOTE 13 - FUNDING AGREEMENTS: (continued)
In December 2008, the City of Prattville, Alabama entered into a funding agreement with The Exchange Cooperative District (the District), a public corporation to provide assistance in connection with proposed financing, construction, and installation of a retail shopping facility and related improvements in the City (the Project). The funding agreement provides that the City agrees to collect Project sales tax revenues and remit 50% of the City's actual receipts from the businesses located within the Project to fund the indebtedness of The Exchange Cooperative District. Payments under the agreement shall be made directly to the Trustee for the account of the District, if requested by the District; otherwise, all payments shall be made to the District or to the District Director. The maximum amount shall be the aggregate amount necessary to amortize $9,000,000 over 30 years at an average yield. The average yield is the annual cost of any credit enhancement or remarketing fees expressed as a percentage, plus the average yield of the District's tax-exempt indebtedness, if any, or if no tax-exempt indebtedness is outstanding, the average yield of all of the indebtedness of the District, in the event the indebtedness is refinanced or fully satisfied. The City shall have no obligation to make any payment from any other sources. Any indebtedness issued by The Exchange Cooperative District does not constitute an obligation of the City of Prattville, Alabama.

NOTE 14 - COMMITMENTS:
The City has a contractual commitment with the Autauga County Commission for the funding of the metro jail facility. The contract provides for annual payments of no less than $325,000 for a period of 20 years. Monthly payments on the commitment commenced when the facility became operational in July 2004. These annual payments include facility rental payments of $160,000 and operating cost of a minimum of $165,000. The City paid a total of $360,547 during the fiscal year ended September 30, 2017.

The City entered an agreement to support the indebtedness incurred to finance property of the Historic Prattville Redevelopment Authority with an annual allocation in the event that the lease arrangements on the financed property prove not to be financially viable. The initial loan balance on the property totaled $252,200. The loan balance as of September 30, 2017 was $93,060.

As of September 30, 2017, commitments to contractors on capital projects are as follows:

Commitments	$ 37,526,459
Spent-to-date	(4,448,353)
Remaining commitments	$ 33,078,106

NOTE 15 - ECONOMIC DEVELOPMENT INCENTIVE OBLIGATIONS - TAX ABATEMENTS:
The City, in conjunction with the Industrial Development Board of the City of Prattville and the Commercial Development Authority of the City of Prattville, enters into economic development incentive agreements with entities that propose to locate businesses within the City, or expand businesses within the City, which are expected to provide stimulus to the City's economy. These agreements provide for full or partial abatement of sales, use and/or property taxes, as well as other financial commitments. Property taxes are abated through reductions of assessed values. Sales and use taxes are abated either through exemptions granted on purchases for specified construction or equipment-purchase purposes or through tax rebate arrangements. The agreements have limited terms of duration and/or maximum abatement thresholds.

As a result of these agreements the City expects to receive economic benefits including but not limited to increased revenue, job creation and job retention. These incentive agreements require approval by the Mayor and City Council and are pursuant to Chapter 54A of Title 11 of the Code of Alabama 1975, as amended and Chapter 9B of Title 40 of the Code of Alabama 1975, as amended. Some agreements provide for the repayment to the City of abated amounts if the entity ceases to operate its business for a certain length of time, fails to produce a certain level of employment, or fails to complete construction within a certain length of time.

The City does not collect property taxes. The Revenue Commissioner of Autauga County and the Revenue Commissioner of Elmore County are responsible for such collections for the areas of the City falling within their respective county.

Sales and use taxes abated - fiscal year 2017	$ 977,529
Property taxes abated - fiscal year 2017	$ 20,064

Commitments other than tax abatements are included at times in the City's economic development agreements. The value of such commitments paid during fiscal year 2017 totaled approximately $128,000. In the case of sales and use tax abatements on construction materials, the taxes abated are not received by the City, nor is there currently a reporting mechanism for the City to receive such information. The State Department of Revenue provides a Purchasing Agent appointment letter to subject entities so that they can purchase material tax-exempt. The City will take action to require this reporting in all future abatement agreements.

NOTE 16 - EFFECT OF NEW PRONOUNCEMENTS:
Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements of the City.

GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits other than Pensions* will improve the usefulness of information about post-employment benefits other than pensions (other post-employment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. Requirements for this Statement are effective for financial statements whose fiscal year begins after June 15, 2017.

GASB Statement No. 86, *Certain Debt Extinguishment Issues* seeks to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources (resources other than the proceeds of refunding debt) are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of Statement No. 86 are effective for reporting periods beginning after June 15, 2017.

GASB Statement No. 87, *Leases* requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

NOTE 17 - SUBSEQUENT EVENTS:
The City has evaluated subsequent events through March 23, 2018 which is the date these financial statements were available to be issued. All subsequent events requiring recognition as of September 30, 2017 have been incorporated into these financial statements.

On November 17, 2017, the City issued $15,505,000 General Obligation Sewer Warrants Series 2017-A. The proceeds will be used for sewer improvements. Graduated principal payments are due annually beginning November 1, 2019. The warrants bear interest ranging from 2.00% to 4.00%, with semiannual interest payments due each May 1 and November 1, beginning May 1, 2018. Final payment is due November 1, 2047.

On February 15, 2018, the City issued the $17,000,000 General Obligation Warrant, Series 2018 CWSRF-DL Special Authority Loan payable to the Alabama Water Pollution Control Authority. The proceeds will be used for sewer improvements. Graduated principal payments are due annually beginning February 15, 2020. The warrant bears interest at 2.20%, with semiannual interest payments due each February 15 and August 15, beginning August 15, 2018. Final payment is due February 15, 2038.

On December 1, 2017, the City redeemed the General Obligation Chevron Warrants Series 2009A at the outstanding par amount of $1,550,000 plus accrued interest, using available cash reserves.

In December 2017, the Historic Prattville Redevelopment Authority sold a building in exchange for a mortgage receivable of $800,000.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PRATTVILLE, ALABAMA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY
AND RELATED RATIOS
LAST 10 FISCAL YEARS ENDING SEPTEMBER 30

	2016	2015	2014
TOTAL PENSION LIABILITY:			
Service cost	$ 1,252,658	$ 1,212,096	$ 1,171,241
Interest	4,058,682	3,888,707	3,680,319
Differences between expected and actual experience	832,419	(581,675)	
Changes of assumptions	2,954,211		
Benefit payments, including refunds of employee contributions	(2,473,697)	(2,315,181)	(2,178,239)
Transfers among employers	(33,807)		
Net change in total pension liability	6,590,466	2,203,947	2,673,321
Total pension liability - beginning	51,970,374	49,766,427	47,093,106
Total pension liability - end (a)	$ 58,560,840	$ 51,970,374	$ 49,766,427
PLAN FIDUCIARY NET POSITION:			
Contributions - employer	$ 1,381,338	$ 1,209,263	$ 1,157,444
Contributions - member	902,821	806,208	755,114
Net investment income	3,854,740	447,754	4,089,766
Benefit payments, including refunds of employee contributions	(2,473,697)	(2,315,181)	(2,178,239)
Transfers among employers	(33,807)	(153,992)	(148,504)
Net change in plan fiduciary net position	3,631,395	(5,948)	3,675,581
Plan net position - beginning	37,962,122	37,968,070	34,292,489
Plan net position - end (b)	$ 41,593,517	$ 37,962,122	$ 37,968,070
Net pension liability - ending (a) - (b)	$ 16,967,323	$ 14,008,252	$ 11,798,357
Plan fiduciary net position as a percentage of the total pension liability	71.03%	73.05%	76.29%
Covered employee payroll	$ 15,059,971	$ 14,118,970	$ 13,328,666
Net pension liability as a percentage of covered employee payroll	112.67%	99.22%	88.52%

Notes to Schedule:

1. This schedule is to be built prospectively until it contains 10 years of data.
2. The measurement date for the City's net pension liability is September 30, one year prior to the City's fiscal year.
3. Covered employee payroll is the payroll subject to retirement contributions paid to covered employees during the measurement period.

CITY OF PRATTVILLE, ALABAMA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS TO THE PENSION PLAN
LAST 10 FISCAL YEARS

	2017	2016	2015
Actuarially determined contribution	$ 1,296,995	$ 1,436,237	$ 1,258,700
Contributions in relation to the actuarially determined contribution	1,296,995	1,436,237	1,258,700
Contribution deficit (excess)	$ -	$ -	$ -
Covered employee payroll	$ 14,565,066	$ 15,059,971	$ 14,118,970
Contributions as a percentage of covered employee payroll	8.90%	9.54%	8.91%

Notes to Schedule:

1. This schedule is to be built prospectively until it contains 10 years of data.
2. Actuarially determined contribution rates are calculated as of September 30, three years prior to the end of the fiscal year in which contributions are reported.
3. Contribution rates for fiscal year 2017 were based on the September 30, 2014 actuarial valuation.
4. Methods and assumptions used to determine the contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percent closed
Remaining amortization period	24 years
Asset valuation method	Five year smoothed market
Inflation	3%
Salary increases	3.75 - 7.25%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

5. Covered employee payroll is the payroll subject to retirement contributions paid to covered employees for the City's fiscal year ended September 30.

CITY OF PRATTVILLE, ALABAMA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS OF THE CITY'S
POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS
LAST THREE FISCAL YEARS

ACTUARIAL VALUATION DATE	ACTUARIAL VALUE OF ASSETS (a)	ACTUARIAL ACCRUED LIABILITY (AAL) UNIT CREDIT (b)	UNFUNDED AAL (UAAL) (b-a)	FUNDED RATIO (a/b)	COVERED PAYROLL (c)	UAAL AS A PERCENTAGE OF COVERED PAYROLL ((b-a)/c)
September 30, 2015	$ -	$ 3,970,787	$ 3,970,787	0.0%	$ 14,118,970	28.12%
September 30, 2016	-	4,129,618	4,129,618	0.0%	15,341,314	26.92%
September 30, 2017	-	5,003,927	5,003,927	0.0%	14,972,324	33.42%

OTHER SUPPLEMENTARY INFORMATION

CITY OF PRATTVILLE, ALABAMA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Lodging taxes	$ 298,300	$ 298,300	$ 328,242	$ 29,942
Intergovernmental revenues	2,690,000	2,690,000	790,634	(1,899,366)
Interest income			13,712	13,712
Total revenues	2,988,300	2,988,300	1,132,588	(1,855,712)
EXPENDITURES:				
Current operations:				
Economic development		125,000	132,192	(7,192)
Public works	539,494	549,494	(20,236)	569,730
Capital outlay	5,890,000	8,652,205	3,775,206	4,876,999
Total expenditures	6,429,494	9,326,699	3,887,162	5,439,537
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	(3,441,194)	(6,338,399)	(2,754,574)	3,583,825
OTHER FINANCING SOURCES (USES):				
Insurance proceeds			1,000	1,000
Transfers in			438,554	438,554
Transfers out		(8,203)	(75,671)	(67,468)
Issuance of bonds		463,000	240,000	(223,000)
Total other financing sources		454,797	603,883	149,086
NET CHANGE IN FUND BALANCE BUDGETARY BASIS	$ (3,441,194)	$ (5,883,602)	(2,150,691)	$ 3,732,911
Adjustment for reconciling items to adjust from budgetary basis to modified accrual basis:				
Change in encumbrances			626,011	
			626,011	
NET CHANGE IN FUND BALANCE, MODIFIED ACCRUAL BASIS			(1,524,680)	
FUND BALANCE AT BEGINNING OF YEAR			5,508,742	
FUND BALANCE AT END OF YEAR			$ 3,984,062	

CITY OF PRATTVILLE, ALABAMA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY	VARIANCE WITH FINAL BUDGET -
	ORIGINAL	FINAL	BASIS	POSITIVE (NEGATIVE)
REVENUES:				
Interest income			$ 1,974	$ 1,974
Total revenues			1,974	1,974
EXPENDITURES:				
Debt service:				
Principal payments	$ 5,115,000	$ 5,115,000	5,115,000	
Interest payments	1,098,032	1,098,032	1,096,050	1,982
Total expenditures	6,213,032	6,213,032	6,211,050	1,982
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	(6,213,032)	(6,213,032)	(6,209,076)	3,956
OTHER FINANCING SOURCES (USES):				
Transfers in			6,210,905	6,210,905
Total other financing sources			6,210,905	6,210,905
NET CHANGE IN FUND BALANCE, BUDGETARY BASIS	$(6,213,032)	$(6,213,032)	1,829	$ 6,214,861
Adjustment for reconciling items to adjust from budgetary basis to modified accrual basis:				
Change in encumbrances				
NET CHANGE IN FUND BALANCE, MODIFIED ACCRUAL BASIS			1,829	
FUND BALANCE AT BEGINNING OF YEAR			50	
FUND BALANCE AT END OF YEAR			$ 1,879	

STATISTICAL SECTION

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

CONTENTS PAGE

Financial trends 78

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue capacity 83

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its sales taxes.

Debt capacity 87

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and economic information 91

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

Operating information 93

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

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

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CITY OF PRATTVILLE, ALABAMA

SCHEDULE 1
NET POSITION BY COMPONENT
(accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GOVERNMENTAL ACTIVITIES:										
Net investment in capital assets	$ 26,252,599	$ 27,913,767	$ 28,197,019	$ 33,144,191	$ 31,400,291	$ 36,021,544	$ 36,578,653	$ 39,468,399	$ 43,629,725	$ 50,777,504
Restricted	6,238,962	3,761,598	851,251	653,478	803,180	901,190	975,467	1,568,412	1,800,916	1,756,318
Unrestricted	(42,378,700)	(44,366,960)	(46,256,970)	(42,282,379)	(35,254,724)	(30,215,385)	(24,140,154)	(28,898,955)	(24,934,891)	(22,656,464)
Total governmental activities net position	$ (9,887,139)	$ (12,691,595)	$ (17,208,700)	$ (8,484,710)	$ (3,051,253)	$ 6,707,349	$ 13,413,966	$ 12,137,856	$ 20,495,750	$ 29,877,358
BUSINESS-TYPE ACTIVITIES:										
Net investment in capital assets					$ 3,751,152	$ 4,236,099	$ 4,402,643	$ 6,384,146	$ 7,367,599	$ 9,544,408
Unrestricted					1,467,034	2,446,415	3,281,842	838,425	666,650	1,767
Total business-type activities net position	$ -	$ -	$ -	$ -	$ 5,218,186	$ 6,682,514	$ 7,684,485	$ 7,222,571	$ 8,034,249	$ 9,546,175
PRIMARY GOVERNMENT:										
Net investment in capital assets	$ 26,252,599	$ 27,913,767	$ 28,197,019	$ 33,144,191	$ 35,151,443	$ 40,257,643	$ 40,981,296	$ 45,852,545	$ 50,997,324	$ 60,321,912
Restricted	6,238,962	3,761,598	851,251	653,478	803,180	901,190	975,467	1,568,412	1,800,916	1,756,318
Unrestricted	(42,378,700)	(44,366,960)	(46,256,970)	(42,282,379)	(33,787,690)	(27,768,970)	(20,858,312)	(28,060,530)	(24,268,241)	(22,654,697)
Total primary government activities net position	$ (9,887,139)	$ (12,691,595)	$ (17,208,700)	$ (8,484,710)	$ 2,166,933	$ 13,389,863	$ 21,098,451	$ 19,360,427	$ 28,529,999	$ 39,423,533

Note: Periods prior to 2013 have not been retroactively restated for the impact of Statement No. 65 of the Governmental Accounting Standards Board: *Items Previously Reported as Assets and Liabilities.*

Note: Periods prior to 2015 have not been retroactively restated for the impact of Statement No. 68 of the Governmental Accounting Standards Board: *Accounting and Financial Reporting for Pensions* or for the impact of Statement No. 71 of the Governmental Accounting Standards Board: *Pension Transition for Contributions Made Subsequent to the Measurement Date* .

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 2
CHANGES IN NET POSITION
(accrual basis of accounting)

GOVERNMENTAL ACTIVITIES:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
EXPENSES:										
Governmental activities:										
General government	$ 6,765,361	$ 8,093,740	$ 9,124,172	$ 6,984,318	$ 6,868,707	$ 6,649,800	$ 7,250,279	$ 7,619,638	$ 8,280,428	$ 8,592,901
Public safety	13,028,713	13,401,417	14,719,827	13,369,083	12,918,701	14,115,911	14,094,661	15,125,945	16,385,499	16,801,682
Public works	20,541,104	8,005,500	8,755,792	7,235,404	3,518,015	3,703,761	5,180,698	6,019,336	6,451,296	5,288,183
Cultural and recreational	2,502,375	2,549,480	2,449,184	2,080,642	1,766,958	1,830,376	1,980,775	2,021,877	2,204,798	2,096,394
Interest on long-term debt	2,327,227	2,445,024	2,585,660	2,460,545	2,195,048	1,971,907	1,727,232	917,762	943,460	853,853
Total governmental activities expenses	45,164,780	34,495,161	37,634,635	32,129,992	27,267,429	28,271,755	30,233,645	31,704,558	34,265,481	33,633,013
PROGRAM REVENUES:										
Governmental activities:										
Charges for services:										
General government	5,183,865	4,901,819	4,874,993	4,990,894	5,351,940	5,525,847	5,499,156	5,973,943	5,971,164	5,942,996
Public safety	1,781,289	1,201,853	1,287,322	1,553,044	1,517,963	1,661,549	1,709,921	1,411,107	1,104,211	1,276,310
Public works	3,930,206	3,928,435	4,412,889	5,400,680	264,744					
Cultural and recreational	318,697	261,429	265,044	238,279	234,899	209,031	251,562	257,548	289,834	296,242
Operating grants and contributions	460,308	313,602	206,761	193,703	112,012	224,060	71,025	17,820	135,291	31,943
Capital grants and contributions	1,975,504	2,037,803	2,122,469	5,847,250	2,658,548	4,641,690	1,417,033	3,953,219	4,596,515	4,581,613
Total governmental activities program revenues	13,649,869	12,644,941	13,169,478	18,223,850	10,140,106	12,262,177	8,948,697	11,613,637	12,097,015	12,129,104
Total primary government net expense	(31,514,911)	(21,850,220)	(24,465,157)	(13,906,142)	(17,127,323)	(16,009,578)	(21,284,948)	(20,090,921)	(22,168,466)	(21,503,909)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:										
Governmental activities:										
Taxes:										
Sales taxes	13,188,413	13,221,492	14,139,501	16,691,014	19,736,422	20,602,498	21,221,765	22,112,831	23,261,064	23,336,649
Real and personal property taxes	2,273,782	2,481,450	2,500,129	2,545,751	2,688,777	2,651,051	2,690,055	2,614,090	2,812,535	2,796,943
Motor fuel taxes	239,897	238,361	240,547	239,616						
Lodging taxes	1,185,871	1,012,104	1,063,067	1,090,108	1,025,328	1,201,424	1,647,626	1,804,447	1,898,959	2,028,437
Local gasoline taxes	874,676	913,279	899,562	886,135	898,009	906,939	941,261	970,304	1,015,531	1,034,599
Alcoholic beverage taxes	279,493	281,722	286,497	291,914	295,533	311,045	408,900	273,579	356,953	378,800
Rental taxes	228,743	247,575	239,858	300,750	326,620	315,191	346,089	377,964	388,975	378,341
Tobacco taxes	135,752	147,490	149,222	155,641	155,396	142,723	134,656	136,220	121,636	117,974
Excise taxes	72,181	67,061	18,972	16,647	18,749	70,817	65,949	79,780	77,436	175,042
Intergovernmental	9,092	9,159	161,534	153,240	286,883					
Investment earnings	232,387	39,410	42,318	32,621	26,685	69,467	164,964	62,586	93,022	94,168
Miscellaneous revenue	872,896	386,661	206,845	226,695	476,471	625,501	359,099	460,002	500,249	491,229
Gain on sale of capital assets							54,747	36,300		3,320
Transfers					(3,374,093)	(200,000)				50,015
Total governmental activities general revenues and other changes in net position	19,593,183	19,045,764	19,948,052	22,630,132	22,560,780	26,696,656	28,035,111	28,928,103	30,526,360	30,885,517
Total governmental activities change in net position	$ (11,921,728)	$ (2,804,456)	$ (4,517,105)	$ 8,723,990	$ 5,433,457	$ 10,687,078	$ 6,750,163	$ 8,837,182	$ 8,357,894	$ 9,381,608

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 2
CHANGES IN NET POSITION
(accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
BUSINESS-TYPE ACTIVITIES:										
EXPENSES:										
Sanitation					$ 2,069,318	$ 2,230,497	$ 2,463,315	$ 2,539,325	$ 2,886,650	$ 3,019,998
Wastewater					2,515,354	2,770,077	2,763,675	2,852,233	2,869,892	2,826,180
Total business-type activities expenses					4,584,672	5,000,574	5,226,990	5,391,558	5,756,542	5,846,178
REVENUES:										
Charges for services:										
Sanitation					2,392,771	2,447,844	2,452,098	2,457,400	2,550,392	2,601,138
Wastewater					3,874,248	3,851,668	3,729,267	3,911,891	3,994,729	4,506,215
Capital grants and contributions:										
Wastewater					160,324	30,401				
Total business-type activities revenues					6,427,343	6,329,913	6,181,365	6,369,291	6,545,121	7,107,353
Total business-type activities net program revenue					1,842,671	1,329,339	954,375	977,733	788,579	1,261,175
OTHER CHANGES IN NET ASSETS:										
Miscellaneous revenue					1,422	3,448	5,055	4,382	4,852	7,760
Gain on sale of capital assets								42,306	18,247	293,006
Transfers					3,374,093	200,000				(50,015)
					3,375,515	203,448	5,055	46,688	23,099	250,751
Total business-type activities change in net position	$ -	$ -	$ -	$ -	$ 5,218,186	$ 1,532,787	$ 959,430	$ 1,024,421	$ 811,678	$ 1,511,926
Total primary government change in net position	$ (11,921,728)	$ (2,804,456)	$ (4,517,105)	$ 8,723,990	$ 10,651,643	$ 12,219,865	$ 7,709,593	$ 9,861,603	$ 9,169,572	$ 10,893,534

Note: Business-type activities prior to 2012 were accounted for as governmental activities.

Note: Periods prior to 2013 have not been retroactively restated for the impact of Statement No. 65 of the Governmental Accounting Standards Board: *Items Previously Reported as Assets and Liabilities.*

Note: Periods prior to 2015 have not been retroactively restated for the impact of Statement No. 68 of the Governmental Accounting Standards Board: *Accounting and Financial Reporting for Pensions* or for the impact of Statement No. 71 of the Governmental Accounting Standards Board: *Pension Transition for Contributions Made Subsequent to the Measurement Date* .

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 3
FUND BALANCES OF GOVERNMENTAL FUNDS
(modified accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GENERAL FUND:										
Reserved	$ 1,181,267	$ 1,043,077	$ 821,293							
Unreserved	(744,577)	(316,517)	(2,313,284)							
Nonspendable				$ 159,850	$ 98,908	$ 102,322	$ 114,704	$ 136,566	$ 166,583	$ 146,829
Restricted				653,478	204,694	280,424	348,192	517,624	619,222	806,185
Committed				12,185	2,567,260	3,381,590	4,555,104	4,567,189	6,115,868	6,253,712
Assigned				172,653	1,235,310	261,383	468,838	792,720	822,832	1,184,299
Unassigned				550,285	1,099,168	3,053,554	5,643,011	6,555,450	7,056,740	7,713,688
Total general fund	$ 436,690	$ 726,560	$ (1,491,991)	$ 1,548,451	$ 5,205,340	$ 7,079,273	$ 11,129,849	$ 12,569,549	$ 14,781,245	$ 16,104,713
ALL OTHER GOVERNMENTAL FUNDS:										
Reserved, reported in:										
Capital projects fund	$ 2,510,352	$ 2,371,105	$ 618,868							
Reserved, reported in:										
Debt service fund	1,192,527	858,397	80,178							
Unreserved, reported in:										
Special revenue funds	63,082	373,568	566,257							
Unreserved, reported in:										
Debt service fund	(61,295)	169,558								
Unreserved, reported in:										
Capital projects fund	2,471,886	25,258	(357,885)							
Nonspendable							$ 2,299	$ 377	$ 283	$ 254
Restricted				$ 480,627	$ 598,486	$ 620,766	670,828	1,050,795	1,181,744	729,012
Committed						20,573	305,771	601,804	913,792	200,806
Assigned						503,290	801,506	2,554,059	3,449,408	3,367,433
Unassigned						1			(14,167)	(44,029)
Total all other governmental funds	$ 6,176,552	$ 3,797,886	$ 907,418	$ 480,627	$ 598,486	$ 1,144,630	$ 1,780,404	$ 4,207,035	$ 5,531,060	$ 4,253,476

Note: Periods prior to 2011 have not been retroactively restated for the impact of Statement No. 54 of the Governmental Accounting Standards Board: *Fund Balance Reporting and the Governmental Fund Type Definitions*.

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 4
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
(modified accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
REVENUES:										
Taxes	$ 18,478,809	$ 18,610,534	$ 19,537,355	$ 22,217,576	$ 25,144,834	$ 26,201,688	$ 27,456,301	$ 28,369,215	$ 29,933,089	$ 30,246,785
Licenses and permits	5,183,865	4,901,819	4,874,993	4,990,894	5,351,940	5,525,847	5,499,156	5,973,943	5,971,164	5,942,996
Intergovernmental revenues	302,118	343,156	217,701	153,240	548,280	1,103,096	1,428,058	2,220,039	1,461,037	1,131,325
Charges and fees for services	5,493,106	4,905,652	5,564,563	6,655,705	1,223,888	1,284,750	1,392,556	1,077,656	875,957	945,962
Fines and forfeitures	537,086	486,065	400,692	536,298	532,321	630,728	614,714	590,999	518,090	626,590
Interest	232,387	39,410	44,844	32,621	26,685	67,371	164,250	62,162	92,888	94,079
Miscellaneous	1,197,161	1,109,616	1,099,914	908,449	1,067,962	1,030,355	356,984	422,314	386,370	378,870
Total revenues	31,424,532	30,396,252	31,740,062	35,494,783	33,895,910	35,843,835	36,912,019	38,716,328	39,238,595	39,366,607
EXPENDITURES:										
Unreserved, reported in:										
Current:										
General governmental	6,280,215	6,318,533	7,537,961	5,973,871	5,757,564	5,039,571	5,931,830	5,875,170	6,178,913	6,353,357
Public safety	12,746,727	12,989,658	14,023,058	12,712,387	12,346,346	11,852,136	11,731,292	12,413,193	13,352,908	4,221,491
Public works	18,984,015	7,182,300	8,007,685	6,519,457	3,332,207	3,210,261	4,184,523	6,068,130	6,864,620	13,436,701
Cultural and recreation	2,152,013	2,488,332	2,371,770	1,749,355	1,434,309	1,436,057	1,565,707	1,627,648	1,904,284	1,825,309
Capital outlay	3,756,955	2,811,090	3,290,520	478,136	379,900	1,769,645	1,709,945	1,267,128	1,653,020	5,252,535
Debt service:										
Principal payments	1,445,912	1,816,556	2,331,364	9,073,190	4,070,296	4,011,121	2,941,830	4,548,721	2,988,986	5,182,594
Interest and fiscal charges	2,158,816	2,430,712	2,465,127	2,492,666	2,230,996	2,165,133	1,750,499	1,192,171	1,209,120	1,099,060
Bond issuance costs	366,450		217,411			83,464	93,782	139,216		
Total expenditures	47,891,103	36,037,181	40,244,896	38,999,062	29,551,618	29,567,388	29,909,408	33,131,377	34,151,851	37,371,047
Excess of revenues over (under) expenditures	(16,466,571)	(5,640,929)	(8,504,834)	(3,504,279)	4,344,292	6,276,447	7,002,611	5,584,951	5,086,744	1,995,560
OTHER FINANCING SOURCES (USES):										
Insurance proceeds								37,685	113,875	112,359
Transfers in	16,586,498	7,276,949	3,149,228	5,525,970	4,610,138	5,215,833	4,896,087	7,642,691	5,605,437	6,823,288
Transfers out	(16,586,498)	(7,276,949)	(3,149,228)	(5,525,970)	(4,699,055)	(9,361,585)	(7,064,464)	(9,884,991)	(8,377,837)	(9,893,134)
Issuance of bonds	15,300,000	1,621,373	2,670,000						825,000	240,000
Issuance of refunding bonds			6,315,000			9,815,000	9,955,000	12,280,000		
Issuance of notes payable	136,099	1,000,000	300,000	5,637,303						
Proceeds from capital lease	451,767	930,760	260,000						258,310	726,905
Payment to refunded bonds escrow agent			(6,322,926)			(9,434,619)	(10,067,843)	(13,445,879)		
Sale of capital assets								46,779	24,192	40,906
Bond premium (discount)	(87,428)		173,741			(90,999)	206,625	1,305,095		
Total other financing sources (uses)	15,800,438	3,552,133	3,395,815	5,637,303	(88,917)	(3,856,370)	(2,074,595)	(2,018,620)	(1,551,023)	(1,949,676)
Net change in fund balance	$ (666,133)	$ (2,088,796)	$ (5,109,019)	$ 2,133,024	$ 4,255,375	$ 2,420,077	$ 4,928,016	$ 3,566,331	$ 3,535,721	$ 45,884
Debt service as a percentage of noncapital expenditures	9.00%	12.78%	13.54%	30.00%	21.61%	22.67%	17.04%	19.16%	13.58%	19.56%

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 5
NET TAXABLE SALES BY CATEGORY

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Apparel stores	$ 49,891,510	$ 61,766,373	$ 72,438,782	$ 81,049,639	$ 78,698,228	$ 78,722,449	$ 78,062,472	$ 81,324,939	$ 83,018,889	$ 79,853,655
Food stores	70,156,573	73,331,244	71,839,635	77,704,211	76,108,625	77,168,242	80,331,913	83,355,426	84,503,834	85,828,743
Automotive	65,384,586	46,030,674	58,984,572	63,159,678	62,669,770	68,449,774	72,277,636	97,027,886	108,971,570	114,691,542
Manufacturing machine	1,225,203	1,813,517	1,512,332	1,512,272	1,855,136	2,025,097	16,665,875	6,477,693	3,872,261	3,774,408
Restaurants	51,658,420	53,838,468	62,888,874	69,407,860	72,159,819	83,073,365	99,976,397	104,080,558	107,071,561	112,935,379
Home furnishings and appliances	13,638,375	21,877,677	20,566,253	17,869,458	17,145,730	16,256,815	15,752,779	16,854,830	17,716,288	16,190,266
Building materials	48,684,662	39,460,896	39,128,465	41,682,202	40,414,350	42,467,529	42,313,771	45,417,305	49,249,400	55,631,517
Service stations	21,761,093	22,983,026	22,447,212	21,425,351	15,120,821	19,967,285	17,757,144	17,840,129	18,850,543	19,178,452
Other retail stores	256,892,888	244,770,686	262,697,325	266,079,295	253,682,787	259,689,798	256,775,123	266,688,466	287,794,171	280,178,657
Totals	$ 579,293,310	$ 565,872,561	$ 612,503,450	$ 639,889,966	$ 617,855,266	$ 647,820,354	$ 679,913,110	$ 719,067,232	$ 761,048,517	$ 768,262,619
City direct sales tax rate	2.50%	2.50%	2.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Source: City's Finance Department.

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 6
SALES TAX REVENUE PAYERS BY CATEGORY
FISCAL YEARS 2008 THROUGH 2017

	2015				2016				2017			
	NUMBER OF FILERS	TAX LIABILITY	PERCENTAGE OF TOTAL TAX LIABILITY	PERCENT OF TAX REMITTED BY TOP 10 TAXPAYERS	NUMBER OF FILERS	TAX LIABILITY	PERCENTAGE OF TOTAL TAX LIABILITY	PERCENT OF TAX REMITTED BY TOP 10 TAXPAYERS	NUMBER OF FILERS	TAX LIABILITY	PERCENTAGE OF TOTAL TAX LIABILITY	PERCENT OF TAX REMITTED BY TOP 10 TAXPAYERS
Apparel stores	22	$ 2,846,373	12.89%	7.70%	26	$ 2,905,661	12.49%	7.40%	26	$ 2,794,878	11.98%	5.04%
Food stores	8	2,917,440	13.21%	11.70%	8	2,957,634	12.71%	11.40%	8	3,004,006	12.87%	11.52%
Automotive	24	485,139	2.20%		27	544,858	2.34%		25	573,458	2.46%	
Machine	22	48,583	0.22%		25	29,042	0.12%		26	20,308	0.09%	
Restaurants	104	3,642,820	16.50%		108	3,747,505	16.11%		113	3,952,738	16.94%	
Home furnishings and appliances	12	589,919	2.67%	1.80%	11	620,070	2.67%	1.80%	10	566,659	2.43%	1.65%
Building materials	8	1,589,606	7.20%	6.40%	7	1,723,729	7.41%	6.60%	7	1,947,103	8.34%	6.83%
Service stations	25	624,405	2.83%		23	659,769	2.84%		24	671,246	2.88%	
Other retail stores	1,261	9,334,096	42.28%	8.25%	1,383	10,072,796	43.31%	7.50%	1,632	9,806,253	42.01%	9.33%
Totals	1,486	$ 22,078,381	100.00%		1,618	$ 23,261,064	100.00%		1,871	$ 23,336,649	100.00%	

	2012				2013				2014			
	NUMBER OF FILERS	TAX LIABILITY	PERCENTAGE OF TOTAL TAX LIABILITY	PERCENT OF TAX REMITTED BY TOP 10 TAXPAYERS	NUMBER OF FILERS	TAX LIABILITY	PERCENTAGE OF TOTAL TAX LIABILITY	PERCENT OF TAX REMITTED BY TOP 10 TAXPAYERS	NUMBER OF FILERS	TAX LIABILITY	PERCENTAGE OF TOTAL TAX LIABILITY	PERCENT OF TAX REMITTED BY TOP 10 TAXPAYERS
Apparel stores	20	$ 2,754,438	13.99%	10.30%	22	$ 2,755,286	13.40%	8.90%	22	$ 2,732,187	11.71%	5.49%
Food stores	8	2,663,802	13.53%	12.14%	8	2,700,888	13.13%	11.50%	8	2,811,617	12.05%	11.62%
Automotive	23	313,349	1.59%		23	342,249	1.66%		22	361,388	1.55%	
Machine	21	13,913	0.07%		22	15,188	0.07%		23	124,994	0.54%	
Restaurants	81	2,525,594	12.82%		85	2,907,568	14.14%		107	3,499,174	14.99%	
Home furnishings and appliances	12	600,101	3.05%	2.23%	12	568,989	2.77%	2.00%	11	551,347	2.36%	1.81%
Building materials	8	1,414,502	7.18%	6.41%	8	1,486,364	7.23%	6.30%	8	1,480,982	6.35%	6.06%
Service stations	25	529,229	2.69%		25	698,855	3.40%		25	621,500	2.66%	
Other retail stores	931	8,878,898	45.08%	6.15%	931	9,089,143	44.20%	9.10%	1,181	8,987,129	47.79%	10.50%
Totals	1,129	$ 19,693,826	100.00%		1,136	$ 20,564,530	100.00%		1,407	$ 21,170,318	100.00%	

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 6
SALES TAX REVENUE PAYERS BY CATEGORY
FISCAL YEARS 2008 THROUGH 2017

	2009				2010				2011			
	NUMBER OF FILERS	TAX LIABILITY	PERCENTAGE OF TOTAL TAX LIABILITY	PERCENT OF TAX REMITTED BY TOP 10 TAXPAYERS	NUMBER OF FILERS	TAX LIABILITY	PERCENTAGE OF TOTAL TAX LIABILITY	PERCENT OF TAX REMITTED BY TOP 10 TAXPAYERS	NUMBER OF FILERS	TAX LIABILITY	PERCENTAGE OF TOTAL TAX LIABILITY	PERCENT OF TAX REMITTED BY TOP 10 TAXPAYERS
Apparel stores	14	$ 1,544,159	11.70%	8.49%	17	$ 1,810,970	12.84%	8.05%	17	$ 2,300,008	13.81%	7.69%
Food stores	8	1,833,281	13.89%	12.25%	8	1,795,991	12.73%	11.83%	8	2,205,072	13.24%	11.97%
Automotive	24	230,153	1.74%		27	294,923	2.09%		27	315,798	1.90%	
Machine	22	13,601	0.10%		25	11,342	0.08%		25	11,342	0.07%	
Restaurants	89	1,345,962	10.20%		90	1,572,222	11.15%		95	1,969,640	11.83%	
Home furnishings and appliances	12	546,942	4.15%	2.54%	12	514,156	3.65%	2.44%	12	507,095	3.05%	2.18%
Building materials	8	986,522	7.48%	6.74%	8	978,212	6.94%	6.22%	8	1,182,848	7.10%	6.20%
Service stations	30	574,576	4.35%		29	561,180	3.98%		28	608,003	3.65%	
Other retail stores	980	6,119,267	46.39%	10.70%	964	6,565,423	46.54%	9.55%	918	7,550,736	45.35%	9.22%
Totals	1,187	$ 13,194,463	100.00%		1,180	$ 14,104,419	100.00%		1,138	$ 16,650,542	100.00%	

	2008			
	NUMBER OF FILERS	TAX LIABILITY	PERCENTAGE OF TOTAL TAX LIABILITY	PERCENT OF TAX REMITTED BY TOP 10 TAXPAYERS
Apparel stores	14	$ 1,247,288	9.45%	6.00%
Food stores	7	1,753,914	13.29%	12.56%
Automotive	25	326,923	2.48%	1.35%
Machine	17	9,189	0.07%	
Restaurants	84	1,291,461	9.79%	
Home furnishings and appliances	12	340,959	2.58%	1.35%
Building materials	8	1,217,117	9.22%	7.90%
Service stations	28	544,027	4.12%	
Other retail stores	1,150	6,422,322	49.00%	12.48%
Totals	1,345	$ 13,153,200	100.00%	

Note: Due to confidentiality issues, the names of the 10 largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 7
DIRECT AND OVERLAPPING SALES TAX RATES

FISCAL YEAR	CITY DIRECT RATE	AUTAUGA COUNTY	DISTRICT TAX	STATE OF ALABAMA	TOTAL SALES TAX
2008	2.5%	2%		4.00%	8.5%
2009	2.5%	2%		4.00%	8.5%
2010	2.5%	2%		4.00%	8.5%
2011	3.5%	2%		4.00%	9.5%
2012	3.5%	2%		4.00%	9.5%
2013	3.5%	2%		4.00%	9.5%
2014	3.5%	2%		4.00%	9.5%
2015	3.5%	2%		4.00%	9.5%
2016	3.5%	2%		4.00%	9.5%
2017	3.5%	2%		4.00%	9.5%

FISCAL YEAR	CITY DIRECT RATE	ELMORE COUNTY	DISTRICT TAX	STATE OF ALABAMA	TOTAL SALES TAX
2008	2.5%	1%	1%	4.00%	8.5%
2009	2.5%	1%	1%	4.00%	8.5%
2010	2.5%	1%	1%	4.00%	8.5%
2011	3.5%	1%	1%	4.00%	9.5%
2012	3.5%	1%	1%	4.00%	9.5%
2013	3.5%	1%	1%	4.00%	9.5%
2014	3.5%	1%	1%	4.00%	9.5%
2015	3.5%	1%	1%	4.00%	9.5%
2016	3.5%	1%	1%	4.00%	9.5%
2017	3.5%	1%	1%	4.00%	9.5%

Sources: City Finance Department, Autauga County Revenue Commissioner's Office, and Elmore County Department of Finance.

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 8
RATIOS OF OUTSTANDING DEBT BY TYPE

GOVERNMENTAL ACTIVITIES

FISCAL YEAR	GENERAL OBLIGATION BONDS	TERM LOAN	LIMITED OBLIGATION WARRANT	CAPITAL LEASE	TOTAL OUTSTANDING DEBT	PERCENTAGE OF TAXABLE SALES (b)	PERCENTAGE OF PERSONAL INCOME (a)	PER CAPITA (a)
2008	$ 56,994,583	$ 99,344	$ 1,594,489	$ 761,348	$ 59,449,764	10.26%	3.62%	1,181
2009	57,099,163	1,025,708	1,594,489	1,445,462	61,164,822	10.81%	3.68%	1,205
2010	57,699,065	1,803,956	1,594,489	1,239,844	62,337,354	10.18%	3.71%	1,142
2011	54,755,183	1,755,709	1,594,489	748,347	58,853,728	9.20%	3.26%	1,065
2012	49,212,046	701,035	1,580,851	88,562	51,582,494	8.35%	2.73%	929
2013	47,027,064		1,567,775		48,594,839	7.50%	2.49%	880
2014	44,415,437		1,558,312		45,973,749	6.76%	2.28%	830
2015	40,610,621		1,546,258		42,156,879	5.86%	2.02%	762
2016	38,304,803		1,529,406	206,620	40,040,829	5.26%	1.82%	723
2017	32,766,245		1,513,174	882,163	35,161,582	4.58%	*	*

BUSINESS-TYPE ACTIVITIES

FISCAL YEAR	GENERAL OBLIGATION BONDS	TERM LOAN	LIMITED OBLIGATION WARRANT	CAPITAL LEASE	TOTAL OUTSTANDING DEBT	PERCENTAGE OF TAXABLE SALES (b)	PERCENTAGE OF PERSONAL INCOME (a)	PER CAPITA (a)
2012	$ 2,490,000			$ 238,074	$ 2,728,074	0.44%	0.14%	49
2013	3,095,767			9,334	3,105,101	0.48%	0.16%	56
2014	2,695,120				2,695,120	0.40%	0.13%	49
2015	1,056,794				1,056,794	0.15%	0.05%	19
2016	1,783,718				1,783,718	0.23%	0.08%	32
2017	1,400,411				1,400,411	0.18%	*	*

PRIMARY GOVERNMENT

FISCAL YEAR	GENERAL OBLIGATION BONDS	TERM LOAN	LIMITED OBLIGATION WARRANT	CAPITAL LEASE	TOTAL OUTSTANDING DEBT	PERCENTAGE OF TAXABLE SALES (b)	PERCENTAGE OF PERSONAL INCOME (a)	PER CAPITA (a)
2008	$ 56,994,583	$ 99,344	$ 1,594,489	$ 761,348	$ 59,449,764	10.26%	3.62%	1,181
2009	57,099,163	1,025,708	1,594,489	1,445,462	61,164,822	10.81%	3.68%	1,205
2010	57,699,065	1,803,956	1,594,489	1,239,844	62,337,354	10.18%	3.71%	1,142
2011	54,755,183	1,755,709	1,594,489	748,347	58,853,728	9.20%	3.26%	1,065
2012	51,702,046	701,035	1,580,851	326,636	54,310,568	8.79%	2.87%	978
2013	50,122,831		1,567,775	9,334	51,699,940	7.98%	2.65%	936
2014	47,110,557		1,558,312		48,668,869	7.16%	2.41%	879
2015	41,667,415		1,546,258		43,213,673	6.01%	2.07%	781
2016	40,088,521		1,529,406	206,620	41,824,547	5.50%	1.90%	755
2017	34,166,656		1,513,174	882,163	36,561,993	4.76%	*	*

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(a) See the Schedule of Demographics and Economic Statistics on page 91 for personal income and population data.

(b) See page 83 for net taxable sales.

* Information not available.

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 9
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS: AMOUNTS AVAILABLE DEBT SERVICE FUND	TOTAL	PERCENTAGE OF NET TAXABLE SALES (a)	PER CAPITA (b)
2008	$ 56,994,583	$ 1,131,232	$ 55,863,351	9.64%	1,109
2009	57,099,163	1,027,955	56,071,208	9.91%	1,105
2010	57,699,065	80,178	57,618,887	9.41%	1,056
2011	54,755,183	5	54,755,178	8.56%	991
2012	51,702,046	10	51,702,036	8.37%	931
2013	50,122,831	203,627	49,919,204	7.71%	904
2014	47,110,557	7	47,110,550	6.93%	850
2015	41,667,415	7	41,667,408	5.79%	753
2016	40,088,521	50	40,088,471	5.27%	723
2017	34,166,656	1,879	34,164,777	4.45%	*

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(a) See page 83 for net taxable sales.

(b) See the Schedule of Demographics and Economic Statistics on page 91 for population data.

* Information not available.

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 10
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2017

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE (a)	ESTIMATED SHARE OF DIRECT AND OVERLAPPING DEBT
Debt repaid with property taxes: Autauga County	$ 11,205,525	48.00%	$ 5,378,652
Debt repaid with property taxes: Autauga County Board of Education	19,540,019	48.00%	9,379,209
Debt repaid with property taxes: Elmore County	17,123,045	7.00%	1,198,613
Debt repaid with property taxes: Elmore County Board of Education *	59,445,164	7.00%	4,161,161
Subtotal, overlapping debt			20,117,635
City of Prattville, Alabama direct debt			40,040,829
Total direct and overlapping debt			$ 60,158,464

Sources: Assessed value data used to estimate applicable percentages provided by the Autauga County Revenue Commissioner and Elmore County Revenue Commissioner. Debt outstanding data provided by the County.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Prattville, Alabama. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(a) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the City's taxable assessed value that is within the County's boundaries and dividing it by the County's total taxable assessed value.

* Estimated

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 11
LEGAL DEBT MARGIN INFORMATION

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net assessed value of taxable property	$338,273,422	$ 348,899,620	$ 358,625,820	$ 353,461,200	$ 356,934,340	$ 352,040,720	$ 348,362,480	$ 358,817,560	$ 367,841,220	$ 378,906,500
Debt limit	67,654,684	69,779,924	71,725,164	70,692,240	71,386,868	70,408,144	69,672,496	71,763,512	73,568,244	75,781,300
Total net debt applicable to limit	9,649,304	11,690,201	14,415,694	12,436,482	9,818,857	18,697,026	26,501,875	37,095,437	36,416,570	31,990,284
Legal debt margin	$ 58,005,380	$ 58,089,723	$ 57,309,470	$ 58,255,758	$ 61,568,011	$ 51,711,118	$ 43,170,621	$ 34,668,075	$ 37,151,674	$ 43,791,016
Total net debt applicable to the limit as a percentage of debt limit	14.26%	16.75%	20.10%	17.59%	13.75%	26.56%	38.04%	51.69%	49.50%	42.21%

Legal debt margin calculation for fiscal year 2016

Assessed value	$ 378,906,500
Debt limit (20% of total assessed value)	$ 75,781,300
Debt applicable to limit:	
General obligation bonds	31,110,000
Capital leases	882,163
Less: Amount set aside for repayment of general obligation debt	1,879
Total net debt applicable to limit	31,990,284
Legal debt margin	$ 43,791,016

Note: Under state law, the City of Prattville, Alabama's outstanding general obligation debt should not exceed 20% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 12
DEMOGRAPHIC AND ECONOMIC STATISTICS

CALENDAR YEAR	POPULATION	PERSONAL INCOME (THOUSANDS OF DOLLARS)	PER CAPITA PERSONAL INCOME	MEDIAN AGE	SCHOOL ENROLLMENT	AUTAUGA COUNTY UNEMPLOYMENT RATE
2008	50,354	$ 1,640,204	$ 32,573	36.26	9,819 (07-08)	4.50%
2009	50,756	1,660,766	32,721	36.16	9,854 (08-09)	8.60%
2010	54,571	1,679,535	30,777	36.37	10,076 (09-10)	8.00%
2011	55,267	1,804,871	32,657	36.69	9,877 (10-11)	6.80%
2012	55,514	1,889,867	34,043	37.00	9,825 (11-12)	6.80%
2013	55,246	1,951,123	35,317	36.00	9,642 (12-13)	5.90%
2014	55,395	2,017,431	36,419	35.10	9,737 (13-14)	5.40%
2015	55,347	2,090,622	37,773	36.20	9,665 (14-15)	5.20%
2016	55,416	2,201,179	39,721	37.70	9,643 (15-16)	5.20%
2017	*	*	*	37.80	9,260 (16-17)	4.10%

Note: Population and median age information are based on surveys conducted during the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment obtained from the local Board of Education is based on the census at the start of the school year.

* Unavailable

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 13
PRINCIPAL EMPLOYERS

	2011		2017	
EMPLOYER	EMPLOYEES	PERCENTAGE OF TOTAL CITY EMPLOYMENT	EMPLOYEES	PERCENTAGE OF TOTAL CITY EMPLOYMENT
Autauga County Board of Education	1,000	6.38%	1,076	6.64%
International Paper	600	3.83%	600	3.70%
Prattville Baptist Hospital	235	1.50%	399	2.46%
City of Prattville, Alabama	385	2.46%	386	2.38%
Walmart	480	3.06%	320	1.97%
Bass Pro	300	1.91%	260	1.60%
Autauga County	165	1.05%	190	1.17%
Kinedyne	130	0.83%	184	1.14%
Prattville Health and Rehabilitation	154	0.98%	155	0.96%
YMCA	97	0.62%	133	0.82%
Central Alabama Electric Cooperative	122	0.78%	120	0.74%
Kasai North America, Inc.	100	0.64%	112	0.69%
Long Lewis	*	*	83	0.51%
Fras-Le	*	*	80	0.49%
Totals	3,768	24.04%	4,098	25.27%

Source: Prattville Area Chamber of Commerce.

Note: Information does not include city government employment.

Note: This schedule presents 2011 compared to 2017. Information for 2008 (nine years ago) is not presented because it is not readily available.

Average number employed in City for 2017 was 16,203 per www2.labor.alabama.gov/LAUS/LAUScities.pdf.
http://www2.labor.alabama.gov/Laus/CLF/AllCity.aspx

* Unavailable

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 14
FULL-TIME EQUIVALENT CITY
GOVERNMENT EMPLOYEES BY FUNCTION

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government:										
Executive	5	3	3	3	2	3	3	3	3	4
Legislative	7	7	7	7	7	7	7	7	7	7
Finance	8	7	7	6	6	5	6	7	7	7
City clerk	4	5	5	2	3	3	3	3	3	3
Human resources	4	4	4	4	4	4	3	4	4	4
Judicial	4	6	6	5	6	6	6	6	6	6
Information technology	3	4	3	1	1	1	2	3	3	3
Vehicle maintenance	10	12	10	6	6	6	5	6	6	6
Public safety:										
Police:										
Officers	87	90	92	85	81	81	82	82	82	82
Civilians	9	11	9	7	8	9	9	10	10	10
Fire:										
Officers	89	89	88	84	81	79	83	83	83	83
Civilians	4	4	4	8	7	7	2	2	2	3
Building division							4	6	6	6
Public works:										
Public works								4	4	5
Engineering	5	4	4	9	9	10	9	9	9	8
Facilities maintenance							4	8	8	8
Planning and development	13	16	14	7	7	4	4	5	5	4
Street	22	22	21							
Sanitation	28	30	29	28	28	32	34	36	34	28
Wastewater	26	29	28	25	23	23	25	25	21	23
Urban management				21	19	23	30	30	29	34
Culture and recreation:										
Parks and Recreation	24	24	24	15	12	12	14	14	14	13
Performing and creative arts		2	2	2	1		1	1	1	2
Totals	352	369	360	325	311	315	336	354	347	349

Source: Human Resources.

Note: This report includes regular full-time employees, regular part-time employees (based on full-time equivalent employment calculated by dividing labor hours by 2,080 hours), elected and appointed officials as of September 30 each year.

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 15
OPERATING INDICATORS BY FUNCTION/PROGRAM

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government:										
Building permits issued:										
Residential	173	106	135	106	128	120	131	161	165	189
Residential remodel					392	327	343	333	147	203
Commercial	16	17	10	11	8	8	12	17	10	12
Commercial buildout, remodel, addition					43	49	56	74	71	41
Building inspections conducted	7,455	6,472	3,658	3,142	3,512	4,506	5,688	4,148	4,830	4,767
Building plan reviews	325	177	149	147	212	181	441	659	650	873
Public safety:										
Police:										
Physical arrests	3,288	2,651	3,035	3,208	2,208	2,128	2,757	2,342	2,829	4,026
Parking violations	253	143	348	373	259	122	86	98	28	8
Traffic violations	6,236	7,914	6,299	6,450	4,460	4,782	4,897	4,418	5,701	8,163
Fire:										
Emergency responses	6,184	4,989	5,199	5,221	5,673	5,786	5,893	5,118	4,874	5,394
Fires extinguished	115	132	115	113	75	101	113	105	113	43
Inspections	2,766	3,772	2,996	2,725	2,846	2,846	2,775	2,791	2,500	3,477
Public works:										
Potholes repaired	2,000	3,000	2,000	2,000	1,500	1,750	2,000	2,500	2,500	2,000
Street resurfacing (miles)	8		3			2	7	5	8	
Wastewater:										
Average daily sewage treatment (millions of gallons):										
Autauga Creek	1.90	2.35	2.18	1.60	1.72	1.92	1.62	1.47	1.54	1.66
Pine Creek	1.88	1.99	1.87	1.90	1.90	2.01	1.88	1.81	1.96	2.08
Refuse collection:										
Garbage (tons per day)							38.5	36.33	45	44.60
Trash (yards per day)							189	260	220	61
Recyclables (tons per day)							1	1	1	1

CITY OF PRATTVILLE, ALABAMA

SCHEDULE 16
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public safety:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol cars	71	81	82	81	84	84	81	84	78	80
Motorcycles	11	11	11	9	9	9	10	10	10	10
Fire:										
Stations	3	3	3	3	3	3	3	3	3	3
Fire engines	5	5	5	5	5	5	5	5	5	5
Ladder trucks	1	1	1	1	1	1	1	1	1	2
Heavy rescue	1	1	1	1	1	1	1	1	1	1
Ambulances	7	7	7	7	7	7	7	7	6	6
Refuse collection:										
Trash trucks	6	6	6	6	6	6	6	6	6	6
Garbage trucks	9	9	9	9	9	8	8	8	9	7
Parkan truck								1	1	1
Public works:										
Streets (miles)				209	209	212	212	217	220	223
Highways (miles)				23	23	23	23	23	23	23
Streetlights				2,450	2,450	2,450	2,450	2,475	2,510	2,525
Traffic signal heads				270	270	270	270	270	286	286
Cultural and recreation:										
Acreage	330	354	354	354	354	354	354	354	354	354
Playgrounds	9	10	10	10	10	10	10	10	10	10
Baseball/softball diamonds	16	16	16	16	16	16	16	16	16	16
Soccer fields	9	9	9	9	9	9	9	9	9	9
Community centers	2	2	2	2	2	2	2	2	2	2
Senior citizens center	1	1	1	1	1	1	1	1	1	1

Sources: Various City departments.

Note: No capital asset indicators are available for the general government.