CITY OF ADEL, GEORGIA
Annual Financial Report
For The Fiscal Year Ended
September 30, 2014

MEEKS CPA, LLP
CERTIFIED PUBLIC ACCOUNTANTS
Ocilla, Georgia

CITY OF ADEL, GEORGIA
Annual Financial Report
For The Fiscal Year Ended September 30, 2014

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Adel, Georgia as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund

information of the City of Adel, Georgia, as of September 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2015, on our consideration of the City of Adel, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of

internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Adel, Georgia's internal control over financial reporting and compliance.

MEEKS CPA, LLP

Ocilla, Georgia
March 31, 2015

BASIC FINANCIAL STATEMENTS

CITY OF ADEL, GEORGIA
Statement of Net Position
September 30, 2014

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Primary Government	Economic Development Commission	Industrial Development Authority	Downtown Development Authority
ASSETS						
Cash and Cash Equivalents	$ 9,857,564	$ 4,147,336	$ 14,004,900	$ 822,652	$ 595,320	$ 15,002
Investments	--	5,903,497	5,903,497	--	--	--
Receivables (Net of Allowance for Uncollectibles)	1,016,467	1,299,402	2,315,869	360,181	--	212,619
Due from Component Unit	212,619	--	212,619	--	--	--
Inventories	--	793,672	793,672	--	--	--
Property Held for Resale	--	--	--	--	5,187,059	--
Prepaid Items	872,861	436,664	1,309,525	--	--	--
Restricted Assets						
Cash and Cash Equivalents	103,122	--	103,122	--	--	--
Capital Assets Not Being Depreciated	1,756,218	954,706	2,710,924	--	--	--
Capital Assets Net of Accumulated Depreciation	3,661,406	6,783,728	10,445,134	--	62,021	--
Total Assets	17,480,257	20,319,005	37,799,262	1,182,833	5,844,400	227,621
LIABILITIES						
Accounts Payable	148,730	897,309	1,046,039	2,156	--	--
Accrued Liabilities	51,082	20,354	71,436	3,151	--	--
Intergovernmental Payable	3,417	70,792	74,209	--	320,000	--
Internal Balances	2,079,886	(2,079,886)	--	--	--	--
Due to Primary Government	--	--	--	--	--	212,619
Customer Deposits	--	403,253	403,253	--	--	--
Noncurrent Liabilities						
Due Within One Year	204,256	37,252	241,508	--	--	--
Due in More than One Year	615,978	239,541	855,519	--	666,667	--
Total Liabilities	3,103,349	(411,385)	2,691,964	5,307	986,667	212,619
NET POSITION						
Net Investment in Capital Assets	4,794,346	7,520,683	12,315,029	--	228,687	--
Restricted						
Public Safety	103,198	--	103,198	--	--	--
Capital Outlay	749,707	--	749,707	--	--	--
Unrestricted	8,729,657	13,209,707	21,939,364	1,177,526	4,629,046	15,002
Total Net Position	$ 14,376,908	$ 20,730,390	$ 35,107,298	$ 1,177,526	$ 4,857,733	$ 15,002

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

CITY OF ADEL, GEORGIA
Statement of Activities
For the Year Ended September 30, 2014

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES: Charges For Services	PROGRAM REVENUES: Operating Grants & Contributions	PROGRAM REVENUES: Capital Grants & Contributions
Primary Government				
Governmental Activities				
General Government	$ 607,051	$ 23,412	$ 2,494	$ --
Judicial	27,465	803,065	--	--
Public Safety	3,214,374	216	42,779	90,933
Public Works	2,416,766	931,105	--	1,205,138
Culture and Recreation	529,375	90,603	459,252	--
Housing and Development	84,558	--	43,435	--
Interest on Long-Term Debt	17,998	--	--	--
Total Governmental Activities	6,897,587	1,848,401	547,960	1,296,071
Business-type Activities				
Electric	9,197,464	12,100,147	--	--
Water	690,802	839,031	--	--
Sewer	884,958	1,227,742	--	--
Gas	1,159,997	1,275,059	--	--
Total Business-Type Activities	11,933,221	15,441,979	--	--
Total Primary Government	$ 18,830,808	$ 17,290,380	$ 547,960	$ 1,296,071
Component Units				
Economic Development Commission	$ 658,353	$ --	$ 528,368	$ --
Industrial Development Authority	304,010	--	--	333,333
Downtown Development Authority	1,000	--	2,000	--
Total Component Units	$ 963,363	$ --	$ 530,368	$ 333,333
General Revenues				
Taxes				
Property				
Franchise				
General Sales and Use				
Selective Sales and Use				
Business				
Penalties and Interest on Delinquent Taxes				
Federal Government Payments in Lieu of Taxes				
Investment Income				
Miscellaneous				
Gain on Disposition of Capital Assets				
Special Item - Impairment Loss on Capital Assets				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position - Beginning				
Net Position - Ending				

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

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION					
Primary Government			Component Units		
Governmental Activities	Business-type Activities	Total	Economic Development Commission	Industrial Development Authority	Downtown Development Authority
$ (581,145)	$ --	$ (581,145)			
775,600	--	775,600			
(3,080,446)	--	(3,080,446)			
(280,523)	--	(280,523)			
20,480	--	20,480			
(41,123)	--	(41,123)			
(17,998)	--	(17,998)			
(3,205,155)	--	(3,205,155)			
--	2,902,683	2,902,683			
--	148,229	148,229			
--	342,784	342,784			
--	115,062	115,062			
--	3,508,758	3,508,758			
(3,205,155)	3,508,758	303,603			
			$ (129,985)	$ --	$ --
			--	29,323	--
			--	--	1,000
			(129,985)	29,323	1,000
731,788	--	731,788	--	--	--
154,110	--	154,110	--	--	--
201,911	--	201,911	--	--	--
129,288	--	129,288	--	--	--
371,955	--	371,955	--	--	--
7,252	--	7,252	--	--	--
--	--	--	--	168,204	--
21,281	32,000	53,281	4,593	1,149	9
23,206	29,090	52,296	86	87,220	--
20,161	35,195	55,356	--	13,635	--
--	(26,422)	(26,422)	--	--	--
1,624,542	(1,624,542)	--	--	--	--
3,285,494	(1,554,679)	1,730,815	4,679	270,208	9
80,339	1,954,079	2,034,418	(125,306)	299,531	1,009
14,296,569	18,776,311	33,072,880	1,302,832	4,558,202	13,993
$ 14,376,908	$ 20,730,390	$ 35,107,298	$ 1,177,526	$ 4,857,733	$ 15,002

CITY OF ADEL, GEORGIA
Balance Sheet
Governmental Funds
September 30, 2014

	General	Industrial Park Project	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	$ 8,243,491	$ --	$ 1,614,073	$ 9,857,564
Restricted Assets				
Cash and Cash Equivalents	--	--	103,122	103,122
Receivables (Net of Allowance for Uncollectibles)	803,187	--	213,280	1,016,467
Due from Other Funds	203,821	--	18,100	221,921
Due from Component Unit	212,619	--	--	212,619
Advances to Other Funds	346,075	--	--	346,075
Total Assets	$ 9,809,193	$ --	$ 1,948,575	$ 11,757,768
LIABILITIES				
Accounts Payable	$ 146,831	$ --	$ 1,899	$ 148,730
Accrued Liabilities	51,082	--	--	51,082
Intergovernmental Payable	3,417	--	--	3,417
Due to Other Funds	2,142,549	--	159,258	2,301,807
Advances from Other Funds	--	346,075	--	346,075
Total Liabilities	2,343,879	346,075	161,157	2,851,111
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue				
Property Taxes	536,315	--	--	536,315
Intergovernmental	--	--	126,338	126,338
Total Deferred Inflows of Resources	536,315	--	126,338	662,653
FUND BALANCES				
Nonspendable	558,694	--	--	558,694
Restricted	--	--	852,905	852,905
Assigned	203,967	--	837,179	1,041,146
Unassigned	6,166,338	(346,075)	(29,004)	5,791,259
Total Fund Balances	6,928,999	(346,075)	1,661,080	8,244,004
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 9,809,193	$ --	$ 1,948,575	
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				5,417,624
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.				662,653
Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as expenditures in the funds.				872,861
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:				
Capital Leases			$ (537,770)	
Notes Payable			(85,508)	
Compensated Absences			(196,956)	
Total long-term liabilities				(820,234)
Net Position of Governmental Activities				$ 14,376,908

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

CITY OF ADEL, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2014

	General	Industrial Park Project	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 1,593,994	$ --	$ --	$ 1,593,994
Licenses and Permits	19,300	--	--	19,300
Intergovernmental	287,029	870,550	622,913	1,780,492
Charges for Services	935,433	--	90,603	1,026,036
Fines and Forfeitures	798,655	--	4,410	803,065
Investment Income	17,264	--	4,991	22,255
Contributions and Donations	2,214	--	--	2,214
Miscellaneous	23,206	--	--	23,206
Total Revenues	3,677,095	870,550	722,917	5,270,562
EXPENDITURES				
Current				
General Government	640,838	--	--	640,838
Judicial	27,465	--	--	27,465
Public Safety	3,611,919	--	7,235	3,619,154
Public Works	2,122,904	--	--	2,122,904
Culture and Recreation	115,305	--	459,272	574,577
Housing and Development	84,558	--	--	84,558
Capital Outlay	--	1,076,369	418,401	1,494,770
Debt Service	205,517	--	--	205,517
Total Expenditures	6,808,506	1,076,369	884,908	8,769,783
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,131,411)	(205,819)	(161,991)	(3,499,221)
OTHER FINANCING SOURCES (USES)				
Transfers In	1,689,659	--	86,500	1,776,159
Transfers Out	(16,375)	(70,125)	(65,117)	(151,617)
Proceeds of Capital Asset Dispositions	6,158	--	--	6,158
Notes Payable	94,213	--	--	94,213
Capital Leases	241,710	--	--	241,710
Total Other Financing Sources (Uses)	2,015,365	(70,125)	21,383	1,966,623
Net Change in Fund Balances	(1,116,046)	(275,944)	(140,608)	(1,532,598)
Fund Balances - Beginning	8,045,045	(70,131)	1,801,688	9,776,602
Fund Balances - Ending	$ 6,928,999	$ (346,075)	$ 1,661,080	$ 8,244,004

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

CITY OF ADEL, GEORGIA
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2014

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

Net change in fund balances - total governmental funds reported in the *Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds*	$ (1,532,598)
Governmental funds report capital outlays as expenditures. However, in the *Statement of Activities* the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlay	1,560,237
Depreciation Expense	(633,759)
	926,478
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) increases (decreases) net position.	
Cost of Capital Assets Sold/Disposed	(109,043)
Accumulated Depreciation	93,046
Trade-Ins	30,000
	14,003
Revenues in the *Statement of Activities* that do not provide current financial resources are not reported as revenues in the funds while revenues reported in the *Statement of Revenues, Expenditures and Changes in Fund Balances* are recognized as revenue of the previous period in the *Statement of Activities* and included in beginning net position.	
Taxes	2,310
Intergovernmental	60,351
	62,661
The issuance of long-term debt (e.g., bonds, leases, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the *Statement of Activities* .	
Debt Issued or Incurred	
Capital Lease Financing	(241,710)
Issuance of Notes Payable	(94,213)
Principal Repayments	
Capital Leases	178,814
Notes Payable	8,705
	(148,404)
Expenses reported in the *Statement of Activities* that do not require the use of current financial resources are not reported as expenditures in governmental funds while expenditures reported in the *Statement of Revenues, Expenditures and Changes in Fund Balances* are recognized as expenses of the previous period in the *Statement of Activities* and included in beginning net position.	
Compensated Absences	(35,719)
Prepaid Items	793,918
	758,199
Change in net position of governmental activities reported in the *Statement of Activities*	$ 80,339

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

CITY OF ADEL, GEORGIA
Statement of Net Position
Proprietary Funds
September 30, 2014

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
ASSETS						
Current Assets						
Cash and Cash Equivalents	$ 241,861	$ 62,981	$ --	$ 55,333	$ 3,787,161	$ 4,147,336
Investments	5,903,497	--	--	--	--	5,903,497
Receivables (Net of Allowance for Uncollectibles)	1,089,444	33,869	51,390	120,465	4,234	1,299,402
Due from Other Funds	971,041	299,496	666,822	1,094,358	--	3,031,717
Inventories	672,982	32,731	79,527	8,432	--	793,672
Prepaid Items	185,981	70,025	71,819	108,839	--	436,664
Total Current Assets	9,064,806	499,102	869,558	1,387,427	3,791,395	15,612,288
Noncurrent Assets						
Capital Assets Not Being Depreciated	39,979	--	63,690	851,037	--	954,706
Capital Assets Net of Accumulated Depreciation	1,256,808	406,161	1,775,378	3,345,381	--	6,783,728
Total Noncurrent Assets	1,296,787	406,161	1,839,068	4,196,418	--	7,738,434
Total Assets	10,361,593	905,263	2,708,626	5,583,845	3,791,395	23,350,722
LIABILITIES						
Current Liabilities						
Accounts Payable	796,096	54,523	17,834	28,856	--	897,309
Accrued Liabilities	9,624	3,114	2,697	4,919	--	20,354
Intergovernmental Payable	63,174	7,618	--	--	--	70,792
Due to Other Funds	408,532	155,281	66,531	321,487	--	951,831
Customer Deposits	370,189	21,350	11,714	--	--	403,253
Notes Payable - Current	--	--	--	25,072	--	25,072
Capital Leases Payable - Current	--	--	6,090	6,090	--	12,180
Total Current Liabilities	1,647,615	241,886	104,866	386,424	--	2,380,791
Noncurrent Liabilities						
Compensated Absences	28,995	4,896	11,248	13,903	--	59,042
Notes Payable	--	--	--	127,977	--	127,977
Capital Leases	--	--	26,261	26,261	--	52,522
Total Noncurrent Liabilities	28,995	4,896	37,509	168,141	--	239,541
Total Liabilities	1,676,610	246,782	142,375	554,565	--	2,620,332
NET POSITION						
Net Investment in Capital Assets	1,296,787	406,161	1,806,717	4,011,018	--	7,520,683
Unrestricted	7,388,196	252,320	759,534	1,018,262	3,791,395	13,209,707
Total Net Position	$ 8,684,983	$ 658,481	$ 2,566,251	$ 5,029,280	$ 3,791,395	$ 20,730,390

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

CITY OF ADEL, GEORGIA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2014

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
OPERATING REVENUES						
Charges for Services	$ 12,100,147	$ 1,275,059	$ 839,031	$ 1,227,742	$ --	$ 15,441,979
Total Operating Revenues	12,100,147	1,275,059	839,031	1,227,742	--	15,441,979
OPERATING EXPENSES						
Personal Services and Employee Benefits	749,883	249,500	265,935	388,602	--	1,653,920
Purchased/Contracted Services	294,970	65,284	144,893	144,892	--	650,039
Supplies	7,984,129	817,420	167,593	160,954	--	9,130,096
Depreciation	168,270	27,793	111,062	182,842	--	489,967
Total Operating Expenses	9,197,252	1,159,997	689,483	877,290	--	11,924,022
Operating Income (Loss)	2,902,895	115,062	149,548	350,452	--	3,517,957
NONOPERATING REVENUES (EXPENSES)						
Interest Revenue	101	--	--	--	9,868	9,969
Investment Earnings	22,031	--	--	--	--	22,031
Miscellaneous	2,900	--	--	25,648	542	29,090
Interest	(212)	--	(1,319)	(7,668)	--	(9,199)
Gain (Loss) on Disposition of Capital Assets	814	1,503	28,114	4,764	--	35,195
Total Nonoperating Revenues (Expenses)	25,634	1,503	26,795	22,744	10,410	87,086
Income (Loss) Before Contributions and Transfers	2,928,529	116,565	176,343	373,196	10,410	3,605,043
Special Item - Impairment Loss on Capital Assets	--	--	--	--	(26,422)	(26,422)
Transfers Out	(1,217,475)	(199,800)	(44,475)	(162,250)	(542)	(1,624,542)
Changes in Net Position	1,711,054	(83,235)	131,868	210,946	(16,554)	1,954,079
Net Position - Beginning	6,973,929	741,716	2,434,383	4,818,334	3,807,949	18,776,311
Net Position - Ending	$ 8,684,983	$ 658,481	$ 2,566,251	$ 5,029,280	$ 3,791,395	$ 20,730,390

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

CITY OF ADEL, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2014

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Customers and Users	$ 11,526,630	$ 1,339,234	$ 835,512	$ 801,725	$ --	$ 14,503,101
Payments to Suppliers	(8,514,234)	(891,728)	(381,276)	(236,779)	--	(10,024,017)
Payments to Employees	(732,635)	(249,209)	(423,119)	(387,191)	--	(1,792,154)
Net Cash Provided (Used) by Operating Activities	2,279,761	198,297	31,117	177,755	--	2,686,930
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers to Other Funds	(1,217,475)	(199,800)	(44,475)	(162,250)	(542)	(1,624,542)
Other	2,900	--	--	25,648	542	29,090
Net Cash Provided (Used) by Noncapital Financing Activities	(1,214,575)	(199,800)	(44,475)	(136,602)	--	(1,595,452)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and Construction of Capital Assets	(6,256)	--	(7,550)	(40,116)	--	(53,922)
Principal Paid on Capital Debt	(18,340)	--	(5,887)	(30,021)	--	(54,248)
Interest Paid on Capital Debt	(212)	--	(1,319)	(7,668)	--	(9,199)
Proceeds from Sales of Capital Assets	814	1,503	28,114	4,764	--	35,195
Net Cash Provided (Used) by Capital and Related Financing Activities	(23,994)	1,503	13,358	(73,041)	--	(82,174)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of Investments	(860,216)	--	--	--	--	(860,216)
Interest Received	101	--	--	--	6,491	6,592
Interest and Dividends Received	25,636	--	--	--	--	25,636
Net Cash Provided (Used) by Investing Activities	(834,479)	--	--	--	6,491	(827,988)
Net Increase (Decrease) in Cash and Cash Equivalents	206,713	--	--	(31,888)	6,491	181,316
Cash and Cash Equivalents - Beginning of Year	35,148	62,981	--	87,221	3,780,670	3,966,020
Cash and Cash Equivalents - End of Year	$ 241,861	$ 62,981	$ --	$ 55,333	$ 3,787,161	$ 4,147,336

CITY OF ADEL, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2014

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	$ 2,902,895	$ 115,062	$ 149,548	$ 350,452	$ --	$ 3,517,957
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities						
Depreciation Expense	168,270	27,793	111,062	182,842	--	489,967
(Increase) Decrease in Accounts Receivable	43,145	3,230	1,076	(41,399)	--	6,052
(Increase) Decrease in Due from Other Funds	(699,586)	96,829	(179,943)	(375,718)	--	(1,158,418)
(Increase) Decrease in Inventories	5,092	(913)	5,941	(174)	--	9,946
(Increase) Decrease in Prepaid Items	(176,729)	(67,136)	(66,228)	(100,167)	--	(410,260)
Increase (Decrease) in Accounts Payable	(22,047)	(20,661)	(1,188)	3,075	--	(40,821)
Increase (Decrease) in Accrued Liabilities	1,709	906	458	922	--	3,995
Increase (Decrease) in Compensated Absences Payable	15,539	(615)	(209)	489	--	15,204
Increase (Decrease) in Intergovernmental Payables	4,018	(2,599)	--	--	--	1,419
Increase (Decrease) in Due to Other Funds	13,685	46,236	8,370	157,433	--	225,724
Increase (Decrease) in Customer Deposits	23,770	165	2,230	--	--	26,165
Net Cash Provided (Used) by Operating Activities	$ 2,279,761	$ 198,297	$ 31,117	$ 177,755	$ --	$ 2,686,930
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES						
Purchase of Capital Assets on Account	$ --	$ --	$ 17,882	$ --	$ --	$ 17,882
Transfer of Capital Assets	(12,000)	12,000	--	--	--	--

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Adel, Georgia was incorporated in 1889 by an act of the General Assembly of Georgia. The City operates under the Mayor and Council-City Manager form of government. The City provides the following services: general administrative, public safety (police, fire, and inspections), public works (streets and sanitation), and utilities (electric, gas, water, and sewer).

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Discretely Presented Component Units

The Cook County Economic Development Commission was established to provide economic development services for the benefit of the citizens of Cook County. Separate financial statements of the Economic Development Commission are not issued.

The Adel Industrial Development Authority was established to promote industrial development through the purchase and sale of land. Separate financial statements of the Industrial Development Authority are not issued.

The Downtown Development Authority of the City of Adel was established to revitalize and redevelop the downtown area of the City. Separate financial statements of the Downtown Development Authority are not issued.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *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 to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate component units for which the primary government is financially accountable.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The discretely presented component units are shown in separate columns in the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category — governmental, proprietary, and fiduciary — are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor

funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

The *Industrial Park Project Fund* accounts for the proceeds of a U.S. Department of Commerce grant used to finance a utilities extension project.

The City reports the following major proprietary funds:

The *Electric Fund* accounts for electricity provided by the City to residents and businesses.

The *Gas Fund* accounts for natural gas provided by the City to residents and businesses.

The *Water Fund* accounts for water provided by the City to residents and businesses.

The *Sewer Fund* accounts for the sewer services provided by the City to residents and businesses.

The *Combined Public Utility System Fund* was used to account for electricity, natural gas, water and sewer services provided to City residents and businesses during the period revenue bonds were outstanding. All activities necessary to provide such services, including financing and related debt service, were included in this fund.

During the course of operations the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources or economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for

which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The agency fund has no measurement focus but utilizes the *accrual basis of accounting* for reporting its assets and liabilities.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

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

2. Investments

State statutes authorize the City to invest in obligations of the State of Georgia or other states, obligations issued by the U.S. Government, obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States, obligations of any corporation of the U.S. Government, prime bankers' acceptances, the local government investment pool, repurchase agreements, and obligations of other political subdivisions of Georgia.

Investments for the City, as well as for its component units, are reported at fair value.

3. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method in the proprietary fund. Inventories of governmental funds are recorded as expenditures when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the proprietary fund and as expenditures when paid in the governmental funds.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost which exceeds certain capitalization thresholds and an estimated useful life in excess of two years. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include all such items regardless of their acquisition date or amount. As the City constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated fair value at the date of donation. Land and construction in progress are not depreciated. The property, plant, equipment, and infrastructure of the primary government are depreciated using the straight line method over the following estimated useful lives:

Assets	Capitalization Thresholds	Estimated Service Life
Buildings	$ 10,000	30-40
Machinery and Equipment	$ 5,000	5-20
Improvements	$ 5,000	10-20
Roads	$ 25,000	15-40
Bridges	$ 25,000	15-40
Sidewalks	$ 25,000	15-40
Electric System	$ 25,000	15-50
Gas System	$ 5,000	30
Water System	$ 5,000	30-40
Sewer System	$ 5,000	30-40

5. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Premiums and discounts are deferred and amortized over the life of the debt using the effective interest method. Debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred.

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

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and intergovernmental revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

7. Net Position Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

8. Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

9. Fund Balances Policies

Fund balance of governmental funds is reported in various classifications based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). The fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance includes amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision making authority.

Assigned fund balance includes amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned fund balance is the residual classification for the General Fund. The classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by board approval, commit fund balance. Once approved, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council has authorized the Finance Director, City Manager, and Mayor to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property taxes were levied on August 18, 2014, payable December 20, 2014, and attached as an enforceable lien on property as of January 1, 2014. The billings are considered past due after December 20, 2014, at which time the applicable property is subject to lien, and penalties and interest are assessed.

3. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which are eligible for payment upon separation from City service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

4. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the capital projects funds, which adopt project-length budgets. All annual appropriations lapse at fiscal year-end.

All departments of the City submit requests for appropriations to the City Manager so that a budget may be prepared. The City Manager and Finance Director prepare and submit a proposed budget to the Mayor and Council for review. The Council holds public hearings and a final budget must be prepared and adopted no later than September 30.

The appropriated budget is prepared by fund, department and expenditure category. The City's Finance Director may make transfers of appropriations within any fund. The adopted budget may be amended by formal action of the Mayor and Council when unexpected modifications are required in estimated revenues and appropriations. The legal level of budgetary control is the department level.

B. Excess of Expenditures Over Appropriations

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

	Budget	Actual	Excess
Adel-Cook County Recreation Special Revenue Fund	$ 455,600	$ 459,272	$ (3,672)

C. Deficit Fund Equity

The following funds had deficit fund equity at September 30, 2014:

Industrial Park Project Capital Projects Fund	$ 346,075
CDBG Drainage Capital Projects Fund	29,004

III. DETAILED NOTES ON ALL FUNDS

A. Cash Deposits with Financial Institutions

As of September 30, 2014, the City's entire bank balance was insured or collateralized with securities held by the pledging financial institution's trust department or agent in the City's name. As of September 30, 2014, the Cook County Economic Development Commission's entire bank balance was insured or collateralized with securities held by the pledging financial institution's trust department or agent in the Commission's name. As of September 30, 2014, the Adel Industrial Development Authority's entire bank balance was insured or collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name. As of September 30, 2014, the Downtown Development Authority's entire bank balance was insured or collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name.

B. Investments

According to the City's Investment and Cash Management policy, the City shall seek to maximize safety through the following strategies:

1. All City investments shall be federally-insured or fully collateralized to protect investment principal and accrued interest. Emphasis shall be given to Category 1 collateralization (collateral securities held by the City or its agent in the City's name), which is preferable, or Category 2 (collateral securities held by the counter party's trust department or agent in the City's name). Category 3 (collateral not in the City's name) shall be avoided due to higher degree of risk.

2. Market risk shall be avoided by limiting investments to a maximum one year maturity, except for special circumstances where an interest rate differential and certainty of ability to hold the investment to maturity would justify a longer maturity. The City Manager shall approve any exceptions to the one-year maturity limit, and such exceptions will be disclosed to the City Council.

3. Undue credit risk shall be avoided by monitoring the financial condition of financial institutions participating in the City's investment program. Financial institutions shall provide a consolidated report of condition annually and the City shall review credit-worthiness at least annually.

The City is a beneficiary of the Municipal Competitive Trust created in 1999 by the Municipal Electric Authority of Georgia (MEAG) and its member municipalities. The trust provides a means for beneficiaries to deposit funds to be invested at the best prudent rates of return. US Bank serves as trustee with complete authority for management, investment and disbursement of the trust estate. The trustee may invest in all types of investments, which, under the laws of the State of Georgia, is legal for trust beneficiaries or MEAG to invest funds. The Trust reports its portfolio at market value, using net asset value (unit price per share) to determine the account balance per beneficiary. It is the City's policy to report its investments at fair value based on the net asset value determined by the trustee. At September 30, 2014 the City owned 42,141.105 Short-term Municipal Competitive Trust Flexible Operating Account for a value of $4,222,117 and 16,825.575 shares of the Intermediate-Term Municipal Competitive Trust Flexible Operating Account for a value of $1,681,380 The Flexible Operating Account is not rated and the weighted average maturity of investments at September 30, 2014 was 2.3 months for the short-term account and 25.8 months for the intermediate-term account. The City's position in the accounts is the same as the value of the account shares.

C. Receivables

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. Below is the detail of receivables for the major funds and the nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts:

	General	Nonmajor Governmental Funds	Electric	Gas	Water	Sewer	Combined Public Utility System	Total
Interest	$ 6,988	$ 273	$ --	$ --	$ --	$ --	$ 4,234	$ 11,495
Taxes	676,593	--	--	--	--	--	--	676,593
Accounts	224,281	--	1,631,219	61,769	132,140	235,590	--	2,284,999
Intergovernmental	24,650	213,007	--	--	--	--	--	237,657
Gross Receivables	932,512	213,280	1,631,219	61,769	132,140	235,590	4,234	3,210,744
Less: Allowance for Uncollectibles	(129,325)	--	(541,775)	(27,900)	(80,750)	(115,125)	--	(894,875)
	$ 803,187	$ 213,280	$ 1,089,444	$ 33,869	$ 51,390	$ 120,465	$ 4,234	$ 2,315,869

D. Capital Assets

Capital asset activity for the year ended September 30, 2014, was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 211,141	$ --	$ --	$ 211,141
Construction in Progress	384,778	1,160,299	--	1,545,077
Total Capital Assets, Not Being Depreciated	595,919	1,160,299	--	1,756,218
Capital Assets, Being Depreciated:				
Buildings	2,425,033	3,943	--	2,428,976
Infrastructure	10,328,545	--	--	10,328,545
Improvements Other Than Buildings	1,409,051	--	--	1,409,051
Machinery and Equipment	4,027,509	425,995	(109,043)	4,344,461
Total Capital Assets, Being Depreciated	18,190,138	429,938	(109,043)	18,511,033
Less Accumulated Depreciation For:				
Buildings	(1,621,310)	(43,412)	--	(1,664,722)
Infrastructure	(8,761,834)	(257,811)	--	(9,019,645)
Improvements Other Than Buildings	(894,480)	(30,351)	--	(924,831)
Machinery and Equipment	(3,031,290)	(302,185)	93,046	(3,240,429)
Total Accumulated Depreciation	(14,308,914)	(633,759)	93,046	(14,849,627)
Total Capital Assets, Being Depreciated, Net	3,881,224	(203,821)	(15,997)	3,661,406
Governmental Activities Capital Assets, Net	$ 4,477,143	$ 956,478	$ (15,997)	$ 5,417,624

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 896,191	$ --	$ --	$ 896,191
Construction in Progress	33,083	25,432	--	58,515
Idle Assets	26,422	--	(26,422)	--
Total Capital Assets, Not Being Depreciated	955,696	25,432	(26,422)	954,706
Capital Assets, Being Depreciated:				
Buildings and System	20,996,368	46,372	--	21,042,740
Improvements Other Than Buildings	121,444	--	--	121,444
Machinery and Equipment	2,029,203	12,000	(102,261)	1,938,942
Total Capital Assets, Being Depreciated	23,147,015	58,372	(102,261)	23,103,126
Less Accumulated Depreciation For:				
Buildings and System	(14,262,629)	(372,172)	--	(14,634,801)
Improvements Other Than Buildings	(77,301)	(3,130)	--	(80,431)
Machinery and Equipment	(1,579,762)	(126,665)	102,261	(1,604,166)
Total Accumulated Depreciation	(15,919,692)	(501,967)	102,261	(16,319,398)
Total Capital Assets, Being Depreciated, Net	7,227,323	(443,595)	--	6,783,728
Business-Type Activities Capital Assets, Net	$ 8,183,019	$ (418,163)	$ (26,422)	$ 7,738,434

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

Governmental Activities	
General Government	$ 19,542
Public Safety	217,334
Public Works	379,533
Culture and Recreation	17,350
Total Depreciation Expense	$ 633,759
Business-type Activities	
Electric	$ 168,270
Gas	27,793
Water	111,062
Sewer	182,842
Total Depreciation Expense	$ 489,967

On September 30, 2010, the City discontinued providing internet service to customers and began the process of dismantling and selling the system and equipment. The idle capital assets have been reported at their estimated fair value. The impairment loss recognized for the year ending September 30, 2014 was $26,422.

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of September 30, 2014 was as follows:

Due From / To Other Funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	$ 159,258
General Fund	Water Enterprise Fund	44,563
Nonmajor Governmental Funds	General Fund	76
Nonmajor Governmental Funds	Water Enterprise Fund	18,024
Electric Enterprise Fund	General Fund	915,905
Electric Enterprise Fund	Gas Enterprise Fund	55,136
Gas Enterprise Fund	General Fund	295,552
Gas Enterprise Fund	Water Enterprise Fund	3,944
Water Enterprise Fund	Electric Enterprise Fund	345,335
Water Enterprise Fund	Sewer Enterprise Fund	321,487
Sewer Enterprise Fund	General Fund	931,016
Sewer Enterprise Fund	Electric Enterprise Fund	63,197
Sewer Enterprise Fund	Gas Enterprise Fund	100,145
		$ 3,253,638

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The City received a Community Development Block Grant to purchase and renovate the Phillips Building in the downtown area to further economic development and job creation. The Downtown Development Authority purchased the building for resale and issued a note to the City for $410,385 to be repaid over 20 years. In November 2010, the building was sold for $225,000 to be paid over 20 years at 6% interest in monthly payments of $1,612. The amounts repaid on this loan must be used by the City to make similar loans for economic development projects. The Department of Community Affairs authorized a $172,600 write down of the loan and the balance outstanding as of September 30, 2014 was $212,619.

Advances From / To Other Funds:

Receivable Fund	Payable Fund	Amount
General Fund	Industrial Park Capital Projects Fund	$ 346,075
		$ 346,075

The amount payable to the General Fund is for industrial park project construction costs.

The composition of interfund transfers for the year ended September 30, 2014 was as follows:

Interfund Transfers:

Transfer In	Transfer Out	Amount
General Fund	Combined Public Utility System Enterprise Fund	$ 542
General Fund	Nonmajor Governmental Funds	65,117
General Fund	Electric Enterprise Fund	1,217,475
General Fund	Gas Enterprise Fund	199,800
General Fund	Water Enterprise Fund	44,475
General Fund	Sewer Enterprise Fund	162,250
Nonmajor Governmental Funds	General Fund	16,375
Nonmajor Governmental Funds	Industrial Park Capital Projects Fund	70,125
		$ 1,776,159

The General Fund received annually budgeted transfers of $1,624,000 from Enterprise Funds. A Nonmajor Governmental Fund transferred $65,117 to finance pension contributions for recreation personnel. A Nonmajor Governmental Fund transferred $70,125 to finance industrial park project construction costs. The General Fund transferred $16,375 to a Nonmajor Governmental Fund to finance police technology expenditures. The Electric Fund transferred capital assets to the Gas Fund with a historical cost of $12,000 and accumulated depreciation of $12,000.

F. Lease Obligations

The City has entered into lease agreements as lessee for financing the acquisition of capital assets. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Amortization for the period is included in depreciation. Capital assets subject to lease obligations at September 30, 2014 were as follows:

	Governmental Activities	Business-type Activities
Machinery and Equipment	$ 1,303,318	$ 264,752
Less: Accumulated Depreciation	(779,536)	(187,215)
Total	$ 523,782	$ 77,537

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2014, were as follows:

Year Ending September 30	Governmental Activities	Business-type Activities
2015	$ 202,088	$ 14,413
2016	192,538	54,333
2017	123,353	--
2018	29,322	--
2019	21,991	--
Total Minimum Lease Payments	569,292	68,746
Less: Amounts Representing Interest	(31,522)	(4,044)
Present Value of Minimum Lease Payments	$ 537,770	$ 64,702

G. Long-Term Debt

Notes Payable

On March 7, 2014, the City executed a note with the United States Department of Agriculture for the purchase of a mini pumper fire truck. The loan was in the amount of $94,213 to be repaid in sixty monthly payments of $1,714 with interest at 3.50%. The balance at September 30, 2014 was $85,508.

On April 15, 2004, the City executed a promissory note with the Georgia Environmental Facilities Authority for $387,218 with interest at 3.82% for the Wastewater Disinfection Upgrade. The note is being repaid in sixty quarterly payments of $8,508. At September 30, 2014, the balance outstanding was $153,049.

Year Ending	Governmental Activities			Business-type Activities		
September 30	Principal	Interest	Total	Principal	Interest	Total
2015	$ 17,872	$ 2,708	$ 20,580	$ 25,072	$ 5,410	$ 30,482
2016	18,508	2,072	20,580	26,047	4,436	30,483
2017	19,166	1,414	20,580	27,060	3,423	30,483
2018	19,848	732	20,580	28,112	2,371	30,483
2019	10,114	98	10,212	28,980	1,503	30,483
2020 - 2024	--	--	--	17,778	--	17,778
Total	$ 85,508	$ 7,024	$ 92,532	$ 153,049	$ 17,143	$ 170,192

Two private companies conveyed 350 acres of land to the Industrial Development Authority for an industrial park site in exchange for an agreement to repay the companies $5,000 per acre for each acre of the park sold by the Authority at 6.5% interest. The agreement also requires the Authority to re-convey to the companies any of the land not sold within 15 years. The Authority recorded an asset and a corresponding note payable for the land based upon the agreed upon price of $5,000 per acre. On October 18, 2011, the Authority re-negotiated the terms of the agreement which resulted in a $165,000 reduction of principal. The balance outstanding on the remaining property as of September 30, 2014 was $666,667.

Changes in General Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2014, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated Absences	$ 161,237	$ 35,719	$ --	$ 196,956	$ --
Capital Leases	474,874	241,709	(178,813)	537,770	186,384
Notes Payable	--	94,213	(8,705)	85,508	17,872
	$ 636,111	$ 371,641	$ (187,518)	$ 820,234	$ 204,256
Business-type Activities:					
Compensated Absences	$ 43,838	$ 15,204	$ --	$ 59,042	$ --
Capital Leases	94,816	--	(30,114)	64,702	12,180
Notes Payable	177,183	--	(24,134)	153,049	25,072
	$ 315,837	$ 15,204	$ (54,248)	$ 276,793	$ 37,252
Industrial Development Authority:					
Notes Payable	$ 833,333	$ --	$ (166,666)	$ 666,667	$ --
	$ 833,333	$ --	$ (166,666)	$ 666,667	$ --

For Governmental activities, claims and judgments, compensated absences, and pension liabilities are generally liquidated by the General Fund.

H. Pensions

Plan Description

The City sponsors a defined benefit pension plan which provides retirement, disability, and death benefits to plan participants and beneficiaries. The plan, through execution of the adoption agreement, is an agent multiple-employer pension plan, administered by the Georgia Municipal Employees Benefit System (GMEBS). GMEBS, in its role as the Plan Sponsor, has the authority to amend the provisions of the GMEBS Master Plan and the elective provisions of the adoption agreement, as provided in Article XVIII, Section 2, of the GMEBS Master Defined Benefit Plan Document. The City has the authority to amend the adoption agreement, which defines the specific benefit provisions of the plan, as provided in Article XVIII, Section 1, of the GMEBS Master Defined Benefit Plan Document. The City's participation in the plan, benefit provisions, and other requirements are established by City ordinance. GMEBS issues a financial report that may be obtained by writing to Georgia Municipal Employees Benefit System, 201 Pryor Street SW, Atlanta, Georgia 30303.

Funding Policy

City employees are required to contribute 6.2% of their covered pay. The Board of Trustees of GMEBS has adopted an actuarial funding policy for determination of annual required contributions to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the plan. The Plan is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). Annual contributions made in accordance with the funding policy, which requires a different funding level, will meet the minimum funding standards. The City’s current required contribution rate is 12.96% of annual covered payroll. The contribution requirements of employees and the City are established by City ordinance.

Annual Pension Cost

The City's annual pension cost and net pension asset for the year were as follows:

Annual Required Contribution (ARC)	$ 472,070
Interest on Net Pension Obligation	--
Adjustment to ARC	--
Annual Pension Cost	472,070
Contributions Made	(1,672,070)
Increase (Decrease) in Net Pension Obligation	(1,200,000)
Net Pension Obligation (Prepaid Asset) Beginning of Year	--
Net Pension Obligation (Prepaid Asset) End of Year	$ (1,200,000)

Pension expense reported in the government-wide and proprietary fund financial statements is recognized on the accrual basis and is equal to annual pension cost. The net pension asset was adjusted for differences between contributions made and pension expense and is reported as a component of prepaid items in the government-wide and proprietary fund financial statements. The City's annual pension cost (APC), percentage of APC contributed, and net pension asset for the current plan year and each of the two preceding years were as follows:

Three Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
9/30/2012	$ 274,730	100 %	$ --
9/30/2013	408,197	100	--
9/30/2014	472,070	354	(1,200,000)

Funded Status and Funding Progress

As of January 1, 2014, the most recent actuarial valuation date, the plan was 79.5% funded. The actuarial accrued liability for benefits was $10,875,001, and the actuarial value of assets was $8,643,244, resulting in an unfunded actuarial accrued liability (UAAL) of $2,231,757. The covered payroll (annual payroll of active employees covered by the plan) was $3,381,050, and the ratio of the UAAL to the covered payroll was 66.0%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

The required contribution was determined as part of the January 1, 2014, actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return, (b) projected salary increases of 3.5% plus age and service based merit increases, and (c) 2% inflation rate. The actuarial value of Plan assets was determined using techniques that smooth the effect of short-term volatility in the market value of the investments. The unfunded actuarial accrued liability is being amortized on a closed level dollar basis for the remaining unfunded liability. The net effective remaining amortization period at January 1, 2014, was 21 years.

Defined Contribution Plan

The City also provides pension benefits for its employees through the City of Adel Defined Contribution Retirement Plan administered by Nationwide Retirement Solutions. In a defined contribution plan, benefits are paid solely on amounts contributed to the plan plus invested earnings. Employees are eligible to participate immediately upon becoming employed. An employee may elect to become a participant by executing a participation agreement and consenting to defer a portion of compensation by a reduction of salary of the annual deferral amount specified in the participation agreement. The administrator may establish a minimum deferral amount, currently 5% of compensation, and change such minimum deferral amounts from time to time. The City is not required to make employer contributions. All contribution and other requirements are established by City ordinance. No contributions or employee deferrals were made during the year ended September 30, 2014.

I. Restricted Assets

The balances of the restricted asset accounts in the governmental and enterprise funds were as follows:

	Governmental Activities
Confiscated Funds	$ 56,097
Technology Account	47,025
	$ 103,122

J. Fund Balances

The classifications of fund balances of governmental funds at September 30, 2014 were as follows:

	General	Industrial Park Project	Other Governmental Funds	Total Governmental Funds
Nonspendable				
Advances to Other Funds	$ 346,075	$ --	$ --	$ 346,075
Due from Component Unit	212,619	--	--	212,619
	558,694	--	--	558,694
Restricted				
Public Safety	$ --	$ --	$ 103,198	$ 103,198
Capital Outlay	--	--	749,707	749,707
	--	--	852,905	852,905
Assigned				
Culture and Recreation	--	--	462,466	462,466
Capital Outlay	183,100	--	374,713	557,813
Other Purposes	20,867	--	--	20,867
	203,967	--	837,179	1,041,146
Unassigned, Reported In				
General Fund	6,166,338	--	--	6,166,338
Capital Projects Funds	--	(346,075)	(29,004)	(375,079)
	6,166,338	(346,075)	(29,004)	5,791,259
Total Fund Balances	$ 6,928,999	$ (346,075)	$ 1,661,080	$ 8,244,004

IV. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. For workers compensation, the City carries commercial insurance. For other risks, the City is a member of the Georgia Interlocal Risk Management Agency. The agency operates under the authority of O.C.G.A. 36-85-1 et Seq. and administers group self-insurance funds which receive contributions from its members in order to pool the risks of general liability, motor vehicle liability, and property damage. Through participation in the agency, members jointly purchase insurance with other municipalities participating in and belonging to the agency and are coinsured under master policies with the total premium apportioned among the participants. The City is jointly and severally liable for all legal obligations of the funds which arise out of an event that occurs while the City is a member of the fund. The City's deductibles for insurance coverage start at $1,000 with various limits of liability up to $5,000,000 for liability and $22,753,861 for property.

B. Commitments and Contingencies

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

Amounts received or receivable from grantor agencies, federal and state, are subject to audit and adjustment by those agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. In the opinion of City management, such disallowances, if any, will not be significant to the City’s financial statements.

Electrical Power Contract - In March 1976, the City of Adel and the Municipal Electric Authority of Georgia (MEAG) entered into a contract under which MEAG is to provide bulk electrical power to the City. In return, the City agreed to pay its participant share of MEAG’s cost of generating and transmitting power. The term of the contract will continue in full force until such time, not exceeding 50 years, as all of MEAG’s bonds have been paid or until such time as MEAG is retired from service, whichever is later. Each member participant is responsible for their pro-rata share of MEAG’s bonds until paid. MEAG is obligated to periodically review the rates it charges member cities for power purchases. MEAG Power is also required to determine at the end of each power supply year, the sufficiency of the amounts paid by participants to recover MEAG Power’s applicable costs for the year. Recent year-end settlements have resulted in net billings to participants exceeding actual costs, reserve requirements, and other assessments. These settlements are finalized after the fiscal year-end and the amounts received in the current year are for the previous fiscal years settlement and are reported as part of the operating expenses of the City in the year the settlement is received.

Distribution and Marketing Business Unit Contracts - In November 1998, the City agreed to enter into a contract with MEAG in furtherance of its power sales contract. Continuing changes in the electric industry, such as deregulation of wholesale electric supply, and changes in retail structure created a need for a business unit to function as a division of MEAG to facilitate the delivery of distribution, marketing, and related services to member cities needing such services. Under the services contract with MEAG, the City received services related to electrical distribution such as training and safety, technical support, meter testing, and services related to marketing, such as pricing and sales support, energy services, major account support, and local economic development. In March 2009, the City entered into an agreement with Electric Cities of Georgia, Inc. to provide such services until June 30, 2012 and automatically extending for additional twelve month periods on each successive anniversary date of the contract.

Municipal Competitive Trust - On May 3, 1999, the City adopted Resolution 99-7 approving its execution of a trust agreement with MEAG and other member cities creating the Municipal Competitive Trust. The Competitive Trust was

established to accumulate and grow, through common investment, a substantial fund to be utilized by the participants to mitigate the high fixed cost related to Plant Vogtle Unit Nos. 1 and 2 and the impacts that may result from the deregulation of the electric industry in Georgia. It was initially funded with certain rate stabilization and debt service reserve funds and was comprised of the Reserve Funded Debt, Credit Support Operating and Flexible Operating accounts. Participants currently contribute funds into the Flexible Operating, as well as the New Generation and Capacity Funding (discussed below) accounts on an elective basis. With the exception of the Flexible Operating account and the New Generation and Capacity Funding account, the funds in the Competitive Trust have been retained and invested in securities typically held to maturity. Changes impacting the balance in the Competitive Trust result from investment earnings and additional participants' contributions, which are offset by scheduled distributions to participants.

During 2008 and 2009, several amendments to the terms of the Competitive Trust authorized MEAG Power, on behalf of the participants executing such amendments to, among other things:

- apply funds from certain Competitive Trust accounts for the purpose of lowering the participants' annual generation billings from MEAG Power during the period 2009 through 2018 (Trust Transfers); and

- establish the New Generation and Capacity Funding account to permit the participants to fund their share of the acquisition and construction costs of any future MEAG Power generation project joined by such participants (including the Vogtle Units 3&4 Projects), as well as funding of capacity purchases proposed by MEAG Power, purchase of additional entitlement shares or obligation shares of existing MEAG Power projects and for mitigation of certain bulk power supply cost increases.

If not otherwise expended, monies in the Credit Support Operating account and Reserve Funded Debt account may be withdrawn on or after December 31, 2018 and 2025, respectively, and monies in the New Generation and Capacity Funding Account may be withdrawn after January 1, 2037. An external trustee holds the funds in the Competitive Trust and maintains balances on an individual participant basis.

No beneficiary shall have any interest in the account of any other beneficiary. The City has the right to withdraw part, or all, of its share of funds in Flexible Operating account at any time. Since the funds in this account represent a current unrestricted asset of the City, the balance is reported as a current asset in the balance sheet of the Electric fund. The restrictive requirements for use of the funds in the other accounts negate the recognition of those accounts until such time as the funds are disbursed for the direct benefit of the City to mitigate above market costs of electricity that may result from the deregulation of the electric industry in Georgia. Any investment into or withdrawal from these accounts are reported as part of the operating expenses of the City in the year incurred.

Municipal Gas Authority of Georgia Contract - According to the terms of a contract, as amended, with Municipal Gas Authority of Georgia (MGAG), the City is committed to purchase gas supplies from MGAG through December 31, 2040. Pursuant to the agreement in order to finance project costs, MGAG is authorized to issue bonds in series through the close of business on December 31, 2014, with a maximum principal amount outstanding at any one time of $1,500,000,000 and a final maturity not to exceed 15 years from the date of issuance of each series. In the event that at any time project costs payable by MGAG are in excess of the revenues of the Authority available for the purpose of paying the same or reserve funds, the City is obligated to pay its share of such excess. The obligation of the City to make payments to the Authority under these contracts constitutes a general obligation of the City.

Telecommunications Project - In 1996, the City entered into an agreement as a participant in a Telecommunications Project with the Municipal Electric Authority of Georgia (MEAG) to construct a telecommunications system. MEAG owns, operates and maintains the Telecommunications Project. The Telecommunications Project consists of telecommunications facilities, fibers and other equipment acquired, constructed and installed by MEAG for the purpose of providing telecommunications capabilities to participants, and to Project One for the operation of the transmission facilities, and to others in order to achieve economies of scale and improve the economics of the

Telecommunications Project. As a participant, the City's obligation share in the project is 3.6167%. Under the agreement, as amended, the City elected to prepay the amount it owed for Debt Service attributable to its interest in the Telecommunications Project.

Internet Services - On September 30, 2010, the City discontinued providing internet service to customers and began the process of dismantling and selling the system and equipment.

Property and Equipment - In March 2014, the City entered into an agreement to purchase a digger truck from Altec Industries for $183,914. The City did not receive delivery of the truck during the fiscal year ended September 30, 2014. Delivery and payment for the truck was completed in fiscal year 2015.

C. Related Organizations

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. Related organizations are described as follows:

Housing Authority of the City of Adel - The Authority administers Federal funding and/or other financing for improvement of housing conditions in the City. The five members of the governing board are appointed by the Mayor and Council. The City has no significant influence over management, budget, or policies of the Authority. The Authority reports independently.

D. Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the South Georgia area, is a member of the Southern Georgia Regional Commission and is required to pay annual dues thereto. During its year ended September 30, 2014, the City paid $10,559 in such dues. Membership in a regional commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the regional commission in Georgia. The regional commission board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that member governments are liable for any debts or obligations of a Regional Commission. Separate financial statements may be obtained from:

Southern Georgia Regional Commission
327 West Savannah Ave.
Valdosta, Georgia 31601

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ADEL, GEORGIA
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2014

	Budgeted Amounts		Actual	Variance With Final
	Original	Final	Amounts	Budget
REVENUES				
Taxes	$ 1,570,850	$ 1,627,675	$ 1,593,994	$ (33,681)
Licenses and Permits	17,000	19,300	19,300	--
Intergovernmental	122,700	297,625	287,029	(10,596)
Charges for Services	943,575	944,350	935,433	(8,917)
Fines and Forfeitures	665,000	798,650	798,655	5
Interest Revenue	11,500	17,250	17,264	14
Contributions and Donations	--	2,200	2,214	14
Miscellaneous	16,000	23,875	23,206	(669)
Total Revenues	3,346,625	3,730,925	3,677,095	(53,830)
EXPENDITURES				
Mayor and Council	100,375	115,950	115,795	155
Elections	12,250	11,250	11,245	5
Administration	500,325	614,700	614,299	401
Attorney	6,600	6,000	6,000	--
Judge	26,900	27,475	27,465	10
Police	1,913,800	2,298,575	2,298,030	545
Fire	1,101,975	1,335,600	1,318,718	16,882
Volunteer Fire	50,875	54,575	54,438	137
Animal Control	80,350	90,950	90,657	293
Street	747,300	861,425	861,134	291
Sanitation	1,141,625	1,155,875	1,155,545	330
Maintenance	143,200	174,300	173,992	308
Recreation	--	65,117	65,117	--
Parks	16,200	16,450	16,388	62
Inspection	14,250	16,100	16,058	42
Total Expenditures	5,856,025	6,844,342	6,824,881	19,461
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,509,400)	(3,113,417)	(3,147,786)	(34,369)
OTHER FINANCING SOURCES (USES)				
Transfers In	1,624,000	1,689,117	1,689,659	542
Proceeds of Capital Asset Dispositions	--	6,150	6,158	8
Notes Payable	--	94,200	94,213	13
Capital Leases	229,000	241,700	241,710	10
Total Other Financing Sources (Uses)	1,853,000	2,031,167	2,031,740	573
Net Change in Fund Balances	(656,400)	(1,082,250)	(1,116,046)	(33,796)
Fund Balances - Beginning	8,045,045	8,045,045	8,045,045	--
Fund Balances - Ending	$ 7,388,645	$ 6,962,795	$ 6,928,999	$ (33,796)

CITY OF ADEL, GEORGIA
Pension Plan
Schedule of Funding Progress
September 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
1/1/2010	$ 4,187,623	$ 5,278,210	$ 1,090,587	79.3 %	$ 3,430,703	31.8 %
1/1/2011	5,030,345	6,710,560	1,680,215	75.0	3,321,627	50.6
1/1/2012	5,888,856	8,614,412	2,725,556	68.4	3,450,357	79.0
1/1/2013	6,624,154	9,752,146	3,127,992	67.9	3,549,388	88.1
1/1/2014	8,643,244	10,875,001	2,231,757	79.5	3,381,050	66.0

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The presentation of expenditures reported in the General Fund *Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual* differs from the *Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds* due to the functional classification of certain expenditures. The following schedule presents a reconciliation of those amounts.

	Budget Schedule	Reconciliation	Governmental Fund Statement
EXPENDITURES			
Current			
General Government			
Mayor and Council	$ 115,795	$ --	$ 115,795
Elections	11,245	--	11,245
Administration	614,299	(106,501)	507,798
Attorney	6,000	--	6,000
	747,339	(106,501)	640,838
Judicial	27,465	--	27,465
Public Safety			
Police	2,298,030	(82,471)	2,215,559
Fire	1,318,718	(67,268)	1,251,450
Volunteer Fire	54,438	(185)	54,253
Animal Control	90,657	--	90,657
	3,761,843	(149,924)	3,611,919
Public Works			
Street	861,134	(25,147)	835,987
Sanitation	1,155,545	(46,820)	1,108,725
Maintenance	173,992	--	173,992
Other Public Works	--	4,200	4,200
	2,190,671	(67,767)	2,122,904
Culture and Recreation			
Recreation	65,117	--	65,117
Parks	16,388	--	16,388
Other Culture and Recreation	--	33,800	33,800
	81,505	33,800	115,305
Housing and Development			
Inspection	16,058	--	16,058
Other Housing and Development	--	68,500	68,500
	16,058	68,500	84,558
Debt Service	--	205,517	205,517
Total Expenditures	6,824,881	(16,375)	6,808,506
OTHER FINANCING SOURCES (USES)			
Transfers Out	--	16,375	16,375
Total	$ 6,824,881	$ --	$ 6,824,881

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Major Governmental Funds

General Fund

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

Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Industrial Park Project - This fund is used to account for the proceeds of a U.S. Department of Commerce grant used to finance a utilities extension project.

CITY OF ADEL, GEORGIA
General Fund
Balance Sheet
September 30, 2014 and 2013

	2014	2013
ASSETS		
Cash and Cash Equivalents	$ 8,243,491	$ 8,766,738
Receivables (Net of Allowance for Uncollectibles)		
Interest	6,988	1,519
Taxes	648,593	639,808
Accounts	122,956	142,851
Intergovernmental	24,650	22,450
Due from Other Funds		
Adel-Cook County Recreation Special Revenue Fund	23,786	24,889
CDBG Drainage Project Capital Projects Fund	47,028	90
Technology Special Revenue Fund	--	644
CDBG Osceola Steel Capital Projects Fund	--	70,125
Transportation Enhancement Capital Projects Fund	23,327	23,327
Industrial Park Capital Projects Fund	--	65,429
Recreation Project Capital Projects Fund	65,117	--
Water Enterprise Fund	44,563	38,268
Due from Component Unit	212,619	212,619
Industrial Park Capital Projects Fund	346,075	--
Total Assets	$ 9,809,193	$ 10,008,757
LIABILITIES		
Accounts Payable	$ 146,831	$ 184,175
Accrued Liabilities	51,082	41,496
Intergovernmental Payable	3,417	552
Due to Other Funds		
Technology Special Revenue Fund	76	--
Electric Enterprise Fund	915,905	271,455
Gas Enterprise Fund	295,552	385,631
Sewer Enterprise Fund	931,016	546,398
Total Liabilities	2,343,879	1,429,707
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Property Taxes	536,315	534,005
Total Deferred Inflows of Resources	536,315	534,005
FUND BALANCES		
Nonspendable	558,694	212,619
Assigned	203,967	203,967
Unassigned	6,166,338	7,628,459
Total Fund Balances	6,928,999	8,045,045
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 9,809,193	$ 10,008,757

CITY OF ADEL, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2014 and 2013

	2014	2013
REVENUES		
Taxes	$ 1,593,994	$ 1,629,499
Licenses and Permits	19,300	17,300
Intergovernmental	287,029	87,112
Charges for Services	935,433	953,289
Fines and Forfeitures	798,655	781,435
Interest Revenue	17,264	16,647
Contributions and Donations	2,214	15,418
Miscellaneous	23,206	33,306
Total Revenues	3,677,095	3,534,006
EXPENDITURES		
Current		
General Government	640,838	545,821
Judicial	27,465	26,928
Public Safety	3,611,919	3,039,941
Public Works	2,122,904	1,679,525
Culture and Recreation	115,305	68,626
Housing and Development	84,558	83,120
Debt Service	205,517	172,546
Total Expenditures	6,808,506	5,616,507
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,131,411)	(2,082,501)
OTHER FINANCING SOURCES (USES)		
Transfers In		
Recreation Project Capital Projects Fund	65,117	--
Electric Enterprise Fund	1,217,475	1,917,200
Gas Enterprise Fund	199,800	78,525
Water Enterprise Fund	44,475	89,550
Sewer Enterprise Fund	162,250	132,250
Combined Public Utility System Enterprise Fund	542	--
Transfers Out		
Technology Special Revenue Fund	(16,375)	(16,790)
Proceeds of Capital Asset Dispositions	6,158	22,431
Notes Payable	94,213	--
Capital Leases	241,710	69,411
Total Other Financing Sources (Uses)	2,015,365	2,292,577
Net Change in Fund Balances	(1,116,046)	210,076
Fund Balances - Beginning	8,045,045	7,834,969
Fund Balances - Ending	$ 6,928,999	$ 8,045,045

CITY OF ADEL, GEORGIA
Industrial Park Project Capital Projects Fund
Balance Sheet
September 30, 2014 and 2013

	2014	2013
LIABILITIES		
Accounts Payable	$ --	$ 4,702
Due to Other Funds		
General Fund	--	65,429
Advances from Other Funds		
General Fund	346,075	--
Total Liabilities	346,075	70,131
FUND BALANCES		
Unassigned	(346,075)	(70,131)
Total Fund Balances	(346,075)	(70,131)
Total Liabilities and Fund Balances	$ --	$ --

CITY OF ADEL, GEORGIA

Industrial Park Project Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2014 and 2013

	2014	2013
REVENUES		
Intergovernmental	$ 870,550	$ --
Total Revenues	870,550	--
EXPENDITURES		
Capital Outlay	1,076,369	63,631
Total Expenditures	1,076,369	63,631
Excess (Deficiency) of Revenues Over (Under) Expenditures	(205,819)	(63,631)
OTHER FINANCING SOURCES (USES)		
Transfers Out		
CDBG Osceola Steel Capital Projects Fund	(70,125)	--
Total Other Financing Sources (Uses)	(70,125)	--
Net Change in Fund Balances	(275,944)	(63,631)
Fund Balances - Beginning	(70,131)	(6,500)
Fund Balances - Ending	$ (346,075)	$ (70,131)

CITY OF ADEL, GEORGIA

Industrial Park Project Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2014

	Project Authorization	Prior Years	Current Year	Total To Date
REVENUES				
Intergovernmental	$ 811,500	$ 5,000	$ 870,550	$ 875,550
Total Revenues	811,500	5,000	870,550	875,550
EXPENDITURES				
Capital Outlay	811,500	75,131	1,076,369	1,151,500
Total Expenditures	811,500	75,131	1,076,369	1,151,500
Excess (Deficiency) of Revenues Over (Under) Expenditures	--	(70,131)	(205,819)	(275,950)
OTHER FINANCING SOURCES (USES)				
Transfers Out				
CDBG Osceola Steel Capital Projects Fund	--	--	(70,125)	(70,125)
Total Other Financing Sources (Uses)	--	--	(70,125)	(70,125)
Net Change in Fund Balances	$ --	$ (70,131)	(275,944)	$ (346,075)
Fund Balances - Beginning			(70,131)	
Fund Balances - Ending			$ (346,075)	

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Confiscated Assets Fund - This fund is used to account for the funds received from cash confiscations and sales of capital assets acquired from drug raids.

Technology Fund - This fund is used to account for fines collected through the imposition of a technology surcharge.

Adel-Cook County Recreation Fund - This fund is used to account for the funds used to provide the parks and recreation program of the Cook County Countywide Recreation Board.

Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

1% Special Purpose Local Option Sales Tax (SPLOST) Fund - This fund is used to account for proceeds of the 1% special purpose local option sales tax used to finance capital projects.

1% Special Purpose Local Option Sales Tax (SPLOST) 2010 Fund - This fund is used to account for proceeds of the 1% special purpose local option sales tax used to finance capital projects, effective October 1, 2011 through September 30, 2017.

CDBG Drainage Project - This fund is used to account for the proceeds of a community development block grant used to finance a storm-water drainage project.

CDBG Osceola Steel - This fund is used to account for the proceeds of a community development block grant used to finance a utilities extension project. As of July 23, 2012, $495,000 of the grant was de-obligated.

Transportation Enhancement - This fund is used to account for the proceeds of a Georgia Department of Transportation grant used to finance a pedestrian facilities project.

Recreation Project - This fund is used to account for the financial resources to be used to finance a major recreation facilities project.

CITY OF ADEL, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2014

	Special Revenue Funds			
	Confiscated Assets	Technology	Adel-Cook County Recreation	Total
ASSETS				
Cash and Cash Equivalents	$ --	$ --	$ 439,591	$ 439,591
Cash and Cash Equivalents	56,097	47,025	--	103,122
Receivables	--	--	174,898	174,898
Due from Other Funds	--	76	--	76
Total Assets	$ 56,097	$ 47,101	$ 614,489	$ 717,687
LIABILITIES				
Accounts Payable	$ --	$ --	$ 1,899	$ 1,899
Due to Other Funds	--	--	23,786	23,786
Total Liabilities	--	--	25,685	25,685
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue				
Intergovernmental	--	--	126,338	126,338
Total Deferred Inflows Of Resources	--	--	126,338	126,338
FUND BALANCES				
Restricted	56,097	47,101	--	103,198
Assigned	--	--	462,466	462,466
Unassigned	--	--	--	--
Total Fund Balances	56,097	47,101	462,466	565,664
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 56,097	$ 47,101	$ 614,489	$ 717,687

Capital Projects Funds							Total Nonmajor Governmental Funds
SPLOST	SPLOST 2010	CDBG Drainage	CDBG Osceola Steel	Transportation Enhancement	Recreation Project	Total	
$ 346,850	$ 364,475	$ --	$ --	$ 57,500	$ 405,657	$ 1,174,482	$ 1,614,073
--	--	--	--	--	--	--	103,122
--	38,382	--	--	--	--	38,382	213,280
--	--	18,024	--	--	--	18,024	18,100
$ 346,850	$ 402,857	$ 18,024	$ --	$ 57,500	$ 405,657	$ 1,230,888	$ 1,948,575
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ 1,899
--	--	47,028	--	23,327	65,117	135,472	159,258
--	--	47,028	--	23,327	65,117	135,472	161,157
--	--	--	--	--	--	--	126,338
--	--	--	--	--	--	--	126,338
346,850	402,857	--	--	--	--	749,707	852,905
--	--	--	--	34,173	340,540	374,713	837,179
--	--	(29,004)	--	--	--	(29,004)	(29,004)
346,850	402,857	(29,004)	--	34,173	340,540	1,095,416	1,661,080
$ 346,850	$ 402,857	$ 18,024	$ --	$ 57,500	$ 405,657	$ 1,230,888	$ 1,948,575

CITY OF ADEL, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2014

	Special Revenue Funds			
	Confiscated Assets	Technology	Adel-Cook County Recreation	Total
REVENUES				
Intergovernmental	$ --	$ --	$ 398,901	$ 398,901
Charges for Services	--	--	90,603	90,603
Fines and Forfeitures	4,410	--	--	4,410
Interest Revenue	64	--	2,791	2,855
Total Revenues	4,474	--	492,295	496,769
EXPENDITURES				
Current				
Public Safety	1,725	5,510	--	7,235
Culture and Recreation	--	--	459,272	459,272
Capital Outlay	--	--	--	--
Total Expenditures	1,725	5,510	459,272	466,507
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,749	(5,510)	33,023	30,262
OTHER FINANCING SOURCES (USES)				
Transfers In	--	16,375	--	16,375
Transfers Out	--	--	--	--
Total Other Financing Sources (Uses)	--	16,375	--	16,375
Net Change in Fund Balances	2,749	10,865	33,023	46,637
Fund Balances - Beginning	53,348	36,236	429,443	519,027
Fund Balances - Ending	$ 56,097	$ 47,101	$ 462,466	$ 565,664

Capital Projects Funds							Total Nonmajor Governmental Funds
SPLOST	SPLOST 2010	CDBG Drainage	CDBG Osceola Steel	Transportation Enhancement	Recreation Project	Total	
$ --	$ 224,012	$ --	$ --	$ --	$ --	$ 224,012	$ 622,913
--	--	--	--	--	--	--	90,603
--	--	--	--	--	--	--	4,410
500	474	--	--	--	1,162	2,136	4,991
500	224,486	--	--	--	1,162	226,148	722,917
--	--	--	--	--	--	--	7,235
--	--	--	--	--	--	--	459,272
142,847	246,640	28,914	--	--	--	418,401	418,401
142,847	246,640	28,914	--	--	--	418,401	884,908
(142,347)	(22,154)	(28,914)	--	--	1,162	(192,253)	(161,991)
--	--	--	70,125	--	--	70,125	86,500
--	--	--	--	--	(65,117)	(65,117)	(65,117)
--	--	--	70,125	--	(65,117)	5,008	21,383
(142,347)	(22,154)	(28,914)	70,125	--	(63,955)	(187,245)	(140,608)
489,197	425,011	(90)	(70,125)	34,173	404,495	1,282,661	1,801,688
$ 346,850	$ 402,857	$ (29,004)	$ --	$ 34,173	$ 340,540	$ 1,095,416	$ 1,661,080

CITY OF ADEL, GEORGIA
Confiscated Assets Special Revenue Fund
Balance Sheet
September 30, 2014 and 2013

	2014	2013
ASSETS		
Restricted Assets		
Cash and Cash Equivalents	$ 56,097	$ 53,348
Total Assets	$ 56,097	$ 53,348
FUND BALANCES		
Restricted	$ 56,097	$ 53,348
Total Fund Balances	$ 56,097	$ 53,348

CITY OF ADEL, GEORGIA
Confiscated Assets Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2014 and 2013

	2014	2013
REVENUES		
Fines and Forfeitures	$ 4,410	$ 57,400
Interest Revenue	64	124
Total Revenues	4,474	57,524
EXPENDITURES		
Current		
Public Safety	1,725	4,728
Capital Outlay	--	25,977
Total Expenditures	1,725	30,705
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,749	26,819
Net Change in Fund Balances	2,749	26,819
Fund Balances - Beginning	53,348	26,529
Fund Balances - Ending	$ 56,097	$ 53,348

CITY OF ADEL, GEORGIA
Confiscated Assets Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2014

	Budget	Actual	Variance
REVENUES			
Fines and Forfeitures	$ --	$ 4,410	$ 4,410
Interest Revenue	--	64	64
Total Revenues	--	4,474	4,474
EXPENDITURES			
Current			
Public Safety	--	1,725	(1,725)
Capital Outlay	23,000	--	23,000
Total Expenditures	23,000	1,725	21,275
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,000)	2,749	25,749
Net Change in Fund Balances	(23,000)	2,749	25,749
Fund Balances - Beginning	53,348	53,348	--
Fund Balances - Ending	$ 30,348	$ 56,097	$ 25,749

CITY OF ADEL, GEORGIA
Technology Special Revenue Fund
Balance Sheet
September 30, 2014 and 2013

	2014	2013
ASSETS		
Restricted Assets		
Cash and Cash Equivalents	$ 47,025	$ 36,880
Due from Other Funds		
General Fund	76	--
Total Assets	$ 47,101	$ 36,880
LIABILITIES		
Due to Other Funds		
General Fund	$ --	$ 644
Total Liabilities	--	644
FUND BALANCES		
Restricted	47,101	36,236
Total Fund Balances	47,101	36,236
Total Liabilities and Fund Balances	$ 47,101	$ 36,880

CITY OF ADEL, GEORGIA
Technology Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2014 and 2013

	2014	2013
EXPENDITURES		
Current		
Public Safety	$ 5,510	$ 33,168
Total Expenditures	5,510	33,168
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,510)	(33,168)
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	16,375	16,790
Total Other Financing Sources (Uses)	16,375	16,790
Net Change in Fund Balances	10,865	(16,378)
Fund Balances - Beginning	36,236	52,614
Fund Balances - Ending	$ 47,101	$ 36,236

CITY OF ADEL, GEORGIA
Technology Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2014

	Budget	Actual	Variance
EXPENDITURES			
Current			
Public Safety	$ 13,875	$ 5,510	$ 8,365
Total Expenditures	13,875	5,510	8,365
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,875)	(5,510)	8,365
OTHER FINANCING SOURCES (USES)			
Transfers In			
General Fund	13,875	16,375	2,500
Total Other Financing Sources (Uses)	13,875	16,375	2,500
Net Change in Fund Balances	--	10,865	10,865
Fund Balances - Beginning	36,236	36,236	--
Fund Balances - Ending	$ 36,236	$ 47,101	$ 10,865

CITY OF ADEL, GEORGIA
Adel-Cook County Recreation Special Revenue Fund
Balance Sheet
September 30, 2014 and 2013

	2014	2013
ASSETS		
Cash and Cash Equivalents	$ 439,591	$ 424,441
Receivables		
Interest	273	273
Intergovernmental	174,625	98,650
Total Assets	$ 614,489	$ 523,364
LIABILITIES		
Accounts Payable	$ 1,899	$ 3,045
Due to Other Funds		
General Fund	23,786	24,889
Total Liabilities	25,685	27,934
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Intergovernmental	126,338	65,987
Total Deferred Inflows of Resources	126,338	65,987
FUND BALANCES		
Assigned	462,466	429,443
Total Fund Balances	462,466	429,443
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 614,489	$ 523,364

CITY OF ADEL, GEORGIA
Adel-Cook County Recreation Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2014 and 2013

	2014	2013
REVENUES		
Intergovernmental	$ 398,901	$ 456,272
Charges for Services	90,603	87,680
Interest Revenue	2,791	2,289
Total Revenues	492,295	546,241
EXPENDITURES		
Current		
Culture and Recreation	459,272	453,822
Total Expenditures	459,272	453,822
Excess (Deficiency) of Revenues Over (Under) Expenditures	33,023	92,419
Net Change in Fund Balances	33,023	92,419
Fund Balances - Beginning	429,443	337,024
Fund Balances - Ending	$ 462,466	$ 429,443

CITY OF ADEL, GEORGIA

Adel-Cook County Recreation Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2014

	Budget	Actual	Variance
REVENUES			
Intergovernmental	$ 380,600	$ 398,901	$ 18,301
Charges for Services	75,000	90,603	15,603
Interest Revenue	--	2,791	2,791
Total Revenues	455,600	492,295	36,695
EXPENDITURES			
Current			
Culture and Recreation	455,600	459,272	(3,672)
Total Expenditures	455,600	459,272	(3,672)
Excess (Deficiency) of Revenues Over (Under) Expenditures	--	33,023	33,023
Net Change in Fund Balances	--	33,023	33,023
Fund Balances - Beginning	429,443	429,443	--
Fund Balances - Ending	$ 429,443	$ 462,466	$ 33,023

CITY OF ADEL, GEORGIA
SPLOST Capital Projects Fund
Balance Sheet
September 30, 2014 and 2013

	2014	2013
ASSETS		
Cash and Cash Equivalents	$ 346,850	$ 489,197
Total Assets	$ 346,850	$ 489,197
FUND BALANCES		
Restricted	$ 346,850	$ 489,197
Total Fund Balances	$ 346,850	$ 489,197

CITY OF ADEL, GEORGIA
SPLOST Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2014 and 2013

	2014	2013
REVENUES		
Interest Revenue	$ 500	$ 1,372
Total Revenues	500	1,372
EXPENDITURES		
Capital Outlay	142,847	36,109
Total Expenditures	142,847	36,109
Excess (Deficiency) of Revenues Over (Under) Expenditures	(142,347)	(34,737)
Net Change in Fund Balances	(142,347)	(34,737)
Fund Balances - Beginning	489,197	523,934
Fund Balances - Ending	$ 346,850	$ 489,197

CITY OF ADEL, GEORGIA
SPLOST 2010 Capital Projects Fund
Balance Sheet
September 30, 2014 and 2013

	2014	2013
ASSETS		
Cash and Cash Equivalents	$ 364,475	$ 406,487
Receivables		
Intergovernmental	38,382	18,524
Total Assets	$ 402,857	$ 425,011
FUND BALANCES		
Restricted	$ 402,857	$ 425,011
Total Fund Balances	$ 402,857	$ 425,011

CITY OF ADEL, GEORGIA
SPLOST 2010 Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2014 and 2013

	2014	2013
REVENUES		
Intergovernmental	$ 224,012	$ 236,947
Interest Revenue	474	655
Total Revenues	224,486	237,602
EXPENDITURES		
Capital Outlay	246,640	51
Total Expenditures	246,640	51
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,154)	237,551
Net Change in Fund Balances	(22,154)	237,551
Fund Balances - Beginning	425,011	187,460
Fund Balances - Ending	$ 402,857	$ 425,011

CITY OF ADEL, GEORGIA
CDBG Drainage Capital Projects Fund
Balance Sheet
September 30, 2014 and 2013

	2014	2013
ASSETS		
Due from Other Funds		
Water Enterprise Fund	$ 18,024	$ 142
Total Assets	$ 18,024	$ 142
LIABILITIES		
Accounts Payable	$ --	$ 142
Due to Other Funds		
General Fund	47,028	90
Total Liabilities	47,028	232
FUND BALANCES		
Unassigned	(29,004)	(90)
Total Fund Balances	(29,004)	(90)
Total Liabilities and Fund Balances	$ 18,024	$ 142

CITY OF ADEL, GEORGIA
CDBG Drainage Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2014 and 2013

	2014	2013
EXPENDITURES		
Capital Outlay		
Engineering	$ 28,914	$ --
Contingencies	--	90
Total Expenditures	28,914	90
Excess (Deficiency) of Revenues Over (Under) Expenditures	(28,914)	(90)
Net Change in Fund Balances	(28,914)	(90)
Fund Balances - Beginning	(90)	--
Fund Balances - Ending	$ (29,004)	$ (90)

CITY OF ADEL, GEORGIA
CDBG Osceola Steel Capital Projects Fund
Balance Sheet
September 30, 2014 and 2013

	2014	2013
LIABILITIES		
Due to Other Funds		
General Fund	$ --	$ 70,125
Total Liabilities	--	70,125
FUND BALANCES		
Unassigned	--	(70,125)
Total Fund Balances	--	(70,125)
Total Liabilities and Fund Balances	$ --	$ --

CITY OF ADEL, GEORGIA
CDBG Osceola Steel Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2014 and 2013

	2014	2013
OTHER FINANCING SOURCES (USES)		
Transfers In		
Industrial Park Capital Projects Fund	$ 70,125	$ --
Total Other Financing Sources (Uses)	70,125	--
Net Change in Fund Balances	70,125	--
Fund Balances - Beginning	(70,125)	(70,125)
Fund Balances - Ending	$ --	$ (70,125)

CITY OF ADEL, GEORGIA
Transportation Enhancement Capital Projects Fund
Balance Sheet
September 30, 2014 and 2013

	2014	2013
ASSETS		
Cash and Cash Equivalents	$ 57,500	$ 57,500
Total Assets	$ 57,500	$ 57,500
LIABILITIES		
Due to Other Funds		
General Fund	$ 23,327	$ 23,327
Total Liabilities	23,327	23,327
FUND BALANCES		
Assigned	34,173	34,173
Total Fund Balances	34,173	34,173
Total Liabilities and Fund Balances	$ 57,500	$ 57,500

CITY OF ADEL, GEORGIA

Transportation Enhancement Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2014 and 2013

	2014	2013
EXPENDITURES		
Capital Outlay	$ --	$ 8,530
Total Expenditures	--	8,530
Excess (Deficiency) of Revenues Over (Under) Expenditures	--	(8,530)
Net Change in Fund Balances	--	(8,530)
Fund Balances - Beginning	34,173	42,703
Fund Balances - Ending	$ 34,173	$ 34,173

CITY OF ADEL, GEORGIA

Transportation Enhancement Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2014

	Project Authorization	Prior Years	Current Year	Total To Date
REVENUES				
Intergovernmental	$ 250,000	$ --	$ --	$ --
Total Revenues	250,000	--	--	--
EXPENDITURES				
Capital Outlay	312,500	28,327	--	28,327
Total Expenditures	312,500	28,327	--	28,327
Excess (Deficiency) of Revenues Over (Under) Expenditures	(62,500)	(28,327)	--	(28,327)
OTHER FINANCING SOURCES (USES)				
Transfers In				
General Fund	62,500	62,500	--	62,500
Total Other Financing Sources (Uses)	62,500	62,500	--	62,500
Net Change in Fund Balances	$ --	$ 34,173	--	$ 34,173
Fund Balances - Beginning			34,173	
Fund Balances - Ending			$ 34,173	

CITY OF ADEL, GEORGIA
Recreation Project Capital Projects Fund
Balance Sheet
September 30, 2014 and 2013

	2014	2013
ASSETS		
Cash and Cash Equivalents	$ 405,657	$ 404,495
Total Assets	$ 405,657	$ 404,495
LIABILITIES		
Due to Other Funds		
General Fund	$ 65,117	$ --
Total Liabilities	65,117	--
FUND BALANCES		
Assigned	340,540	404,495
Total Fund Balances	340,540	404,495
Total Liabilities and Fund Balances	$ 405,657	$ 404,495

CITY OF ADEL, GEORGIA
Recreation Project Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2014 and 2013

	2014	2013
REVENUES		
Interest Revenue	$ 1,162	$ 1,288
Total Revenues	1,162	1,288
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,162	1,288
OTHER FINANCING SOURCES (USES)		
Transfers Out		
General Fund	(65,117)	--
Total Other Financing Sources (Uses)	(65,117)	--
Net Change in Fund Balances	(63,955)	1,288
Fund Balances - Beginning	404,495	403,207
Fund Balances - Ending	$ 340,540	$ 404,495

Major Proprietary Funds

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City's Council is that costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City's Council has decided that periodic determination of net income is appropriate for accountability purposes.

Electric Fund - This fund is used to account for electricity provided to City residents and businesses.

Gas Fund - This fund is used to account for natural gas provided to City residents and businesses.

Water Fund - This fund is used to account for water provided to City residents and businesses.

Sewer Fund - This fund is used to account for sewer services provided to City residents and businesses.

Combined Public Utility System Authority Fund - This fund was originally used to account for electricity, natural gas, water and sewer services provided to City residents and businesses during the period revenue bonds were outstanding. All activities necessary to provide such services, including financing and related debt service, were included in this fund.

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Net Position
September 30, 2014 and 2013

	2014	2013
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 241,861	$ 35,148
Investments	5,903,497	5,046,886
Receivables (Net of Allowance for Uncollectibles)		
Accounts	1,089,444	1,132,589
Due from Other Funds		
General Fund	915,905	271,455
Gas Enterprise Fund	55,136	--
Inventories	672,982	678,074
Prepaid Items	185,981	9,252
Total Current Assets	9,064,806	7,173,404
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	39,979	39,979
Capital Assets Net of Accumulated Depreciation		
Buildings and System	4,435,021	4,428,765
Improvements Other than Buildings	64,306	64,306
Machinery and Equipment	985,598	997,598
Accumulated Depreciation	(4,228,117)	(4,071,847)
Total Capital Assets Net of Accumulated Depreciation	1,296,787	1,458,801
Total Noncurrent Assets	1,296,787	1,458,801
Total Assets	10,361,593	8,632,205
LIABILITIES		
Current Liabilities		
Accounts Payable	796,096	818,143
Accrued Liabilities	9,624	7,915
Intergovernmental Payable	63,174	59,156
Due to Other Funds		
Gas Enterprise Fund	--	8,825
Water Enterprise Fund	345,335	322,825
Sewer Enterprise Fund	63,197	63,197
Customer Deposits	370,189	346,419
Capital Leases Payable - Current	--	18,340
Total Current Liabilities	1,647,615	1,644,820
Noncurrent Liabilities		
Compensated Absences	28,995	13,456
Total Noncurrent Liabilities	28,995	13,456
Total Liabilities	1,676,610	1,658,276
NET POSITION		
Net Investment in Capital Assets	1,296,787	1,440,461
Unrestricted	7,388,196	5,533,468
Total Net Position	$ 8,684,983	$ 6,973,929

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2014 and 2013

	2014	2013
OPERATING REVENUES		
Charges for Services	$ 12,100,147	$ 11,610,259
Total Operating Revenues	12,100,147	11,610,259
OPERATING EXPENSES		
Personal Services and Employee Benefits	749,883	728,928
Purchased/Contracted Services	294,970	361,787
Supplies	7,984,129	7,852,951
Depreciation	168,270	182,548
Total Operating Expenses	9,197,252	9,126,214
Operating Income (Loss)	2,902,895	2,484,045
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	101	100
Investment Earnings	22,031	6,670
Miscellaneous	2,900	--
Interest	(212)	(1,258)
Gain (Loss) on Disposition of Capital Assets	814	2,807
Total Nonoperating Revenues (Expenses)	25,634	8,319
Income (Loss) Before Contributions and Transfers	2,928,529	2,492,364
Transfers Out		
General Fund	(1,217,475)	(1,917,200)
Changes in Net Position	1,711,054	575,164
Net Position - Beginning	6,973,929	6,398,765
Net Position - Ending	$ 8,684,983	$ 6,973,929

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 11,526,630	$ 11,193,566
Payments to Suppliers	(8,514,234)	(7,811,533)
Payments to Employees	(732,635)	(730,360)
Net Cash Provided (Used) by Operating Activities	2,279,761	2,651,673
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to Other Funds		
General Fund	(1,217,475)	(1,917,200)
Other	2,900	--
Net Cash Provided (Used) by Noncapital Financing Activities	(1,214,575)	(1,917,200)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(6,256)	(53,930)
Principal Paid on Capital Debt	(18,340)	(35,847)
Interest Paid on Capital Debt	(212)	(1,258)
Proceeds from Sales of Capital Assets	814	2,807
Net Cash Provided (Used) by Capital and Related Financing Activities	(23,994)	(88,228)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(860,216)	(1,252,915)
Interest Received	101	--
Interest and Dividends Received	25,636	6,770
Net Cash Provided (Used) by Investing Activities	(834,479)	(1,246,145)
Net Increase (Decrease) in Cash and Cash Equivalents	206,713	(599,900)
Cash and Cash Equivalents - Beginning of Year	35,148	635,048
Cash and Cash Equivalents - End of Year	$ 241,861	$ 35,148

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2014 and 2013

	2014	2013
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 2,902,895	$ 2,484,045
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	168,270	182,548
(Increase) Decrease in Accounts Receivable	43,145	(178,775)
(Increase) Decrease in Due from Other Funds	(699,586)	(271,455)
(Increase) Decrease in Inventories	5,092	12,173
(Increase) Decrease in Prepaid Items	(176,729)	(3,187)
Increase (Decrease) in Accounts Payable	(22,047)	(628)
Increase (Decrease) in Accrued Liabilities	1,709	1,950
Increase (Decrease) in Compensated Absences Payable	15,539	(3,382)
Increase (Decrease) in Intergovernmental Payables	4,018	13,417
Increase (Decrease) in Due to Other Funds	13,685	394,847
Increase (Decrease) in Customer Deposits	23,770	20,120
Net Cash Provided (Used) by Operating Activities	$ 2,279,761	$ 2,651,673
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Transfer of Capital Assets	$ (12,000)	$ --

CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Net Position
September 30, 2014 and 2013

	2014	2013
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 62,981	$ 62,981
Receivables (Net of Allowance for Uncollectibles)		
Accounts	33,869	37,099
Due from Other Funds		
General Fund	295,552	385,631
Electric Enterprise Fund	--	8,825
Water Enterprise Fund	3,944	1,869
Inventories	32,731	31,818
Prepaid Items	70,025	2,889
Total Current Assets	499,102	531,112
Noncurrent Assets		
Capital Assets Net of Accumulated Depreciation		
Buildings and System	1,197,572	1,197,572
Machinery and Equipment	165,195	165,195
Accumulated Depreciation	(956,606)	(928,813)
Total Capital Assets Net of Accumulated Depreciation	406,161	433,954
Total Noncurrent Assets	406,161	433,954
Total Assets	905,263	965,066
LIABILITIES		
Current Liabilities		
Accounts Payable	54,523	75,184
Accrued Liabilities	3,114	2,208
Intergovernmental Payable	7,618	10,217
Due to Other Funds		
Electric Enterprise Fund	55,136	--
Sewer Enterprise Fund	100,145	109,045
Customer Deposits	21,350	21,185
Total Current Liabilities	241,886	217,839
Noncurrent Liabilities		
Compensated Absences	4,896	5,511
Total Noncurrent Liabilities	4,896	5,511
Total Liabilities	246,782	223,350
NET POSITION		
Net Investment in Capital Assets	406,161	433,954
Unrestricted	252,320	307,762
Total Net Position	$ 658,481	$ 741,716

CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2014 and 2013

	2014	2013
OPERATING REVENUES		
Charges for Services	$ 1,275,059	$ 1,375,986
Total Operating Revenues	1,275,059	1,375,986
OPERATING EXPENSES		
Personal Services and Employee Benefits	249,500	291,794
Purchased/Contracted Services	65,284	67,915
Supplies	817,420	874,356
Depreciation	27,793	28,440
Total Operating Expenses	1,159,997	1,262,505
Operating Income (Loss)	115,062	113,481
NONOPERATING REVENUES (EXPENSES)		
Gain (Loss) on Disposition of Capital Assets	1,503	1,611
Total Nonoperating Revenues (Expenses)	1,503	1,611
Income (Loss) Before Contributions and Transfers	116,565	115,092
Transfers Out		
General Fund	(199,800)	(78,525)
Changes in Net Position	(83,235)	36,567
Net Position - Beginning	741,716	705,149
Net Position - Ending	$ 658,481	$ 741,716

CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 1,339,234	$ 996,088
Payments to Suppliers	(891,728)	(934,074)
Payments to Employees	(249,209)	(296,464)
Net Cash Provided (Used) by Operating Activities	198,297	(234,450)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to Other Funds		
General Fund	(199,800)	(78,525)
Net Cash Provided (Used) by Noncapital Financing Activities	(199,800)	(78,525)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	--	(88,636)
Proceeds from Sales of Capital Assets	1,503	1,611
Net Cash Provided (Used) by Capital and Related Financing Activities	1,503	(87,025)
Net Increase (Decrease) in Cash and Cash Equivalents	--	(400,000)
Cash and Cash Equivalents - Beginning of Year	62,981	462,981
Cash and Cash Equivalents - End of Year	$ 62,981	$ 62,981
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 115,062	$ 113,481
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	27,793	28,440
(Increase) Decrease in Accounts Receivable	3,230	2,950
(Increase) Decrease in Due from Other Funds	96,829	(396,325)
(Increase) Decrease in Inventories	(913)	(1,931)
(Increase) Decrease in Prepaid Items	(67,136)	(1,039)
Increase (Decrease) in Accounts Payable	(20,661)	(87,184)
Increase (Decrease) in Accrued Liabilities	906	132
Increase (Decrease) in Compensated Absences Payable	(615)	(4,802)
Increase (Decrease) in Intergovernmental Payables	(2,599)	1,178
Increase (Decrease) in Due to Other Funds	46,236	109,045
Increase (Decrease) in Customer Deposits	165	1,605
Net Cash Provided (Used) by Operating Activities	$ 198,297	$ (234,450)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Transfer of Capital Assets	$ 12,000	$ --

CITY OF ADEL, GEORGIA
Water Enterprise Fund
Statement of Net Position
September 30, 2014 and 2013

	2014	2013
ASSETS		
Current Assets		
Receivables (Net of Allowance for Uncollectibles)		
Accounts	$ 51,390	$ 52,466
Due from Other Funds		
Electric Enterprise Fund	345,335	322,825
Sewer Enterprise Fund	321,487	164,054
Inventories	79,527	85,468
Prepaid Items	71,819	5,591
Total Current Assets	869,558	630,404
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	5,175	5,175
Construction in Progress	58,515	33,083
Capital Assets Net of Accumulated Depreciation		
Buildings and System	5,640,598	5,640,598
Improvements Other than Buildings	10,253	10,253
Machinery and Equipment	378,166	409,427
Accumulated Depreciation	(4,253,639)	(4,173,838)
Total Capital Assets Net of Accumulated Depreciation	1,839,068	1,924,698
Total Noncurrent Assets	1,839,068	1,924,698
Total Assets	2,708,626	2,555,102
LIABILITIES		
Current Liabilities		
Accounts Payable	17,834	19,022
Accrued Liabilities	2,697	2,239
Due to Other Funds		
General Fund	44,563	38,268
CDBG Drainage Project Capital Projects Fund	18,024	142
Gas Enterprise Fund	3,944	1,869
Customer Deposits	11,714	9,484
Capital Leases Payable - Current	6,090	5,887
Total Current Liabilities	104,866	76,911
Noncurrent Liabilities		
Compensated Absences	11,248	11,457
Capital Leases	26,261	32,351
Total Noncurrent Liabilities	37,509	43,808
Total Liabilities	142,375	120,719
NET POSITION		
Net Investment in Capital Assets	1,806,717	1,886,460
Unrestricted	759,534	547,923
Total Net Position	$ 2,566,251	$ 2,434,383

CITY OF ADEL, GEORGIA
Water Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2014 and 2013

	2014	2013
OPERATING REVENUES		
Charges for Services	$ 839,031	$ 830,089
Total Operating Revenues	839,031	830,089
OPERATING EXPENSES		
Personal Services and Employee Benefits	265,935	248,292
Purchased/Contracted Services	144,893	120,260
Supplies	167,593	156,072
Depreciation	111,062	153,651
Total Operating Expenses	689,483	678,275
Operating Income (Loss)	149,548	151,814
NONOPERATING REVENUES (EXPENSES)		
Miscellaneous	--	10,718
Interest	(1,319)	(1,516)
Gain (Loss) on Disposition of Capital Assets	28,114	--
Total Nonoperating Revenues (Expenses)	26,795	9,202
Income (Loss) Before Contributions and Transfers	176,343	161,016
Transfers Out		
General Fund	(44,475)	(89,550)
Changes in Net Position	131,868	71,466
Net Position - Beginning	2,434,383	2,362,917
Net Position - Ending	$ 2,566,251	$ 2,434,383

CITY OF ADEL, GEORGIA
Water Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 835,512	$ 798,392
Payments to Suppliers	(381,276)	(740,881)
Payments to Employees	(423,119)	(215,450)
Net Cash Provided (Used) by Operating Activities	31,117	(157,939)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to Other Funds		
General Fund	(44,475)	(89,550)
Net Cash Provided (Used) by Noncapital Financing Activities	(44,475)	(89,550)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(7,550)	(56,022)
Principal Paid on Capital Debt	(5,887)	(5,691)
Interest Paid on Capital Debt	(1,319)	(1,516)
Proceeds from Sales of Capital Assets	28,114	--
Other	--	10,718
Net Cash Provided (Used) by Capital and Related Financing Activities	13,358	(52,511)
Net Increase (Decrease) in Cash and Cash Equivalents	--	(300,000)
Cash and Cash Equivalents - Beginning of Year	--	300,000
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 149,548	$ 151,814
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	111,062	153,651
(Increase) Decrease in Accounts Receivable	1,076	303
(Increase) Decrease in Due from Other Funds	(179,943)	(486,879)
(Increase) Decrease in Inventories	5,941	3,356
(Increase) Decrease in Prepaid Items	(66,228)	(2,562)
Increase (Decrease) in Accounts Payable	(1,188)	(18,743)
Increase (Decrease) in Accrued Liabilities	458	124
Increase (Decrease) in Compensated Absences Payable	(209)	(32)
Increase (Decrease) in Due to Other Funds	8,370	40,279
Increase (Decrease) in Customer Deposits	2,230	750
Net Cash Provided (Used) by Operating Activities	$ 31,117	$ (157,939)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Purchase of Capital Assets on Account	$ 17,882	$ --

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Net Position
September 30, 2014 and 2013

	2014	2013
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 55,333	$ 87,221
Receivables (Net of Allowance for Uncollectibles)		
Accounts	120,465	79,066
Due from Other Funds		
General Fund	931,016	546,398
Electric Enterprise Fund	63,197	63,197
Gas Enterprise Fund	100,145	109,045
Inventories	8,432	8,258
Prepaid Items	108,839	8,672
Total Current Assets	1,387,427	901,857
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	851,037	851,037
Capital Assets Net of Accumulated Depreciation		
Buildings and System	9,769,549	9,729,433
Improvements Other than Buildings	46,885	46,885
Machinery and Equipment	409,983	456,983
Accumulated Depreciation	(6,881,036)	(6,745,194)
Total Capital Assets Net of Accumulated Depreciation	4,196,418	4,339,144
Total Noncurrent Assets	4,196,418	4,339,144
Total Assets	5,583,845	5,241,001
LIABILITIES		
Current Liabilities		
Accounts Payable	28,856	25,781
Accrued Liabilities	4,919	3,997
Due to Other Funds		
Water Enterprise Fund	321,487	164,054
Notes Payable - Current	25,072	24,134
Capital Leases Payable - Current	6,090	5,887
Total Current Liabilities	386,424	223,853
Noncurrent Liabilities		
Compensated Absences	13,903	13,414
Notes Payable	127,977	153,049
Capital Leases	26,261	32,351
Total Noncurrent Liabilities	168,141	198,814
Total Liabilities	554,565	422,667
NET POSITION		
Net Investment in Capital Assets	4,011,018	4,123,723
Unrestricted	1,018,262	694,611
Total Net Position	$ 5,029,280	$ 4,818,334

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2014 and 2013

	2014	2013
OPERATING REVENUES		
Charges for Services	$ 1,227,742	$ 1,230,897
Total Operating Revenues	1,227,742	1,230,897
OPERATING EXPENSES		
Personal Services and Employee Benefits	388,602	378,978
Purchased/Contracted Services	144,892	150,533
Supplies	160,954	169,281
Depreciation	182,842	269,666
Total Operating Expenses	877,290	968,458
Operating Income (Loss)	350,452	262,439
NONOPERATING REVENUES (EXPENSES)		
Miscellaneous	25,648	--
Interest	(7,668)	(8,767)
Gain (Loss) on Disposition of Capital Assets	4,764	--
Total Nonoperating Revenues (Expenses)	22,744	(8,767)
Income (Loss) Before Contributions and Transfers	373,196	253,672
Transfers Out		
General Fund	(162,250)	(132,250)
Changes in Net Position	210,946	121,422
Net Position - Beginning	4,818,334	4,696,912
Net Position - Ending	$ 5,029,280	$ 4,818,334

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 801,725	$ 683,604
Payments to Suppliers	(236,779)	(333,696)
Payments to Employees	(387,191)	(379,890)
Net Cash Provided (Used) by Operating Activities	177,755	(29,982)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to Other Funds		
General Fund	(162,250)	(132,250)
Other	25,648	--
Net Cash Provided (Used) by Noncapital Financing Activities	(136,602)	(132,250)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(40,116)	(12,858)
Principal Paid on Capital Debt	(30,021)	(28,922)
Interest Paid on Capital Debt	(7,668)	(8,767)
Proceeds from Sales of Capital Assets	4,764	--
Net Cash Provided (Used) by Capital and Related Financing Activities	(73,041)	(50,547)
Net Increase (Decrease) in Cash and Cash Equivalents	(31,888)	(212,779)
Cash and Cash Equivalents - Beginning of Year	87,221	300,000
Cash and Cash Equivalents - End of Year	$ 55,333	$ 87,221
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 350,452	$ 262,439
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	182,842	269,666
(Increase) Decrease in Accounts Receivable	(41,399)	(895)
(Increase) Decrease in Due from Other Funds	(375,718)	(718,640)
(Increase) Decrease in Inventories	(174)	219
(Increase) Decrease in Prepaid Items	(100,167)	(2,940)
Increase (Decrease) in Accounts Payable	3,075	(2,973)
Increase (Decrease) in Accrued Liabilities	922	846
Increase (Decrease) in Compensated Absences Payable	489	(1,758)
Increase (Decrease) in Due to Other Funds	157,433	164,054
Net Cash Provided (Used) by Operating Activities	$ 177,755	$ (29,982)

CITY OF ADEL, GEORGIA
Combined Public Utility System Enterprise Fund
Statement of Net Position
September 30, 2014 and 2013

	2014	2013
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 3,787,161	$ 3,780,670
Receivables (Net of Allowance for Uncollectibles)		
Interest	4,234	857
Total Current Assets	3,791,395	3,781,527
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Idle Assets	--	26,422
Total Capital Assets Net of Accumulated Depreciation	--	26,422
Total Noncurrent Assets	--	26,422
Total Assets	3,791,395	3,807,949
NET POSITION		
Net Investment in Capital Assets	--	26,422
Unrestricted	3,791,395	3,781,527
Total Net Position	$ 3,791,395	$ 3,807,949

CITY OF ADEL, GEORGIA
Combined Public Utility System Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2014 and 2013

	2014	2013
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	$ 9,868	$ 12,294
Miscellaneous	542	--
Total Nonoperating Revenues (Expenses)	10,410	12,294
Income (Loss) Before Contributions and Transfers	10,410	12,294
Special Item - Impairment Loss on Capital Assets	(26,422)	(26,422)
Transfers Out		
General Fund	(542)	--
Changes in Net Position	(16,554)	(14,128)
Net Position - Beginning	3,807,949	3,822,077
Net Position - Ending	$ 3,791,395	$ 3,807,949

CITY OF ADEL, GEORGIA
Combined Public Utility System Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2014 and 2013

	2014	2013
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to Other Funds		
General Fund	$ (542)	$ --
Other	542	--
Net Cash Provided (Used) by Noncapital Financing Activities	--	--
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	6,491	12,750
Net Cash Provided (Used) by Investing Activities	6,491	12,750
Net Increase (Decrease) in Cash and Cash Equivalents	6,491	12,750
Cash and Cash Equivalents - Beginning of Year	3,780,670	3,767,920
Cash and Cash Equivalents - End of Year	$ 3,787,161	$ 3,780,670

SUPPLEMENTAL SCHEDULES

CITY OF ADEL, GEORGIA
General Fund
Schedule of Revenues
For the Years Ended September 30, 2014 and 2013

	2014	2013
REVENUES		
Taxes		
Real Property	$ 609,515	$ 660,282
Personal Property	118,188	106,075
Real Estate Transfer (Intangible)	1,775	909
Franchise	154,110	149,030
General Sales and Use	201,911	213,619
Selective Sales and Use	129,288	126,361
Business		
Business and Occupation	74,628	77,108
Insurance Premium	275,149	265,740
Financial Institution	22,178	21,780
Penalties and Interest on Delinquent Taxes	7,252	8,595
	1,593,994	1,629,499
Licenses and Permits		
Business	19,300	17,300
	19,300	17,300
Intergovernmental	287,029	87,112
Charges for Services		
General Government	4,112	5,127
Public Safety	216	16,617
Public Works	931,105	931,545
	935,433	953,289
Fines and Forfeitures	798,655	781,435
Interest Revenue	17,264	16,647
Contributions and Donations	2,214	15,418
Miscellaneous	23,206	33,306
Total Revenues	$ 3,677,095	$ 3,534,006

CITY OF ADEL, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended September 30, 2014 and 2013

	2014	2013
EXPENDITURES		
Current		
General Government		
Mayor and Council		
Personal Services and Employee Benefits	$ 54,844	$ 40,676
Purchased/Contracted Services	58,861	56,524
Supplies	2,090	3,589
Total Mayor and Council	115,795	100,789
Elections		
Purchased/Contracted Services	11,245	--
Total Elections	11,245	--
Administration		
Personal Services and Employee Benefits	290,906	216,202
Purchased/Contracted Services	165,668	176,855
Supplies	43,221	37,464
Other Costs	8,003	8,011
Total Administration	507,798	438,532
Attorney		
Purchased/Contracted Services	6,000	6,500
Total Attorney	6,000	6,500
Total General Government	640,838	545,821
Judicial		
Judge		
Purchased/Contracted Services	27,465	26,928
Total Judge	27,465	26,928
Total Judicial	27,465	26,928
Public Safety		
Police		
Personal Services and Employee Benefits	1,479,255	1,091,643
Purchased/Contracted Services	103,763	108,825
Supplies	138,229	135,947
Capital Outlay	150,383	92,300
Other Costs	343,929	331,111
Total Police	2,215,559	1,759,826
Fire		
Personal Services and Employee Benefits	1,099,458	889,988
Purchased/Contracted Services	89,560	46,909
Supplies	43,189	45,842
Capital Outlay	19,243	166,932
Total Fire	1,251,450	1,149,671

CITY OF ADEL, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended September 30, 2014 and 2013

	2014	2013
Volunteer Fire		
Personal Services and Employee Benefits	52,067	51,491
Purchased/Contracted Services	975	856
Supplies	1,211	403
Total Volunteer Fire	54,253	52,750
Animal Control		
Personal Services and Employee Benefits	55,996	44,216
Purchased/Contracted Services	16,352	14,140
Supplies	18,309	19,338
Total Animal Control	90,657	77,694
Total Public Safety	3,611,919	3,039,941
Public Works		
Street		
Personal Services and Employee Benefits	358,687	286,630
Purchased/Contracted Services	210,161	86,629
Supplies	200,389	205,108
Capital Outlay	66,750	--
Total Street	835,987	578,367
Sanitation		
Personal Services and Employee Benefits	486,937	406,852
Purchased/Contracted Services	331,484	321,533
Supplies	71,372	74,903
Capital Outlay	211,932	149,917
Other Costs	7,000	7,000
Total Sanitation	1,108,725	960,205
Maintenance		
Personal Services and Employee Benefits	144,754	115,804
Purchased/Contracted Services	6,111	5,967
Supplies	23,127	14,982
Total Maintenance	173,992	136,753
Other Public Works		
Other Costs	4,200	4,200
Total Other Public Works	4,200	4,200
Total Public Works	2,122,904	1,679,525

CITY OF ADEL, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended September 30, 2014 and 2013

	2014	2013
Culture and Recreation		
Recreation		
Other Costs	65,117	--
Total Recreation	65,117	--
Parks		
Purchased/Contracted Services	3,604	4,034
Supplies	8,758	6,915
Capital Outlay	4,026	23,877
Total Parks	16,388	34,826
Other Culture and Recreation		
Other Costs	33,800	33,800
Total Other Culture and Recreation	33,800	33,800
Total Culture and Recreation	115,305	68,626
Housing and Development		
Inspection		
Purchased/Contracted Services	1,479	2,188
Supplies	2,330	--
Other Costs	12,249	12,432
Total Inspection	16,058	14,620
Other Housing and Development		
Other Costs	68,500	68,500
Total Other Housing and Development	68,500	68,500
Total Housing and Development	84,558	83,120
Debt Service	205,517	172,546
Total Expenditures	$ 6,808,506	$ 5,616,507

CITY OF ADEL, GEORGIA
Schedule of Projects Constructed with Special Sales Tax Proceeds
For the Year Ended September 30, 2014

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
2005 Sales Tax Referendum	$ 1,431,823	$ 1,431,823				88%
(1) Water, Sewer and Natural Gas			$ 404,956	$ --	$ 404,956	
(2) Road, Streets and Bridges			705,960	142,847	848,807	
(3) Administrative Facilities			--	--	--	
(4) Public Safety Facilities			--	--	--	
	$ 1,431,823	$ 1,431,823	$ 1,110,916	$ 142,847	$ 1,253,763	
SPLOST Capital Projects Fund						
Total Expenditures				$ 142,847		
				$ 142,847		
2010 Sales Tax Referendum	$ 1,400,000	$ 1,400,000				18%
(1) Water, Sewer and Natural Gas			$ --	$ --	$ --	
(2) Road, Streets and Bridges			51	246,640	246,691	
(3) Administrative Facilities			--	--	--	
(4) Public Safety Facilities			--	--	--	
	$ 1,400,000	$ 1,400,000	$ 51	$ 246,640	$ 246,691	
SPLOST 2010 Capital Projects Fund						
Total Expenditures				$ 246,640		
				$ 246,640		

CITY OF ADEL, GEORGIA
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2014

Federal Grantor/Pass-Through Grantor/Program Or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
Pass-through Program From			
Community Facilities Development Grant	10.766	10-037-5860000502	$ 90,603
Community Facilities Loan	10.766	10-037-5860000502	94,213
			184,816
Natural Resources Conservation Service Cooperative Agreement	10.912	68-4310-12-68	41,500
Total U.S. Department of Agriculture			226,316
U.S. Department of Commerce			
Pass-through Program From			
Economic Development Administration			
Public Works Program	11.300	04-01-06513PW	610,518
Total U.S. Department of Commerce			610,518
U.S. Department of Justice			
Bulletproof Vest Program	16.607	BA-2000S-XT02	330
Total U.S. Department of Justice			330
U.S. Department of Homeland Security			
Pass-through Program From			
Georgia Emergency Management Agency			
Emergency Management Performance	97.042	EMW-2006-FF-03701	42,500
Total U.S. Department of Homeland Security			42,500
Total Expenditures of Federal Awards			$ 879,664

Basis of Presentation

This schedule of expenditures of federal awards includes the federal grant activity of City of Adel, Georgia and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from the amounts presented in, or used in the preparation of, the basic financial statements.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Adel, Georgia, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise City of Adel, Georgia's basic financial statements, and have issued our report thereon dated March 31, 2015.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Adel, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do

not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

MEEKS CPA, LLP

Ocilla, Georgia
March 31, 2015

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

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

Report on Compliance for Each Major Federal Program

We have audited City of Adel, Georgia's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of City of Adel, Georgia's major federal programs for the year ended September 30, 2014. City of Adel, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Adel, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City of Adel, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of City of Adel, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, City of Adel, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2014.

Report on Internal Control Over Compliance

Management of City of Adel, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City of Adel, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on

each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City of Adel, Georgia's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

MEEKS CPA, LLP

Ocilla, Georgia
March 31, 2015

CITY OF ADEL, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2014

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	___ yes	_x_ no
Significant deficiency(ies) identified?	___ yes	_x_ none reported
Noncompliance material to financial statements noted?	___ yes	_x_ no

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	___ yes	_x_ no
Significant deficiency(ies) identified?	___ yes	_x_ none reported
Type of auditor's report issued on compliance for major programs:	unmodified	
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	___ yes	_x_ no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
11.300	Economic Development Administration Public Works Program

Dollar threshold used to distinguish between type A and type B programs:	$ 300,000
Auditee qualified as low-risk auditee?	___ yes _x_ no

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None