CITY OF ADEL, GEORGIA
Annual Financial Report
For The Fiscal Year Ended
September 30, 2015

MEEKS CPA, LLP
CERTIFIED PUBLIC ACCOUNTANTS
Ocilla, Georgia

CITY OF ADEL, GEORGIA
Annual Financial Report
For The Fiscal Year Ended September 30, 2015

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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, 2015, 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, 2015, 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 schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, supplemental schedules, and schedule of expenditures of federal awards 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 June 29, 2016, 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
June 29, 2016

BASIC FINANCIAL STATEMENTS

CITY OF ADEL, GEORGIA
Statement of Net Position
September 30, 2015

	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	$ 11,256,885	$ 4,286,711	$ 15,543,596	$ 774,482	$ 810,114	$ 18,053
Investments	--	6,400,406	6,400,406	--	--	--
Receivables (Net of Allowance for Uncollectibles)	1,210,403	1,288,465	2,498,868	360,000	--	--
Due from Component Unit	115,191	--	115,191	--	--	--
Inventories	--	830,806	830,806	--	--	--
Property Held for Resale	--	--	--	--	5,187,059	115,191
Prepaid Items	79,413	25,543	104,956	--	--	--
Restricted Assets						
Cash and Cash Equivalents	112,994	--	112,994	--	--	--
Capital Assets Not Being Depreciated	1,087,771	1,240,627	2,328,398	--	--	--
Capital Assets Net of Accumulated Depreciation	3,858,526	7,033,035	10,891,561	--	60,396	--
Total Assets	17,721,183	21,105,593	38,826,776	1,134,482	6,057,569	133,244
DEFERRED OUTFLOWS OF RESOURCES						
Pension	254,255	129,950	384,205	--	--	--
Total Deferred Outflows of Resources	254,255	129,950	384,205	--	--	--
LIABILITIES						
Accounts Payable	221,265	912,466	1,133,731	1,021	--	--
Accrued Liabilities	52,637	23,681	76,318	2,693	--	--
Intergovernmental Payable	811	62,248	63,059	--	320,000	--
Unearned Revenue	--	9,080	9,080	--	--	--
Internal Balances	4,136,539	(4,136,539)	--	--	--	--
Due to Primary Government	--	--	--	--	--	115,191
Customer Deposits	1,250	410,463	411,713	--	--	--
Noncurrent Liabilities						
Due Within One Year	241,946	78,569	320,515	--	166,667	--
Due in More than One Year	563,860	176,240	740,100	--	333,333	--
Total Liabilities	5,218,308	(2,463,792)	2,754,516	3,714	820,000	115,191
DEFERRED INFLOWS OF RESOURCES						
Pension	432,715	221,159	653,874	--	--	--
Total Deferred Inflows of Resources	432,715	221,159	653,874	--	--	--
NET POSITION						
Net Investment in Capital Assets	4,407,851	8,093,163	12,501,014	--	60,396	--
Restricted						
Public Safety	113,172	--	113,172	--	--	--
Capital Outlay	743,522	--	743,522	--	--	--
Unrestricted	7,059,870	15,385,013	22,444,883	1,130,768	5,177,173	18,053
Total Net Position	$ 12,324,415	$ 23,478,176	$ 35,802,591	$ 1,130,768	$ 5,237,569	$ 18,053

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, 2015

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES: Charges For Services	PROGRAM REVENUES: Operating Grants & Contributions	PROGRAM REVENUES: Capital Grants & Contributions
Primary Government				
Governmental Activities				
General Government	$ 577,479	$ 20,424	$ 3,812	$ --
Judicial	29,596	898,505	--	--
Public Safety	3,137,566	592	127	25,000
Public Works	2,144,042	921,887	--	776,301
Culture and Recreation	508,632	87,645	459,010	--
Housing and Development	179,324	--	--	--
Interest on Long-Term Debt	19,980	--	--	--
Total Governmental Activities	6,596,619	1,929,053	462,949	801,301
Business-type Activities				
Electric	9,223,427	12,795,943	--	--
Gas	934,571	971,466	--	--
Water	650,154	826,319	--	--
Sewer	830,589	1,167,240	--	--
Total Business-Type Activities	11,638,741	15,760,968	--	--
Total Primary Government	$ 18,235,360	$ 17,690,021	$ 462,949	$ 801,301
Component Units				
Economic Development Commission	$ 257,347	$ --	$ 205,014	$ --
Industrial Development Authority	96,152	--	--	166,667
Downtown Development Authority	1,000	--	4,000	--
Total Component Units	$ 354,499	$ --	$ 209,014	$ 166,667
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				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position - Beginning, as Restated				
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
$ (553,243)	$ --	$ (553,243)			
868,909	--	868,909			
(3,111,847)	--	(3,111,847)			
(445,854)	--	(445,854)			
38,023	--	38,023			
(179,324)	--	(179,324)			
(19,980)	--	(19,980)			
(3,403,316)	--	(3,403,316)			
--	3,572,516	3,572,516			
--	36,895	36,895			
--	176,165	176,165			
--	336,651	336,651			
--	4,122,227	4,122,227			
(3,403,316)	4,122,227	718,911			
			$ (52,333)	$ --	$ --
			--	70,515	--
			--	--	3,000
			(52,333)	70,515	3,000
793,216	--	793,216	--	--	--
104,491	--	104,491	--	--	--
206,967	--	206,967	--	--	--
131,347	--	131,347	--	--	--
388,381	--	388,381	--	--	--
9,303	--	9,303	--	--	--
--	--	--	--	259,904	--
27,639	73,990	101,629	4,559	793	51
12,695	1,528	14,223	1,016	48,624	--
3,823	8,429	12,252	--	--	--
847,738	(847,738)	--	--	--	--
2,525,600	(763,791)	1,761,809	5,575	309,321	51
(877,716)	3,358,436	2,480,720	(46,758)	379,836	3,051
13,202,131	20,119,740	33,321,871	1,177,526	4,857,733	15,002
$ 12,324,415	$ 23,478,176	$ 35,802,591	$ 1,130,768	$ 5,237,569	$ 18,053

CITY OF ADEL, GEORGIA
Balance Sheet
Governmental Funds
September 30, 2015

	General	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	$ 9,586,702	$ 1,670,183	$ 11,256,885
Restricted Assets			
Cash and Cash Equivalents	--	112,994	112,994
Receivables (Net of Allowance for Uncollectibles)	852,443	357,960	1,210,403
Due from Other Funds	572,809	686	573,495
Due from Component Unit	115,191	--	115,191
Total Assets	$ 11,127,145	$ 2,141,823	$ 13,268,968
LIABILITIES			
Accounts Payable	$ 127,498	$ 93,767	$ 221,265
Accrued Liabilities	52,637	--	52,637
Intergovernmental Payable	566	245	811
Due to Other Funds	4,428,856	281,178	4,710,034
Customer Deposits	1,250	--	1,250
Total Liabilities	4,610,807	375,190	4,985,997
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue			
Property Taxes	592,275	--	592,275
Intergovernmental	--	165,450	165,450
Total Deferred Inflows of Resources	592,275	165,450	757,725
FUND BALANCES			
Nonspendable	115,191	--	115,191
Restricted	--	856,694	856,694
Assigned	203,967	887,028	1,090,995
Unassigned	5,604,905	(142,539)	5,462,366
Total Fund Balances	5,924,063	1,601,183	7,525,246
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 11,127,145	$ 2,141,823	
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.			4,946,297
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.			757,725
Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as expenditures in the funds.			79,413
Pension deferred outflows of resources are not due and payable in the current period and will be recognized as components of pension related expenses and contributions in future periods and therefore are not reported in the funds.			254,255
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:			
Capital Leases		$ (442,210)	
Notes Payable		(96,236)	
Compensated Absences		(215,484)	
Net Pension Liability		(51,876)	
Total long-term liabilities			(805,806)
Pension deferred inflows of resources are not available to pay for current expenditures and will be recognized as components of pension related expenses in future periods and therefore are not reported in the funds.			(432,715)
Net Position of Governmental Activities			$ 12,324,415

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, 2015

	General	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	$ 1,577,745	$ --	$ 1,577,745
Licenses and Permits	15,950	--	15,950
Intergovernmental	101,304	1,121,210	1,222,514
Charges for Services	926,953	87,645	1,014,598
Fines and Forfeitures	886,059	12,446	898,505
Investment Income	22,137	6,498	28,635
Contributions and Donations	1,628	--	1,628
Miscellaneous	12,695	--	12,695
Total Revenues	3,544,471	1,227,799	4,772,270
EXPENDITURES			
Current			
General Government	510,934	--	510,934
Judicial	29,596	--	29,596
Public Safety	3,130,716	19,065	3,149,781
Public Works	1,648,725	--	1,648,725
Culture and Recreation	55,817	454,533	510,350
Housing and Development	179,324	--	179,324
Capital Outlay	--	717,429	717,429
Debt Service	241,595	--	241,595
Total Expenditures	5,796,707	1,191,027	6,987,734
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,252,236)	36,772	(2,215,464)
OTHER FINANCING SOURCES (USES)			
Transfers In	1,356,100	249,406	1,605,506
Transfers Out	(249,406)	--	(249,406)
Proceeds of Capital Asset Dispositions	3,823	--	3,823
Notes Payable	28,600	--	28,600
Capital Leases	108,183	--	108,183
Total Other Financing Sources (Uses)	1,247,300	249,406	1,496,706
Net Change in Fund Balances	(1,004,936)	286,178	(718,758)
Fund Balances - Beginning	6,928,999	1,315,005	8,244,004
Fund Balances - Ending	$ 5,924,063	$ 1,601,183	$ 7,525,246

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, 2015

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*	$	(718,758)
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		702,592
Depreciation Expense		(595,432)
		107,160
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		(115,124)
Accumulated Depreciation		44,999
Capital Assets Reassigned to Enterprise Funds		(508,362)
		(578,487)
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		55,960
Intergovernmental		39,112
		95,072
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		(108,183)
Issuance of Notes Payable		(28,600)
Principal Repayments		
Capital Leases		203,743
Notes Payable		17,872
		84,832
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		(18,528)
Pensions		154,113
Prepaid Items		(3,120)
		132,465
Change in net position of governmental activities reported in the *Statement of Activities*	$	(877,716)

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, 2015

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
ASSETS						
Current Assets						
Cash and Cash Equivalents	$ 257,069	$ 118,726	$ 87,615	$ 20,895	$ 3,802,406	$ 4,286,711
Investments	6,400,406	--	--	--	--	6,400,406
Receivables (Net of Allowance for Uncollectibles)	1,072,192	32,193	46,352	134,702	3,026	1,288,465
Due from Other Funds	2,953,389	90,357	859,387	1,570,257	400	5,473,790
Inventories	708,382	33,313	80,801	8,310	--	830,806
Prepaid Items	9,269	2,515	5,475	8,284	--	25,543
Total Current Assets	11,400,707	277,104	1,079,630	1,742,448	3,805,832	18,305,721
Noncurrent Assets						
Capital Assets Not Being Depreciated	39,979	58,639	290,972	851,037	--	1,240,627
Capital Assets Net of Accumulated Depreciation	1,274,505	404,928	2,123,526	3,230,076	--	7,033,035
Total Noncurrent Assets	1,314,484	463,567	2,414,498	4,081,113	--	8,273,662
Total Assets	12,715,191	740,671	3,494,128	5,823,561	3,805,832	26,579,383
DEFERRED OUTFLOWS OF RESOURCES						
Pension	58,266	21,535	21,019	29,130	--	129,950
Total Deferred Outflows of Resources	58,266	21,535	21,019	29,130	--	129,950
LIABILITIES						
Current Liabilities						
Accounts Payable	753,094	49,801	91,256	18,315	--	912,466
Accrued Liabilities	11,563	3,614	3,523	4,981	--	23,681
Intergovernmental Payable	54,743	7,505	--	--	--	62,248
Due to Other Funds	465,475	91,570	296,962	483,244	--	1,337,251
Unearned Revenue	9,080	--	--	--	--	9,080
Customer Deposits	371,189	25,560	13,714	--	--	410,463
Notes Payable	--	--	--	26,047	--	26,047
Capital Leases Payable	--	--	26,261	26,261	--	52,522
Total Current Liabilities	1,665,144	178,050	431,716	558,848	--	2,833,758
Noncurrent Liabilities						
Compensated Absences	33,165	7,033	2,020	5,579	--	47,797
Net Pension Liability	11,888	4,394	4,288	5,943	--	26,513
Notes Payable	--	--	--	101,930	--	101,930
Total Noncurrent Liabilities	45,053	11,427	6,308	113,452	--	176,240
Total Liabilities	1,710,197	189,477	438,024	672,300	--	3,009,998
DEFERRED INFLOWS OF RESOURCES						
Pension	99,162	36,650	35,771	49,576	--	221,159
Total Deferred Inflows of Resources	99,162	36,650	35,771	49,576	--	221,159
NET POSITION						
Net Investment in Capital Assets	1,314,484	463,567	2,388,237	3,926,875	--	8,093,163
Unrestricted	9,649,614	72,512	653,115	1,203,940	3,805,832	15,385,013
Total Net Position	$ 10,964,098	$ 536,079	$ 3,041,352	$ 5,130,815	$ 3,805,832	$ 23,478,176

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, 2015

	Business-type Activities - Enterprise Funds					
	Electric	Gas	Water	Sewer	Combined Public Utility System	Total Enterprise Funds
OPERATING REVENUES						
Charges for Services	$ 12,795,943	$ 971,466	$ 826,319	$ 1,167,240	$ --	$ 15,760,968
Total Operating Revenues	12,795,943	971,466	826,319	1,167,240	--	15,760,968
OPERATING EXPENSES						
Personal Services and Employee Benefits	751,731	282,807	240,790	336,828	--	1,612,156
Purchased/Contracted Services	273,826	68,227	164,649	148,401	--	655,103
Supplies	8,026,081	555,499	122,119	152,480	--	8,856,179
Depreciation	171,789	28,038	121,480	186,353	--	507,660
Total Operating Expenses	9,223,427	934,571	649,038	824,062	--	11,631,098
Operating Income (Loss)	3,572,516	36,895	177,281	343,178	--	4,129,870
NONOPERATING REVENUES (EXPENSES)						
Interest Revenue	99	--	--	--	14,437	14,536
Investment Earnings	59,454	--	--	--	--	59,454
Miscellaneous	--	--	1,528	--	--	1,528
Interest	--	--	(1,116)	(6,527)	--	(7,643)
Gain (Loss) on Disposition of Capital Assets	6,019	2,410	--	--	--	8,429
Total Nonoperating Revenues (Expenses)	65,572	2,410	412	(6,527)	14,437	76,304
Income (Loss) Before Contributions and Transfers	3,638,088	39,305	177,693	336,651	14,437	4,206,174
Capital Contributions	--	--	467,399	40,963	--	508,362
Transfers Out	(1,096,075)	(60,750)	(71,800)	(127,475)	--	(1,356,100)
Changes in Net Position	2,542,013	(21,445)	573,292	250,139	14,437	3,358,436
Net Position - Beginning, as Restated	8,422,085	557,524	2,468,060	4,880,676	3,791,395	20,119,740
Net Position - Ending	$ 10,964,098	$ 536,079	$ 3,041,352	$ 5,130,815	$ 3,805,832	$ 23,478,176

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, 2015

	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	$ 12,814,844	$ 977,239	$ 833,357	$ 1,153,004	$ --	$ 15,778,444
Payments to Suppliers	(8,322,992)	(683,997)	(214,307)	(310,514)	--	(9,531,810)
Payments to Employees	(779,205)	(294,277)	(262,312)	(367,537)	--	(1,703,331)
Net Cash Provided (Used) by Operating Activities	3,712,647	(1,035)	356,738	474,953	--	4,543,303
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers to Other Funds	(1,096,075)	(60,750)	(71,800)	(127,475)	--	(1,356,100)
Due from Other Funds	(2,037,484)	209,139	(192,565)	(475,899)	(400)	(2,497,209)
Due to Other Funds	56,943	(8,575)	248,455	161,757	--	458,580
Other	--	--	1,528	--	--	1,528
Net Cash Provided (Used) by Noncapital Financing Activities	(3,076,616)	139,814	(14,382)	(441,617)	(400)	(3,393,201)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and Construction of Capital Assets	(189,486)	(85,444)	(247,535)	(30,085)	--	(552,550)
Principal Paid on Capital Debt	--	--	(6,090)	(31,162)	--	(37,252)
Interest Paid on Capital Debt	--	--	(1,116)	(6,527)	--	(7,643)
Proceeds from Sales of Capital Assets	6,019	2,410	--	--	--	8,429
Net Cash Provided (Used) by Capital and Related Financing Activities	(183,467)	(83,034)	(254,741)	(67,774)	--	(589,016)
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from Sales and Maturities of Investments	3,500,000	--	--	--	--	3,500,000
Purchase of Investments	(3,977,784)	--	--	--	--	(3,977,784)
Interest Received	99	--	--	--	15,645	15,744
Interest and Dividends Received	40,329	--	--	--	--	40,329
Net Cash Provided (Used) by Investing Activities	(437,356)	--	--	--	15,645	(421,711)
Net Increase (Decrease) in Cash and Cash Equivalents	15,208	55,745	87,615	(34,438)	15,245	139,375
Cash and Cash Equivalents - Beginning of Year	241,861	62,981	--	55,333	3,787,161	4,147,336
Cash and Cash Equivalents - End of Year	$ 257,069	$ 118,726	$ 87,615	$ 20,895	$ 3,802,406	$ 4,286,711

CITY OF ADEL, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2015

	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)	$ 3,572,516	$ 36,895	$ 177,281	$ 343,178	$ --	$ 4,129,870
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities						
Depreciation Expense	171,789	28,038	121,480	186,353	--	507,660
(Increase) Decrease in Accounts Receivable	17,252	1,676	5,038	(14,237)	--	9,729
(Increase) Decrease in Due from Other Funds	55,136	--	--	--	--	55,136
(Increase) Decrease in Inventories	(35,400)	(582)	(1,274)	122	--	(37,134)
(Increase) Decrease in Prepaid Items	181	169	313	787	--	1,450
(Increase) Decrease in Deferred Outflows of Resources	25,497	7,876	10,865	18,116	--	62,354
Increase (Decrease) in Accounts Payable	(43,002)	(4,722)	73,422	(10,541)	--	15,157
Increase (Decrease) in Accrued Liabilities	1,939	500	826	62	--	3,327
Increase (Decrease) in Unearned Revenue	9,080	--	--	--	--	9,080
Increase (Decrease) in Compensated Absences Payable	4,170	2,137	(9,228)	(8,324)	--	(11,245)
Increase (Decrease) in Intergovernmental Payables	(8,431)	(113)	--	--	--	(8,544)
Increase (Decrease) in Due to Other Funds	--	(55,136)	--	--	--	(55,136)
Increase (Decrease) in Customer Deposits	1,000	4,210	2,000	--	--	7,210
Increase (Decrease) in Net Pension Liability	(158,242)	(58,633)	(59,756)	(90,139)	--	(366,770)
Increase (Decrease) in Deferred Inflows of Resources	99,162	36,650	35,771	49,576	--	221,159
Net Cash Provided (Used) by Operating Activities	$ 3,712,647	$ (1,035)	$ 356,738	$ 474,953	$ --	$ 4,543,303
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES						
Contributions of Capital Assets from Governmental Funds	$ --	$ --	$ 467,399	$ 40,963	$ --	$ 508,362
Net Increase (Decrease) in Fair Value of Investments	$ 19,127	$ --	$ --	$ --	$ --	$ 19,127

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 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*. Agency funds have no measurement focus but utilize the *accrual basis of accounting* for reporting 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 funds 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 financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The City has one type of item that qualifies for reporting in this category. It is the deferred outflows related to pensions reported in the government-wide and proprietary fund type statements of net position. These statements report deferred outflows of pensions from two sources: 1) employer contributions to the pension plan subsequent to the measurement date of the net pension liability which will be recognized as a reduction in the net pension liability in the subsequent year and 2) differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability which are amortized and recognized in pension expense over the expected average remaining services lives of active and inactive employees under the plan.

In addition to liabilities, the statement of financial 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 two types of items that qualify for reporting in this category. The item, unavailable revenue,

which arises only under a modified accrual basis of accounting, is reported 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. The other item is the deferred inflows related to pensions reported in the government-wide and proprietary fund type statements of net position. These statements report deferred inflows of pensions from two sources: 1) differences between projected and actual earnings on pension plan investments which are amortized and recognized in pension expense over a closed five-year period and 2) changes in assumptions about future economic or demographic factors or of other inputs which are amortized and recognized in pension expense over the expected average remaining services lives of active and inactive employees under the plan.

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 September 21, 2015, payable December 20, 2015, and attached as an enforceable lien on property as of January 1, 2015. The billings are considered past due after December 20, 2015, 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. Deficit Fund Equity

The following funds had deficit fund equity at September 30, 2015:

CDBG Drainage Capital Projects Fund	$	142,539

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash Deposits with Financial Institutions

As of September 30, 2015, 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, 2015, 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, 2015, 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, 2015, 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. The City's position in the accounts is the same as the value of the account shares. At September 30, 2015 the City had the following investments:

	# of Shares	Value	Weighted Average Maturity (Months)
Short-term Flexible Operating Account	10,895.307	$ 1,091,600	2.53
Intermediate Flexible Operating Account	17,742.227	1,781,142	14.28
Intermediate Extended Flexible Operating Account	35,262.544	3,527,664	53.12
		$ 6,400,406	

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	$ 4,546	$ 273	$ --	$ --	$ --	$ --	$ 3,026	$ 7,845
Taxes	721,439	--	--	--	--	--	--	721,439
Accounts	220,346	--	1,668,967	62,093	133,102	257,827	--	2,342,335
Intergovernmental	42,437	357,687	--	--	--	--	--	400,124
Gross Receivables	988,768	357,960	1,668,967	62,093	133,102	257,827	3,026	3,471,743
Less: Allowance for Uncollectibles	(136,325)	--	(596,775)	(29,900)	(86,750)	(123,125)	--	(972,875)
	$ 852,443	$ 357,960	$ 1,072,192	$ 32,193	$ 46,352	$ 134,702	$ 3,026	$ 2,498,868

D. Capital Assets

Capital asset activity for the year ended September 30, 2015, 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	1,545,077	553,177	(1,221,624)	876,630
Total Capital Assets, Not Being Depreciated	1,756,218	553,177	(1,221,624)	1,087,771
Capital Assets, Being Depreciated				
Buildings	2,428,977	--	--	2,428,977
Infrastructure	10,328,545	643,137	--	10,971,682
Improvements Other Than Buildings	1,409,051	--	--	1,409,051
Machinery and Equipment	4,344,460	149,415	(44,999)	4,448,876
Total Capital Assets, Being Depreciated	18,511,033	792,552	(44,999)	19,258,586
Less Accumulated Depreciation For				
Buildings	(1,664,722)	(43,478)	--	(1,708,200)
Infrastructure	(9,019,645)	(279,249)	--	(9,298,894)
Improvements Other Than Buildings	(924,831)	(30,352)	--	(955,183)
Machinery and Equipment	(3,240,429)	(242,353)	44,999	(3,437,783)
Total Accumulated Depreciation	(14,849,627)	(595,432)	44,999	(15,400,060)
Total Capital Assets, Being Depreciated, Net	3,661,406	197,120	--	3,858,526
Governmental Activities Capital Assets, Net	$ 5,417,624	$ 750,297	$ (1,221,624)	$ 4,946,297

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital Assets, Not Being Depreciated				
Land	$ 896,191	$ --	$ --	$ 896,191
Construction in Progress	58,515	285,921	--	344,436
Total Capital Assets, Not Being Depreciated	954,706	285,921	--	1,240,627
Capital Assets, Being Depreciated				
Buildings and System	21,042,740	536,218	--	21,578,958
Improvements Other Than Buildings	121,444	--	--	121,444
Machinery and Equipment	1,938,942	220,749	--	2,159,691
Total Capital Assets, Being Depreciated	23,103,126	756,967	--	23,860,093
Less Accumulated Depreciation For				
Buildings and System	(14,634,801)	(384,885)	--	(15,019,686)
Improvements Other Than Buildings	(80,431)	(2,681)	--	(83,112)
Machinery and Equipment	(1,604,166)	(120,094)	--	(1,724,260)
Total Accumulated Depreciation	(16,319,398)	(507,660)	--	(16,827,058)
Total Capital Assets, Being Depreciated, Net	6,783,728	249,307	--	7,033,035
Business-Type Activities Capital Assets, Net	$ 7,738,434	$ 535,228	$ --	$ 8,273,662

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

Governmental Activities	
General Government	$ 20,044
Public Safety	167,036
Public Works	394,320
Culture and Recreation	14,032
Total Depreciation Expense	$ 595,432
Business-type Activities	
Electric	$ 171,789
Gas	28,038
Water	121,480
Sewer	186,353
Total Depreciation Expense	$ 507,660

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of September 30, 2015 was as follows:

Due From / To Other Funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	$ 281,178
General Fund	Water Enterprise Fund	291,631
Nonmajor Governmental Funds	General Fund	686
Electric Enterprise Fund	General Fund	2,953,389
Gas Enterprise Fund	General Fund	58,582
Gas Enterprise Fund	Electric Enterprise Fund	26,444
Gas Enterprise Fund	Water Enterprise Fund	5,331
Water Enterprise Fund	Electric Enterprise Fund	376,143
Water Enterprise Fund	Sewer Enterprise Fund	483,244
Sewer Enterprise Fund	General Fund	1,415,799
Sewer Enterprise Fund	Electric Enterprise Fund	62,888
Sewer Enterprise Fund	Gas Enterprise Fund	91,570
Combined Public Utility System Enterprise Fund	General Fund	400
		$ 6,047,285

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 General Fund payables to the Enterprise Funds totaling $4,427,770 consist of un-reimbursed collections of payments on utility customer accounts.

The composition of interfund transfers for the year ended September 30, 2015 was as follows:

Interfund Transfers:

Transfer In	Transfer Out	Amount
General Fund	Electric Enterprise Fund	$ 1,096,075
General Fund	Gas Enterprise Fund	60,750
General Fund	Water Enterprise Fund	71,800
General Fund	Sewer Enterprise Fund	127,475
Nonmajor Governmental Funds	General Fund	249,406
		$ 1,605,506

The General Fund received annually budgeted transfers of $1,356,100 from Enterprise Funds. The General Fund transferred $232,881 to a Nonmajor Governmental Fund to finance a utilities extension project. The General Fund transferred $16,525 to a Nonmajor Governmental Fund to finance police technology expenditures. Governmental Funds transferred capital assets of $467,399 to the Water Fund and $40,963 to the Sewer Fund.

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, 2015 were as follows:

	Governmental Activities	Business-type Activities
Machinery and Equipment	$ 1,153,291	$ 113,273
Less: Accumulated Depreciation	(719,561)	(103,834)
Total	$ 433,730	$ 9,439

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2015, were as follows:

Year Ending September 30	Governmental Activities	Business-type Activities
2016	$ 230,394	$ 54,333
2017	161,208	--
2018	48,249	--
2019	21,991	--
Total Minimum Lease Payments	461,842	54,333
Less: Amounts Representing Interest	(19,632)	(1,811)
Present Value of Minimum Lease Payments	$ 442,210	$ 52,522

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, 2015 was $67,636.

On August 21, 2015, the City executed a note with the United States Department of Agriculture for the purchase of police communications equipment. The loan was in the amount of $28,600 to be repaid in five annual payments of $6,357 with interest at 3.625%. The balance at September 30, 2015 was $28,600.

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, 2015, the balance outstanding was $127,977.

Debt service requirements to maturity for the notes payable as of September 30, 2015 were as follows:

Year Ending	Governmental Activities			Business-type Activities		
September 30	Principal	Interest	Total	Principal	Interest	Total
2016	$ 23,828	$ 3,109	$ 26,937	$ 26,047	$ 4,436	$ 30,483
2017	24,679	2,258	26,937	27,060	3,423	30,483
2018	25,561	1,376	26,937	28,112	2,371	30,483
2019	16,035	535	16,570	28,980	1,503	30,483
2020	6,133	224	6,357	17,778	--	17,778
Total	$ 96,236	$ 7,502	$ 103,738	$ 127,977	$ 11,733	$ 139,710

On March 18, 2015, the City entered into a promissory note agreement with the Georgia Environmental Finance Authority (GEFA), Drinking Water State Revolving Fund, to finance a meter replacement project and other improvements. The City had not drawn any funds at September 30, 2015, but had paid $4,775 in administration fees to GEFA. The loan amount is expected to be $1,145,872 with repayment to be in monthly amounts for 20 years at 1.31% per annum. Repayment is expected to begin February 1, 2017 and the estimated monthly payment is expected to be $4,344.

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 required 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 to provide for payment in full for the property and a $165,000 reduction of principal. The note is being repaid in six annual payments of $166,667. At September 30, 2015, the balance outstanding was $500,000.

Changes in General Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2015, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	$ 196,956	$ 18,528	$ --	$ 215,484	$ --
Net Pension Liability	763,382	935,136	(1,646,642)	51,876	--
Capital Leases	537,770	108,183	(203,743)	442,210	218,118
Notes Payable	85,508	28,600	(17,872)	96,236	23,828
	$ 1,583,616	$ 1,090,447	$ (1,868,257)	$ 805,806	$ 241,946
Business-type Activities					
Compensated Absences	$ 59,042	$ --	$ (11,245)	$ 47,797	$ --
Net Pension Liability	393,283	477,945	(844,715)	26,513	--
Capital Leases	64,702	--	(12,180)	52,522	52,522
Notes Payable	153,049	--	(25,072)	127,977	26,047
	$ 670,076	$ 477,945	$ (893,212)	$ 254,809	$ 78,569
Industrial Development Authority					
Notes Payable	$ 666,667	$ --	$ (166,667)	$ 500,000	$ 166,667
	$ 666,667	$ --	$ (166,667)	$ 500,000	$ 166,667

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

H. Pensions

Defined Benefit Plan

The City sponsors a defined benefit pension plan which provides retirement 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.

Retirement benefits for regular employees are calculated as 2% of the employee's final average earnings (annual average of earnings for the 5 consecutive years of credited service preceding the participant's most recent termination in which participants earnings were the highest) multiplied by years of total credit service as an eligible regular employee. Regular employees are eligible for normal retirement benefits at age 65 with 5 years of total credited service or at age 55 with 30 years of total credited service. Normal retirement benefits for elected or appointed members of the City Council are calculated as $22 per month for each year of total credited service or major fraction thereof. Pre-retirement death benefits are payable monthly and are equal to the decreased monthly retirement benefit that would have otherwise been payable to the participant as if the 100% joint and survivor benefit had been elected.

Benefit terms provide for a variable annual cost-of-living adjustment, not to exceed 2%, in the amount of benefits being received by retired participants and beneficiaries, which shall be calculated and paid in accordance with the terms of the master plan.

At January 1, 2015, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	16
Inactive employees entitled to but not yet receiving benefits	8
Active employees	126
	150

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 contribution requirements of employees and the City are established by City ordinance. For the year ended September 30, 2015, the City's actuarially determined contribution was $376,573.

The City's net pension liability was measured as of September 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2015.

The total pension liability in the January 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.75%
Inflation	3.25%
Salary increases	3.25% plus service based merit increases

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

The actuarial assumptions used in the January 1, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2014.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	50 %	5.95 %
International Equity	15	6.45
Fixed Income	25	1.55
Real Estate	10	3.75
Cash	0	0.00

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. The long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The changes in net pension liability were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - Beginning	$ 10,527,364	$ 9,370,699	$ 1,156,665
Changes for the Year			
Service Cost	591,133		591,133
Interest	802,428		802,428
Differences Between Expected and Actual Experience	2,990		2,990
Contributions - Employer		571,236	(571,236)
Contributions - Employee		374,429	(374,429)
Net Investement Income		1,055,047	(1,055,047)
Benefit Payments	(346,903)	(346,903)	--
Administrative Expense		(16,530)	16,530
Other Changes	(490,645)	--	(490,645)
Net Changes	559,003	1,637,279	(1,078,276)
Balances - Ending	$ 11,086,367	$ 11,007,978	$ 78,389

The following changes in assumptions affected the measurement of the total pension liability:

The mortality table for disabled participants was changed to remove the two-year set-forward for males and one-year set-forward for females.

The turnover rates were updated to introduce select rates for service less than five years and to reduce the ultimate rate by 15% and to assume no turnover on the after age 55. The selected period rates were further constrained to not be less than the ultimate rates.

The retirement rates where normal retirement is only available on or after age 65 were changed from the prior assumption of 100% at age 65 to the new assumption of 60% at ages 65 to 69 and 100% at age 70. Where normal retirement is available prior to age 65, the rates were changed from the prior assumption of 100% at earliest unreduced age, but not below age 60, to the new assumption of 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70. If retirement is not available at a given age or a participant does not meet the plan's service criteria to retire at a given age, no retirement is assumed at that age.

The inflation assumption was decreased from 3.50% to 3.25%.

The salary increase assumption was changed from select period rates during the first five years of service, followed by age-related rates to an assumption based on new service-related rates. Under the prior assumption, the salary increases range from 4.00% to 11.00% and included an inflation assumption of 3.5%. Under the new assumption, the salary increases range from 3.75% to 8.00% and include an inflation assumption of 3.25%.

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Net Pension Liability	$ 1,407,255	$ 78,389	$ (1,016,287)

For the year ended September 30, 2015, the City recognized pension expense of $144,344. At September 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,490	$ --
Changes in assumptions	--	408,870
Net difference between projected and actual earnings on pension plan investments	--	245,004
Contributions subsequent to the measurement date	381,715	--
	$ 384,205	$ 653,874

Contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the subsequent year. The other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30	
2016	$ (142,527)
2017	(142,527)
2018	(142,527)
2019	(142,527)
2020	(81,276)
Thereafter	--
	$ (651,384)

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. For the year ended September 30, 2015, the City did not contribute to the plan and employee deferrals were $63,496.

I. Restricted Assets

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

	Governmental Activities
Confiscated Funds	$ 57,971
Technology Account	55,023
	$ 112,994

J. Fund Balances

The classifications of fund balances of governmental funds at September 30, 2015 were as follows:

	General	Other Governmental Funds	Total Governmental Funds
Nonspendable			
Due from Component Unit	$ 115,191	$ --	$ 115,191
	115,191	--	115,191
Restricted			
Public Safety	$ --	$ 113,172	$ 113,172
Capital Outlay	--	743,522	743,522
	--	856,694	856,694
Assigned			
Culture and Recreation	--	513,833	513,833
Capital Outlay	183,100	373,195	556,295
Other Purposes	20,867	--	20,867
	203,967	887,028	1,090,995
Unassigned, Reported In			
General Fund	5,604,905	--	5,604,905
Capital Projects Funds	--	(142,539)	(142,539)
	5,604,905	(142,539)	5,462,366
Total Fund Balances	$ 5,924,063	$ 1,601,183	$ 7,525,246

K. 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 $24,427,603 for property.

L. 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 was 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.

M. 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.

N. 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, 2015, the City paid $10,689 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

O. Restatement of Net Position

In conformity with generally accepted accounting principles, as set forth in the Governmental Accounting Standards Board (GASB) Statement of Governmental Accounting Standards No. 68, *Accounting and Financial Reporting for Pensions*, as amended, net position has been restated to record the effects of implementing the standard. This restatement affected the beginning net position of the City as follows:

	Governmental Activities	Business-type Activities
September 30, 2014 Net Position, as previously reported	$ 14,376,908	$ 20,730,390
Change in accounting principle due to implementation of GASB Statement No. 68	(1,174,777)	(610,650)
September 30, 2014 Net Position, as restated	$ 13,202,131	$ 20,119,740

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, 2015

	Budgeted Amounts		Actual	Variance With Final
	Original	Final	Amounts	Budget
REVENUES				
Taxes	$ 1,523,050	$ 1,526,275	$ 1,577,745	$ 51,470
Licenses and Permits	17,500	17,500	15,950	(1,550)
Intergovernmental	75,700	100,700	101,304	604
Charges for Services	943,275	943,900	926,953	(16,947)
Fines and Forfeitures	1,000,000	1,000,000	886,059	(113,941)
Interest Revenue	12,000	12,000	22,137	10,137
Contributions and Donations	--	1,600	1,628	28
Miscellaneous	19,000	20,825	12,695	(8,130)
Total Revenues	3,590,525	3,622,800	3,544,471	(78,329)
EXPENDITURES				
Mayor and Council	121,825	111,175	111,047	128
Elections	500	9,250	9,182	68
Administration	533,575	825,303	824,515	788
Attorney	6,600	3,000	3,000	--
Judge	26,900	29,600	29,596	4
Police	2,200,375	2,049,225	2,048,434	791
Fire	1,130,675	1,112,300	1,111,989	311
Volunteer Fire	53,775	55,225	55,105	120
Animal Control	82,375	73,400	73,083	317
Street	719,625	738,750	738,417	333
Sanitation	935,175	859,100	858,755	345
Maintenance	145,925	147,850	147,577	273
Parks	20,500	22,075	22,017	58
Inspection	14,250	13,400	13,396	4
Total Expenditures	5,992,075	6,049,653	6,046,113	3,540
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,401,550)	(2,426,853)	(2,501,642)	(74,789)
OTHER FINANCING SOURCES (USES)				
Transfers In	1,356,100	1,356,100	1,356,100	--
Proceeds of Capital Asset Dispositions	--	3,800	3,823	23
Notes Payable	--	28,600	28,600	--
Capital Leases	105,900	105,900	108,183	2,283
Total Other Financing Sources (Uses)	1,462,000	1,494,400	1,496,706	2,306
Net Change in Fund Balances	(939,550)	(932,453)	(1,004,936)	(72,483)
Fund Balances - Beginning	6,928,999	6,928,999	6,928,999	--
Fund Balances - Ending	$ 5,989,449	$ 5,996,546	$ 5,924,063	$ (72,483)

CITY OF ADEL, GEORGIA
Pension Plan
Schedule of Changes in the City's Net Pension Liability and Related Ratios
September 30, 2015

	2015
Total Pension Liability	
Service Cost	$ 591,133
Interest on Total Pension Liability	802,428
Changes of Benefit Terms	--
Differences Between Expected and Actual Experience	2,990
Changes of Assumptions	(490,645)
Benefit Payments	(346,903)
Net Change in Total Pension Liability	559,003
Total Pension Liability - Beginning	10,527,364
Total Pension Liability - Ending (a)	$ 11,086,367
Plan Fiduciary Net Position	
Contributions - Employer	$ 571,236
Contributions - Employee	374,429
Net Investment Income	1,055,047
Benefit Payments, Including Refunds of Employee Contributions	(346,903)
Administrative Expense	(16,530)
Other	--
Net Change in Plan Fiduciary Net Position	1,637,279
Plan Fiduciary Net Position - Beginning	9,370,699
Plan Fiduciary Net Position - Ending (b)	$ 11,007,978
City's Net Pension Liability - Ending (a) - (b)	$ 78,389
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.29%
Covered-Employee Payroll	$ 3,436,256
City's Net Pension Liability as a Percentage of Covered-Employee Payroll	2.28%

CITY OF ADEL, GEORGIA
Pension Plan
Schedule of City Contributions
September 30, 2015

	2015
Actuarially Determined Contribution	$ 376,573
Contributions in Relation to the Actuarially Determined Contribution	381,714
Contribution Deficiency (Excess)	$ (5,141)
Covered-Employee Payroll	$ 3,436,256
Contributions as a Percentage of Covered-Employee Payroll	11.11%

Notes to Schedule

Valuation date	January 1, 2014
Actuarial cost method	Projected unit credit
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Net effective period of 22 years
Asset valuation method	Sum of actuarial value at the beginning of the year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Investment rate of return	7.75%
Inflation	3.5%
Salary increases	3.5% plus age and service based merit increases
Cost-of-living adjustment	2%
Retirement age	Earlier of 65 with 5 years of service or 55 with 30 years of service
Mortality	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females

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	$ 111,047	$ --	$ 111,047
Elections	9,182	--	9,182
Administration	824,515	(436,810)	387,705
Attorney	3,000	--	3,000
	947,744	(436,810)	510,934
Judicial	29,596	--	29,596
Public Safety			
Police	2,048,434	(80,151)	1,968,283
Fire	1,111,989	(77,579)	1,034,410
Volunteer Fire	55,105	(165)	54,940
Animal Control	73,083	--	73,083
	3,288,611	(157,895)	3,130,716
Public Works			
Street	738,417	(24,474)	713,943
Sanitation	858,755	(75,750)	783,005
Maintenance	147,577	--	147,577
Other Public Works	--	4,200	4,200
	1,744,749	(96,024)	1,648,725
Culture and Recreation			
Parks	22,017	--	22,017
Other Culture and Recreation	--	33,800	33,800
	22,017	33,800	55,817
Housing and Development			
Inspection	13,396	--	13,396
Other Housing and Development	--	165,928	165,928
	13,396	165,928	179,324
Debt Service	--	241,595	241,595
Total Expenditures	6,046,113	(249,406)	5,796,707
OTHER FINANCING SOURCES (USES)			
Transfers Out	--	249,406	249,406
Total	$ 6,046,113	$ --	$ 6,046,113

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.

CITY OF ADEL, GEORGIA
General Fund
Balance Sheet
September 30, 2015 and 2014

	2015	2014
ASSETS		
Cash and Cash Equivalents	$ 9,586,702	$ 8,243,491
Receivables (Net of Allowance for Uncollectibles)		
Interest	4,546	6,988
Taxes	693,439	648,593
Accounts	112,021	122,956
Intergovernmental	42,437	24,650
Due from Other Funds		
Adel-Cook County Recreation Special Revenue Fund	43,799	23,786
CDBG Drainage Project Capital Projects Fund	145,078	47,028
Transportation Enhancement Capital Projects Fund	27,184	23,327
Recreation Project Capital Projects Fund	65,117	65,117
Water Enterprise Fund	291,631	44,563
Due from Component Unit	115,191	212,619
Industrial Park Capital Projects Fund	--	346,075
Total Assets	$ 11,127,145	$ 9,809,193
LIABILITIES		
Accounts Payable	$ 127,498	$ 146,831
Accrued Liabilities	52,637	51,082
Intergovernmental Payable	566	3,417
Due to Other Funds		
Confiscated Assets Special Revenue Fund	245	--
Technology Special Revenue Fund	441	76
Electric Enterprise Fund	2,953,389	915,905
Gas Enterprise Fund	58,582	295,552
Sewer Enterprise Fund	1,415,799	931,016
Combined Public Utility System Enterprise Fund	400	--
Customer Deposits	1,250	--
Total Liabilities	4,610,807	2,343,879
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Property Taxes	592,275	536,315
Total Deferred Inflows of Resources	592,275	536,315
FUND BALANCES		
Nonspendable	115,191	558,694
Assigned	203,967	203,967
Unassigned	5,604,905	6,166,338
Total Fund Balances	5,924,063	6,928,999
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 11,127,145	$ 9,809,193

CITY OF ADEL, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2015 and 2014

	2015	2014
REVENUES		
Taxes	$ 1,577,745	$ 1,593,994
Licenses and Permits	15,950	19,300
Intergovernmental	101,304	287,029
Charges for Services	926,953	935,433
Fines and Forfeitures	886,059	798,655
Interest Revenue	22,137	17,264
Contributions and Donations	1,628	2,214
Miscellaneous	12,695	23,206
Total Revenues	3,544,471	3,677,095
EXPENDITURES		
Current		
General Government	510,934	640,838
Judicial	29,596	27,465
Public Safety	3,130,716	3,611,919
Public Works	1,648,725	2,122,904
Culture and Recreation	55,817	115,305
Housing and Development	179,324	84,558
Debt Service	241,595	205,517
Total Expenditures	5,796,707	6,808,506
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,252,236)	(3,131,411)
OTHER FINANCING SOURCES (USES)		
Transfers In		
Recreation Project Capital Projects Fund	--	65,117
Electric Enterprise Fund	1,096,075	1,217,475
Gas Enterprise Fund	60,750	199,800
Water Enterprise Fund	71,800	44,475
Sewer Enterprise Fund	127,475	162,250
Combined Public Utility System Enterprise Fund	--	542
Transfers Out		
Technology Special Revenue Fund	(16,525)	(16,375)
Industrial Park Capital Projects Fund	(232,881)	--
Proceeds of Capital Asset Dispositions	3,823	6,158
Notes Payable	28,600	94,213
Capital Leases	108,183	241,710
Total Other Financing Sources (Uses)	1,247,300	2,015,365
Net Change in Fund Balances	(1,004,936)	(1,116,046)
Fund Balances - Beginning	6,928,999	8,045,045
Fund Balances - Ending	$ 5,924,063	$ 6,928,999

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.

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.

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.

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, 2015

	Special Revenue Funds			
	Confiscated Assets	Technology	Adel-Cook County Recreation	Total
ASSETS				
Cash and Cash Equivalents	$ --	$ --	$ 499,504	$ 499,504
Cash and Cash Equivalents	57,971	55,023	--	112,994
Receivables	--	--	225,477	225,477
Due from Other Funds	245	441	--	686
Total Assets	$ 58,216	$ 55,464	$ 724,981	$ 838,661
LIABILITIES				
Accounts Payable	$ 263	$ --	$ 1,899	$ 2,162
Intergovernmental Payable	245	--	--	245
Due to Other Funds	--	--	43,799	43,799
Total Liabilities	508	--	45,698	46,206
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue				
Intergovernmental	--	--	165,450	165,450
Total Deferred Inflows Of Resources	--	--	165,450	165,450
FUND BALANCES				
Restricted	57,708	55,464	--	113,172
Assigned	--	--	513,833	513,833
Unassigned	--	--	--	--
Total Fund Balances	57,708	55,464	513,833	627,005
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 58,216	$ 55,464	$ 724,981	$ 838,661

Capital Projects Funds							Total Nonmajor Governmental Funds
SPLOST	SPLOST 2010	CDBG Drainage	Transportation Enhancement	Industrial Park Project	Recreation Project	Total	
$ 347,267	$ 357,636	$ --	$ 57,500	$ --	$ 408,276	$ 1,170,679	$ 1,670,183
--	--	--	--	--	--	--	112,994
--	38,619	93,864	--	--	--	132,483	357,960
--	--	--	--	--	--	--	686
$ 347,267	$ 396,255	$ 93,864	$ 57,500	$ --	$ 408,276	$ 1,303,162	$ 2,141,823
$ --	$ --	$ 91,325	$ 280	$ --	$ --	$ 91,605	$ 93,767
--	--	--	--	--	--	--	245
--	--	145,078	27,184	--	65,117	237,379	281,178
--	--	236,403	27,464	--	65,117	328,984	375,190
--	--	--	--	--	--	--	165,450
--	--	--	--	--	--	--	165,450
347,267	396,255	--	--	--	--	743,522	856,694
--	--	--	30,036	--	343,159	373,195	887,028
--	--	(142,539)	--	--	--	(142,539)	(142,539)
347,267	396,255	(142,539)	30,036	--	343,159	974,178	1,601,183
$ 347,267	$ 396,255	$ 93,864	$ 57,500	$ --	$ 408,276	$ 1,303,162	$ 2,141,823

CITY OF ADEL, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2015

	Special Revenue Funds			
	Confiscated Assets	Technology	Adel-Cook County Recreation	Total
REVENUES				
Intergovernmental	$ --	$ --	$ 419,898	$ 419,898
Charges for Services	--	--	87,645	87,645
Fines and Forfeitures	12,446	--	--	12,446
Interest Revenue	68	--	2,815	2,883
Total Revenues	12,514	--	510,358	522,872
EXPENDITURES				
Current				
Public Safety	10,903	8,162	--	19,065
Culture and Recreation	--	--	454,533	454,533
Capital Outlay	--	--	4,458	4,458
Total Expenditures	10,903	8,162	458,991	478,056
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,611	(8,162)	51,367	44,816
OTHER FINANCING SOURCES (USES)				
Transfers In	--	16,525	--	16,525
Total Other Financing Sources (Uses)	--	16,525	--	16,525
Net Change in Fund Balances	1,611	8,363	51,367	61,341
Fund Balances - Beginning	56,097	47,101	462,466	565,664
Fund Balances - Ending	$ 57,708	$ 55,464	$ 513,833	$ 627,005

Capital Projects Funds							Total Nonmajor Governmental Funds
SPLOST	SPLOST 2010	CDBG Drainage	Transportation Enhancement	Industrial Park Project	Recreation Project	Total	
$ --	$ 229,622	$ 358,496	$ --	$ 113,194	$ --	$ 701,312	$ 1,121,210
--	--	--	--	--	--	--	87,645
--	--	--	--	--	--	--	12,446
417	579	--	--	--	2,619	3,615	6,498
417	230,201	358,496	--	113,194	2,619	704,927	1,227,799
--	--	--	--	--	--	--	19,065
--	--	--	--	--	--	--	454,533
--	236,803	472,031	4,137	--	--	712,971	717,429
--	236,803	472,031	4,137	--	--	712,971	1,191,027
417	(6,602)	(113,535)	(4,137)	113,194	2,619	(8,044)	36,772
--	--	--	--	232,881	--	232,881	249,406
--	--	--	--	232,881	--	232,881	249,406
417	(6,602)	(113,535)	(4,137)	346,075	2,619	224,837	286,178
346,850	402,857	(29,004)	34,173	(346,075)	340,540	749,341	1,315,005
$ 347,267	$ 396,255	$ (142,539)	$ 30,036	$ --	$ 343,159	$ 974,178	$ 1,601,183

CITY OF ADEL, GEORGIA
Confiscated Assets Special Revenue Fund
Balance Sheet
September 30, 2015 and 2014

	2015	2014
ASSETS		
Restricted Assets		
Cash and Cash Equivalents	$ 57,971	$ 56,097
Due from Other Funds		
General Fund	245	--
Total Assets	$ 58,216	$ 56,097
LIABILITIES		
Accounts Payable	$ 263	$ --
Intergovernmental Payable	245	--
Total Liabilities	508	--
FUND BALANCES		
Restricted	57,708	56,097
Total Fund Balances	57,708	56,097
Total Liabilities and Fund Balances	$ 58,216	$ 56,097

CITY OF ADEL, GEORGIA
Confiscated Assets Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2015 and 2014

	2015	2014
REVENUES		
Fines and Forfeitures	$ 12,446	$ 4,410
Interest Revenue	68	64
Total Revenues	12,514	4,474
EXPENDITURES		
Current		
Public Safety	10,903	1,725
Total Expenditures	10,903	1,725
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,611	2,749
Net Change in Fund Balances	1,611	2,749
Fund Balances - Beginning	56,097	53,348
Fund Balances - Ending	$ 57,708	$ 56,097

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, 2015

	Budget	Actual	Variance
REVENUES			
Fines and Forfeitures	$ --	$ 12,446	$ 12,446
Interest Revenue	--	68	68
Total Revenues	--	12,514	12,514
EXPENDITURES			
Current			
Public Safety	22,950	10,903	12,047
Total Expenditures	22,950	10,903	12,047
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,950)	1,611	24,561
Net Change in Fund Balances	(22,950)	1,611	24,561
Fund Balances - Beginning	56,097	56,097	--
Fund Balances - Ending	$ 33,147	$ 57,708	$ 24,561

CITY OF ADEL, GEORGIA
Technology Special Revenue Fund
Balance Sheet
September 30, 2015 and 2014

	2015	2014
ASSETS		
Restricted Assets		
Cash and Cash Equivalents	$ 55,023	$ 47,025
Due from Other Funds		
General Fund	441	76
Total Assets	$ 55,464	$ 47,101
FUND BALANCES		
Restricted	$ 55,464	$ 47,101
Total Fund Balances	$ 55,464	$ 47,101

CITY OF ADEL, GEORGIA
Technology Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2015 and 2014

	2015	2014
EXPENDITURES		
Current		
Public Safety	$ 8,162	$ 5,510
Total Expenditures	8,162	5,510
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,162)	(5,510)
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	16,525	16,375
Total Other Financing Sources (Uses)	16,525	16,375
Net Change in Fund Balances	8,363	10,865
Fund Balances - Beginning	47,101	36,236
Fund Balances - Ending	$ 55,464	$ 47,101

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, 2015

	Budget	Actual	Variance
EXPENDITURES			
Current			
Public Safety	$ 13,875	$ 8,162	$ 5,713
Total Expenditures	13,875	8,162	5,713
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,875)	(8,162)	5,713
OTHER FINANCING SOURCES (USES)			
Transfers In			
General Fund	13,875	16,525	2,650
Total Other Financing Sources (Uses)	13,875	16,525	2,650
Net Change in Fund Balances	--	8,363	8,363
Fund Balances - Beginning	47,101	47,101	--
Fund Balances - Ending	$ 47,101	$ 55,464	$ 8,363

CITY OF ADEL, GEORGIA
Adel-Cook County Recreation Special Revenue Fund
Balance Sheet
September 30, 2015 and 2014

	2015	2014
ASSETS		
Cash and Cash Equivalents	$ 499,504	$ 439,591
Receivables		
Interest	273	273
Intergovernmental	225,204	174,625
Total Assets	$ 724,981	$ 614,489
LIABILITIES		
Accounts Payable	$ 1,899	$ 1,899
Due to Other Funds		
General Fund	43,799	23,786
Total Liabilities	45,698	25,685
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Intergovernmental	165,450	126,338
Total Deferred Inflows of Resources	165,450	126,338
FUND BALANCES		
Assigned	513,833	462,466
Total Fund Balances	513,833	462,466
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 724,981	$ 614,489

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, 2015 and 2014

	2015	2014
REVENUES		
Intergovernmental	$ 419,898	$ 398,901
Charges for Services	87,645	90,603
Interest Revenue	2,815	2,791
Total Revenues	510,358	492,295
EXPENDITURES		
Current		
Culture and Recreation	454,533	459,272
Capital Outlay	4,458	--
Total Expenditures	458,991	459,272
Excess (Deficiency) of Revenues Over (Under) Expenditures	51,367	33,023
Net Change in Fund Balances	51,367	33,023
Fund Balances - Beginning	462,466	429,443
Fund Balances - Ending	$ 513,833	$ 462,466

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, 2015

	Budget	Actual	Variance
REVENUES			
Intergovernmental	$ 393,500	$ 419,898	$ 26,398
Charges for Services	75,000	87,645	12,645
Interest Revenue	--	2,815	2,815
Total Revenues	468,500	510,358	41,858
EXPENDITURES			
Current			
Culture and Recreation	468,500	454,533	13,967
Capital Outlay	--	4,458	(4,458)
Total Expenditures	468,500	458,991	9,509
Excess (Deficiency) of Revenues Over (Under) Expenditures	--	51,367	51,367
Net Change in Fund Balances	--	51,367	51,367
Fund Balances - Beginning	462,466	462,466	--
Fund Balances - Ending	$ 462,466	$ 513,833	$ 51,367

CITY OF ADEL, GEORGIA
SPLOST Capital Projects Fund
Balance Sheet
September 30, 2015 and 2014

	2015	2014
ASSETS		
Cash and Cash Equivalents	$ 347,267	$ 346,850
Total Assets	$ 347,267	$ 346,850
FUND BALANCES		
Restricted	$ 347,267	$ 346,850
Total Fund Balances	$ 347,267	$ 346,850

CITY OF ADEL, GEORGIA
SPLOST Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2015 and 2014

	2015	2014
REVENUES		
Interest Revenue	$ 417	$ 500
Total Revenues	417	500
EXPENDITURES		
Capital Outlay	--	142,847
Total Expenditures	--	142,847
Excess (Deficiency) of Revenues Over (Under) Expenditures	417	(142,347)
Net Change in Fund Balances	417	(142,347)
Fund Balances - Beginning	346,850	489,197
Fund Balances - Ending	$ 347,267	$ 346,850

CITY OF ADEL, GEORGIA
SPLOST 2010 Capital Projects Fund
Balance Sheet
September 30, 2015 and 2014

	2015	2014
ASSETS		
Cash and Cash Equivalents	$ 357,636	$ 364,475
Receivables		
Intergovernmental	38,619	38,382
Total Assets	$ 396,255	$ 402,857
FUND BALANCES		
Restricted	$ 396,255	$ 402,857
Total Fund Balances	$ 396,255	$ 402,857

CITY OF ADEL, GEORGIA
SPLOST 2010 Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2015 and 2014

	2015	2014
REVENUES		
Intergovernmental	$ 229,622	$ 224,012
Interest Revenue	579	474
Total Revenues	230,201	224,486
EXPENDITURES		
Capital Outlay	236,803	246,640
Total Expenditures	236,803	246,640
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,602)	(22,154)
Net Change in Fund Balances	(6,602)	(22,154)
Fund Balances - Beginning	402,857	425,011
Fund Balances - Ending	$ 396,255	$ 402,857

CITY OF ADEL, GEORGIA
CDBG Drainage Capital Projects Fund
Balance Sheet
September 30, 2015 and 2014

	2015	2014
ASSETS		
Receivables		
Intergovernmental	$ 93,864	$ --
Due from Other Funds		
Water Enterprise Fund	--	18,024
Total Assets	$ 93,864	$ 18,024
LIABILITIES		
Accounts Payable	$ 91,325	$ --
Due to Other Funds		
General Fund	145,078	47,028
Total Liabilities	236,403	47,028
FUND BALANCES		
Unassigned	(142,539)	(29,004)
Total Fund Balances	(142,539)	(29,004)
Total Liabilities and Fund Balances	$ 93,864	$ 18,024

CITY OF ADEL, GEORGIA
CDBG Drainage Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2015 and 2014

	2015	2014
REVENUES		
Intergovernmental	$ 358,496	$ --
Total Revenues	358,496	--
EXPENDITURES		
Capital Outlay		
Engineering	29,370	28,914
Flood and Drainage	434,650	--
Administration	7,500	--
Contingencies	511	--
Total Expenditures	472,031	28,914
Excess (Deficiency) of Revenues Over (Under) Expenditures	(113,535)	(28,914)
Net Change in Fund Balances	(113,535)	(28,914)
Fund Balances - Beginning	(29,004)	(90)
Fund Balances - Ending	$ (142,539)	$ (29,004)

CITY OF ADEL, GEORGIA
CDBG Drainage Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended September 30, 2015

	Project Authorization	Prior Years	Current Year	Total To Date
REVENUES				
Intergovernmental	$ 490,000	$ --	$ 358,496	$ 358,496
Total Revenues	490,000	--	358,496	358,496
EXPENDITURES				
Engineering	50,700	28,914	29,370	58,284
Flood and Drainage	438,000	--	434,650	434,650
Administration	29,400	--	7,500	7,500
Contingencies	21,900	90	511	601
Total Expenditures	540,000	29,004	472,031	501,035
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,000)	(29,004)	(113,535)	(142,539)
OTHER FINANCING SOURCES (USES)				
Transfers In				
General Fund	50,000	--	--	--
Total Other Financing Sources (Uses)	50,000	--	--	--
Net Change in Fund Balances	$ --	$ (29,004)	(113,535)	$ (142,539)
Fund Balances - Beginning			(29,004)	
Fund Balances - Ending			$ (142,539)	

CITY OF ADEL, GEORGIA
Transportation Enhancement Capital Projects Fund
Balance Sheet
September 30, 2015 and 2014

	2015	2014
ASSETS		
Cash and Cash Equivalents	$ 57,500	$ 57,500
Total Assets	$ 57,500	$ 57,500
LIABILITIES		
Accounts Payable	$ 280	$ --
Due to Other Funds		
General Fund	27,184	23,327
Total Liabilities	27,464	23,327
FUND BALANCES		
Assigned	30,036	34,173
Total Fund Balances	30,036	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, 2015 and 2014

	2015	2014
EXPENDITURES		
Capital Outlay	$ 4,137	$ --
Total Expenditures	4,137	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,137)	--
Net Change in Fund Balances	(4,137)	--
Fund Balances - Beginning	34,173	34,173
Fund Balances - Ending	$ 30,036	$ 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, 2015

	Project Authorization	Prior Years	Current Year	Total To Date
REVENUES				
Intergovernmental	$ 250,000	$ --	$ --	$ --
Total Revenues	250,000	--	--	--
EXPENDITURES				
Capital Outlay	312,500	28,327	4,137	32,464
Total Expenditures	312,500	28,327	4,137	32,464
Excess (Deficiency) of Revenues Over (Under) Expenditures	(62,500)	(28,327)	(4,137)	(32,464)
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	(4,137)	$ 30,036
Fund Balances - Beginning			34,173	
Fund Balances - Ending			$ 30,036	

CITY OF ADEL, GEORGIA
Industrial Park Project Capital Projects Fund
Balance Sheet
September 30, 2015 and 2014

	2015	2014
LIABILITIES		
Advances from Other Funds		
General Fund	$ --	$ 346,075
Total Liabilities	--	346,075
FUND BALANCES		
Unassigned	--	(346,075)
Total Fund Balances	--	(346,075)
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, 2015 and 2014

	2015	2014
REVENUES		
Intergovernmental	$ 113,194	$ 870,550
Total Revenues	113,194	870,550
EXPENDITURES		
Capital Outlay	--	1,076,369
Total Expenditures	--	1,076,369
Excess (Deficiency) of Revenues Over (Under) Expenditures	113,194	(205,819)
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	232,881	--
Transfers Out		
CDBG Osceola Steel Capital Projects Fund	--	(70,125)
Total Other Financing Sources (Uses)	232,881	(70,125)
Net Change in Fund Balances	346,075	(275,944)
Fund Balances - Beginning	(346,075)	(70,131)
Fund Balances - Ending	$ --	$ (346,075)

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, 2015

	Project Authorization	Prior Years	Current Year	Total To Date
REVENUES				
Federal Government Grants	$ 811,500	$ 615,519	$ 113,194	$ 728,713
Local Government Grants	--	260,031	--	260,031
Total Revenues	811,500	875,550	113,194	988,744
EXPENDITURES				
Capital Outlay	1,352,500	1,151,500	--	1,151,500
Total Expenditures	1,352,500	1,151,500	--	1,151,500
Excess (Deficiency) of Revenues Over (Under) Expenditures	(541,000)	(275,950)	113,194	(162,756)
OTHER FINANCING SOURCES (USES)				
Transfers In				
General Fund	541,000	--	232,881	232,881
Transfers Out				
CDBG Osceola Steel Capital Projects Fund	--	(70,125)	--	(70,125)
Total Other Financing Sources (Uses)	541,000	(70,125)	232,881	162,756
Net Change in Fund Balances	$ --	$ (346,075)	346,075	$ --
Fund Balances - Beginning			(346,075)	
Fund Balances - Ending			$ --	

CITY OF ADEL, GEORGIA
Recreation Project Capital Projects Fund
Balance Sheet
September 30, 2015 and 2014

	2015	2014
ASSETS		
Cash and Cash Equivalents	$ 408,276	$ 405,657
Total Assets	$ 408,276	$ 405,657
LIABILITIES		
Due to Other Funds		
General Fund	$ 65,117	$ 65,117
Total Liabilities	65,117	65,117
FUND BALANCES		
Assigned	343,159	340,540
Total Liabilities and Fund Balances	$ 408,276	$ 405,657

CITY OF ADEL, GEORGIA
Recreation Project Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended September 30, 2015 and 2014

	2015	2014
REVENUES		
Interest Revenue	$ 2,619	$ 1,162
Total Revenues	2,619	1,162
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,619	1,162
OTHER FINANCING SOURCES (USES)		
Transfers Out		
General Fund	--	(65,117)
Total Other Financing Sources (Uses)	--	(65,117)
Net Change in Fund Balances	2,619	(63,955)
Fund Balances - Beginning	340,540	404,495
Fund Balances - Ending	$ 343,159	$ 340,540

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, 2015 and 2014

	2015	2014
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 257,069	$ 241,861
Investments	6,400,406	5,903,497
Receivables (Net of Allowance for Uncollectibles)		
Accounts	1,072,192	1,089,444
Due from Other Funds		
General Fund	2,953,389	915,905
Gas Enterprise Fund	--	55,136
Inventories	708,382	672,982
Prepaid Items	9,269	9,450
Total Current Assets	11,400,707	8,888,275
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	39,979	39,979
Capital Assets Net of Accumulated Depreciation		
Buildings and System	4,435,021	4,435,021
Improvements Other than Buildings	64,306	64,306
Machinery and Equipment	1,175,085	985,598
Accumulated Depreciation	(4,399,907)	(4,228,117)
Total Capital Assets Net of Accumulated Depreciation	1,314,484	1,296,787
Total Noncurrent Assets	1,314,484	1,296,787
Total Assets	12,715,191	10,185,062
DEFERRED OUTFLOWS OF RESOURCES		
Pension	58,266	83,763
Total Deferred Outflows of Resources	58,266	83,763
LIABILITIES		
Current Liabilities		
Accounts Payable	753,094	796,096
Accrued Liabilities	11,563	9,624
Intergovernmental Payable	54,743	63,174
Due to Other Funds		
Gas Enterprise Fund	26,444	--
Water Enterprise Fund	376,143	345,335
Sewer Enterprise Fund	62,888	63,197
Unearned Revenue	9,080	--
Customer Deposits	371,189	370,189
Total Current Liabilities	1,665,144	1,647,615
Noncurrent Liabilities		
Compensated Absences	33,165	28,995
Net Pension Liability	11,888	170,130
Total Noncurrent Liabilities	45,053	199,125
Total Liabilities	1,710,197	1,846,740
DEFERRED INFLOWS OF RESOURCES		
Pension	99,162	--
Total Deferred Inflows of Resources	99,162	--
NET POSITION		
Net Investment in Capital Assets	1,314,484	1,296,787
Unrestricted	9,649,614	7,125,298
Total Net Position	$ 10,964,098	$ 8,422,085

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2015 and 2014

	2015	2014
OPERATING REVENUES		
Charges for Services	$ 12,795,943	$ 12,100,148
Total Operating Revenues	12,795,943	12,100,148
OPERATING EXPENSES		
Personal Services and Employee Benefits	751,731	711,650
Purchased/Contracted Services	273,826	294,970
Supplies	8,026,081	7,984,129
Depreciation	171,789	168,270
Total Operating Expenses	9,223,427	9,159,019
Operating Income (Loss)	3,572,516	2,941,129
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	99	101
Investment Earnings	59,454	22,031
Miscellaneous	--	2,900
Interest	--	(212)
Gain (Loss) on Disposition of Capital Assets	6,019	814
Total Nonoperating Revenues (Expenses)	65,572	25,634
Income (Loss) Before Contributions and Transfers	3,638,088	2,966,763
Transfers Out		
General Fund	(1,096,075)	(1,217,475)
Changes in Net Position	2,542,013	1,749,288
Net Position - Beginning, as Restated	8,422,085	6,672,797
Net Position - Ending	$ 10,964,098	$ 8,422,085

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 12,814,844	$ 12,171,080
Payments to Suppliers	(8,322,992)	(8,337,703)
Payments to Employees	(779,205)	(909,166)
Net Cash Provided (Used) by Operating Activities	3,712,647	2,924,211
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to Other Funds		
General Fund	(1,096,075)	(1,217,475)
Due from Other Funds	(2,037,484)	(644,450)
Due to Other Funds	56,943	--
Other	--	2,900
Net Cash Provided (Used) by Noncapital Financing Activities	(3,076,616)	(1,859,025)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(189,486)	(6,256)
Principal Paid on Capital Debt	--	(18,340)
Interest Paid on Capital Debt	--	(212)
Proceeds from Sales of Capital Assets	6,019	814
Net Cash Provided (Used) by Capital and Related Financing Activities	(183,467)	(23,994)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sales and Maturities of Investments	3,500,000	--
Purchase of Investments	(3,977,784)	(860,216)
Interest Received	99	101
Interest and Dividends Received	40,329	25,636
Net Cash Provided (Used) by Investing Activities	(437,356)	(834,479)
Net Increase (Decrease) in Cash and Cash Equivalents	15,208	206,713
Cash and Cash Equivalents - Beginning of Year	241,861	35,148
Cash and Cash Equivalents - End of Year	$ 257,069	$ 241,861

CITY OF ADEL, GEORGIA
Electric Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2015 and 2014

	2015	2014
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 3,572,516	$ 2,941,129
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	171,789	168,270
(Increase) Decrease in Accounts Receivable	17,252	43,145
(Increase) Decrease in Due from Other Funds	55,136	(55,136)
(Increase) Decrease in Inventories	(35,400)	5,092
(Increase) Decrease in Prepaid Items	181	(198)
(Increase) Decrease in Deferred Outflows of Resources	25,497	(29,563)
Increase (Decrease) in Accounts Payable	(43,002)	(22,047)
Increase (Decrease) in Accrued Liabilities	1,939	1,709
Increase (Decrease) in Unearned Revenue	9,080	--
Increase (Decrease) in Compensated Absences Payable	4,170	15,539
Increase (Decrease) in Intergovernmental Payables	(8,431)	4,018
Increase (Decrease) in Due to Other Funds	--	13,685
Increase (Decrease) in Customer Deposits	1,000	23,770
Increase (Decrease) in Net Pension Liability	(158,242)	(185,202)
Increase (Decrease) in Deferred Inflows of Resources	99,162	--
Net Cash Provided (Used) by Operating Activities	$ 3,712,647	$ 2,924,211
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Net Increase (Decrease) in Fair Value of Investments	$ 19,127	$ (3,604)
Transfer of Capital Assets	$ --	$ (12,000)

CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Net Position
September 30, 2015 and 2014

	2015	2014
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 118,726	$ 62,981
Receivables (Net of Allowance for Uncollectibles)		
Accounts	32,193	33,869
Due from Other Funds		
General Fund	58,582	295,552
Electric Enterprise Fund	26,444	--
Water Enterprise Fund	5,331	3,944
Inventories	33,313	32,731
Prepaid Items	2,515	2,684
Total Current Assets	277,104	431,761
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Construction in Progress	58,639	--
Capital Assets Net of Accumulated Depreciation		
Buildings and System	1,197,572	1,197,572
Machinery and Equipment	191,999	165,195
Accumulated Depreciation	(984,643)	(956,606)
Total Capital Assets Net of Accumulated Depreciation	463,567	406,161
Total Noncurrent Assets	463,567	406,161
Total Assets	740,671	837,922
DEFERRED OUTFLOWS OF RESOURCES		
Pension	21,535	29,411
Total Deferred Outflows of Resources	21,535	29,411
LIABILITIES		
Current Liabilities		
Accounts Payable	49,801	54,523
Accrued Liabilities	3,614	3,114
Intergovernmental Payable	7,505	7,618
Due to Other Funds		
Electric Enterprise Fund	--	55,136
Sewer Enterprise Fund	91,570	100,145
Customer Deposits	25,560	21,350
Total Current Liabilities	178,050	241,886
Noncurrent Liabilities		
Compensated Absences	7,033	4,896
Net Pension Liability	4,394	63,027
Total Noncurrent Liabilities	11,427	67,923
Total Liabilities	189,477	309,809
DEFERRED INFLOWS OF RESOURCES		
Pension	36,650	--
Total Deferred Inflows of Resources	36,650	--
NET POSITION		
Net Investment in Capital Assets	463,567	406,161
Unrestricted	72,512	151,363
Total Net Position	$ 536,079	$ 557,524

CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2015 and 2014

	2015	2014
OPERATING REVENUES		
Charges for Services	$ 971,466	$ 1,275,060
Total Operating Revenues	971,466	1,275,060
OPERATING EXPENSES		
Personal Services and Employee Benefits	282,807	237,129
Purchased/Contracted Services	68,227	65,284
Supplies	555,499	817,420
Depreciation	28,038	27,793
Total Operating Expenses	934,571	1,147,626
Operating Income (Loss)	36,895	127,434
NONOPERATING REVENUES (EXPENSES)		
Gain (Loss) on Disposition of Capital Assets	2,410	1,503
Total Nonoperating Revenues (Expenses)	2,410	1,503
Income (Loss) Before Contributions and Transfers	39,305	128,937
Transfers Out		
General Fund	(60,750)	(199,800)
Changes in Net Position	(21,445)	(70,863)
Net Position - Beginning, as Restated	557,524	628,387
Net Position - Ending	$ 536,079	$ 557,524

CITY OF ADEL, GEORGIA
Gas Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 977,239	$ 1,249,155
Payments to Suppliers	(683,997)	(824,386)
Payments to Employees	(294,277)	(316,551)
Net Cash Provided (Used) by Operating Activities	(1,035)	108,218
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to Other Funds		
General Fund	(60,750)	(199,800)
Due from Other Funds	209,139	90,079
Due to Other Funds	(8,575)	--
Net Cash Provided (Used) by Noncapital Financing Activities	139,814	(109,721)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(85,444)	--
Proceeds from Sales of Capital Assets	2,410	1,503
Net Cash Provided (Used) by Capital and Related Financing Activities	(83,034)	1,503
Net Increase (Decrease) in Cash and Cash Equivalents	55,745	--
Cash and Cash Equivalents - Beginning of Year	62,981	62,981
Cash and Cash Equivalents - End of Year	$ 118,726	$ 62,981
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 36,895	$ 127,434
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	28,038	27,793
(Increase) Decrease in Accounts Receivable	1,676	3,230
(Increase) Decrease in Due from Other Funds	--	6,750
(Increase) Decrease in Inventories	(582)	(913)
(Increase) Decrease in Prepaid Items	169	204
(Increase) Decrease in Deferred Outflows of Resources	7,876	(7,190)
Increase (Decrease) in Accounts Payable	(4,722)	(20,661)
Increase (Decrease) in Accrued Liabilities	500	906
Increase (Decrease) in Compensated Absences Payable	2,137	(615)
Increase (Decrease) in Intergovernmental Payables	(113)	(2,599)
Increase (Decrease) in Due to Other Funds	(55,136)	46,236
Increase (Decrease) in Customer Deposits	4,210	165
Increase (Decrease) in Net Pension Liability	(58,633)	(72,522)
Increase (Decrease) in Deferred Inflows of Resources	36,650	--
Net Cash Provided (Used) by Operating Activities	$ (1,035)	$ 108,218
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, 2015 and 2014

	2015	2014
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 87,615	$ --
Receivables (Net of Allowance for Uncollectibles)		
Accounts	46,352	51,390
Due from Other Funds		
Electric Enterprise Fund	376,143	345,335
Sewer Enterprise Fund	483,244	321,487
Inventories	80,801	79,527
Prepaid Items	5,475	5,788
Total Current Assets	1,079,630	803,527
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	5,175	5,175
Construction in Progress	285,797	58,515
Capital Assets Net of Accumulated Depreciation		
Buildings and System	6,107,997	5,640,598
Improvements Other than Buildings	10,253	10,253
Machinery and Equipment	380,395	378,166
Accumulated Depreciation	(4,375,119)	(4,253,639)
Total Capital Assets Net of Accumulated Depreciation	2,414,498	1,839,068
Total Noncurrent Assets	2,414,498	1,839,068
Total Assets	3,494,128	2,642,595
DEFERRED OUTFLOWS OF RESOURCES		
Pension	21,019	31,884
Total Deferred Outflows of Resources	21,019	31,884
LIABILITIES		
Current Liabilities		
Accounts Payable	91,256	17,834
Accrued Liabilities	3,523	2,697
Due to Other Funds		
General Fund	291,631	44,563
CDBG Drainage Project Capital Projects Fund	--	18,024
Gas Enterprise Fund	5,331	3,944
Customer Deposits	13,714	11,714
Capital Leases Payable	26,261	6,090
Total Current Liabilities	431,716	104,866
Noncurrent Liabilities		
Compensated Absences	2,020	11,248
Net Pension Liability	4,288	64,044
Capital Leases	--	26,261
Total Noncurrent Liabilities	6,308	101,553
Total Liabilities	438,024	206,419
DEFERRED INFLOWS OF RESOURCES		
Pension	35,771	--
Total Deferred Inflows of Resources	35,771	--
NET POSITION		
Net Investment in Capital Assets	2,388,237	1,806,717
Unrestricted	653,115	661,343
Total Net Position	$ 3,041,352	$ 2,468,060

CITY OF ADEL, GEORGIA
Water Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2015 and 2014

	2015	2014
OPERATING REVENUES		
Charges for Services	$ 826,319	$ 839,031
Total Operating Revenues	826,319	839,031
OPERATING EXPENSES		
Personal Services and Employee Benefits	240,790	251,932
Purchased/Contracted Services	164,649	144,893
Supplies	122,119	167,593
Depreciation	121,480	111,062
Total Operating Expenses	649,038	675,480
Operating Income (Loss)	177,281	163,551
NONOPERATING REVENUES (EXPENSES)		
Miscellaneous	1,528	--
Interest	(1,116)	(1,319)
Gain (Loss) on Disposition of Capital Assets	--	28,114
Total Nonoperating Revenues (Expenses)	412	26,795
Income (Loss) Before Contributions and Transfers	177,693	190,346
Capital Contributions	467,399	--
Transfers Out		
General Fund	(71,800)	(44,475)
Changes in Net Position	573,292	145,871
Net Position - Beginning, as Restated	2,468,060	2,322,189
Net Position - Ending	$ 3,041,352	$ 2,468,060

CITY OF ADEL, GEORGIA
Water Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 833,357	$ 835,512
Payments to Suppliers	(214,307)	(315,245)
Payments to Employees	(262,312)	(331,717)
Net Cash Provided (Used) by Operating Activities	356,738	188,550
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to Other Funds		
General Fund	(71,800)	(44,475)
Due from Other Funds	(192,565)	(157,433)
Due to Other Funds	248,455	--
Other	1,528	--
Net Cash Provided (Used) by Noncapital Financing Activities	(14,382)	(201,908)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(247,535)	(7,550)
Principal Paid on Capital Debt	(6,090)	(5,887)
Interest Paid on Capital Debt	(1,116)	(1,319)
Proceeds from Sales of Capital Assets	--	28,114
Net Cash Provided (Used) by Capital and Related Financing Activities	(254,741)	13,358
Net Increase (Decrease) in Cash and Cash Equivalents	87,615	--
Cash and Cash Equivalents - End of Year	$ 87,615	$ --
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 177,281	$ 163,551
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	121,480	111,062
(Increase) Decrease in Accounts Receivable	5,038	1,076
(Increase) Decrease in Due from Other Funds	--	(22,510)
(Increase) Decrease in Inventories	(1,274)	5,941
(Increase) Decrease in Prepaid Items	313	(197)
(Increase) Decrease in Deferred Outflows of Resources	10,865	(11,167)
Increase (Decrease) in Accounts Payable	73,422	(1,188)
Increase (Decrease) in Accrued Liabilities	826	458
Increase (Decrease) in Compensated Absences Payable	(9,228)	(209)
Increase (Decrease) in Due to Other Funds	--	8,370
Increase (Decrease) in Customer Deposits	2,000	2,230
Increase (Decrease) in Net Pension Liability	(59,756)	(68,867)
Increase (Decrease) in Deferred Inflows of Resources	35,771	--
Net Cash Provided (Used) by Operating Activities	$ 356,738	$ 188,550
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Contributions of Capital Assets from Governmental Funds	$ 467,399	$ --
Purchase of Capital Assets on Account	$ --	$ 17,882

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Net Position
September 30, 2015 and 2014

	2015	2014
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 20,895	$ 55,333
Receivables (Net of Allowance for Uncollectibles)		
Accounts	134,702	120,465
Due from Other Funds		
General Fund	1,415,799	931,016
Electric Enterprise Fund	62,888	63,197
Gas Enterprise Fund	91,570	100,145
Inventories	8,310	8,432
Prepaid Items	8,284	9,071
Total Current Assets	1,742,448	1,287,659
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	851,037	851,037
Capital Assets Net of Accumulated Depreciation		
Buildings and System	9,838,368	9,769,549
Improvements Other than Buildings	46,885	46,885
Machinery and Equipment	412,212	409,983
Accumulated Depreciation	(7,067,389)	(6,881,036)
Total Capital Assets Net of Accumulated Depreciation	4,081,113	4,196,418
Total Noncurrent Assets	4,081,113	4,196,418
Total Assets	5,823,561	5,484,077
DEFERRED OUTFLOWS OF RESOURCES		
Pension	29,130	47,246
Total Deferred Outflows of Resources	29,130	47,246
LIABILITIES		
Current Liabilities		
Accounts Payable	18,315	28,856
Accrued Liabilities	4,981	4,919
Due to Other Funds		
Water Enterprise Fund	483,244	321,487
Notes Payable	26,047	25,072
Capital Leases Payable	26,261	6,090
Total Current Liabilities	558,848	386,424
Noncurrent Liabilities		
Compensated Absences	5,579	13,903
Net Pension Liability	5,943	96,082
Notes Payable	101,930	127,977
Capital Leases	--	26,261
Total Noncurrent Liabilities	113,452	264,223
Total Liabilities	672,300	650,647
DEFERRED INFLOWS OF RESOURCES		
Pension	49,576	--
Total Deferred Inflows of Resources	49,576	--
NET POSITION		
Net Investment in Capital Assets	3,926,875	4,011,018
Unrestricted	1,203,940	869,658
Total Net Position	$ 5,130,815	$ 4,880,676

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2015 and 2014

	2015	2014
OPERATING REVENUES		
Charges for Services	$ 1,167,240	$ 1,227,742
Total Operating Revenues	1,167,240	1,227,742
OPERATING EXPENSES		
Personal Services and Employee Benefits	336,828	367,429
Purchased/Contracted Services	148,401	144,892
Supplies	152,480	160,954
Depreciation	186,353	182,842
Total Operating Expenses	824,062	856,117
Operating Income (Loss)	343,178	371,625
NONOPERATING REVENUES (EXPENSES)		
Miscellaneous	--	25,648
Interest	(6,527)	(7,668)
Gain (Loss) on Disposition of Capital Assets	--	4,764
Total Nonoperating Revenues (Expenses)	(6,527)	22,744
Income (Loss) Before Contributions and Transfers	336,651	394,369
Capital Contributions	40,963	--
Transfers Out		
General Fund	(127,475)	(162,250)
Changes in Net Position	250,139	232,119
Net Position - Beginning, as Restated	4,880,676	4,648,557
Net Position - Ending	$ 5,130,815	$ 4,880,676

CITY OF ADEL, GEORGIA
Sewer Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	$ 1,153,004	$ 1,186,343
Payments to Suppliers	(310,514)	(294,444)
Payments to Employees	(367,537)	(486,959)
Net Cash Provided (Used) by Operating Activities	474,953	404,940
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to Other Funds		
General Fund	(127,475)	(162,250)
Due from Other Funds	(475,899)	(384,618)
Due to Other Funds	161,757	157,433
Other	--	25,648
Net Cash Provided (Used) by Noncapital Financing Activities	(441,617)	(363,787)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(30,085)	(40,116)
Principal Paid on Capital Debt	(31,162)	(30,021)
Interest Paid on Capital Debt	(6,527)	(7,668)
Proceeds from Sales of Capital Assets	--	4,764
Net Cash Provided (Used) by Capital and Related Financing Activities	(67,774)	(73,041)
Net Increase (Decrease) in Cash and Cash Equivalents	(34,438)	(31,888)
Cash and Cash Equivalents - Beginning of Year	55,333	87,221
Cash and Cash Equivalents - End of Year	$ 20,895	$ 55,333
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 343,178	$ 371,625
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	186,353	182,842
(Increase) Decrease in Accounts Receivable	(14,237)	(41,399)
(Increase) Decrease in Due from Other Funds	--	8,900
(Increase) Decrease in Inventories	122	(174)
(Increase) Decrease in Prepaid Items	787	(399)
(Increase) Decrease in Deferred Outflows of Resources	18,116	(16,204)
Increase (Decrease) in Accounts Payable	(10,541)	3,075
Increase (Decrease) in Accrued Liabilities	62	922
Increase (Decrease) in Compensated Absences Payable	(8,324)	489
Increase (Decrease) in Net Pension Liability	(90,139)	(104,737)
Increase (Decrease) in Deferred Inflows of Resources	49,576	--
Net Cash Provided (Used) by Operating Activities	$ 474,953	$ 404,940
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Contributions of Capital Assets from Governmental Funds	$ 40,963	$ --

CITY OF ADEL, GEORGIA
Combined Public Utility System Enterprise Fund
Statement of Net Position
September 30, 2015 and 2014

	2015	2014
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 3,802,406	$ 3,787,161
Receivables (Net of Allowance for Uncollectibles)		
Interest	3,026	4,234
Due from Other Funds		
General Fund	400	--
Total Current Assets	3,805,832	3,791,395
Total Assets	3,805,832	3,791,395
NET POSITION		
Unrestricted	3,805,832	3,791,395
Total Net Position	$ 3,805,832	$ 3,791,395

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, 2015 and 2014

	2015	2014
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	$ 14,437	$ 9,868
Miscellaneous	--	542
Total Nonoperating Revenues (Expenses)	14,437	10,410
Income (Loss) Before Contributions and Transfers	14,437	10,410
Special Item - Impairment Loss on Capital Assets	--	(26,422)
Transfers Out		
General Fund	--	(542)
Changes in Net Position	14,437	(16,554)
Net Position - Beginning	3,791,395	3,807,949
Net Position - Ending	$ 3,805,832	$ 3,791,395

CITY OF ADEL, GEORGIA
Combined Public Utility System Enterprise Fund
Statement of Cash Flows
For the Years Ended September 30, 2015 and 2014

	2015	2014
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to Other Funds		
General Fund	$ --	$ (542)
Due from Other Funds	(400)	--
Other	--	542
Net Cash Provided (Used) by Noncapital Financing Activities	(400)	--
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	15,645	6,491
Net Cash Provided (Used) by Investing Activities	15,645	6,491
Net Increase (Decrease) in Cash and Cash Equivalents	15,245	6,491
Cash and Cash Equivalents - Beginning of Year	3,787,161	3,780,670
Cash and Cash Equivalents - End of Year	$ 3,802,406	$ 3,787,161

SUPPLEMENTAL SCHEDULES

CITY OF ADEL, GEORGIA
General Fund
Schedule of Revenues
For the Years Ended September 30, 2015 and 2014

	2015	2014
REVENUES		
Taxes		
Real Property	$ 608,334	$ 609,515
Personal Property	126,477	118,188
Real Estate Transfer (Intangible)	2,445	1,775
Franchise	104,491	154,110
General Sales and Use	206,967	201,911
Selective Sales and Use	131,347	129,288
Business		
Business and Occupation	78,988	74,628
Insurance Premium	287,580	275,149
Financial Institution	21,813	22,178
Penalties and Interest on Delinquent Taxes	9,303	7,252
	1,577,745	1,593,994
Licenses and Permits		
Business	15,950	19,300
	15,950	19,300
Intergovernmental	101,304	287,029
Charges for Services		
General Government	4,474	4,112
Public Safety	592	216
Public Works	921,887	931,105
	926,953	935,433
Fines and Forfeitures	886,059	798,655
Interest Revenue	22,137	17,264
Contributions and Donations	1,628	2,214
Miscellaneous	12,695	23,206
Total Revenues	$ 3,544,471	$ 3,677,095

CITY OF ADEL, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended September 30, 2015 and 2014

	2015	2014
EXPENDITURES		
Current		
General Government		
Mayor and Council		
Personal Services and Employee Benefits	$ 54,829	$ 54,844
Purchased/Contracted Services	53,415	58,861
Supplies	2,803	2,090
Total Mayor and Council	111,047	115,795
Elections		
Purchased/Contracted Services	9,182	11,245
Total Elections	9,182	11,245
Administration		
Personal Services and Employee Benefits	231,166	290,906
Purchased/Contracted Services	104,303	165,668
Supplies	34,271	43,221
Capital Outlay	10,029	--
Other Costs	7,936	8,003
Total Administration	387,705	507,798
Attorney		
Purchased/Contracted Services	3,000	6,000
Total Attorney	3,000	6,000
Total General Government	510,934	640,838
Judicial		
Judge		
Purchased/Contracted Services	29,596	27,465
Total Judge	29,596	27,465
Total Judicial	29,596	27,465
Public Safety		
Police		
Personal Services and Employee Benefits	1,274,590	1,479,255
Purchased/Contracted Services	109,866	103,763
Supplies	118,660	138,229
Capital Outlay	118,212	150,383
Other Costs	346,955	343,929
Total Police	1,968,283	2,215,559
Fire		
Personal Services and Employee Benefits	921,146	1,099,458
Purchased/Contracted Services	44,521	89,560
Supplies	45,598	43,189
Capital Outlay	23,145	19,243
Total Fire	1,034,410	1,251,450

CITY OF ADEL, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended September 30, 2015 and 2014

	2015	2014
Volunteer Fire		
Personal Services and Employee Benefits	53,653	52,067
Purchased/Contracted Services	941	975
Supplies	346	1,211
Total Volunteer Fire	54,940	54,253
Animal Control		
Personal Services and Employee Benefits	47,582	55,996
Purchased/Contracted Services	7,997	16,352
Supplies	17,504	18,309
Total Animal Control	73,083	90,657
Total Public Safety	3,130,716	3,611,919
Public Works		
Street		
Personal Services and Employee Benefits	275,965	358,687
Purchased/Contracted Services	177,265	210,161
Supplies	181,194	200,389
Capital Outlay	79,519	66,750
Total Street	713,943	835,987
Sanitation		
Personal Services and Employee Benefits	446,011	486,937
Purchased/Contracted Services	267,498	331,484
Supplies	52,182	71,372
Capital Outlay	10,314	211,932
Other Costs	7,000	7,000
Total Sanitation	783,005	1,108,725
Maintenance		
Personal Services and Employee Benefits	124,402	144,754
Purchased/Contracted Services	3,448	6,111
Supplies	17,498	23,127
Capital Outlay	2,229	--
Total Maintenance	147,577	173,992
Other Public Works		
Other Costs	4,200	4,200
Total Other Public Works	4,200	4,200
Total Public Works	1,648,725	2,122,904

CITY OF ADEL, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended September 30, 2015 and 2014

	2015	2014
Culture and Recreation		
Recreation		
Other Costs	--	65,117
Total Recreation	--	65,117
Parks		
Purchased/Contracted Services	6,499	3,604
Supplies	12,516	8,758
Capital Outlay	3,002	4,026
Total Parks	22,017	16,388
Other Culture and Recreation		
Other Costs	33,800	33,800
Total Other Culture and Recreation	33,800	33,800
Total Culture and Recreation	55,817	115,305
Housing and Development		
Inspection		
Purchased/Contracted Services	1,146	1,479
Supplies	--	2,330
Other Costs	12,250	12,249
Total Inspection	13,396	16,058
Other Housing and Development		
Other Costs	165,928	68,500
Total Other Housing and Development	165,928	68,500
Total Housing and Development	179,324	84,558
Debt Service	241,595	205,517
Total Expenditures	$ 5,796,707	$ 6,808,506

CITY OF ADEL, GEORGIA
Schedule of Projects Constructed with Special Sales Tax Proceeds
For the Year Ended September 30, 2015

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			848,807	--	848,807	
(3) Administrative Facilities			--	--	--	
(4) Public Safety Facilities			--	--	--	
	$ 1,431,823	$ 1,431,823	$ 1,253,763	$ --	$ 1,253,763	
SPLOST Capital Projects Fund						
Total Expenditures				$ --		
				$ --		
2010 Sales Tax Referendum	$ 1,400,000	$ 1,400,000				35%
(1) Water, Sewer and Natural Gas			$ --	$ --	$ --	
(2) Road, Streets and Bridges			246,691	236,803	483,494	
(3) Administrative Facilities			--	--	--	
(4) Public Safety Facilities			--	--	--	
	$ 1,400,000	$ 1,400,000	$ 246,691	$ 236,803	$ 483,494	
SPLOST 2010 Capital Projects Fund						
Total Expenditures				$ 236,803		
				$ 236,803		

CITY OF ADEL, GEORGIA
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2015

Federal Grantor/Pass-Through Grantor/Program Or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
Community Facilities Development Grant	10.766	10-037-5860000502	$ 25,000
Community Facilities Loan	10.766	10-037-5860000502	28,600
Total U.S. Department of Agriculture			53,600
U.S. Department of Commerce			
Pass-through Program From			
Economic Development Administration			
Public Works Program	11.300	04-01-06513PW	113,194
Total U.S. Department of Commerce			113,194
U.S. Department of Housing & Urban Development			
Pass-through Program From			
Georgia Department of Community Affairs			
Community Development Block Grant	14.228	13p-x-037-2-5597	358,495
Total U.S. Department of Housing & Urban Development			358,495
Total Expenditures of Federal Awards			$ 525,289

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, 2015, 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 June 29, 2016.

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
June 29, 2016

MEEKS CPA, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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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, 2015. 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, 2015.

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
June 29, 2016

CITY OF ADEL, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2015

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
14.228	Department of Housing and Urban Development Community Development Block Grant

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 reported

Section III - Federal Award Findings and Questioned Costs

None reported