CITY OF ALMA, GEORGIA

REPORT ON EXAMINATION

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

CITY OF ALMA, GEORGIA
JUNE 30, 2016

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor
Members of the City Council
City of Alma
Alma, Georgia 31510

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 unit, each major fund, and the aggregate remaining fund information of the City of Alma, Georgia as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents. We also have audited the aggregate nonmajor governmental funds as of and for the year ended June 30, 2016, 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 unit, each major fund, and the aggregate remaining fund information as well as the aggregate nonmajor governmental funds of the City of Alma, Georgia, as of June 30, 2016, 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 information, and pension information on pages 4 through 12 and 49 through 56 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Alma, Georgia's financial statements as a whole. The combining and individual nonmajor fund financial statements and the Schedule of Projects Constructed with Special Purpose Local Option Sales Tax Proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the Schedule of Projects Constructed with Special Purpose Local Option Sales Tax Proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and Schedule of Projects

Constructed with Special Purpose Local Option Sales Tax Proceeds 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 November 1, 2016, on our consideration of the City of Alma, 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 the City of Alma, Georgia's internal control over financial reporting and compliance.

Respectfully submitted,

BYRT CPAs, LLC

BYRT CPAs, LLC
Waycross, GA
November 1, 2016

CITY OF ALMA, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016
(UNAUDITED)

The discussion and analysis of the City of Alma's financial performance provides a narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2016. It should be read in conjunction with the accompanying financial statements and footnotes that follow this report. The City of Alma is in its ninth year of reporting within the provisions of Governmental Accounting Standards Board 34 (GASB 34).

FINANCIAL HIGHLIGHTS

- **The assets of the City of Alma exceeded its liabilities at the close of the fiscal year ending June 30, 2016 by $11,699,245 (net position).**

- **The City of Alma's total net position increased by $124,553 prior to capital contribution and prior period adjustments for the year ended June 30, 2016. Net position of the governmental activities increased $111,091 and net position of the business-type activities increased $17,830. Net Income for the governmental funds decreased from $1,478,687 to $111,091. Net Income for business-type activities decreased from a net income of $489,581 to $17,830.**

- **The unrestricted net position of the business-type activities is $1,586,975 and may be used to meet the ongoing obligations of the business-type activities.**

- **As of June 30, 2016, the City of Alma's governmental funds reported combined ending fund balances of $2,974,341, a decrease of $1,245,137 in comparison with the prior fiscal year.**

- **At the end of the current fiscal year, unassigned fund balance for the general fund was $1,382,622 or 56% of the total general fund expenditures.**

- **The City's total debt decreased by $68,174 during the current fiscal year to $5,369,344.**

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis serves as an introduction to the City of Alma's basic financial statements. The City of Alma's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Alma's finances, in a manner similar to a private-sector business. The Statement of Net Position presents information on all of the City of Alma's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Alma is improving or deteriorating. The Statement of Net Position combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Other nonfinancial factors should also be taken into consideration, such as changes in the City's property tax base and the condition of the City's infrastructure (i.e. roads, drainage improvements, storm and sewer lines, etc.), to assess the overall health or financial condition of the City.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes). Both the Statement of Net Position and the Statement of Activities are prepared utilizing the accrual basis of accounting as opposed to the modified accrual basis used in prior reporting models.

The government-wide financial statements distinguish between functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities).

In the Statement of Net Position and the Statement of Activities, the City is divided into three kinds of activities:

- **Governmental Activities - Most of the City's basic services are reported here, including the police, fire, parks and recreation, street department, and general administration. Property taxes, sales taxes and franchise fees finance most of these activities.**

- **Business type Activities - The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer system and solid waste system are reported here.**

- **Component Units - The City includes one separate legal entity in its report - Downtown Development Authority. Although legally separate, this component unit is important because the City is financially accountable for it.**

The government-wide financial statements can be found on pages 13-15 of this report.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by state law and by bond covenants. However, the City establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes,

grants and other money. The City's two kinds of funds - governmental and proprietary - utilize different accounting approaches.

- **Governmental funds - The majority of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. By comparing information presented for governmental funds with similar information presented for governmental activities in the government wide statements, readers may better understand the long-term effect of the government's near term financing decisions. The relationships or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is detailed in a reconciliation following the fund financial statements.**

  The City of Alma maintains fourteen individual government funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General fund, and the SPLOST 2012 Fund, which is considered to be a major fund. Data from the other twelve governmental funds are combined into a single, aggregated non-major fund presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The City adopts an annual operating budget for its funds. A comparison of budget to actual results for major funds is provided to demonstrate compliance with these budgets. The basic governmental funds financial statements can be found on pages 16-19.

- **Proprietary funds - The City charges customers for the services it provides. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are identical to the business type activities that are reported in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.**

  The City of Alma maintains two individual enterprise funds. The City uses enterprise funds to account for its water and sewer and solid waste. The funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer and solid waste, both of which are considered to be major funds of the City. The basic proprietary fund financial statements can be found on pages 20-24 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements on pages 25-47.

Other information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to the employees. This required supplementary information can be found on pages 49-50 of this report. Combining non-major funds statements referred to earlier can be found on pages 58-62 of this report.

THE CITY AS A WHOLE- Government-wide Financial Analysis

As noted earlier, net position may serve as a useful indicator of a government's financial position. The City's combined net position was $11,699,244 as of June 30, 2016. This analysis focuses on the net position (Table 1) and changes in general revenues (Table 2) and significant expenses of the City's governmental and business-type activities. Net position increased by $236,258 due to a small increase in all general revenues and an increase in capital assets.

By far the largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, water and sewer system, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1
Summary of Net Position
June 30, 2016

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current and Other Assets	$ 3,353,180	$ 4,650,125	2,894,390	1,864,049	$ 6,247,570	$ 6,514,174
Capital Assets	3,909,125	3,489,659	9,202,815	9,311,596	13,111,940	12,801,255
Total Assets	$ 7,262,305	$ 8,139,784	$ 12,097,205	$ 11,175,645	$19,359,510	$19,315,429
Deferred Outflows of Resources	$ 404,837	$ 325,447	$ 49,850	$ 39,767	454,687	365,214
Long-term Liabilities Outstanding	$ 23,000	$ -	$ 5,346,344	$ 5,437,519	$ 5,369,344	$ 5,437,519
Other Liabilities	2,193,989	2,291,353	384,521	386,880	2,578,510	2,678,233
Total Liabilities	$ 2,216,989	$ 2,291,353	$ 5,730,865	$ 5,824,399	$ 7,947,854	$ 8,115,752
Deferred Inflows of Resources	$ 148,655	$ 90,807	$ 18,443	$ 11,096	167,098	101,903
Net Position:						
Invested in Capital Assets, Net of Related Debt	$ 3,886,125	$ 3,489,659	$ 3,856,472	$ 3,874,078	$ 7,742,597	$ 7,363,737
Restricted	1,510,961	1,755,494	954,300	489,480	2,465,261	2,244,974
Unrestricted	(95,588)	837,918	1,586,976	1,016,358	1,491,387	1,854,276
Total Net Position	$ 5,301,498	$ 6,083,071	$ 6,397,748	$ 5,379,916	$11,699,245	$11,462,987

An additional portion of the City's net position (21%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position decreased by $362,889 to the amount of $1,491,387 and may be used to meet the government's ongoing obligations to citizens and creditors.

As of June 30, 2016, the City is able to report positive balances in all three categories of net position for the government as a whole. The governmental activities report a negative balance in its unrestricted net position in the amount of ($95,588).

Governmental Activities: Governmental activities decreased the net position by $781,673 or 13% from $6,083,071 to $5,301,498. Net position invested in capital assets, net of related debt increased by $396,466 or 11.4%.

Total revenues for governmental activities decreased from the previous year by $1,466,520 mainly due to receipt of $1,000,000 from Bacon County in the prior year for the joint SPLOST project of the treatment plant.

Business-type Activities: Net Position from business-type activities increased by $1,017,830 or 19% from $5,379,917 to $6,397,746. This was due to the Capital contribution (Debt Forgiveness) from GEFA in the amount of $4,368 and the prior period adjustment of $1,000,000, which resulted from recognizing the joint SPLOST money in the SPLOST fund in the prior year instead of the Water & Sewer fund.

Table 2
General Revenues

	2016	2015	Increase (Decrease)
Taxes	$ 1,721,356	$ 1,698,976	$ 22,380
Utility Franchise Fees	278,599	271,457	7,142
Interest Income	37,490	34,066	3,424
Total General Revenues	$ 2,037,445	$ 2,004,499	$ 32,946

Governmental and Business type activities increased the City's net position by $124,553 prior to capital contribution. The key elements of this increase are as follows:

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues:						
Charges for Services	$ 302,524	$ 558,062	$ 1,431,132	$ 1,561,335	$ 1,733,656	$ 2,119,397
Operating Grants and Contributions	49,215	46,840			49,215	46,840
Capital Grants and Contributions	382,349	1,346,201			382,349	1,346,201
General Revenues:						
Taxes	1,721,356	1,698,976			1,721,356	1,698,976
Utility Franchise Fees	278,599	271,457			278,599	271,457
Other	166,906	445,933	39,389	12,806	206,295	458,739
Total Revenues	$ 2,900,949	$ 4,367,469	$ 1,470,521	$ 1,574,141	$ 4,371,470	$ 5,941,610
Expenses:						
Administrative	$ 330,138	$ 314,232			$ 330,138	$ 314,232
Legislative	65,660	70,779			65,660	70,779
Judicial	17,843	18,877			17,843	18,877
Corrections	27,265	50,257			27,265	50,257
Public Safety	1,331,170	1,417,408			1,331,170	1,417,408
Communications/Dispatches	88,704	96,518			88,704	96,518
Code Enforcement	93,218	86,025			93,218	86,025
Emergency Medical Service	50,658	93,905			50,658	93,905
Animal Control	50,608	46,467			50,608	46,467
Street Department	432,790	374,307			432,790	374,307
Shop Mechanic	19,963	18,519			19,963	18,519
Cemetery and Parks	63,519	63,419			63,519	63,419
Community Development	308,322	286,450			308,322	286,450
Interest and Fiscal Charges	-	1,618			-	1,618
Other	-	-			-	-
Water and Sewer			1,151,931	983,018	1,151,932	983,018
Solid Waste			215,128	227,907	215,128	227,907
Total Expenses	$ 2,879,858	$ 2,938,781	$ 1,367,059	$ 1,210,926	$ 4,246,917	$ 4,149,707
Increase in Net Position Before Transfers	21,091	1,428,688	103,462	363,216	124,553	1,791,904
Transfers	90,000	50,000	(90,000)	(50,000)	-	-
Capital contributions	-	-	4,368	176,364	4,368	176,364
Increase in Net Position	111,091	1,478,688	17,830	489,580	128,921	1,968,268
Net Position, July 1	6,083,072	6,641,546	5,379,916	5,139,258	11,462,988	11,780,804
Prior Period Adjustment	(892,665)	(2,037,162)	1,000,000	(248,922)	107,335	(2,286,084)
Net Position, June 30	$ 5,301,498	$ 6,083,072	$ 6,397,746	$ 5,379,916	$ 11,699,244	$ 11,462,988

The most significant governmental expense for the City was in providing for public safety, which incurred expenses of $1,260,398. The components of public safety are police and fire. Police accounted for $870,052 in public safety expense of which $690,153 was incurred for salary and benefits. Fire accounted for $390,346 in public safety expense, of which $298,132 was incurred for salary and benefits. Expenses for the Fire Department are included in Bacon County's budget beginning October, 2014. The City of Alma reimburses Bacon County for their share of expenses.

Business-type Activities

- **Revenues (operating and non-operating) of the City's business-type activities were $1,470,521 for the fiscal year ending June 30, 2016. Expenses (operating and non-operating) for the City's business-type activities were $1,367,059 for the year, resulting in net increase of $103,462. Water and sewer revenue billings decreased $103,620 from the prior year. This decrease resulted from the receipt of the SBA Grant funds in the prior year, which made revenue higher in the prior year than an average year.**

Capital Assets

At the end of the fiscal year 2016, the City had $13,111,941 invested in a broad range of capital assets, including police equipment, buildings, park facilities, roads, bridges, water and sewer treatment plant and water and sewer lines (See Table 4 below). This amount represents a net increase (including additions and deductions) of $310,685 or 2% over the prior fiscal year.

Table 4
Capital Assets at Year End
(Net of Accumulated Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	$ 263,640	$ 263,640	$ 1,067,999	$ 1,067,999	$ 1,331,639	$ 1,331,639
Construction in Progress	166,154	603,414	33,506	6,608,685	199,660	7,212,099
Buildings and Improvements	986,671	1,026,716	6,587,388	-	7,574,059	1,026,716
Equipment	738,400	404,516	67,886	98,940	806,286	503,456
Infrastructure	1,754,260	1,191,373	-	-	1,754,260	1,191,373
Water and Sewer System	-	-	1,446,037	1,535,973	1,446,037	1,535,973
Totals	$ 3,909,125	$ 3,489,659	$ 9,202,816	$ 9,311,597	$13,111,941	$12,801,256

Additional information on the City of Alma's capital assets can be found in note 3 on pages 33-34 of this report.

Major capital events during the fiscal year included the following:

Construction of new Shop for $120,162 paid for with SPLOST funds. This remains in Construction in Progress at 6/30/16.

Purchase of street sweeper for $163,988 paid for with SPLOST funds.

Purchase of several new and used police vehicles in the amount of $96,960 paid for with SPLOST funds.

Construction of an Animal Shelter for $45,992 paid for with money received in the General Fund as a donation. This remains in Construction in Progress at 6/30/16.

Several infrastructure improvements and resurfacing in the amount $132,386 paid for by SPLOST money and the LMIG grant funds.

Water and sewer improvements in the amount of $123,671 paid for by the water and sewer department.

The new water treatment plant in the amount of $6,628,818 paid for by GEFA funds and other grant funds was placed into service during the 6/30/16 fiscal year.

Debt Administration

At year-end, the City had $5,369,344 in debt outstanding as compared to $5,437,517 at the end of the prior fiscal year, a decrease of 1.3% as shown in Table 5.

Table 5
Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Notes Payable	$ 23,000	$ -	$5,346,344	$5,437,517	$5,369,344	$5,437,517
Capital Lease	-	-	-	-	-	-
Totals	$ 23,000	$ -	$5,346,344	$5,437,517	$5,369,344	$5,437,517

The City entered into a USDA loan in the amount of $23,000 for the purchase of a police car during the year ended June 30, 2016.

The City entered into GEFA loan agreement for the construction of the Water Treatment Plant during the year ended June 30, 2016. After all draws and disbursements on the loan, the total amount to be repaid is $5,346,344.

Additional information on the City of Alma's long-term debt can be found in Footnote 4 on page 35 of this report.

THE CITY'S FUNDS

At the close of the City's fiscal year on June 30, 2016, the governmental funds of the City reported a combined fund balance of $2,974,341. This ending balance includes an increase in fund balance of $50,753 in the City's General Fund. The primary reason for the General Fund's increase was due to overall increases in revenues and decreases in expenditures.

General Fund Budgetary Highlights

For FY 2015-16, actual expenditures on a budgetary basis were $2,453,931 as compared to the budget amount of $2,504,299. The positive variance was due to decreased expenditures in several departments, including: Executive/Legislative, Corrections Department, Police Department, Animal Control, and Insurance.

For FY 2015-16, actual revenues on a budgetary basis were $2,410,491 as compared to the budget amount of $2,257,039. The majority of the positive variance was due to an increase in the general property taxes received and unbudgeted contributions received.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's elected and appointed officials considered many factors when setting the fiscal year 2017 budget, tax rates, and fees that will be charged for the business-type activities. Sales tax, Alma's second largest revenue source, decreased by $16,707 and property taxes, the largest revenue source, increased by $57,596. These indicators were taken into account when adopting the General Fund budget for fiscal year 2017. The total 2016-17 general fund budget appropriation is $2,433,839, which represents a decrease from the 2015-16 budget. The General Fund's largest single revenue source is property taxes. The property tax rate for FY 2017 is 11.542 mills. Of this tax rate, 100% is utilized for General Fund activities. The General Fund's portion of property tax revenue for FY 2017 is estimated to be $790,000. The City and County receive 1% of the sales tax collected. The City's portion of the sales tax collected is 32%. Sales tax revenue for FY 2017 is budgeted at $460,000.

One of the two largest 2017 revenue sources for the water and sewer fund is water charges, estimated at $530,000. The rate for FY 2017 is $5 per 1,000 gallons for the first 2,000 gallons and ranges in price from $2.10 to $2.50 for each 5,000 gallons thereafter. This incorporates the cost of raw water treatment, distribution and maintenance costs. This rate was changed in June 2009. The other largest revenue source for the water and sewer fund is sewer charges, estimated at $500,000. The sewer usage is charged at the same rates as water sales. The solid waste fund's largest revenue source is billing for trash collection, estimated at $251,335 for FY 2017.

CONTACTING THE CITY'S FINANCIAL MANANGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Manager's Office at the City of Alma, P. O. Box 429, Alma, GA 31510 or call (912) 632-8072.

CITY OF ALMA, GEORGIA
STATEMENT OF NET POSITION
AS OF JUNE 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and Cash Equivalents	$ 2,229,110	$ 1,454,796	$ 3,683,906	$ 15,892
Notes Receivable	916,779	-	916,779	-
Receivables				
Taxes	81,750	-	81,750	-
Trade Accounts	-	107,220	107,220	-
Accrued Interest	-	-	-	-
Other	28,345	-	28,345	-
Internal Balances	(198,038)	198,038	-	-
Due from Other Governments	139,541	-	139,541	-
Inventory of Supplies, at cost	-	73,872	73,872	-
Prepaid Expenses	79,231	32,083	111,314	-
Investments	76,462	74,081	150,543	-
Restricted Assets		-		
Capital Construction		-		
Cash and Cash Equivalents	-	663,835	663,835	-
Investments	-	290,465	290,465	-
Capital Assets				
Land	263,640	1,067,999	1,331,639	-
Construction in Progress	166,154	33,506	199,660	-
Buildings and Improvements	2,679,874	6,628,818	9,308,692	-
Water and Sewer System	-	7,358,274	7,358,274	-
Machinery and Equipment	3,654,417	1,012,699	4,667,116	-
Infrastructure	2,278,259	-	2,278,259	-
Accumulated Depreciation	(5,133,219)	(6,898,481)	(12,031,700)	-
Total Assets	$ 7,262,305	$ 12,097,205	$ 19,359,510	$ 15,892
Deferred Outflows of Resources	404,837	49,850	454,687	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 7,667,142	$ 12,147,055	$ 19,814,197	$ 15,892

See accompanying notes to basic financial statements.

CITY OF ALMA, GEORGIA
STATEMENT OF NET POSITION
AS OF JUNE 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES				
Accounts Payable	$ 46,863	$ 47,751	$ 94,614	$ -
Accrued Expenses	43,491	11,756	55,247	-
Payable from Restricted Assets				
Accrued Interest			-	-
Revenue Bonds Payable, Current			-	-
Customer Deposits	-	68,876	68,876	-
Due to Other Governments	4,154	-	4,154	-
Unavailable Revenue				
Other	-	-	-	-
Non-current Liabilities				
Due Within One Year				
General Obligation Debt	-	-	-	-
Accrued Compensated Balances	-	-	-	-
Notes Payable	4,452	241,321	245,773	-
Capital Lease Payable	-	-	-	-
Net Pension Liability	2,099,481	256,138	2,355,619	-
Due in More Than One Year				
Notes Payable	18,548	5,105,023	5,123,571	-
Capital Lease Payable	-	-	-	-
General Obligation Debt	-	-	-	-
Accrued Compensated Absences	-	-	-	-
Revenue Bonds Payable	-	-	-	-
Total Liabilities	2,216,989	5,730,865	7,947,854	-
Deferred Inflows of Resources	148,655	18,443	167,098	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	$ 2,365,644	$ 5,749,308	$ 8,114,952	$ -
NET POSITION				
Net Investment in Capital Assets	$ 3,886,125	$ 3,856,472	$ 7,742,597	$ -
Restricted for				
Capital Projects	323,011	954,300	1,277,311	-
Other Fund Activities	1,187,950	-	1,187,950	-
Unrestricted (Deficit)	(95,588)	1,586,976	1,491,388	15,892
Total Net Position	$ 5,301,498	$ 6,397,748	$ 11,699,246	$ 15,892
TOTAL LIABILITIES DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 7,667,142	$ 12,147,056	$ 19,814,198	$ 15,892

See accompanying notes to basic financial statements.

CITY OF ALMA, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

Functions/Programs	Expenses	Program Revenues: Fees, Fines and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net(Expenses) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Total Component Units
Primary Government:								
Governmental Activities:								
Administrative	$ 330,138	$ -	$ -	$ 20	$ (330,118)	$ -	$ (330,118)	$ -
Legislative	65,660	-	-	-	(65,660)	-	(65,660)	-
Judicial	17,843	-	-	-	(17,843)	-	(17,843)	-
Corrections	27,265	-	-	-	(27,265)	-	(27,265)	-
Public Safety	1,331,170	214,558	4,820	117,372	(994,420)	-	(994,420)	-
Communications/Dispatchers	88,704	-	-	-	(88,704)	-	(88,704)	-
Code Enforcement	93,218	4,838	-	-	(88,380)	-	(88,380)	-
Emergency Medical Service	50,658	-	-	-	(50,658)	-	(50,658)	-
Animal Control	50,608	-	-	39,809	(10,799)	-	(10,799)	-
Street Department	432,790	-	44,395	179,548	(208,847)	-	(208,847)	-
Shop Mechanic	19,963	-	-	-	(19,963)	-	(19,963)	-
Cemetery and Parks	63,519	1,800	-	-	(61,719)	-	(61,719)	-
Community Development	308,322	81,328	-	45,600	(181,394)	-	(181,394)	-
Interest and fiscal Charges	-	-	-	-	-	-	-	-
Total Governmental Activities	$ 2,879,858	$ 302,524	$ 49,215	$ 382,349	$ (2,145,770)	$ -	$ (2,145,770)	$ -
Business-type Activities:								
Water and sewer	$ 1,151,931	$ 1,174,265	$ -	$ 4,368	$ -	$ 26,702	$ 26,702	
Solid Waste	215,128	$ 256,867	-	-	-	41,739	41,739	
Total Business-Type Activities	$ 1,367,059	$ 1,431,132	$ -	$ 4,368	$ -	$ 68,441	$ 68,441	$ -
Total Primary Government	$ 4,246,917	$ 1,733,656	$ 49,215	$ 386,717	$ (2,145,770)	$ 68,441	$ (2,077,329)	$ -
Downtown Development Authority, Inc								$ -
Total Component Units	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	General Revenues:							
	Taxes:							
	Property Taxes				$ 817,806	$ -	$ 817,806	$ -
	Sales Taxes				448,611	-	448,611	-
	Utility franchise fees				278,599	-	278,599	-
	Insurance Premium Taxes				200,058	-	200,058	-
	Other Taxes				254,881	-	254,881	-
	Interest				37,490	589	38,079	-
	Other				129,416	38,799	168,215	-
	Transfers(net)				90,000	(90,000)	-	-
	Total general revenues and transfers				$ 2,256,861	$ (50,612)	$ 2,206,249	$ -
	Change in net position				$ 111,091	$ 17,829	$ 128,920	$ -
	Net position at beginning of year				6,083,072	5,379,917	11,462,989	15,892
	Prior period adjustment				(892,665)	1,000,000	107,335	-
	Net position at end of year				$ 5,301,498	$ 6,397,746	$ 11,699,244	$ 15,892

See accompanying notes to basic financial statements.

CITY OF ALMA, GEORGIA
BALANCE SHEET
AS OF JUNE 30, 2016

	General	SPLOST 2012	Other Nonmajor Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	$ 1,528,785	$ 87,663	$ 612,662	$ 2,229,110
Note Receivable	-	-	916,779	916,779
Receivables (net of Allowance				
for uncollectibles)				
Taxes	81,750	-	-	81,750
Franchise Fees	-	-	-	-
Other	26,027	-	2,318	28,345
Accrued Interest	-	-	-	-
Investments	-	-	76,462	76,462
Due from Other Funds	1,527	-	-	1,527
Due from Other Governments	82,927	56,614	-	139,541
Prepaid Insurance	79,231	-	-	79,231
Inventory of Supplies, at cost	-	-	-	-
Total Assets	$ 1,800,247	$ 144,277	$ 1,608,221	$ 3,552,745
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	$ 44,916	$ -	$ 1,947	$ 46,863
Accrued Liabilities	42,768	-	723	43,491
Due to Other Funds	198,038	-	1,527	199,565
Due to Other Governments	4,118	-	36	4,154
Total Liabilities	$ 289,840	$ -	$ 4,233	$ 294,073
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	47,027	-	237,304	284,331
Total deferred inflows of resources	$ 47,027	$ -	$ 237,304	$ 284,331
Fund Balances				
Nonspendable	$ 80,758	$ -	$ -	$ 80,758
Restricted	-	144,277	1,239,357	1,383,634
Committed	-	-	-	-
Assigned	-	-	127,327	127,327
Unassigned	1,382,622	-	-	1,382,622
Total Fund Balances	$ 1,463,380	$ 144,277	$ 1,366,684	$ 2,974,341
Total Liabilities, Deferred Inflow of Resources and Fund Balances	$ 1,800,247	$ 144,277	$ 1,608,221	$ 3,552,745

See accompanying notes to basic financial statements.

CITY OF ALMA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

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

Total fund balance per balance sheet	**2,974,341**
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation of $5,133,219	**3,909,125**
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Property Taxes	**284,331**
Deferred Outflows of Resources related to pensions	**404,837**
	689,168
Other long-term liabilities are not payable in the current period and, therefore, are deferred in the funds	
Deferred Inflows or Resources related to pensions	**(148,655)**
	(148,655)
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds.	
Net Pension Liability	**(2,099,481)**
Notes Payable	**(23,000)**
	(2,122,481)
Net position of governmental activities	**5,301,498**

See accompanying notes to basic financial statements.

CITY OF ALMA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	General	SPLOST 2012	Other Nonmajor Funds	Total Governmental Funds
REVENUES				
Taxes	$ 2,021,240	$ -	$ -	$ 2,021,240
Licenses and permits	96,436	-	-	96,436
Fines and forfeitures	136,311	-	29,288	165,599
Service charges	47,860	-	-	47,860
Interest revenue	-	-	37,872	37,872
Intergovernmental revenues	-	296,643	-	296,643
Grants	49,215	-	25,000	74,215
Other	59,429	-	139,002	198,431
Total Revenues	$ 2,410,491	$ 296,643	$ 231,162	$ 2,938,296
EXPENDITURES				
Current				
Administrative	$ 283,964	$ -	$ 92	$ 284,056
Legislative	68,461	-	-	68,461
Judicial	17,843	-	-	17,843
Corrections	27,265	-	-	27,265
Police	824,279	39,444	6,329	870,052
Communications/Dispatchers	88,704	-	-	88,704
Fire	298,232	92,114	-	390,346
Code Enforcement	81,073	-	-	81,073
Emergency Medical Service	49,847	-	5,000	54,847
Animal Control	44,166	-	-	44,166
Streets	356,268	1,144	11,872	369,284
Shop Mechanic	16,712	-	-	16,712
Cemetery and Parks	53,174	-	-	53,174
Community Plans and Development	151,484	-	94,825	246,309
Rehabilitation	-	-	-	-
Other	-	-	11,796	11,796
Bad Debt Expense	-	-	-	-
Capital Outlay	92,459	332,768	247,116	672,343
Debt Service				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	$ 2,453,931	$ 465,470	$ 377,030	$ 3,296,431
Excess (deficiency) of revenues over (under) expenditures	$ (43,440)	$ (168,827)	$ (145,868)	$ (358,135)
OTHER FINANCING SOURCES (USES)				
Debt Proceeds	$ -	$ -	$ 23,000	$ 23,000
Transfers in	94,193	-	-	94,193
Transfers out	-	-	(4,194)	(4,194)
Total Other Financing Sources and Uses	$ 94,193	$ -	$ 18,806	$ 112,999
Net Change in Fund Balances	50,753	(168,827)	(127,062)	(245,136)
Fund Balances, July 1	1,412,627	1,313,105	1,493,746	4,219,478
Prior Period Adjustment	-	(1,000,000)	-	(1,000,000)
Fund Balances, June 30	$ 1,463,380	$ 144,278	$ 1,366,684	$ 2,974,342

See accompanying notes to basic financial statements.

CITY OF ALMA, 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 JUNE 30, 2016

Net change in fund balances-total governmental funds	$ (245,136)
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
Capital asset purchase capitalized	672,343
Depreciation expense	(360,215)
	312,128
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
Long-term receivables, net of deferred revenue	(37,344)
	(37,344)
Loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.	
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:	
Loan proceeds	(23,000)
Loan principal payments	-
	(23,000)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Pension Liability Adjustments	104,443
	104,443
Change in Net Position of Governmental Activities	$ 111,091

See accompanying notes to basic financial statements.

CITY OF ALMA, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2016

	Business-type Activities Enterprise Funds		
	Water and Sewer	Solid Waste	Total
ASSETS			
Current Assets			
Cash and cash equivalents	$ 1,214,102	$ 240,694	$ 1,454,796
Receivables (net of allowances for uncollectibles)			
Trade accounts	91,960	15,260	107,220
Accrued Interest	-	-	-
Unbilled trade accounts		-	-
Other		-	-
Due from other funds	198,038	44,397	242,435
Prepaid Insurance	27,765	4,318	32,083
Inventory of supplies, at cost	73,872	-	73,872
Investments	12,283	61,798	74,081
Total Current Assets	$ 1,618,020	$ 366,467	$ 1,984,487
Non-Current Assets			
Restricted Assets			
Capital construction investments			
Cash and cash equivalents	$ 663,835	$ -	$ 663,835
Investments	290,465	-	290,465
Total Restricted Assets	$ 954,300	$ -	$ 954,300
Capital Assets			
Land	$ 1,051,017	$ 16,982	$ 1,067,999
Construction in Progress	33,506	-	33,506
Water Treatment Plant	6,628,818	-	6,628,818
Water and sewer system	7,358,274	-	7,358,274
Machinery and equipment	495,147	517,552	1,012,699
Accumulated Depreciation	(6,432,481)	(466,000)	(6,898,481)
Total Capital Assets Net of Accumulated Depreciation	$ 9,134,281	$ 68,534	$ 9,202,815
Total Noncurrent Assets	10,088,581	68,534	10,157,115
Total Assets	$ 11,706,601	$ 435,001	$ 12,141,602
Deferred Outflows of Resources	48,181	1,669	49,850
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 11,754,782	$ 436,670	$ 12,191,452

See accompanying notes to basic financial statements.

CITY OF ALMA, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2016

	Business-type Activities Enterprise Funds		
	Water and Sewer	Solid Waste	Total
LIABILITIES			
Current Liabilities			
Accounts payable	$ 35,408	$ 12,343	$ 47,751
Accrued expenses	10,496	1,260	11,756
Due to other funds	44,397	-	44,397
Current portion of capital lease	241,321	-	241,321
Total Current Liabilities	$ 331,622	$ 13,603	$ 345,225
Current Liabilities Payable From Restricted Assets			
Customer deposits	$ 68,876	$ -	$ 68,876
Total Current Liabilities Payable From Restricted Assets	$ 68,876		$ 68,876
Total Current Liabilities	$ 400,498	$ 13,603	$ 414,101
Noncurrent Liabilities			
Notes payable	$ -	$ -	$ -
Capital lease payable	5,105,023	-	5,105,023
Net Pension Liability	250,053	6,085	256,138
Total Noncurrent Liabilities	$ 5,355,076	$ 6,085	$ 5,361,161
Total Liabilities	$ 5,755,574	$ 19,688	$ 5,775,262
Deferred Inflows of Resources	17,681	762	18,443
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	$ 5,773,255	$ 20,450	$ 5,793,705
NET POSITION			
Net Investment in capital assets	$ 3,787,938	$ 68,534	$ 3,856,472
Restricted for capital projects	954,300	-	954,300
Unrestricted (Deficit)	1,239,289	347,686	1,586,975
Total Net Position	$ 5,981,527	$ 416,220	$ 6,397,747
TOTAL LIABILITIES DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 11,754,782	$ 436,671	$ 12,191,452

See accompanying notes to basic financial statements.

CITY OF ALMA, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Business-type Activities Enterprise Funds		
	Water and Sewer	Solid Waste	Total
OPERATING REVENUES			
Water Billings	$ 575,381	$ -	$ 575,381
Sewer Billings	576,025	-	576,025
Water Connections	1,430	-	1,430
Sewer Connections	1,160	-	1,160
Grants	-	-	-
Miscellaneous	20,269	-	20,269
Solid Waste Fee	-	256,867	256,867
Franchise Fee	-	18,500	18,500
Total Operating Revenues	$ 1,174,265	$ 275,367	$ 1,449,632
EXPENSES			
Salaries and Wages	$ 245,542	$ 26,716	$ 272,258
Group Insurance	45,040	5,691	50,731
Payroll Taxes	18,144	1,904	20,048
Retirement	29,072	2,034	31,106
Workers Compensation	6,577	1,601	8,178
Professional Services	71,253	11,200	82,453
Repairs and Maintenance - Equipment	56,582	3,287	59,869
Repairs and Maintenance - Vehicles	2,491	1,096	3,587
Insurance	24,735	4,876	29,611
Communications	2,160	-	2,160
Advertising	542	340	882
Travel and Training	1,312	-	1,312
Books, Subscriptions, and Dues	10,812	100	10,912
Contracted Services	13,167	140,267	153,434
Operating Supplies	89,900	241	90,141
Office Supplies	5,614	323	5,937
Utilities	197,571	-	197,571
Gas, Oil, Fuel	10,290	3,072	13,362
Small Tools and Minor Equipment	-	-	-
Claims and Damages	1,400	-	1,400
Uniforms	1,023	212	1,235
Depreciation	239,339	12,168	251,507
Bad Debt	170	-	170
Miscellaneous	2,956	-	2,956
Total Operating Expense	$ 1,075,692	$ 215,128	$ 1,290,820
Operating Income (Loss)	$ 98,573	$ 60,239	$ 158,812
Nonoperating Revenue (Expenses)			
Investment Interest Earned	$ 404	$ 185	$ 589
Income from Other Sources	6,476	-	6,476
Interest Expense	(76,239)	-	(76,239)
Gain on Sale of Capital Assets	13,823	-	13,823
Total Nonoperating Revenue (Expense)	$ (55,536)	$ 185	$ (55,351)
Income before contributions	$ 43,037	$ 60,424	$ 103,461
Capital contributions	4,368	-	4,368
Income (Loss) before Transfers	$ 47,405	$ 60,424	$ 107,829
Transfers In	-	-	-
Transfers Out	(45,000)	(45,000)	(90,000)
Change in Net Position	$ 2,405	$ 15,424	$ 17,829
Total Net Position, July 1	4,979,122	400,795	5,379,917
Prior Period Adjustment	1,000,000	-	1,000,000
Total Net Position, June 30	$ 5,981,527	$ 416,219	$ 6,397,746

See accompanying notes to basic financial statements

CITY OF ALMA, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Business-type Activities Enterprise Funds		
	Water and Sewer Fund	Solid Waste Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 1,098,948	$ 270,820	$ 1,369,768
Payments to Suppliers	(492,657)	(148,105)	(640,762)
Payments to employees	(349,208)	(37,162)	(386,370)
Receipts of customer deposits	4,881	-	4,881
Refunds of customer deposits	-	-	-
Net cash provided (used) by operating activities	$ 261,964	$ 85,553	$ 347,517
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Operating subsidies and transfers to other funds	$ (45,000)	$ (45,000)	$ (90,000)
Income from other sources	6,475	-	6,475
Transfers to/from Other Funds	-	-	-
Net cash provided (used) by Noncapital Financing Activities	$ (38,525)	$ (45,000)	$ (83,525)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of capital assets	$ 14,900	$ -	$ 14,900
Purchases of capital assets	(143,803)	-	(143,803)
Principal paid on capital debt	(139,219)	-	(139,219)
Interest paid on capital debt	(76,239)	-	(76,239)
Proceeds from capital debt	52,413	-	52,413
Transfers to/from Other Funds	1,000,000	-	1,000,000
Rental Income	-	-	-
Net cash provided (used) by capital and related financing activities	$ 708,052	$ -	$ 708,052
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales and maturities of investments	$ -	$ -	$ -
Purchase of investments	-	-	-
Interest and dividends	-	-	-
Net cash provided (used) by investing activities	$ -	$ -	$ -
Net increase (decrease) in cash and cash equivalents	$ 931,491	$ 40,553	$ 972,044
Balances-beginning of year	946,446	200,140	1,146,586
Balances-end of year	$ 1,877,937	$ 240,693	$ 2,118,630
Cash	$ 1,214,102	$ 240,693	$ 1,454,795
Restricted cash	663,835	-	663,835
Total cash and cash equivalents, end of year	$ 1,877,937	$ 240,693	$ 2,118,630
City of Alma engaged in the following significant non-cash activity during the year:			
Capital Contribution			$ 4,368

See accompanying notes to basic financial statements

CITY OF ALMA, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Business-type Activities Enterprise Funds		
	Water and Sewer Fund	Solid Waste Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	$ 98,573	$ 60,239	$ 158,812
Adjustments to reconcile operating income to net cash provided (used) by operating activities			
Depreciation expense	239,339	12,168	251,507
Expenses paid by other funds, reported as transfers in	-	-	-
Bad Debt	-	-	-
Change in assets and liabilities			
Receivables, net	(75,317)	(4,546)	(79,863)
Other Receivables	-	19,363	19,363
Prepaid Insurance	(6,655)	(203)	(6,858)
Deferred Outflows	(9,424)	(659)	(10,083)
Inventories	9,650	-	9,650
Accounts and other payables	2,902	(651)	2,251
Customer deposits payable	4,881	-	4,881
Accrued expenses	989	50	1,039
Deferred Inflows	6,867	480	7,347
Net Pension Liability	(9,841)	(688)	(10,529)
Net cash provided by operating activities	$ 261,964	$ 85,553	$ 347,517

See accompanying notes to basic financial statements.

1. Summary of Significant Accounting Policies

The City of Alma, Georgia was incorporated in 1906. The City operates under a Mayor-Council-Manager form of government.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The more significant accounting policies of the City are described below.

A. Reporting Entity

The financial statements of the reporting entity include those of the City of Alma, Georgia (the primary government) and its component units.

In conformity with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards No. 14, The Financial Reporting Entity, the financial statements of the component unit have been included as a discretely presented component unit. The fiscal year end of the component unit is June 30, 2016, which is the same fiscal year end as the City of Alma, Georgia. Financial information of the component unit is reported in a column separate from the City's financial information to emphasize that it is legally separate from the City. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- **The organization is legally separate (can sue and be sued in its own name)**
- **The City holds the corporate powers of the organization**
- **The City appoints a voting majority of the organization's board**
- **The City is able to impose its will on the organization**
- **The organization has the potential to impose a financial benefit\burden on the City**
- **There is a fiscal dependency by the organization on the City**

Based on GASB criteria, The Downtown Development Authority qualifies as a discretely presented component unit.

Complete financial statements of the included component unit may be obtained from Kenny Wade, Chairman, City of Alma Downtown Development Authority, City Hall, Alma, Georgia 31510.

Related Organization - The City of Alma City Council appoints the members of the Alma Housing Authority board, but the City's accountability for this organization does not extend beyond making the appointments. Therefore based upon the criteria above, the Housing Authority of the City of Alma is a related organization.

B. Basis of Presentation

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services.

Generally, the effect of interfund activity has been removed from the government-wide financial statements. Net interfund activity and balances between governmental activities and business-type activities are shown in the government-wide financial statements. The "doubling up" effect of internal service fund activity has been eliminated from the government-wide financial statements with the expenses shown in the various functions and programs on the Statement of Activities.

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 program and (2) grants and contributions that are restricted to meeting the operational and capital requirements of a particular function and program. Revenues that are not classified as program revenues, including all taxes and other items, are presented as general revenues.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. Funds are organized into two major categories: governmental and proprietary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

1. **Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and**

2. **Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.**

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 government, except those required to be accounted for in another fund.**

- **The SPLOST Fund – 2012 is used to account for the special one-cent sales tax revenues (approved by Bacon County voters) that are specifically restricted to the "City Projects" listed in the resolution.**

The City reports the following major enterprise funds:

- **The Water and Sewer Fund is used to account for all transactions involving the furnishing of water and sewer services to the citizens of Alma, Georgia.**

- **The Solid Waste Fund is used to account for all transactions involving the furnishing of solid waste services to the citizens of Alma, Georgia.**

Additionally, the city reports the following fund types:

Governmental Funds

Special Revenue Funds

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

Capital Project Fund

The Capital Project Fund is used to account for resources restricted for the acquisition or construction of specific capital projects or items which are not financed by Proprietary Funds.

Proprietary Fund Types:

Enterprise Funds-

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing services to the general public on a continuing basis are financed through user charges.

GASB Statement No. 34 eliminates the presentation of Account Groups, but provides for these records to be maintained and incorporates the information into the Governmental Activities column in the government-wide Statement of Net Position.

Proprietary funds distinguish operating revenues and expense from nonoperating items. Operating revenues and expense 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 the Water and Sewer and Solid Waste enterprise funds are charges to customers for services and benefit fees. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item 2 below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

1. **All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.**

2. **The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.**

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received, as they are deemed immaterial.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

D. Budgets and Budgetary Accounting

The City normally adopts annual budgets on the General Fund, Special Revenue Funds, Capital Projects Fund, and Enterprise Funds. The proposed budget is prepared by the City Manager and submitted to City Council. The City Council advertises the proposed budget and conducts public hearings on the proposed budget as required by local ordinance, state law,

and federal program requirements. Subsequent to meeting the various requirements the City Council adopts the budget for the fiscal year. The annual budget for each fund is prepared in accordance with the basis of accounting utilized by that fund.

GASB Statement No. 34 requires that budgetary comparison statements for the General Fund and major special revenue funds be presented as required supplementary information or as a basic financial statement. These statements must display original budget, amended budget and actual results (on a budgetary basis). The City of Alma did not amend its budget during the year ended June 30, 2016 for any of the special revenue funds.

The General Fund utilizes the same basis of accounting for both budgetary purposes and actual results.

E. Encumbrances

The City does not use the encumbrance system of accounting.

F. Post-Employment Health Care Benefits

The Consolidated Omnibus Budget Reconciliation Act requires the City to provide healthcare benefits to eligible former employees and eligible dependents. There is no associated cost to the City under this program.

G. Inventories

Inventories consist primarily of supplies, valued at cost, which approximates market value. Cost is determined using a first-in, first-out method. The cost of inventories is recorded as expenditures/expenses when consumed rather than when purchased.

H. Compensated Absences

After six months of employment, employees are given two weeks paid vacation each year. After completing ten years of service, the employees are given three weeks paid vacation each year. Paid vacation time must be taken each year and cannot be carried over to the following year. The City will pay the employee for one week vacation if the time is not taken. After six months of employment, sick leave accumulates at the rate of one day per month of employment. Up to one hundred thirty days of sick leave can be accumulated. The City has not accrued any accumulated vacation or sick leave in its financial statements. The amount to be paid from current resources is not significant.

I. Interfund Receivables and Payables

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

J. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1st. The City levies property taxes by September 15th of each year. The due date of these taxes is December 20th. Property taxes are collected for the City by the Bacon County Tax Commissioner and remitted to the City monthly. City property tax revenues are recorded when levied. An allowance for uncollectible taxes is established for delinquent taxes to the extent that their collectability is improbable.

K. Capital Assets

Capital Assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on capital assets.

Assets capitalized, not including infrastructure assets, have an original cost of $5,000 or more and over three years of useful life. Infrastructure assets capitalized have an original cost of $250,000 or more. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	**20-50 Years**
Water and Sewer system	**30-50 Years**
Infrastructure	**20-35 Years**
Machinery and Equipment	**5-10 Years**
Vehicles	**3-7 Years**
Treatment Plants	**40 Years**

The City is currently recording new infrastructure items as they are completed. The City is not required to retroactively report any other infrastructure assets and has therefore not done so.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and or balance sheet 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/expenditures) until then.

In addition to liabilities, the statement of financial position and or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

M. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

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

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. The City Council also may modify or rescind the commitment.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City's finance committee or the City's finance director to assign fund balances.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order:

- **Committed**
- **Assigned**
- **Unassigned**

Net Position – Net position represent the difference between assets and liabilities. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted as described in the fund balance section above. All other net position is reported as unrestricted.

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

N. Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. As such, actual results could differ from those estimates.

O. Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, all short-term cash investments that are highly liquid (including restricted assets) are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and have original maturities of three months or less.

P. Prepaid Items

Certain payment to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

2. Investments

The City maintains separate investment accounts for each fund. The City's investments consist only of Certificates of Deposits which are carried at cost.

Investments	Maturities	Fair Value
Certificates of Deposit	8.7 months average	$ 440,978

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

Credit Risk. State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations or its agencies and instrumentalities or direct obligations of Georgia or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. The City's deposits, including certificates of deposit, were fully insured or collateralized as required by the state statutes at June 30, 2016. The City is allowed to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) negotiable certificate of deposits issued by any bank or trust company organized under the laws or any state of the United States and (3) any repurchase agreement organized under the laws of any state of the United States having a nationally recognized investment firm rating of A or higher. The City has no investment policy that would further limit its investment choices.

Concentration of Credit Risk. The City places no limit on the amount the City may invest in any one issuer. The City invested only in certificates of deposits.

3. Capital Assets

Capital asset activity for the year ended June 30, 2016 was as follows:

	Balance at Beginning of Year	Transfers and Additions	Transfers and Retirements	Balance at End of Year
Water and Sewer activities:				
Capital assets, not being depreciated:				
Land	$ 1,051,017	$ -	$ -	$ 1,051,017
Construction in progress	6,608,685	53,639	6,628,818	33,506
Total capital assets, not being depreciated	$ 7,659,702	$ 53,639	$ 6,628,818	$ 1,084,523
Capital assets, being depreciated:				
Buildings and improvements	$ -	$ 6,628,818	$ -	$ 6,628,818
Water and Sewer system	7,268,110	90,164		7,358,274
Machinery and Equipment	574,222	-	79,075	495,147
Total capital assets being depreciated	$ 7,842,332	$ 6,718,982	$ 79,075	$ 14,482,239
Less accumulated depreciation for:				
Buildings and improvements	$ -	$ 41,430	$ -	$ 41,430
Water and Sewer system	5,732,137	180,101	-	5,912,238
Machinery and Equipment	539,002	17,808	77,997	478,813
Total accumulated depreciation	$ 6,271,139	$ 239,339	$ 77,997	$ 6,432,481
Total capital assets, being depreciated, net	$ 1,571,193	$ 6,479,643	$ 1,078	$ 8,049,758
Water and Sewer activities capital assets, net	$ 9,230,895	$ 6,533,282	$ 6,629,896	$ 9,134,281
Solid Waste:				
Capital assets, not being depreciated:				
Land	$ 16,982	$ -	$ -	$ 16,982
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	$ 16,982	$ -	$ -	$ 16,982
Capital assets, being depreciated:				
Buildings and improvements	$ -	$ -	$ -	$ -
Machinery and equipment	517,552	-	-	517,552
Total capital assets being depreciated	$ 517,552	$ -	$ -	$ 517,552
Less accumulated depreciation for:				
Buildings and improvements	$ -	$ -	$ -	$ -
Machinery and equipment	453,832	12,168	-	466,000
Total accumulated depreciation	$ 453,832	$ 12,168	$ -	$ 466,000
Total capital assets, being depreciated, net	$ 63,720	$ (12,168)	$ -	$ 51,552
Solid Waste activities, capital assets, net	$ 80,702	$ (12,168)	$ -	$ 68,534

	Balance at Beginning of Year	Adjustments	Transfers and Additions	Transfers and Retirements	Balance at End of Year
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 263,640	$ -	$ -	$ -	$ 263,640
Construction in progress	603,414	-	166,154	603,414	166,154
Total capital assets, not being depreciated	$ 867,054	$ -	$ 166,154	$ 603,414	$ 429,794
Capital assets, being depreciated:					
Buildings	$ 2,650,314	$ -	$ 29,560	$ -	$ 2,679,874
Equipment	3,181,163	88,522	384,732	-	3,654,417
Infrastructure	1,582,948	-	695,311	-	2,278,259
Total capital assets being depreciated	$ 7,414,425	$ 88,522	$ 1,109,603	$ -	$ 8,612,550
Less accumulated depreciation for:					
Buildings	$ 1,623,598	$ -	$ 69,605	$ -	$ 1,693,203
Equipment	2,776,647	(36,763)	176,133	-	2,916,017
Infrastructure	391,575	17,947	114,477	-	523,999
Total accumulated depreciation	$ 4,791,820	$ (18,816)	$ 360,215	$ -	$ 5,133,219
Total capital assets, being depreciated, net	$ 2,622,605	$ 107,338	$ 749,388	$ -	$ 3,479,331
Governmental activities capital assets, net	$ 3,489,659	$ 107,338	$ 915,542	$ 603,414	$ 3,909,125

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

Governmental activities:	
Administrative	$ 55,266
Public Safety	134,251
Code Enforcement	15,774
Emergency Medical Services	10,671
Animal Control	8,593
Street Department	71,848
Shop Mechanic	3,251
Cemetery & Parks	10,345
Community Development	50,216
Total depreciation expense - governmental activities	$ 360,215
Business-type activities:	
Water and Sewer	$ 239,339
Solid Waste	12,168
Total depreciation expense - business-type activities	$ 251,507

4. Long Term Debt

General Long-Term Debt (Governmental Type)

General long-term debt balances and transactions for the year ended June 30, 2016 are as follows:

	Beginning Balance	Additions	Payments	Ending Balance
Note Payable-USDA	$ -	$ 23,000	$ -	$ 23,000
	$ -	$ 23,000	$ -	$ 23,000

USDA Loan – Note payable for $23,000 at 3.25% payable $5,058.92 annually through October 2020. Total of remaining payments is $25,295, including $2,295 interest. Proceeds used for the purchase of a public safety vehicle.

Debt of the Enterprise Fund (Business-Type)

Debt balances and transactions for the year ended June 30, 2016 are as follows:

	Beginning Balance	Additions	Payments / Forgiveness	Ending Balance
Notes Payable-GEFA	$ 5,437,518	$ 52,413	$ 143,587	$ 5,346,344
Capital Lease	-	-	-	-
	$ 5,437,518	$ 52,413	$ 143,587	$ 5,346,344

Water and Sewer Fund – On November 1, 2015 the City of Alma entered into a loan agreement with the Clean Water State Revolving Fund, administered by Georgia Environmental Finance Authority (GEFA) for $5,485,564 at 1.4% payable $26,218.81 monthly through November, 2035. Total of remaining payments is $6,108,981, including $762,637 interest.

Notes Payable:

	Governmental Activities			Business-type Activities		
Year Ending June 30	Principal	Interest	Total	Principal	Interest	Total
2017	4,311	748	5,059	241,321	73,304	314,625
2018	4,452	607	5,059	244,722	69,904	314,626
2019	4,596	463	5,059	248,170	66,456	314,626
2020	4,746	313	5,059	251,667	62,959	314,626
2021	4,895	164	5,059	255,213	59,413	314,626
2022-2036	-	-	-	4,105,251	430,601	4,535,852
	$ 23,000	$ 2,295	$ 25,295	$ 5,346,344	$ 762,637	$ 6,108,981

5. Fund Equity

Fund Balances:

Nonspendable – The following fund balances are nonspendable because they are allocated to:

General Fund:		
Inventories	**$**	**-**
Prepaid Items		**79,231**
Short-term Interfund receivables		**1,528**
	$	**80,759**

Restricted – The following fund balances are restricted for:

SPLOST 2012 - used to account for capital projects financed with SPLOST funds	**$**	**144,278**
Total Capital Projects Funds	**$**	**144,278**

Nonmajor – Special Revenue Funds and Capital Project Funds

SPLOST 2005 - used to account for capital projects financed with SPLOST funds	**$**	**178,734**
UDGA Loan Fund - used to account for revolving loans issued to local businesses		**614,031**
EIP Revolving Loan Fund - used to account for revolving loans issued to local businesses		**435,943**
DCA Grant Fund - used to account for expenditures of DCA grants		**6,857**
USDA Grant Fund - used to account for grant money used to purchase police vehicle		**3,792**
Total	**$**	**1,239,357**

Assigned – The following fund balances are assigned to:

Special Revenue Funds:		
Your Hometown Fund - used to account for funds originating from hotel-motel tax collection and used for community development	**$**	**7,806**
Police Dept. SI Fund - used to account for drug-related forfeitures for public safety expenditures		**24,377**
Police Dept. Community Fund - used to account for small grant for public safety expenditures		**486**
Alma Bacon Legislative cookout - used to account for donation received and expenses related to legislative functions		**3,715**
Innovative Training Fund - used to account for residual grant funds for projects to benefit low-income citizens		**79,299**
Bacon Theatre Fund - used to account for revenues and expenses pertaining to theatre functions		**11,644**
Total Special Revenue Funds	**$**	**127,327**

Unassigned – The City's policy is to maintain an adequate General Fund unassigned fund balance to provide liquidity in the event of an economic downturn or natural disaster.

The following fund balances are unassigned:

General Fund	**$**	**1,382,622**
Total Unassigned	**$**	**1,382,622**

Net Position:

Net investment in capital assets reported on the government-wide statement of net position as of June 30, 2016 are as follows:

Net investment in capital assets:	Governmental Activities	Business-Type Activities	Component Unit
Cost of capital assets	$ 9,042,344	$ 16,101,296	$ -
Less accumulated depreciation	(5,133,219)	(6,898,481)	-
Book value	3,909,125	9,202,815	-
Less capital related debt	(23,000)	(5,346,344)	-
Invested in capital assets, net of related debt	$ 3,886,125	$ 3,856,471	$ -

6. Expenditures in Excess of Appropriations

The Georgia Statutes define the legal level of control at a minimum to be at the departmental level. The following funds reported expenditures/expenses over appropriations:

Fund	Appropriation	Expenditures	Over-Appropriation
General Fund:			
Communications/Dispatchers	$ 68,500	$ 88,704	$ 20,204
Street Department	354,005	356,268	2,263
Capital Outlay	8,357	92,459	84,102
Police SI Fund	1,000	5,716	4,716

7. Contingencies

There were no pending litigation, claims, or assessments against the City at June 30, 2016. In the opinion of City management, there were no unasserted claims or assessments that might have a material effect on the financial condition of the City. The City receives Federal and State Grants for specific purposes that are subject to review and audit by Federal and State agencies. Such audits could result in a request for reimbursement by the Federal and State for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of City management, such disallowances, if any, will not be significant.

8. IRC 457 Deferred Compensation Plans

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, which is administered by Georgia Municipal Association. Due to the fact that the City does not administer this plan, this plan is not included in the City's financial statements.

9. Risk Management

The City of Alma, Georgia is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of these risk pools, the City of Alma, Georgia is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City of Alma, Georgia is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions, and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds. The City's risk is limited to a $1,000 deductible per occurrence.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense. Settlement claims in the past year did not exceed the coverages.

10. Due From Other Governments

At June 30, 2016, the City was due the following amounts from other governmental units:

General Fund		
State of Georgia	**$**	**82,927**
Bacon County, Georgia		**56,614**
	$	**139,541**

11. Interfund Transactions:

At June 30, 2016 the following interfund receivables and payables resulting from various interfund transactions are included in the fund financial statements:

Major Business-Type Funds		
Water and Sewer Fund		
Due to Solid Waste Fund	**$**	**(44,397)**
	$	**(44,397)**
Due from Solid Waste Fund	**$**	**-**
Due from General Fund		**198,038**
	$	**198,038**
Solid Waste Fund		
Due from Water and Sewer Fund		**44,397**
	$	**44,397**
Total Business-Type Funds	**$**	**198,038**
Major Governmental Funds		
General Fund		
Due to Water and Sewer Fund	**$**	**(198,038)**
	$	**(198,038)**
General Fund		
Due from Hotel/Motel	**$**	**371**
Due from Bacon Theatre		**1,157**
	$	**1,528**
Nonmajor Governmental Funds		
Hotel/Motel Tax Fund		
Due to General Fund	**$**	**(371)**
Bacon Theatre		
Due to General Fund	**$**	**(1,157)**
Total Governmental Funds	**$**	**(198,038)**

In general, transfers are used to move revenues from the fund that collects the money to the fund that expends the money and use unrestricted revenues collected in a fund to provide operating advances to other funds in accordance with budgetary authorizations. The due to/from balances resulted from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made. For the year ended June 30, 2016, all due to/from balances were considered short term.

Transfers between funds during the year were as follows:

	Transfers Out	Transfers In
Major Governmental Funds:		
General Fund	$ -	$ 4,194
General Fund	-	90,000
Total Major Governmental Funds:	$ -	$ 94,194
Nonmajor Governmental Funds:		
Hotel/Motel Tax	$ 4,194	$ -
	$ 4,194	$ -
Major Enterprise Funds:		
Water and Sewer	$ 45,000	$ -
Solid Waste	45,000	-
	$ 90,000	$ -
Total All Funds	$ 94,194	$ 94,194

The transfers of $90,000 between the enterprise funds and the general funds are used to offset operating expenditures within the general fund. Transfers in the nonmajor governmental funds and the other major funds are used to offset operating expenditures.

12. Privatization of Solid Waste Collection

On January 1, 1997 the City of Alma, Georgia contracted with Southland Waste, Inc. to collect household and commercial trash for the City for a period of twenty years with the right to rebid the services at the end of each five-year period. Billing for the trash collection is done by the City, and the City remits to Southland Waste, Inc. its fee for services rendered. Southland Waste owns the residential wheeled carts. Southland Waste, Inc. also purchased from the City of Alma, Georgia the large commercial dumpsters and the collection trucks.

13. Sanitary Landfill

On April 8, 1994 the Alma Bacon County Sanitary Landfill was closed. Various state and federal laws and regulations require certain maintenance and monitoring to be performed on the site. Expenditures since that date are expensed as incurred. The annual cost of maintaining and monitoring the closed sanitary landfill are estimated to be $8,500. However, the actual cost of postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. No liability has been recorded in the accounts of the City of Alma, Georgia for future costs.

14. Joint Venture

The City of Alma, Georgia, in connection with cities and counties in the eighteen county South Georgia area are members of the Southern Georgia Regional Commission (RC). Membership in an regional commission is automatic for each municipality and county in the state. The Official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RCs. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. The City paid annual dues of $4,406 to the

Southern Regional Commission for the year ended June 30, 2016. The RC Board membership includes elected officials from member counties and cities and nonpublic appointed members. The county board members and the municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the county or municipality) and a minority resident to serve as non-public Board members from a county.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines RCs as public agencies and instrumentalities of their members.

Georgia law also provides that the member governments are liable for any debts or obligations of an RC beyond its resources (O.C.G.A. 50-8-39.1).

Complete financial statements of the RC may be obtained from Southern Georgia Regional Commission, South Georgia Parkway, Waycross, GA 31503.

15. Hotel/Motel Tax

The City of Alma, Georgia levies a hotel/motel tax in accordance with the provisions of O.C.G.A. 48-13-51. The tax rate is 7% and is levied on a monthly basis. The City has entered into contracts with the Chamber of Commerce and Bacon Theatre, Inc. for the purpose of tourism promotion and the marketing and operation of a community theatre. O.C.G.A. requires that 28.58% of the taxes collected be spent for community promotion, and 28.58% of the taxes collected be spent for the marketing and operation of a community theatre. During the fiscal year ended June 30, 2016 the City of Alma, Georgia collected $26,209 in hotel/motel taxes, and disbursed $22,015 to the Bacon Theatre, Inc. and the Chamber of Commerce, which represents 84% of the total taxes collected. The remainder of the taxes collected is retained by the City for administrative purposes.

16. Subsequent Events

The City has evaluated subsequent events through November 1, 2016, the date which the financial statements were available to be issued. No subsequent events came to our attention that are expected to have a material effect on the City's financial statements.

17. Pension and Employees Benefits Plans

Plan Description

The City of Alma, Georgia provides pension benefits for all of its full-time employees and elected officials through a noncontributory, defined benefit plan in the state-wide Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public retirement system. Benefit provisions and all other requirements are established by state statute and local ordinance. The City has the right to establish and amend the benefit provisions of the plan. These amendments become effective once approved by the Board of Trustees of GMEBS. The Georgia Municipal Employees Benefit System issues a stand alone financial report and a copy of this report can be obtained from the Georgia Municipal Association, 201 Pryor Street, S.W., Atlanta, Georgia 30303.

Effective January 1, 2015, the Plan was amended to provide for immediate participation for full-time employees. The plan defines a full-time employee as one working at least 30 hours per week. Employees are fully vested after 10 years of service. Retirement benefits are 1.75% of final average earnings times years of credited service. Final average earnings are an average of the 5 highest consecutive years' earnings. Normal retirement is age 65 with 5 years of credited service.

Early retirement with reduced benefits is permitted between the ages of 55 and 65 with 10 years of credited service.

Membership of the plan consisted of the following at January 1, 2016, the date of the latest actuarial valuation:

Retirees and beneficiaries currently receiving benefits	45
Terminated vested participants not yet receiving benefits	20
Active vested participants	12
Nonvested participants	24
Total participants	101

The contributions from the City of Alma, Georgia to the plan are determined under the projected unit credit actuarial cost method. The period and related method for amortizing the initial unfunded actuarial accrued liability is 30 years from 1981 and the current changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, 20 years for plan provisions and 30 years for actuarial assumptions and cost methods as a level dollar amount. These amortization periods, if applicable are open for this plan year. The method used to determine the actuarial value of assets is to roll forward prior year's actuarial value with contributions, disbursements, and expected return on investments, plus 10% of the amount that market value of assets exceeds expected actuarial value of assets. The recommended contribution for the City of Alma, Georgia for the actuarial period ended January 1, 2016 was $325,523, which is 29.82% of covered payroll. The estimated minimum annual contribution is $179,610. The City paid 100% of the contribution billed monthly in the amount of $393,728 for the year ending June 30, 2016.

Plan Disclosures

Effective July 1, 2013, the Plan implemented the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25,* and effective July 1, 2014 the City implemented the provisions of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*, an amendment of GASB statement No. 27 which significantly changed the disclosures required related to the Plan.

Net Pension Liability

The components of the net pension liability of the City at June 30, 2016 were as follows:

Total Pension Liability	$	5,697,323
Plan fiduciary net position		(3,341,704)
City's net pension liability	$	2,355,619
Plan fiduciary net position as a percentage of the total pension liability		58.65%

Actuarial Assumptions. **The required schedule of changes in the City's net pension liability and related ratios immediately follow the notes to the financial statements and present multiyear trend information about whether the value of Plan assets is increasing or decreasing over time relative to the total pension liability.**

The total pension liability was determined by an actuarial valuation as of January 1, 2016. The following actuarial assumptions applied to all periods included in the measurement:

Inflation	3.25%
Projected Salary Increases	3.25%
Investment Rate of Return	7.75%

Mortality rates were based upon the RP-2000 Mortality Table, which contained sex-distinct and disabled rates.

Discount rate. **The discount rates used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that the employer contributions will be made equal to the actuarial determined contribution rate. Based on this assumption, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.**

	Increase (Decrease		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 6/30/15	$ 5,878,199	$ 3,429,150	$ 2,449,049
Changes for the year:			
Service cost	100,255	-	100,255
Interest	436,157	-	436,157
Differences between expected and actual experience	(216,545)		(216,545)
Contributions-employer	-	378,311	(378,311)
Contributions-employeee	-	-	-
Net investment income	-	43,616	(43,616)
Benefit payments, including refunds of employee contributions	(500,743)	(500,743)	-
Administrative expense		(8,630)	8,630
Other changes			-
Net changes	(180,876)	(87,446)	(93,430)
Balance at 6/30/16	$ 5,697,323	$ 3,341,704	$ 2,355,619

Changes In Assumptions

As a result of the plan change to provide immediate participation for Employees, the eligibility assumption has been changed from one year to immediate. The increase in the Plan's unfunded liability due to this change is minimal and has been treated as a difference between expected and actual experience. Based on the results of an actuarial experience study covering the period January 1, 2010 to June 30, 2014 the following assumptions were changed in this valuation:

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. **The following presents the net pension liability of the City, calculated using the discount rate 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% lower (6.75%), or 1% higher (8.75%) than the current rate.**

	1% Decrease 6.75%	Current Rate 7.75%	1% Increase 8.75%
City's net pension liability	$ 2,935,613	$ 2,355,619	$ 1,865,469

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2016.

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2016, the City recognized pension expense of $276,020. At June 30, 2016, 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
Pension contributions subsequent to measurement date	$ 295,296	$ -
Differences between actual and expected experience	56,890	(162,408)
Changes in assumptions	-	(4,690)
Net differences between projected and actual earnings on plan investments.	102,501	-
Total	$ 454,687	$ (167,098)

$295,296 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2017	(8,340)
2018	(8,340)
2019	(34,440)
2020	43,413
2021	-
Thereafter	-

Payable to the Pension Plan

At June 30, 2016, the City reported a payable of $0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2016.

18. Prior Period Adjustment

Net position – governmental activities and business-type activities at the beginning of the year ended June 30, 2016 have been adjusted to correct an error in recording revenue for fiscal year ending June 30, 2015. $1,000,000 from Bacon County for the joint SPLOST project was recognized as revenue in the SPLOST fund. This should have been recognized in the Water & Sewer fund as revenue, as it was to be used to finance and/or pay for the construction of the new water treatment plant. Had the error not been made, net position for the governmental activities would have decreased $1,000,000, while net position for the business-type activities would have increased $1,000,000.

Net position – governmental activities at the beginning of the year ended June 30, 2016 have also been adjusted to correct an error in recording fixed assets and accumulated depreciation for the fiscal year ending June 30, 2015. In the prior year, equipment was understated by $88,522 and depreciation was overstated by $18,816. Had the error not been made, net position for the prior year would have increased $107,338.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered part of the basic financial statements. Such information includes:

Pension and Employee Benefit Plans

Budgetary Comparison – General Fund

Budgetary Comparison – Major Special Revenue Funds & Capital Project Funds

CITY OF ALMA, GEORGIA
REQUIRED SUPPEMENTARY INFORMATION
JUNE 30, 2016

City of Alma, an Agent Multiple-Employer Defined Benefit Pension Plan
As of June 30, 2016
Last 10 Years*

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	2016	2015
Total Pension Liability	$ 100,255	$ 79,904
Service Cost	436,157	427,700
Interest on total pension liability		
Differences between expected and actual experience	(216,545)	113,779
Benefit payments, including refunds of employee contributions	(500,743)	(505,039)
Other	-	(9,379)
Net change in total pension liability	(180,876)	106,965
Total pension liability - beginning	5,878,199	5,771,234
Total pension liability - ending (a)	$ 5,697,323	$ 5,878,199
Plan fiduciary net position		
Contributions - employer	$ 378,311	$ 345,874
Contributions - employee	-	-
Net investment income	43,616	362,672
Benefit payments	(500,743)	(505,039)
Administrative expense	(8,630)	(6,926)
Net change in plan fiduciary net position	(87,446)	196,581
Plan fiduciary net position - beginning	3,429,150	3,232,569
Plan fiduciary net posiiton - ending (b)	$ 3,341,704	$ 3,429,150
Net pension liability - ending (a)-(b)	$ 2,355,619	$ 2,449,049
Plan fiduciary net position as a percentage of the total pension liability	58.65%	58.34%
Covered - employee payroll	$ 1,074,330	$ 1,663,157
Net pension liability as percentage of covered-employee payroll	219.26%	147.25%

*** - Fiscal year 2015 was the first year of implementation, therefore only two years are shown.**

CITY OF ALMA, GEORGIA
REQUIRED SUPPEMENTARY INFORMATION
JUNE 30, 2016

City of Alma, an Agent Multiple-Employer Defined Benefit Pension Plan
As of June 30, 2016
Last 10 Years*

SCHEDULE OF CONTRIBUTIONS

	2016	2015
Actuarially determined contribution	$ 393,728	$ 373,172
Contributions in relation to the actuarially determined contributions	393,728	373,172
Contribution deficiency (excess)	$ -	$ -
Covered-employee payroll	$1,074,330	$1,663,157
Contributions as a percentage of covered-employee payroll	23.30%	25.55%

Notes to Schedule:

Valuation Date — **The actuarially determined contribution rate was determined as of January 1, 2016, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2017.**

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	**Projected Unit Credit**
Amortization Method	**Closed level dollar for remaining unfunded liability**
Remaining Amortization Period	**Remaining amortization period varies for the bases, with a net effective amortization period of 10 years**
Asset Valuation Method	**Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at the end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.**
Actuarial Assumptions:	
Net Investment Rate of Return	**7.75%**
Projected Salary Increases	**3.25% plus service based merit increased**
Cost of Living Adjustments	**0.00%**
Retirement Age	**65 with early retirement permitted between ages 55 to 65**
Mortality	**RP-2000 Healthy Mortality Table and Disabled Retiree Mortality Table**

*** - Fiscal year 2015 was the first year of implementation, therefore only two years are shown.**

CITY OF ALMA, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUDGET BASIS

	For the Year Ended June 30, 2016			
	Original Budget	Final Budget	GAAP/Budget Basis	Variance With Final Budget
REVENUES				
Taxes				
General Property	$ 730,000	$ 702,729	$ 839,091	$ 136,362
Timber Property Taxes	250	250	-	(250)
Public Utilities	263,000	263,000	278,599	15,599
Motor Vehicles	122,000	122,000	135,560	13,560
Local Option Sales Tax	460,000	460,000	448,611	(11,389)
Alcoholic Beverage Tax	66,900	66,900	79,902	13,002
Housing Authority - in lieu of	22,000	22,000	31,307	9,307
Insurance Premium Tax	182,000	182,000	200,058	18,058
Mobile Home Tax	400	400	268	(132)
Real Estate Transfer Tax	6,500	6,500	7,844	1,344
Total Taxes	1,853,050	1,825,779	2,021,240	195,461
Licenses and Permits				
Business Licenses	91,500	91,500	91,598	98
Permits and Inspection Fees	5,900	5,900	4,838	(1,062)
Total Licenses and Permits	97,400	97,400	96,436	(964)
Fines and Forfeitures	185,000	185,000	136,311	(48,689)
Other				
Charges for Services	60,768	60,768	47,860	(12,908)
Interest on Investments	1,000	1,000	-	(1,000)
Grants	49,215	49,215	49,215	-
Contributions	-	-	44,769	44,769
Cemetery Fees	500	500	1,800	1,300
Miscellaneous	33,527	33,527	5,799	(27,728)
Fifa and Interest	3,500	3,500	5,811	2,311
ID's MVR	350	350	1,250	900
Maintenance Contract	-	-	-	-
Reimbursement Claims and Damage	-	-	-	-
Total Other	148,860	148,860	156,504	7,644
Total Revenues	2,284,310	2,257,039	2,410,491	153,452
EXPENDITURES				
Financial Administration				
Salaries	146,610	144,889	146,658	(1,769)
Group Insurance	12,000	13,139	12,155	984
Payroll Taxes	11,162	11,028	10,872	156
Retirement Contribution	28,779	28,779	27,977	802
Workers Compensation	506	609	356	253
Professional Services	29,000	24,208	24,205	3
Janitorial Services	3,400	2,516	2,507	9
Repairs and Maintenance - Vehicles	500	306	305	1
Repairs and Maintenance - Equipment	7,000	6,078	5,932	146
Rental Equipment & Vehicles	1,500	1,800	1,800	-
Communication	11,000	12,808	12,808	-
Travel and Training	4,700	6,607	6,607	-
Advertising	2,500	4,068	4,068	-
Books, Subscriptions, and Dues	600	1,677	1,677	-
Office Supplies	3,000	6,550	6,550	-
Operating Supplies	2,500	3,707	3,707	-
Utilities	13,600	14,881	14,843	38
Gas and Oil	1,100	501	501	-
Small Tools and Minor Equipment	900	-	-	-
Site Improvements	250	-	-	-
Food	150	436	436	-
Technical	100	-	-	-
Total Administrative	280,857	284,587	283,964	623

See Notes to Financial Statements.

CITY OF ALMA, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUDGET BASIS

	For the Year Ended June 30, 2016			
	Original Budget	Final Budget	GAAP/Budget Basis	Variance With Final Budget
Executive and Legislative				
Salaries	33,600	33,602	34,107	(505)
Payroll Taxes	2,600	2,598	2,641	(43)
Retirement Contribution	13,705	13,705	12,110	1,595
Workers Compensation	2,606	2,606	1,303	1,303
Communication	700	700	313	387
Travel and Training	18,950	18,854	16,430	2,424
Books, Subscriptions, and Dues	150	150	-	150
Supplies	750	846	595	251
Utilities	50	50	-	50
Gas and Oil	1,400	1,400	872	528
Advertising	200	200	-	200
Food	400	400	90	310
Total Executive and Legislative	75,111	75,111	68,461	6,650
Judicial				
Salaries	8,400	8,400	8,540	(140)
Payroll Taxes	650	650	653	(3)
Professional Services	8,400	8,600	8,600	-
Books, Subscriptions, and Dues	-	50	50	-
Travel and Training	350	250		250
Operating Supplies	250	100	-	100
Total Judicial	18,050	18,050	17,843	207
Corrections Department				
Prisoners' Food & Housing	33,000	28,000	24,610	3,390
Medical Care	7,000	7,000	2,655	4,345
Total Corrections Department	40,000	35,000	27,265	7,735
Police Department				
Salaries	533,267	528,151	491,557	36,594
Group Insurance	89,000	89,000	63,083	25,917
Payroll Taxes	40,795	40,795	37,043	3,752
Retirement Contribution	90,003	90,003	89,201	802
Workers Compensation	18,671	20,229	11,269	8,960
Professional Services	2,200	2,735	2,061	674
Custodial Services	850	903	607	296
Repairs and Maintenance - Vehicles	7,000	9,441	9,441	-
Repairs and Maintenance - Equipment	5,300	7,243	4,797	2,446
Communication	10,100	12,861	12,218	643
Travel and Training	5,500	5,500	4,742	758
Advertising	1,000	1,034	783	251
Books, Subscriptions, and Dues	3,750	3,723	811	2,912
Operating Supplies	3,750	4,895	11,375	(6,480)
Office Supplies	5,000	5,102	5,102	-
Utilities	6,000	6,000	5,712	288
Gas and Oil	32,000	32,000	23,995	8,005
Food	750	1,050	1,048	2
Small Tools and Minor Equipment	2,900	5,670	3,518	2,152
Uniforms	5,000	5,000	4,785	215
Peace Officers Retirement Fund	5,800	5,800	4,936	864
Fine Surcharges	30,350	29,855	23,005	6,850
Special Investigations	3,200	4,700	2,434	2,266
Licenses	200	200	-	200
Data Management Fee	12,000	12,000	8,312	3,688
County Drug Abuse Treatment & Education	2,400	2,400	1,622	778
Crime Lab Fee	300	795	822	(27)
Site Improvements	500	500	-	500
Claims and Damages	-	54	-	54
Total Police Department	917,586	927,639	824,279	103,360

See Notes to Financial Statements.

CITY OF ALMA, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUDGET BASIS

	For the Year Ended June 30, 2016			
	Original Budget	Final Budget	GAAP/Budget Basis	Variance With Final Budget
Communications/Dispatchers				
Contract Labor	68,500	68,500	88,704	(20,204)
Total Communications/Dispatchers	68,500	68,500	88,704	(20,204)
Fire Department				
Contract Labor	175,000	175,000	175,000	-
Retirement Contribution	123,934	123,934	123,132	802
Dues and Fees	-	-	100	(100)
Total Fire Department	298,934	298,934	298,232	702
Code Enforcement Department				
Salaries	50,227	52,374	52,759	(385)
Group Insurance	6,000	6,207	5,692	515
Payroll Taxes	3,843	3,986	4,014	(28)
Retirement Contribution	12,937	12,137	12,136	1
Workers Compensation	2,000	1,855	1,854	1
Repairs and Maintenance	1,700	400	306	94
Communication	700	700	647	53
Advertising	200	100	30	70
Books, Subscriptions, and Dues	850	600	328	272
Travel and Training	1,200	1,239	1,239	-
Operating Supplies	300	351	351	-
Office Supplies	300	300	17	283
Gas and Oil	2,000	1,742	1,700	42
Miscellaneous	500	766	-	766
Total Code Enforcement Department	82,757	82,757	81,073	1,684
Emergency Medical Service				
Retirement Contribution	50,506	50,506	49,704	802
Workers Compensation	-	-	143	(143)
Total Emergency Medical Service	50,506	50,506	49,847	659

See Notes to Financial Statements.

CITY OF ALMA, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUDGET BASIS

	For the Year Ended June 30, 2016			
	Original Budget	Final Budget	GAAP/Budget Basis	Variance With Final Budget
Animal Control				
Salaries and Wages	31,572	31,572	22,510	9,062
Group Insurance	6,000	6,207	5,692	515
Payroll Taxes	1,733	1,733	1,673	60
Retirement Contribution	7,995	7,995	7,194	801
Workers Compensation	708	848	496	352
Professional Services	1,500	1,500	1,055	445
Repairs and Maintenance - Equipment	1,150	840	-	840
Repairs and Maintenance - Vehicles	1,000	1,513	1,513	-
Communication	150	600	375	225
Operating Supplies	3,800	2,800	1,288	1,512
Utilities	500	500	86	414
Gas and Oil	2,200	2,200	1,858	342
Small Tools and Minor Equipment	2,500	2,500	296	2,204
Uniforms	1,000	1,000	130	870
License	250	250	-	250
Travel and Training	300	300	-	300
Dues and Fees	250	250	-	250
Total Animal Control	62,608	62,608	44,166	18,442
Street Department				
Salaries	131,712	141,957	143,353	(1,396)
Group Insurance	24,000	18,620	17,075	1,545
Payroll Taxes	10,076	10,818	10,768	50
Retirement Contribution	28,704	27,904	27,903	1
Workers Compensation	5,322	6,216	3,909	2,307
Professional Services	750	1,550	1,549	1
Repairs and Maintenance - Equipment	7,800	13,162	13,162	-
Repairs and Maintenance - Vehicles	3,000	1,400	1,391	9
Communication	1,200	596	596	-
Travel and Training	1,000	1,247	1,247	-
Dues and Fees	-	212	212	-
Operating Supplies	11,000	12,560	12,348	212
Gas and Oil	10,000	8,892	8,892	-
Food	-	521	521	-
Uniforms	2,000	1,264	1,263	1
Site Improvements	-	500	5,496	(4,996)
Advertising	400	-	-	-
Utilities	85,000	101,317	101,317	-
Small Tools and Minor Equipment	8,500	5,040	5,037	3
Claims and Damages	-	229	229	-
Total Street Department	330,464	354,005	356,268	(2,263)
Shop Mechanic				
Operating Supplies	6,000	6,310	6,308	2
Small Tools and Minor Equipment	1,300	1,102	-	1,102
Communication	550	567	566	1
Utilities	5,500	6,300	5,851	449
Repairs and Maintenance - Vehicles	800	800	29	771
Repairs and Maintenance - Equipment	800	800	571	229
Gas and Oil	4,500	3,500	3,317	183
Food	-	71	70	1
Total Shop Mechanic	19,450	19,450	16,712	2,738

See Notes to Financial Statements.

CITY OF ALMA, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUDGET BASIS

	For the Year Ended June 30, 2016			
	Original Budget	Final Budget	GAAP/Budget Basis	Variance With Final Budget
Cemetery, Parks, Inmate Labor Detail				
Professional Services	39,500	39,500	39,500	-
Repairs and Maintenance - Vehicles	1,500	1,178	883	295
Repairs and Maintenance - Equipment	2,200	765	763	2
Communication	360	360	348	12
Operating Supplies	4,500	5,241	5,240	1
Small Tools and Minor Equipment	1,500	3,643	3,607	36
Gas and Oil	4,250	2,225	2,223	2
Miscellaneous	-	541	610	(69)
Total Cemetery, Parks, Inmate Labor Detail	53,810	53,453	53,174	279
Other				
Insurance	90,000	84,965	76,208	8,757
Claims and Damages	300	1,180	1,179	1
General Administration - Gas & Diesel	1,500	1,500	-	1,500
General Administration - Dues & Fees	2,000	2,833	2,815	18
Alma Bacon County Civil Defense	2,300	2,300	2,243	57
Christmas Lights	4,800	6,723	6,723	-
Special Events	5,000	5,000	3,444	1,556
Employee Events	2,000	2,423	2,422	1
July 4th Fireworks	3,500	3,940	3,940	-
Miscellaneous	100	100	-	100
Collection Costs	33,000	34,077	33,454	623
Election Expenditures	8,500	10,159	10,158	1
Southeast Georgia RDC	5,510	5,510	4,398	1,112
Historical Society	1,500	1,500	1,500	-
Alma Bacon County Senior Center	3,000	3,000	3,000	-
Bad Debts	-	-	-	-
Debt Service - Principal Payments	5,000	-	-	-
Debt Service - Interest Payments	2,385	132	-	132
Capital Outlay	8,000	8,357	92,459	(84,102)
Total Other	178,395	173,699	243,943	(70,244)
Total Expenditures	2,477,028	2,504,299	2,453,931	50,368
Excess (Deficiency) of Revenues over Expenditures	(192,718)	(247,260)	(43,440)	103,084
Other Financing Sources (Uses)				
Transfers In	84,000	84,000	94,193	10,193
Transfers (Out)	-	-	-	-
Total Other Financing Sources (Uses)	84,000	84,000	94,193	10,193
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(108,718)	(163,260)	50,753	113,277
Fund Balance - Beginning of Year			1,412,627	1,673,075
Prior Period Adjustment			-	-
Fund Balance - End of Year			$ 1,463,380	$ 1,786,352

See Notes to Financial Statements.

CITY OF ALMA, GEORGIA
MAJOR SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET (ORIGINAL & FINAL) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
BUDGET BASIS

	Capital Project Funds				
	SPLOST Fund 2012				
	Project Length Budget	Current	Prior Years	Total	Variance with Budget Over (Under)
REVENUES					
Intergovernmental	$ 1,855,000	$ 296,643	$ 316,580	$ 613,223	$ (1,241,777)
Other	-	-	-	-	-
Grant Income	-	-	-	-	-
Interest on Investments	-	-	-	-	-
Total Revenues	1,855,000	296,643	316,580	613,223	(1,241,777)
EXPENDITURES					
Administration	-		70	70	(70)
Corrections	-	-	-	-	-
Police	-	39,444	-	39,444	(39,444)
Fire	-	92,114	-	92,114	(92,114)
Public Works	-	1,144	3,405	4,549	(4,549)
Community Plans and Development	-	-	-	-	-
Interest Expense		-	-	-	
Capital Outlay	1,855,000	332,768	-	332,768	1,522,232
Total Expenditures	1,855,000	465,470	3,475	468,945	1,386,055
Excess (Deficiency) of Revenues over Expenditures	-	(168,827)	313,105	144,278	144,278
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Other	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	-	(168,827)	313,105	144,278	144,278
Fund Balance - Beginning of Year	-	1,313,105	-	-	-
Prior Period Adjustment	-	(1,000,000)	-	-	-
Fund Balance - End of Year	$ -	$ 144,278	$ 313,105	$ 144,278	$ 144,278

See Notes to Financial Statements.

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, or a part of the basic financial statements, but are presented for purposes of additional analysis.

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Hotel/Motel Tax – this fund is used to account for the receipts and disbursements of the hotel/motel tax that is levied by the City of Alma.

Other Special Revenue Funds – these funds include USDA Grant, DCA Grants, Your Hometown Fund, Police Department SI, Police Community Fund, Alma Bacon County Legislative Cookout Fund, EIP Loan Fund, UDGA Loan Fund, Innovative Training Fund, and Bacon Theatre and are used to account for the operations of other special revenue funds whose revenues and expenditures are restricted by various contracts and agreements.

Capital Project Funds

SPLOST 2005 Fund – this fund is used to account for the special one-cent sales tax revenues (approved by Bacon County voters) that are specifically restricted to street improvements.

CITY OF ALMA, GEORGIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Special Revenue						
	Hotel/Motel Tax	USDA Grant	DCA Grants	Your Hometown	Police Dept. SI	Police Community Fund	Alma Bacon County Legislative Cookout
Assets							
Cash and cash equivalents	$ -	$ 3,792	$ 6,857	$ 7,806	$ 24,413	$ 486	$ 3,715
Accounts receivable	2,318	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-
Total assets	$ 2,318	$ 3,792	$ 6,857	$ 7,806	$ 24,413	$ 486	$ 3,715
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	$ 1,947	$ -	$ -	$ -	$ -	$ -	$ -
Sales Tax Payable	-	-	-	-	-	-	-
Due to others	-	-	-	-	36	-	-
Due to other funds	371	-	-	-	-	-	-
Total liabilities	2,318	-	-	-	36	-	-
Deferred Inflows of Resources:							
Unavailable Revenue							
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund Balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	3,792	6,857	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	7,806	24,377	486	3,715
Unassigned	-	-	-	-	-	-	-
Total fund balance	-	3,792	6,857	7,806	24,377	486	3,715
Total liabilities and fund balance	$ 2,318	$ 3,792	$ 6,857	$ 7,806	$ 24,413	$ 486	$ 3,715

CITY OF ALMA, GEORGIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Special Revenue					
	EIP Loan Fund	UDGA Loan Fund	Innovative Training	Bacon Theatre	SPLOST 2005	Total Other Governmental Funds
Assets						
Cash and cash equivalents	$ 121,836	$ 172,201	$ 79,299	$ 13,523	$ 178,734	$ 612,662
Accounts receivable	-		-	-	-	2,318
Accrued Interest	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Investments	-	76,462	-	-	-	76,462
Notes receivable	551,411	365,368	-	-	-	916,779
Total assets	$ 673,247	$ 614,031	$ 79,299	$ 13,523	$ 178,734	$ 1,608,221
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 1,947
Sales Tax Payable	-	-	-	723	-	723
Due to others	-	-	-	-	-	36
Due to other funds	-	-	-	1,156	-	1,527
Total liabilities	-	-	-	1,879	-	4,233
Deferred Inflows of Resources:						
Unavailable Revenue	237,304	-		-	-	237,304
Total deferred inflows of resources	237,304	-	-	-	-	237,304
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	435,943	614,031	-	-	178,734	1,239,357
Committed	-	-	-	-	-	-
Assigned	-	-	79,299	11,644	-	127,327
Unassigned	-	-	-	-	-	-
Total fund balance	435,943	614,031	79,299	11,644	178,734	1,366,684
Total liabilities and fund balance	$ 673,247	$ 614,031	$ 79,299	$ 13,523	$ 178,734	$ 1,608,221

CITY OF ALMA, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Special Revenue						
	Hotel/Motel Tax	USDA Grant	DCA Grants	Your Hometown	Police Dept SI	Police Community Fund	Alma Bacon County Legislative Cookout
Revenues:							
Grants	$ -	$ 25,000	$ -	$ -	$ -	$ -	$ -
Investment income	-	-	-	-	-	-	-
Fines and forfeiture	-	-	-	-	29,288	-	-
Miscellaneous	26,209	-	-	-	-	1,099	15,554
Total Revenues	26,209	25,000	-	-	29,288	1,099	15,554
Expenditures:							
Current:							
Public safety	-	-	-	-	5,716	613	-
Public works	-	-	-		-	-	-
Development	22,015	-	-	-	-	-	-
Administration	-	-	-	-	-	-	43
Capital Outlay	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	11,796
Bad Debts	-	-	-	-	-	-	-
Total Expenditures	22,015	-	-	-	5,716	613	11,839
Excess (deficiency) of revenues over expenditures	4,194	25,000	-	-	23,572	486	3,715
Other financing sources (uses):							
Debt proceeds	-	23,000	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	(4,194)	-	-	-	-		
Total other financing sources (uses)	(4,194)	23,000	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	48,000	-	-	23,572	486	3,715
Fund balances at beginning of year	-	(44,208)	6,857	7,806	805	-	-
Prior Period Adjustment	-	-	-	-	-	-	-
Fund balances at end of year	$ -	$ 3,792	$ 6,857	$ 7,806	$ 24,377	$ 486	$ 3,715

CITY OF ALMA, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Special Revenue					
	EIP Loan Fund	UDGA Loan Fund	Innovative Training	Bacon Theatre	SPLOST 2005	Total Other Governmental Funds
Revenues:						
Grants	$ -	$ -	$ -	$ -	$ -	25,000
Investment income	20,822	16,668	-	-	382	37,872
Fines and forfeiture	-	-	-	-	-	29,288
Miscellaneous	14,812	-	-	81,328	-	139,002
Total Revenues	35,634	16,668	-	81,328	382	231,162
Expenditures:						
Current:						
Public safety	-	-	-	-	5,000	11,329
Public works	-	-	-	-	11,872	11,872
Development	-	-	-	72,810	-	94,825
Administration	-	-	-		49	92
Capital Outlay	-	-	-	-	247,116	247,116
Other	-	-	-	-	-	11,796
Bad Debts	-	-	-	-	-	-
Total Expenditures	-	-	-	72,810	264,037	377,030
Excess (deficiency) of revenues over expenditures	35,634	16,668	-	8,518	(263,655)	(145,868)
Other financing sources (uses):						
Debt proceeds	-	-	-	-	-	23,000
Transfers in	-	-	-	-	-	-
Transfers out	-	-		-	-	(4,194)
Total other financing sources (uses)	-	-	-	-	-	18,806
Excess (deficiency) of revenues and other sources over expenditures and other uses	35,634	16,668	-	8,518	(263,655)	(127,062)
Fund balances at beginning of year	400,309	597,363	79,299	3,126	442,389	1,493,746
Prior Period Adjustment	-	-	-	-	-	-
Fund balances at end of year	$ 435,943	$ 614,031	$ 79,299	$ 11,644	$ 178,734	$ 1,366,684

CITY OF ALMA, GEORGIA
HOTEL/MOTEL TAX
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Grants	$ -	$ -	$ -
Investment Income	-	-	-
Fines and forfeiture	-	-	-
Miscellaneous	25,000	26,209	1,209
Total Revenues	25,000	26,209	1,209
Expenditures			
Current:	-	-	-
Public safety	-	-	-
Public works	-	-	-
Development	25,000	22,015	(2,985)
Administration	-	-	-
Capital Outlay	-	-	-
Other	-	-	-
Bad Debts	-	-	-
Total Expenditures	25,000	22,015	(2,985)
Excess (deficiency) of revenues over expenditures	-	4,194	4,194
Other financing sources (uses)			
Debt proceeds	-	-	-
Transfers in	-	-	-
Transfers out	-	(4,194)	(4,194)
Total other financing sources (uses)	-	(4,194)	(4,194)
Net changes in Fund Balance	$ -	-	$ -
Fund balances at beginning of year		-	
Fund balances at end of year		$ -	

CITY OF ALMA, GEORGIA
USDA GRANT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Grants	$ 25,000	$ 25,000	$ -
Investment Income	-	-	-
Fines and forfeiture	-	-	-
Miscellaneous	-	-	-
Total Revenues	25,000	25,000	-
Expenditures			
Current:	-	-	-
Public safety	-	-	-
Public works	-	-	-
Development	-	-	-
Administration	-	-	-
Capital Outlay	-	-	-
Other	-	-	-
Bad Debts	-	-	-
Total Expenditures	-	-	-
Excess (deficiency) of revenues over expenditures	25,000	25,000	-
Other financing sources (uses)			
Debt proceeds	23,000	23,000	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	23,000	23,000	-
Net changes in Fund Balance	$ 48,000	48,000	$ -
Fund balances at beginning of year		(44,208)	
Fund balances at end of year		$ 3,792	

CITY OF ALMA, GEORGIA
YOUR HOMETOWN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Grants	$ -	$ -	$ -
Investment Income	-	-	-
Fines and forfeiture	-	-	-
Miscellaneous	-	-	-
Total Revenues	-	-	-
Expenditures			
Current:	-	-	-
Public safety	-	-	-
Public works	-	-	-
Development	-	-	-
Administration	-	-	-
Capital Outlay	8,926	-	(8,926)
Other	-	-	-
Bad Debts	-	-	-
Total Expenditures	8,926	-	(8,926)
Excess (deficiency) of revenues over expenditures	(8,926)	-	8,926
Other financing sources (uses)			
Debt proceeds	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net changes in Fund Balance	$ (8,926)	-	$ 8,926
Fund balances at beginning of year		7,806	
Fund balances at end of year		$ 7,806	

CITY OF ALMA, GEORGIA
POLICE DEPARTMENT SI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Grants	$ -	$ -	$ -
Investment Income	-	-	-
Fines and forfeiture	1,500	29,288	27,788
Miscellaneous	-	-	-
Total Revenues	1,500	29,288	27,788
Expenditures			
Current:			
Public safety	1,000	5,716	4,716
Public works	-	-	-
Development	-	-	-
Administration	-	-	-
Capital Outlay	-	-	-
Other	-	-	-
Bad Debts	-	-	-
Total Expenditures	1,000	5,716	4,716
Excess (deficiency) of revenues over expenditures	500	23,572	23,072
Other financing sources (uses)			
Debt proceeds	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net changes in Fund Balance	$ 500	23,572	$ 23,072
Fund balances at beginning of year		805	
Fund balances at end of year		$ 24,377	

CITY OF ALMA, GEORGIA
INNOVATIVE TRAINING
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Grants	$ -	$ -	$ -
Investment Income	-	-	-
Fines and forfeiture	-	-	-
Miscellaneous	-	-	-
Total Revenues	-	-	-
Expenditures			
Current:			
Public safety	-	-	-
Public works	-	-	-
Development	-	-	-
Administration	-	-	-
Capital Outlay	20,000	-	(20,000)
Other	-	-	-
Bad Debts	-	-	-
Total Expenditures	20,000	-	(20,000)
Excess (deficiency) of revenues over expenditures	(20,000)	-	20,000
Other financing sources (uses)			
Debt proceeds	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net changes in Fund Balance	$ (20,000)	-	$ 20,000
Fund balances at beginning of year		79,299	
Fund balances at end of year		$ 79,299	

CITY OF ALMA, GEORGIA
UDGA LOAN FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Grants	$ -	$ -	$ -
Investment Income	48,356	16,668	(31,688)
Fines and forfeiture	-	-	-
Miscellaneous	-	-	-
Total Revenues	48,356	16,668	(31,688)
Expenditures			
Current:			
Public safety	-	-	-
Public works	-	-	-
Development	-	-	-
Administration	-	-	-
Capital Outlay	-	-	-
Other	40,000	-	(40,000)
Bad Debts	-	-	-
Total Expenditures	40,000	-	(40,000)
Excess (deficiency) of revenues over expenditures	8,356	16,668	8,312
Other financing sources (uses)			
Debt proceeds	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net changes in Fund Balance	$ 8,356	16,668	$ 8,312
Fund balances at beginning of year		597,363	
Fund balances at end of year		$ 614,031	

CITY OF ALMA, GEORGIA
EIP LOAN FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Grants	$ -	$ -	$ -
Investment Income	43,615	20,822	(22,793)
Fines and forfeiture	-	-	-
Miscellaneous	15,000	14,812	(188)
Total Revenues	58,615	35,634	(22,981)
Expenditures			
Current:			
Public safety	-	-	-
Public works	-	-	-
Development	-	-	-
Administration	30,000	-	(30,000)
Capital Outlay	-	-	-
Other	-	-	-
Bad Debts	-	-	-
Total Expenditures	30,000	-	(30,000)
Excess (deficiency) of revenues over expenditures	28,615	35,634	7,019
Other financing sources (uses)			
Debt proceeds	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net changes in Fund Balance	$ 28,615	35,634	$ 7,019
Fund balances at beginning of year		400,309	
Fund balances at end of year		$ 435,943	

CITY OF ALMA, GEORGIA
BACON THEATRE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Grants	$ -	$ -	$ -
Investment Income	-	-	-
Fines and forfeiture	-	-	-
Miscellaneous	79,883	81,328	1,445
Total Revenues	79,883	81,328	1,445
Expenditures			
Current:			
Public safety	-	-	-
Public works	-	-	-
Development	76,127	72,810	(3,317)
Administration	-	-	-
Capital Outlay	-	-	-
Other	-	-	-
Bad Debts	-	-	-
Total Expenditures	76,127	72,810	(3,317)
Excess (deficiency) of revenues over expenditures	3,756	8,518	4,762
Other financing sources (uses)			
Debt proceeds	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net changes in Fund Balance	$ 3,756	8,518	$ 4,762
Fund balances at beginning of year		3,126	
Fund balances at end of year		$ 11,644	

CITY OF ALMA, GEORGIA
SPLOST 2005
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Capital Project Funds				
	SPLOST 2005				
	Project Length Budget	Current	Prior Years	Total	Variance with Budget Over (Under)
REVENUES					
Intergovernmental	$ 1,145,000	$ -	$ 1,870,245	$ 1,870,245	$ 725,245
Other	-	-	-	-	-
Grant Income	-	-	-	-	-
Interest on Investments	-	382	35,596	35,978	35,978
Total Revenues	1,145,000	382	1,905,841	1,906,223	761,223
EXPENDITURES					
Administration	-	49	7,900	7,949	(7,949)
Corrections	-	-	2,500	2,500	(2,500)
Police	-	-	70,422	70,422	(70,422)
Fire	-	5,000	12,262	17,262	(17,262)
Public Works	-	11,872	42,208	54,080	(54,080)
Community Plans and Development	-	-	4,500	4,500	(4,500)
Capital Outlay	1,145,000	247,116	975,064	1,222,180	(77,180)
Total Expenditures	1,145,000	264,037	1,114,856	1,378,893	(233,893)
Excess (Deficiency) of Revenues over Expenditures	-	(263,655)	790,985	527,330	527,330
Other Financing Sources (Uses)					
Transfers In	-	-	62,000	62,000	62,000
Transfers Out	-	-	(410,596)	(410,596)	(410,596)
Other	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	-	(263,655)	442,389	178,734	178,734
Fund Balance - Beginning of Year	-	442,389	-	-	-
Fund Balance - End of Year	$ -	$ 178,734	$ 442,389	$ 178,734	$ 178,734

OTHER INFORMATION

CITY OF ALMA, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
JUNE 30, 2016

SPLOST Fund 2005					
Project	Original Estimated Cost	Current Estimated Cost	Prior Year Expenditures	Current Year Expenditures	Total Expenditures
Equipment-Police Dept	$ 225,000	$ 225,000	$ 311,806	$ 25,500	$ 337,306
Paving, Resurfacing & Street Equipment	350,000	350,000	319,944	87,990	407,934
Public Works Equipment	250,000	250,000	548,950	150,547	699,497
Mosquito Sprayer and Truck	40,000	40,000	-	-	-
Fire Truck and Equipment	180,000	180,000	265,389	-	265,389
City Hall - Equipment	100,000	100,000	79,362	-	79,362
Total	$ 1,145,000	$ 1,145,000	$ 1,525,451	$ 264,037	$ 1,789,488

SPLOST Fund 2012					
Project	Original Estimated Cost	Current Estimated Cost	Prior Year Expenditures	Current Year Expenditures	Total Expenditures
City Administration & Equipment	$ 90,000	$ 50,000	$ 70	$ -	$ 70
Public Works Department & Equipment	225,000	200,000	3,405	199,813	203,218
Police Department & Equipment	200,000	200,000	-	129,096	129,096
Resurfacing, Paving, & Equipment	300,000	250,000	-	2,803	2,803
Code Enforcement & Equipment	30,000	30,000	-	29,945	29,945
Fire Department & Equipment	115,000	230,000	-	103,813	103,813
Total	$ 960,000	$ 960,000	$ 3,475	$ 465,470	$ 468,945

REPORTS REQUIRED BY GOVERNMENTAL AUDITING STANDARDS

Reporting on Compliance and on Internal controls over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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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 Board of Commissioners
City of Alma, 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, each major fund, and the aggregate remaining fund information of City of Alma, Georgia, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise City of Alma, Georgia's basic financial statements, and have issued our report thereon dated November 1, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Alma, 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 Alma, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Alma, 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 Alma, 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*.

We noted certain matters that were reported to management of City of Alma, Georgia, in a separate letter dated November 1, 2016.

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.

Respectfully submitted,

BYRT CPAs, LLC

BYRT CPAs, LLC
Waycross, Georgia
November 1, 2016

CITY OF ALMA, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:		Unmodified		
Internal control over financial reporting:				
Material weaknesses identified?	____	Yes	__X__	None Reported
Significant deficiencies identified not considered to be material weaknesses?	____	Yes	__X__	None Reported
Noncompliance material to financial statements noted?	____	Yes	__X__	None Reported