TOWN OF ALTO
ALTO, GEORGIA

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017

WITH AUDITOR'S REPORT
JUNE 29, 2018

TOWN OF ALTO
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017

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ED K. BURTON, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Ed K. Burton, CPA
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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Council
Town of Alto
Alto, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Town of Alto, Georgia as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town of Alto, Georgia, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-9 and 35-36 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 Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Alto, Georgia's basic financial statements. The budget comparison schedule for capital projects fund on page 37 and the schedule of projects financed with special purpose local option sales tax on page 42 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budget comparison schedule for capital projects fund and the schedule of projects financed with special purpose local option sales tax are the responsibility of management and were derived from and relate directly to, the underlying accounting and other records used to prepare the 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 budget comparison schedule for capital projects fund and the schedule of projects financed with special purpose local option sales tax are fairly stated in all material aspects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated June 29, 2018 on our consideration of the Town of Alto, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 results of that testing, and not to provide an opinion on the 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 Town of Alto, Georgia's internal control over financial reporting and compliance.

Ed K. Burton, LLC

Ed K. Burton, LLC
Certified Public Accountants
Lavonia, Georgia
June 29, 2018

MANAGEMENT DISCUSSION & ANALYSIS

Basic Financial Statements

In general, the purpose of financial reporting is to provide external parties that read financial statements with information that will help them to make decisions or draw conclusions about an entity. There are many external parties that read the Town of Alto's financial statements; however, these parties do not always have the same specific objectives. In order to address the needs of as many parties as reasonably possible, the Town, in accordance with required reporting standards, presents (1) government-wide financial statements and (2) fund financial statements.

Government-Wide Financial Statements

The focus of government-wide financial statements is on the overall financial position and activities of the Town of Alto. These financial statements are constructed around the concept of a primary government, the Town, and if applicable, its component units, except for fiduciary funds. The Town has no component units and no fiduciary funds.

The Town's government-wide financial statements include the statement of net position and statement of activities, which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the statement of net position is to attempt to report all of the assets held and liabilities owed by the Town. The Town reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred. For example, the Town reports buildings and their capital assets, even though they are not available to pay the obligations incurred by the Town. On the other hand, the Town reports liabilities, such as litigation claims, even though these liabilities might not be paid until several years into the future.

The difference between the Town's total assets and total liabilities is labeled as *net position* and this difference is similar to the total owners' equity presented by a commercial enterprise. Although the purpose of the Town is not to accumulate net position, in general, as this amount increases it indicates that the financial position of the Town is improving over time.

The purpose of the statement of activities is to present the revenues and expenses of the Town. Again, the items presented on the statement of activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the Town. Thus, revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

Although the statement of activities looks different from a commercial enterprise's income statement, the financial statements are different only in format, not substance. Whereas the bottom line in a commercial enterprise is its net income, the Town reports an amount described as *change in net position,* essentially the same thing.

The focus of the statement of activities is on the *net cost* of various activities provided by the Town. The statement begins with a column that identifies the cost of each of the Town's major function. Another column identifies the revenues that are specifically related to the classified governmental functions. The difference between the expenses and revenues related to specific program/activities computes the net cost or benefits of the program/activities, which identifies the extent to which each function of the Town draws from general revenues or is self-financing through fees, intergovernmental aid, and other sources of resources.

The Town's government-wide financial statements are divided into the primary government and its component units. The Town of Alto has no component units. The primary government is further divided into governmental activities and business-type activities. Governmental activities are generally financed through taxes, inter-governmental revenues, and other non-exchange revenues, while business-type activities are financed to some degree by charging external parties for the goods or services they acquire from the Town. Governmental activities include programs/activities such as general government, public safety, public works and recreation. Business-type activities, an integral part of the Town's activities and responsibilities, include the Town's Water Department.

The Town's government-wide financial statements are presented on pages 10-11.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the Town rather than the Town as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations. The Town's fund financial statements are divided into two broad categories, namely (1) governmental funds and (2) proprietary funds.

Governmental funds: Governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures, and change in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a very short period after the end of the year. The difference between a fund's total assets and total liabilities is labeled as the fund balance, and generally indicates the amount that can be used to finance the next year's activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the year.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements; however, because different accounting bases are used to prepare fund financial statements, and government-wide financial statements, there are often significant differences between the totals presented in these financial statements. For this reason, there is an analysis on the page following the statement of revenues, expenditures and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net position as reported in the governmental activities column in the statement of activities.

The Town's only funds are the General Fund, SPLOST Fund and the Water Utility Fund.

The Town's governmental fund financial statements are presented on pages 12-15.

Proprietary funds: Proprietary fund financial statements consist of a statement of net position, statement of revenues, expenses, and changes in fund net position and statement of cash flows, and are prepared on an accounting basis that is similar to the basis used to prepare the government-wide financial statements. For financial reporting purposes, proprietary funds are grouped into Enterprise Funds and Internal Service Funds. The Town has no Internal Service Funds.

The Town uses Enterprise Funds to account for business-type activities that charge fees to customers for the use of specific goods or services. For the most part, the balances and activities accounted for in the Town's Enterprise Funds are also reported in the business-type activities columns of the government-wide financial statements.

The Town's only enterprise fund is the Water Utility Fund. A statement of cash flows is presented at the fund financial statement level for proprietary funds, but no equivalent statement is presented in the government-wide financial statements for either governmental activities or business-type activities.

The Town's proprietary fund financial statements are presented on pages 16-18.

Overview of the Town's Financial Position and Operations

The Town's overall financial position and operations for the past two years are summarized as follows based on the information included in the government-wide financial statements (see pages 10-11).

Financial Position	**Governmental Activities**		**Business-Type Activities**		**Total**	
	2017	2016	2017	2016	2017	2016
Current and Other Assets	$ 393,526	$ 269,107	$ 647,548	$ 526,439	$ 1,041,074	$ 795,546
Capital Assets	352,461	272,108	1,346,613	1,450,041	1,699,074	1,722,149
Total Assets	$ 745,987	$ 541,215	$1,994,161	$1,976,480	$2,740,148	$2,517,695

Long-Term Liabilities	$ ---	$ ---	$ 322,283	$ 340,454	$ 322,283	$ 340,454
Other Liabilities	20,799	34,251	113,424	110,925	134,223	145,176
Total Liabilities	$ 20,799	$ 34,251	$ 435,707	$ 451,379	$ 456,506	$ 485,630
Net Position:						
Net Investment In Capital Assets	$ 352,461	$ 272,108	$ 1,024,330	$ 1,109,587	$ 1,376,791	$ 1,381,695
Restricted	57,927	20,841	---	---	57,927	20,841
Unrestricted	314,800	214,015	534,124	415,514	848,924	629,529
Total Net Position	$ 725,188	$ 506,964	$ 1,558,454	$ 1,525,101	$ 2,283,642	$ 2,032,065

In 2017, the total net position of the Town increased by $251,577 (12%) from $2,032,065 to $2,283,642. The increase was caused by an increase of $33,353 (2%) in the net position related to business-type activities and an increase of $218,224 (43%) of governmental activities. Net investment in capital assets, decreased by $4,904 (-.4%), and unrestricted net position increased by $219,395 (35%). The net position increase in governmental activities was due to an increase in background search fees and a transfer received from the water fund. The net position increase in business-type activities was due to an increase in water sales as well as proceeds received from SPLOST for water capital improvements.

Operations	**Governmental Activities**		**Business-Type Activities**		**Total**	
	2017	2016	2017	2016	2017	2016
Revenues						
Program Revenues:						
Charges for Services	$ 470,861	$ 335,065	$ 783,285	$ 749,396	$1,254,146	$ 1,084,461
Fines & Forfeitures	57,057	42,946	---	---	57,057	42,946
Operating Grants and Contributions	16,023	30,162	---	---	16,023	30,162
Capital Grants and Contributions	76,550	76,908	---	---	76,550	76,908
General Revenues:						
Property Taxes	57,468	55,751	---	---	57,468	55,751
Franchise Taxes	32,155	32,436	---	---	32,155	32,436
Other Taxes	147,882	142,997	---	---	147,882	142,997
Other General Revenues	2,828	4,022	757	(70,744)	3,585	(66,722)
Total Revenues	$ 860,824	$ 720,287	$ 784,042	$ 678,652	$ 1,644,866	$ 1,398,939

Program Expenses:

General	$ 203,699	$ 167,825	$ ---	$ ---	$ 203,699	$ 167,825
Public Safety / Public Works	481,773	517,327	---	---	481,773	517,327
Cultural & Recreation	16,103	27,030	---	---	16,103	27,030
Water	---	---	691,714	696,556	691,714	696,556
Total Expenses	$ 701,575	$ 712,182	$ 691,714	$ 696,556	$ 1,393,289	$ 1,408,738
Changes in Net Position Before Other Items	$ 159,249	$ 8,105	$ 92,328	$ (17,904)	$ 251,577	$ (9,799)
Transfers (Net)	58,975	50,000	(58,975)	(50,000)	---	---
Increase (Decrease) in Net Position	$ 218,224	$ 58,105	$ 33,353	$ (67,904)	$ 251,577	$ (9,799)

Governmental Activities

Net position increased this year by $160,119 (275%). Revenues were up by $140,537 (19%). This increase was due to an increase in background search fees and a transfer from the water fund. There was also an increase in fines & forfeitures and charges for services. Expenses were down by $10,607 (-1.5%). This was due to a decrease in repair / maintenance expenses. The General Fund received $70,737 from the Water Fund in 2017. This was used by the General Fund to purchase land and help in the demolition of a house on that property. The SPLOST Fund transferred $11,762 to the Water Fund for capital improvements.

Business-Type Activities

Net position increased this year by $101,257. Revenues were up by $105,390 (15.5%). Charges for services were increased by $33,889 (4.5%), due to increased water rates for residential and commercial use. Expenses were down by $4,842 (-.7%) for the year. The decrease was due to better management of funds, less supplies needed and lower insurance for the year. The Water Fund transferred $70,737 to the General Fund that was used to help purchase a piece of land and demolish a house on that land. The Water Fund also received a transfer from SPLOST of $11,762 for capital improvements.

General Fund Budgetary Highlights

The original budget was revised once during the year. Following is a recap of the final budget and actual revenues and expenditures for the 2017 year.

Revenues	Original Budget	Final Budget	Actual	Variance
Taxes & Assessments	$ 247,905	$ 238,053	$ 238,053	$ ---
License & Permits	11,350	8,561	8,561	---
Fines & Forfeitures	43,180	57,057	57,057	---
Charges for Services	329,525	462,301	462,300	(1)
Miscellaneous	4,070	2,828	2,828	---

Expenses	Original Budget	Final Budget	Actual	Variance
General Government	$ 160,499	$ 274,407	$ 274,409	$ (2)
Public Safety/Public Works	422,301	467,177	467,175	2
Culture & Recreation	16,500	12,643	12,643	---

The amended budget was prepared much later this year, so the Town was able to do a better job of adjusting to the final figures for the year.

Capital Asset and Debt Administration

Capital Assets

The Town has invested $1,699,074 in capital assets (net of depreciation). Approximately 79% of this investment is related to business-type activities and includes waterlines, wells, buildings, equipment, vehicles and land. Business-type capital assets decreased by $103,428 (7%) from the previous year, and capital assets held for governmental activities increased by $80,353 (29.5%). Capital assets held by the Town at the end of the current and previous year are summarized as follows:

Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**
Land	$ 126,743	$ 54,526	$ 63,200	$ 63,200	$ 189,943	$ 117,726
Construction in Progress	---	---	---	---	---	---
Buildings/Improvements	111,814	94,430	29,001	31,693	140,815	126,123
Infrastructure	44,729	47,614	---	---	44,729	47,614
Equipment and Vehicles	69,175	75,538	106,753	133,727	175,928	209,265
Waterlines, Wells & Tanks	---	---	1,147,659	1,221,420	1,147,659	1,221,420
Totals	$352,461	$272,108	$1,346,613	$1,450,040	$ 1,699,074	$ 1,722,148

For more detail on Capital Assets, see Note 3 to the financial statements.

Long-Term Obligations

At the end of 2017, $322,283 was owed to GEFA for waterline expansion related to business-type activities.

The Town had no material long-term liabilities related to compensated absences on claims and judgments.

For more detail on Long-Term Obligations, see Note 4 to the financial statements.

Economic Factors and Next Year's Budget and Rates

The Town of Alto water system has seen an increase with the economic growth in our area being reflected in the usage of our commercial customers and with the residential use as well since we are no longer under the strict drought restrictions. The cost of purchasing water for resale has continued to increase but we are pursuing a new test well in 2018 that would alleviate the need for majority of the water purchased and allow the existing nine wells some periods of recovery.

Our Police Department has doubled the number of clients that are requesting background checks for new hires resulting in a self-sustaining Police Department. We are anticipating more clients when we move into the new Police Department since we will be adding more work stations.

In 2017, the Town did not increase water rates or the garbage pickup rates. We did raise the water rates in 2016 and may have to increase them in 2019 to offset the costs of the new well, if it produces, or the purchases of water for resale, if it does not. The new contractors that provide our garbage pickup services beginning in January 2018 will raise their rates in May 2018 as well. The Town will have to determine if garbage fees should be increased.

The inflationary increase for our animal control and fire protection services will have to be considered in examining our fee schedules in 2018.

Request for Information

This financial report is designed to provide various interested parties with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Town Financial Officer at (706) 778-8035.

BASIC FINANCIAL STATEMENTS

TOWN OF ALTO
STATEMENT OF NET POSITION
DECEMBER 31, 2017

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 321,016.51	$ 537,860.07	$ 858,876.58
Investments	-	-	-
Taxes Receivables (Net)	45,424.60	-	45,424.60
Accounts Receivable (Net)	48,587.45	85,785.97	134,373.42
Internal Balances	(22,574.01)	22,574.01	-
Prepaid Items	1,072.15	1,327.41	2,399.56
Total Current Assets	$ 393,526.70	$ 647,547.46	$ 1,041,074.16
Capital Assets:			
Land, Non-Depreciable Improvements, and Construction in Progress	$ 126,742.61	$ 63,200.00	$ 189,942.61
Other Capital Assets, Net of Depreciation	225,718.02	1,283,413.13	1,509,131.15
Total Capital Assets	$ 352,460.63	$ 1,346,613.13	$ 1,699,073.76
TOTAL ASSETS	$ 745,987.33	$ 1,994,160.59	$ 2,740,147.92
LIABILITIES			
Current Liabilities:			
Accounts Payable	$ 18,074.80	$ 17,095.20	$ 35,170.00
Accrued Expenses & Withholdings	2,724.47	511.84	3,236.31
Customer Deposits	-	95,816.58	95,816.58
Long-Term Liabilities:			
Due Within One Year	-	18,377.31	18,377.31
Due in More Than One Year	-	303,905.43	303,905.43
TOTAL LIABILITIES	$ 20,799.27	$ 435,706.36	$ 456,505.63
NET POSITION			
Net Investment in Capital Assets	$ 352,460.63	$ 1,024,330.39	$ 1,376,791.02
Restricted for:			
Capital Projects - SPLOST	57,927.46	-	57,927.46
Unrestricted	314,799.97	534,123.84	848,923.81
TOTAL NET POSITION	$ 725,188.06	$ 1,558,454.23	$ 2,283,642.29
TOTAL LIABILITIES & NET POSITION	$ 745,987.33	$ 1,994,160.59	$ 2,740,147.92

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF ALTO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
					Primary Government		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-Type Activities**	**Total**
Primary Government:							
Governmental Activities:							
General Government	$ 203,698.47	$ 8,560.50	$ 16,022.90	$ 48,849.57	$ (130,265.50)	$ -	$ (130,265.50)
Public Safety/Public Works	481,772.85	519,357.30	-	3,800.00	41,384.45	-	41,384.45
Cultural and Recreation	16,103.32	-	-	23,900.00	7,796.68	-	7,796.68
Total Governmental Activities (See Note 1)	$ 701,574.64	$ 527,917.80	$ 16,022.90	$ 76,549.57	$ (81,084.37)	$ -	$ (81,084.37)
Business-Type Activities:							
Water and Sewer	$ 691,713.45	$ 783,284.62	$ -	$ -	$ -	$ 91,571.17	$ 91,571.17
Total Business-Type Activities	$ 691,713.45	$ 783,284.62	$ -	$ -	$ -	$ 91,571.17	$ 91,571.17
Total Primary Government	$ 1,393,288.09	$ 1,311,202.42	$ 16,022.90	$ 76,549.57	$ (81,084.37)	$ 91,571.17	$ 10,486.80
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purpose					$ 57,468.22	$ -	$ 57,468.22
Franchise Taxes					32,155.12	-	32,155.12
Local Option Sales & Use Tax					66,631.37	-	66,631.37
Other Taxes					81,250.67	-	81,250.67
Unrestricted Investment Earnings					383.27	456.89	840.16
Gain on Disposal of Asset					-	300.00	300.00
Miscellaneous					2,445.00	-	2,445.00
Transfers (Net)					58,974.90	(58,974.90)	-
Total General Revenues and Transfers					$ 299,308.55	$ (58,218.01)	$ 241,090.54
Change in Net Position					$ 218,224.18	$ 33,353.16	$ 251,577.34
Net Position, Beginning					506,963.88	1,525,101.07	2,032,064.95
Net Position, Ending					$ 725,188.06	$ 1,558,454.23	$ 2,283,642.29

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF ALTO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017

	GENERAL FUND	SPLOST CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
ASSETS:			
Cash and Cash Equivalents	$ 263,089.05	$ 57,927.46	$ 321,016.51
Taxes Receivable	45,424.60	-	45,424.60
Accounts Receivable	48,587.45	-	48,587.45
Prepaid Items	1,072.15	-	1,072.15
TOTAL ASSETS	$ 358,173.25	$ 57,927.46	$ 416,100.71
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:			
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable	$ 18,074.80	$ -	$ 18,074.80
Due to Water Fund	22,574.01	-	22,574.01
Payroll Taxes Payable & Other Withholdings	2,724.47	-	2,724.47
TOTAL CURRENT LIABILITIES	$ 43,373.28	$ -	$ 43,373.28
DEFERRED INFLOWS OF RESOURCES:	6,108.47	-	6,108.47
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	$ 49,481.75	$ -	$ 49,481.75
FUND BALANCES:			
Nonspendable:			
Prepaid Items	$ 1,072.15	$ -	$ 1,072.15
Restricted - SPLOST	-	57,927.46	57,927.46
Unassigned	307,619.35	-	307,619.35
TOTAL FUND BALANCES	$ 308,691.50	$ 57,927.46	$ 366,618.96
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 358,173.25	$ 57,927.46	$ 416,100.71

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF ALTO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2017

TOTAL GOVERNMENTAL FUND BALANCES		$ 366,618.96
Amounts Reported for Governmental Activities in The Statement of Net Position Are Different Because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Cost	$ 672,380.13	
Less Accumulated Depreciation	(319,919.50)	352,460.63
Certain other long-term assets (such as deferred property taxes) are not available to pay current period expenditures and therefore are reported in the fund financial statement, but are not reported in the governmental activities of the Statement of Net Position		6,108.47
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 725,188.06

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF ALTO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	GENERAL FUND	SPLOST	TOTAL
REVENUES:			
Taxes & Assessments	$ 238,053.20	$ -	$ 238,053.20
Licenses & Permits	8,560.50	-	8,560.50
Fines & Forfeitures	57,057.00	-	57,057.00
Charges for Services	462,300.30	-	462,300.30
Intergovernmental Revenues	-	76,549.57	76,549.57
Grants and Other Funds	16,022.90	-	16,022.90
Miscellaneous	2,828.27	-	2,828.27
TOTAL REVENUES	$ 784,822.17	$ 76,549.57	$ 861,371.74
EXPENDITURES:			
Current Operating:			
General Government	$ 194,297.47	$ -	$ 194,297.47
Public Safety/Public Works	467,174.85	-	467,174.85
Culture & Recreation	12,643.32	-	12,643.32
Capital Outlay:			
General Government	80,111.30	-	80,111.30
Public Safety/Public Works	-	3,800.00	3,800.00
Culture & Recreation	-	23,900.00	23,900.00
TOTAL EXPENDITURES	$ 754,226.94	$ 27,700.00	$ 781,926.94
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 30,595.23	$ 48,849.57	$ 79,444.80
OTHER FINANCING SOURCES (USES):			
Transfers from/(to) Water Fund	$ 70,737.40	$ (11,762.50)	$ 58,974.90
NET OTHER FINANCING SOURCES (USES)	$ 70,737.40	$ (11,762.50)	$ 58,974.90
NET CHANGE IN FUND BALANCES	$ 101,332.63	$ 37,087.07	$ 138,419.70
FUND BALANCES:			
Beginning of Year	207,358.87	20,840.39	228,199.26
End of Year	$ 308,691.50	$ 57,927.46	$ 366,618.96

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF ALTO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

NET CHANGES IN FUND BALANCES-TOTAL GOVERNMENTAL FUNDS		$ 138,419.70
Amounts Reported for Governmental Activities in the Statement of Activities Are Different Because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which the capital outlay exceeded depreciation expense in the current period.		
Capital Outlay	$ 108,243.30	
Depreciation Expense	(23,659.00)	
		84,584.30
The net book value of capital assets traded or abandoned are reported on the government - wide statement of activities but not reported in the governmental fund's operating statement.		(4,232.00)
Governmental funds do not present revenues (such as deferred property taxes) that are not available to pay current obligations. In contrast, such revenues are reported in the Government-Wide Statement of Activities when earned.		(547.82)
TOTAL CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 218,224.18

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF ALTO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2017

	WATER UTILITY FUND	
ASSETS:		
CURRENT ASSETS:		
Cash and Cash Equivalents	$ 537,860.07	
Accounts Receivable	85,785.97	
Prepaid Expenses	1,327.41	
Due from General Fund	22,574.01	
TOTAL CURRENT ASSETS		$ 647,547.46
NONCURRENT ASSETS:		
Land and Construction in Progress	$ 63,200.00	
Depreciable Capital Assets, Net	1,283,413.13	
TOTAL NONCURRENT ASSETS		1,346,613.13
TOTAL ASSETS		$ 1,994,160.59
LIABILITIES AND NET POSITION:		
LIABILITIES:		
CURRENT LIABILITES:		
Accounts Payable	$ 17,095.20	
Customer Deposits	95,816.58	
Current Portion of Long Term Debt	18,377.31	
Payroll Taxes Withheld & Payable	511.84	
TOTAL CURRENT LIABILITIES		$ 131,800.93
LONG-TERM LIABILITIES:		
Note Payable - GEFA	$ 303,905.43	
TOTAL LONG-TERM LIABILITIES		303,905.43
TOTAL LIABILITIES		$ 435,706.36
NET POSITION:		
Net Investment in Capital Assets	$ 1,024,330.39	
Unrestricted	534,123.84	
TOTAL NET POSITION		1,558,454.23
TOTAL LIABILITIES AND NET POSITION		$ 1,994,160.59

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF ALTO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	WATER UTILITY FUND	
OPERATING REVENUES:		
Water Sales	$ 779,159.62	
Other	4,125.00	
TOTAL OPERATING REVENUES		$ 783,284.62
OPERATING EXPENSES:		
Water for Resale	$ 148,214.53	
Salaries	189,311.99	
Payroll Taxes	14,482.02	
Utilities	54,392.68	
Materials & Supplies	16,149.74	
Professional & Technical Service	7,500.00	
Insurance	39,210.26	
Repairs & Maintenance	38,986.90	
Gas	5,719.43	
Dues & Fees	10,687.48	
Contract Labor	41,148.90	
Miscellaneous	18,728.58	
Depreciation	103,427.72	
TOTAL OPERATING EXPENSES		687,960.23
OPERATING INCOME		$ 95,324.39
NON-OPERATING REVENUES (EXPENSES):		
Interest Income	$ 456.89	
Gain on Sale of Assets	300.00	
Interest Expense	(3,753.22)	
TOTAL NON-OPERATING REVENUES (EXPENSES)		(2,996.33)
INCOME (LOSS) BEFORE TRANSFERS		$ 92,328.06
Transfers from SPLOST Fund		11,762.50
Transfers to General Fund		(70,737.40)
CHANGE IN NET POSITION		$ 33,353.16
NET POSITION:		
Beginning Balance		1,525,101.07
Ending Balance		$ 1,558,454.23

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF ALTO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	$ 793,221.21	
Cash Payments for Personnel Services	(205,514.41)	
Cash Payments for Goods and Services	(381,741.77)	
NET CASH PROVIDED BY OPERATING ACTIVITIES		$ 205,965.03
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Transfers to General Fund	$ (70,737.40)	
Advances to General Fund	(1,778.90)	
TOTAL CASH USED BY NON-CAPITAL FINANCING ACTIVITIES		(72,516.30)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Transfers Received from SPLOST Fund	$ 11,762.50	
Interest Paid	(3,753.22)	
Principal Paid on GEFA Loan	(18,170.90)	
Cash Received from Sale of Capital Assets	300.00	
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES		(9,861.62)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment Earnings	$ 456.89	
TOTAL CASH PROVIDED BY INVESTING ACTIVITIES		456.89
NET INCREASE IN CASH AND CASH EQUIVALENTS		$ 124,044.00
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		413,816.07
CASH AND CASH EQUIVALENTS AT END OF YEAR		$ 537,860.07
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	$ 95,324.39	
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	103,427.72	
Decrease in Accounts Receivable	4,284.26	
Decrease in Prepaid Expenses	430.46	
Decrease in Accounts Payable	(1,003.27)	
Increase in Customer Deposits	5,221.87	
Decrease in Accrued Payroll & Taxes Withheld & Payable	(1,720.40)	
NET CASH PROVIDED BY OPERATING ACTIVITIES		$ 205,965.03

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Alto operates under a Mayor and Council form of government. The accounting policies of the Town of Alto conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The following is a summary of the more significant policies:

A. Principles Determining Scope of Reporting Entity

The financial statements of the Town of Alto consist of the general fund, the water utility fund and the SPLOST fund. The Town is not financially accountable for any other governmental entity since no other entities are considered to be controlled by or dependent on the Town. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board.

B. Basis of Presentation - Fund Accounting

In June 1999, GASB issued Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. The statement, known as the "Reporting Model" statement, affects the way the Town prepares financial information. State and Local governments traditionally have used a financial reporting model substantially different from the one used to prepare private sector financial reports. GASB Statement No. 34 establishes new requirements and a new reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions.

The basic financial statements include both government-wide (based on the Town as a whole) and fund financial statements. While the previous model emphasized fund types (the total of all funds of a particular type), in the new reporting model the focus is on either the Town as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorized primary activities as either governmental or business-type. In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected, on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The government-wide Statement of Activities reflects both the gross and net cost per functional category (recreation, public safety, streets and sanitation, etc.) which is otherwise being supported by general government revenues (property, certain intergovernmental revenues, fines, permits and charges, etc.)

The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (public safety, public works, recreation, etc.) or a business-type activity. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The governmental funds major fund statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted.

Since the governmental funds are presented on a different measurement focus and basis of accounting than the government-wide statement's governmental column, a reconciliation is presented which briefly explains the adjustment necessary to reconcile funds based on financial statements with the governmental column of the government-wide presentation.

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in financial statements in this report, in fund types and categories as follows:

GOVERNMENTAL FUNDS:

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. Governmental Funds are those through which most governmental functions typically are financed.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance

In accordance with Government Accounting Standards Board 54, fund equity at the governmental fund financial reporting level is classified as "fund balance" whereas fund equity for all other reporting is classified as "net position." In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town 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 Town 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 Town Council, the Town's highest level of decision making authority, through the adoption of a resolution. The Town Council also may modify or rescind the commitment.

- Assigned – Fund balances are reported as assigned when amounts are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed.

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

Flow Assumptions

When both restricted and unrestricted amounts of fund balances are available for use for expenditures incurred, it is the Town's policy to use restricted amounts first and then unrestricted amounts as they are needed.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within sixty days of year-end and available to pay obligations of the current period). This includes investment earnings, property taxes, income taxes withheld by employers, estate taxes, fines and forfeitures and state levied locally shared taxes (including motor vehicle fees). Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made, or when received in advance, deferred until expenditures are made.

Other revenues, including licenses and permits, certain charges for services, and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

Expenditures Recognition

On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

General Fund – This is a major governmental fund of the Town of Alto. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

SPLOST Capital Projects Fund – This is a major governmental fund of the Town of Alto. The SPLOST Fund is used to account for capital expenditures and projects financed by the passage of the special purpose local option sales tax passed by the Banks County 2012 and Habersham County 2014 referendums.

PROPRIETARY FUNDS:

Proprietary Funds are used to account for activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government's business activities are accounted for through proprietary funds. The measurement focus is on determination of net income, financial position, and cash flows. Operating revenues include charges for services. Subsidies and grants to proprietary funds, which finance either capital or current operations, are recorded as non-operating revenue when earned.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating Expenses include cost of services as well as, materials, contracts, personnel, and depreciation. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 20, the Town has elected to follow GASB statements issued after November 30, 1989, rather than the Financial Accounting Standards Board, in accounting for proprietary funds.

Enterprise Funds – The Water Utility Fund is the major enterprise fund of the Town of Alto. It provides water services for the Town residents and others in Habersham and Banks County. The fund accounts for operations (a) that are financed and operated in a manner similar to private business enterprises; where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

C. Basis of Accounting

The government-wide statements of net position and statements of activities and all proprietary funds are accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. Those revenues susceptible to accrual are property taxes, local option sales taxes, other taxes, intergovernmental revenue, interest revenue and charges for services. Fines, licenses and permits and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using the current financial resources measurement focus; only current assets and current liabilities generally are included on the balance sheet in the fund statements. Long-term assets and long-term liabilities are included in the government-wide statements. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The fund financial statements of the General Fund is maintained and reported on the modified accrual basis of accounting. Under this method of accounting, revenues are recognized in the period in which they become measurable and available. With respect to real and personal property tax revenue and other local taxes, the term "available" is limited to collection within sixty days of the year-end.

Levies made prior to the year-end but which are not available are deferred. Interest income is recorded as earned. Federal and State reimbursement-type grants are recorded as revenues when related eligible expenditures are incurred. Expenditures, other than accrued interest on long-term debt, are recorded when the fund liability is incurred.

The statements of net position, statements of activities, and financial statements of the Proprietary Fund are presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash. Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

D. Budgets and Budgetary Accounting

The Town of Alto prepares a budget for all Town funds. The budget shows a comparison of current year revenues and expenditures with the proposed revenues and expenditures of the upcoming year.

The Town sets the date of submission of the proposed budget to the governing body. On that date a copy of the proposed budget is placed for public inspection during regular business hours. Also, at this time, a notice is published in the local newspaper stating the time and place of a public hearing on the proposed budget.

The budget hearing precedes the formal adoption of the budget by at least one week. The budget is then formally adopted at a public meeting.

Any amendments to the Town budget are approved by the Town Council and adopted by resolution. The Town Chief Financial Officer is authorized to make changes within the department level, however changes for each department must be approved by the Town Council.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The budget for the General Fund is prepared on the modified accrual basis of accounting, and the budget for the Water Utility Fund is prepared on the accrual basis of accounting.

E. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditures are recorded to reserve that portion of the applicable appropriation, is not utilized by the Town of Alto.

F. Cash and Cash Equivalents

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

G. Deposits and Investments

Custodial Credit Risk
Custodial risk is the risk that in the event of a financial failure, the Town's deposits may not be returned. The Town has no formal policy but follows the State of Georgia requirement that all deposits be federally insured or fully collateralized. All deposits are required to be insured or collateralized with securities held by the government or by its agent in the government's name.

The Town's investment policy allows investments only in:

1. Obligations of the United States and the State of Georgia or their agencies;
2. Other obligations, the principal of and interest on which are unconditionally guaranteed by the United States;
3. Certificates of deposit issued by the state and national banks that are insured by the FDIC or secured by obligations described above.

The Town has no investments at the end of the year. All Certificates of Deposit were cashed out during the 2016 year and put into cash savings accounts. At the end of 2017, the Town had no uninsured funds that were uncollateralized.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Credit Risk
State of Georgia law limits investments to include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia, and pooled investment programs of the State of Georgia. The Town has no investment policy that would further limit its investment choices. Investments are normally reported at fair value, but at the end of the year the Town had no investments.

Concentration of Credit Risk
The City has no formal policy on the amount the Town may invest in any one issuer.

H. Receivables

All receivables are reported net of uncollectibles.

I. Inventory and Prepaid Items

Expendable supplies are recorded as expenditures at the time items are purchased. The Town does not record inventories of supplies on the books. Certain prepaid expenditures are recognized in the period that they benefit.

J. Capital Assets

Capital outlays are recorded as expenditures of the General Fund and as assets in the government-wide financial statements to the extent of the Town's capitalization threshold is met. The Town capitalizes asset purchases valued at $1,000 or more. Depreciation is recorded on general capital assets on a government-wide basis. Capital outlays of the Proprietary Fund are recorded as capital assets and depreciated over their estimated useful lives on a straight-line basis on both the fund basis and the government-wide basis. All capital assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated capital assets are valued at their estimated fair market value on the date donated. The estimated useful lives are as follows:

Buildings	20-40 Years
Infrastructure	25-40 Years
Utility and Plant System	20-40 Years
Land Improvements	15 Years
Equipment	5-10 Years

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenditures that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations. General infrastructure assets acquired prior to July 1, 2003 are not reported in the basic financial statements. General infrastructure assets would include all roads and bridges. A capitalization threshold of $25,000 is used for infrastructure assets.

K. Long-Term Obligations

The Town reports long-term debt of governmental funds at face value in the Government-wide Statement of Net Position. Long-term debt is not reported for governmental activities in the fund financial statements. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in both the Government-wide and Fund Financial Statements.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Financial Position will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the Town does not have any items that qualify for reporting in this category.

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section of deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one item, which arises under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly deferred property taxes are reported only in the governmental funds balance sheet.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Net Position Flow Assumption

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

N. Fund Balance Flow Assumption

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

O. Fund Equity/Net Position

In the Government-wide Financial Statements, net positions are classified in the following categories:

Net Investment in Capital Assets – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balance of debt that are attributable to the acquisition, construction, or improvement of these assets reduce this category.

Restricted Net Positions – This category presents external restrictions imposed by bond ordinances, through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At the end of the year, there was $57,927.46 restricted from SPLOST funds received for capital outlay projects.

Unrestricted Net Positions – This category represents the net positions of the Town, which are not restricted for any project or other purpose.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Use of Estimates

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

Q. Internal Activity

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”. Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses.

Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement.

All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

R. Risk Management

The Town 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 Town pays insurance premiums for insurance coverage to an independent insurance agency for property, general liability, automobile, public employee and public official bonds. The Town has joined together with other municipalities in the state as part of the Workers’ Compensation Self-Insurance Fund (WCSIF), a public entity risk pool currently operating as common risk management and insurance program for member local governments. The Georgia Municipal Association (GMA) administers this risk pool.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

As part of this risk pool, the Town is obligated to pay all contributions and assessments as prescribed by the pool to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, 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 Town is also to allow the pool's agents and attorneys to represent the Town in investigation, settlement discussions and all levels of litigation arising out of any claim made against the Town within the scope of loss protection furnished by the funds.

The fund is to defend and protect the members of the fund against liability or loss in accordance with the workers' compensation laws of Georgia. The fund is to pay all cost 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.

The Town has not had significant reductions in insurance coverage over the last three years, nor have they had any insurance settlement that has exceeded its coverage over the past three years.

2. RECEIVABLES

Receivables:	General	Enterprise	Total
Taxes	$ 45,424.60	$ -	$ 45,424.60
Charges for Services	48,587.45	-	48,587.45
Water Services	-	85,785.97	85,785.97
	$ 94,012.05	$ 85,785.97	$ 179,798.02

Property taxes are assessed as of January 1 on property values. Tax was levied on property November 1, 2017. Tax bills were mailed on December 10, 2017 and were due on February 15, 2018. Penalties and interest were assessed after March 1, 2018 and a lien will be placed against the property on July 1, 2018.

Property tax revenues in governmental funds are recognized when they become available. Available includes those property tax receivables expected to be collected within 60 days after year-end. Property tax is recognized in the year that it is levied in the Government-wide Financial Statements. Delinquent taxes are considered fully collectible and therefore no allowance for uncollectible taxes is provided.

3. CAPITAL ASSETS

The following is a summary of changes in the governmental activities at December 31, 2017:

Non-Depreciable Assets	12/31/2016	Additions	Deletions	12/31/2017
Land	$ 54,526.31	$ 72,216.30	$ -	$ 126,742.61
Construction in Progress	-	-	-	-
Total Non-Depreciable Assets	$ 54,526.31	$ 72,216.30	$ -	$ 126,742.61
Other Capital Assets:				
Building / Improvements	$ 121,655.10	$ -	$ -	$ 121,655.10
Playground Equipment	63,834.00	-	-	63,834.00
Machinery & Equipment	111,442.74	12,127.00	(10,585.00)	112,984.74
Trucks & Vehicles	108,031.51	-	-	108,031.51
Infrastructure	72,137.00	-	-	72,137.00
Land Improvements	38,640.17	23,900.00	-	62,540.17
Office Equipment	4,455.00	-	-	4,455.00
Total Depreciable Assets	$ 520,195.52	$ 36,027.00	$ (10,585.00)	$ 545,637.52
Less Accumulated Depreciation for:				
Building / Improvements	$ (57,460.00)	$ (3,145.00)	$ -	$ (60,605.00)
Playground Equipment	(31,858.80)	(3,460.00)	-	(35,318.80)
Machinery & Equipment	(79,206.19)	(7,390.00)	6,353.00	(80,243.19)
Trucks & Vehicles	(96,705.51)	(3,408.00)	-	(100,113.51)
Infrastructure	(24,523.00)	(2,885.00)	-	(27,408.00)
Land Improvements	(8,405.00)	(3,371.00)	-	(11,776.00)
Office Equipment	(4,455.00)	-	-	(4,455.00)
Total Accum Depreciation	$ (302,613.50)	$ (23,659.00)	$ 6,353.00	$ (319,919.50)
Net Depreciable Assets	$ 217,582.02	$ 12,368.00	$ (4,232.00)	$ 225,718.02

Governmental Activities Depreciation Expense:	
General Government	$ 9,401.00
Public Safety/Works	10,798.00
Culture & Recreation	3,460.00
Total Depreciation	$ 23,659.00

The following is a summary of proprietary fund type capital assets at December 31, 2017:

Non-Depreciable Assets	12/31/2016	Additions	Deletions	12/31/2017
Land	$ 63,200.00	$ -	$ -	$ 63,200.00
Construction in Progress	-	-	-	-
Total Non-Depreciable Assets	$ 63,200.00	$ -	$ -	$ 63,200.00
Other Capital Assets:				
Building / Improvements	$ 62,423.19	$ -	$ -	$ 62,423.19
Water Tanks	524,117.74	-	-	524,117.74
Wells & Waterlines	2,279,138.27	-	-	2,279,138.27
Machinery & Equipment	303,664.43	-	-	303,664.43
Trucks & Vehicles	28,760.41	-	-	28,760.41
Office Equipment	5,730.78	-	-	5,730.78
			-	-
Total Depreciable Assets	$ 3,203,834.82	$ -	$ -	$ 3,203,834.82
Less Accumulated Depreciation for:				
Building / Improvements	$ (30,730.26)	$ (2,692.17)	$ -	$ (33,422.43)
Water Tanks	(498,108.83)	(4,001.37)	-	(502,110.20)
Wells & Waterlines	(1,083,726.70)	(69,760.25)	-	(1,153,486.95)
Machinery & Equipment	(178,835.41)	(23,925.58)	-	(202,760.99)
Trucks & Vehicles	(20,566.39)	(2,766.58)	-	(23,332.97)
Office Equipment	(5,026.38)	(281.77)	-	(5,308.15)
Total Accum Depreciation	$(1,816,993.97)	$(103,427.72)	$ -	$(1,920,421.69)
Net Depreciable Assets	$ 1,386,840.85	$(103,427.72)	$ -	$ 1,283,413.13

4. LONG-TERM DEBT

Governmental Activities Debt

There is no long-term debt in the General Fund this year.

Business Activities Type Debt:

As of December 31, 2017, the Town owed the Georgia Environmental Finance Authority (GEFA) a total of $322,282.74. Payments of $1,827.01 at 1.13% are to be paid over the next 20 years. This loan started on February 1, 2014 and matures on January 1, 2034. Interest paid on long-term debt during the year was $3,753.22.

LONG-TERM DEBT (Continued)

Debt service requirements to maturity, including principal and interest for this note payable are as follows:

Year Ending	Principal	Interest	Total
2018	$ 18,377.31	$ 3,546.81	$ 21,924.12
2019	18,586.05	3,338.07	21,924.12
2020	18,797.16	3,126.96	21,924.12
2021	19,010.67	2,913.45	21,924.12
2022	19,226.62	2,697.50	21,924.12
2023-2027	99,458.93	10,161.67	109,620.60
2028-2032	105,237.38	4,383.22	109,620.60
2033-2034	23,588.62	155.73	23,744.35
	$ 322,282.74	$ 30,323.41	$352,606.15

Changes in Long-Term Debt:

The following is a summary of the changes in long-term debt of the Town for the year ended December 31, 2017:

	Balance 12/31/2016	Additions	Deductions	Balance 12/31/2017	Due Within 1 Year
Business-type Activities:					
Notes Payable	$340,453.64	$ -	$18,170.90	$322,282.74	$18,377.31

5. INTERFUND RECEIVABLES AND PAYABLES

There were interfund receivables and payables in the amount of $22,574.01 at the end of the year between the Water Fund and General Fund. These interfund transactions occurred because the water fund paid for capital expenditures on behalf of the general fund.

6. INTERFUND TRANSFERS

During the 2017 year, the Water Fund transferred a total of $70,737.40 to the General Fund. This money was used for the General Fund to acquire and improve real estate. The SPLOST fund transferred $11,762.50 to the Water Fund. This money was used for capital improvements and repairs.

7. COMPENSATED ABSENCES AND RETIREMENT PLANS

It is the policy of the Town to award one week vacation for the Town's employees after one year of service and two weeks' vacation after three years of service. There was no accrued vacation payable at December 31, 2017.

In 2000, the Town adopted a formal sick leave policy of one day per month for each eligible employee. No amount is accrued for sick leave at December 31, 2017, as the amount was immaterial. The Town has no retirement plan for its employees.

8. COMMITMENTS AND CONTINGENT LIABILITIES

The Town has entered into various agreements and contracts in the normal course of business. Such agreements do not give rise to any assets or liabilities considered to be material to the Town's financial statements at December 31, 2017.

9. JOINT VENTURE

Under Georgia law, the Town, in conjunction with other cities and thirteen counties in the Northeast Georgia area, is a member of the Georgia Mountains Regional Commission (RC) and is required to pay annual dues thereto. During its year ended December 31, 2017, the Town paid $816.53 in such dues. Membership in an RC is required by the Official Guide of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from: Georgia Mountains Regional Commission, P.O. Box 1720, Gainesville, Georgia 30503.

10. SUBSEQUENT EVENTS

Subsequent events were evaluated through June 29, 2018, which is the date that the financials are available to be issued. In January of 2018, the Town purchased a former church and convenience store with the hopes of remodeling the properties in order to relocate the city hall and police department in the future. The Town does not believe that there are any other subsequent events that need to be disclosed in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF ALTO
BUDGET COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM AMENDED
REVENUES:				
Taxes & Assessments	$ 247,905.00	$ 238,053.00	$ 238,053.20	$ 0.20
Licenses & Permits	11,350.00	8,561.00	8,560.50	(0.50)
Fines & Forfeitures	43,180.00	57,057.00	57,057.00	-
Charges for Services	329,525.00	462,301.00	462,300.30	(0.70)
Grants & Awards	3,400.00	16,023.00	16,022.90	(0.10)
Miscellaneous	4,070.00	2,848.00	2,828.27	(19.73)
TOTAL REVENUES	$ 639,430.00	$ 784,843.00	$ 784,822.17	$ (20.83)
EXPENDITURES:				
Current Operating:				
General Government	$ 160,499.00	$ 274,407.00	$ 274,408.77	$ (1.77)
Public Safety/Public Works	422,301.00	467,177.00	467,174.85	2.15
Culture & Recreation	16,500.00	12,644.00	12,643.32	0.68
TOTAL EXPENDITURES	$ 599,300.00	$ 754,228.00	$ 754,226.94	$ 1.06
EXCESS OF EXPENDITURES OVER REVENUES	$ 40,130.00	$ 30,615.00	$ 30,595.23	$ (19.77)
OTHER FINANCING SOURCES (USES):				
Transfers from Water Fund	$ 50,000.00	$ 70,737.00	$ 70,737.40	$ (0.40)
TOTAL OTHER FINANCING SOURCES (USES)	$ 50,000.00	$ 70,737.00	$ 70,737.40	$ (0.40)
NET CHANGE IN FUND BALANCE	$ 90,130.00	$ 101,352.00	$ 101,332.63	$ (19.37)
FUND BALANCES:				
Beginning of Year	-	-	207,358.87	-
End of Year	$ -	$ -	$ 308,691.50	$ -

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF ALTO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2017

1. Budgets and Budgetary Accounting

The Town of Alto prepares a budget for all Town Funds. The budget shows a comparison of current year revenues and expenditures with the proposed revenues and expenditures of the upcoming year.

The Town sets the date of submission of the proposed budget to the governing body. On that date a copy of the proposed budget is placed for public inspection during regular business hours. Also, at this time, a notice is published in the local newspaper stating the time and place of a public hearing on the proposed budget.

The budget hearing precedes the formal adoption of the budget by at least one week. The budget is then formally adopted at a public meeting.

Any amendments to the Town budget are approved by the Town Council and adopted by resolution. The Town Chief Financial Officer is authorized to make changes within the department level; however, changes for each department must be approved by the Town Council.

The budget for the General Fund is prepared on the modified accrual basis of accounting, and the budget for the Water Utility Fund is prepared on the accrual basis of accounting.

Expenditures may not legally exceed budgeted appropriations at the departmental level in the General Fund. All departmental levels were within budget for the 2017 budget year.

OTHER SUPPLEMENTARY INFORMATION

TOWN OF ALTO
BUDGET COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM AMENDED
REVENUES:				
GDOT - LMIG Funds	$ 13,500.00	$ -	$ -	$ -
Other Financing Sources	-	-	-	-
SPLOST Funds - Habersham	66,000.00	66,377.00	66,377.38	(0.38)
SPLOST Funds - Banks	13,675.00	10,172.00	10,172.19	(0.19)
TOTAL REVENUES	$ 79,675.00	$ 76,549.00	$ 76,549.57	$ (0.57)
EXPENDITURES:				
Current Operating:				
General Government	$ 2,500.00	$ -	$ -	$ -
Public Safety/Public Works	13,000.00	3,800.00	3,800.00	-
Culture & Recreation	11,675.00	23,900.00	23,900.00	-
TOTAL EXPENDITURES	$ 27,175.00	$ 27,700.00	$ 27,700.00	$ -
EXCESS OF EXPENDITURES OVER REVENUES	$ 52,500.00	$ 48,849.00	$ 48,849.57	$ (0.57)
OTHER FINANCING SOURCES (USES):				
Transfers of SPLOST to Water Fund	$ -	$ (11,762.00)	$ (11,762.50)	$ 0.50
TOTAL OTHER FINANCING SOURCES (USES)	$ -	$ (11,762.00)	$ (11,762.50)	$ 0.50
NET CHANGE IN FUND BALANCE	$ 52,500.00	$ 37,087.00	$ 37,087.07	$ 0.07
FUND BALANCES:				
Beginning of Year	-	-	20,840.39	-
End of Year	$ -	$ -	$ 57,927.46	$ -

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

ED K. BURTON, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Ed K. Burton, CPA
Alan M. Burton, CPA
T. Scott Slaton, CPA

Members American Institute of CPA's and Georgia Society of CPA's

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

To the Honorable Mayor and Council
Town of Alto
Alto, 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, and each major fund of the Town of Alto, Georgia, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Town of Alto, Georgia's basic financial statements, and have issued our report thereon dated June 29, 2018.

Internal Control over Financial Reporting

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

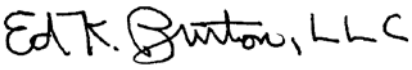
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Alto, 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.

12333 Augusta Rd ◊ P.O. Box 40 ◊ Lavonia, Georgia 30553 ◊ Telephone (706) 460-5750 ◊ Fax (706) 460-5747 ◊ E-mail: info@edkburtonllc.com

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.



Ed K. Burton, LLC
Certified Public Accountants
Lavonia, Georgia
June 29, 2018

TOWN OF ALTO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2017

AUDIT FINDINGS – GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS

INTERNAL CONTROL

No Findings as it relates to Internal Control

COMPLIANCE AND OTHER MATTERS

No Findings as it relates to Compliance and Other Matters

TOWN OF ALTO
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2017

2016-1: Expenditures Exceed Adopted Budget

Criteria: Georgia law requires budgets to be adopted at the department level and expenditures spent accordingly.

Condition: Actual expenditures exceeded the legally adopted budget at the department level.

Auditee Response/Status: Resolved. All departments were within the adopted budget. The Town did a much better job of amending the budget at the end of the year.

TOWN OF ALTO
SCHEDULE OF PROJECTS FINANCED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX
FOR THE YEAR ENDED DECEMBER 31, 2017

	Estimated Cost*		Expenditures			% of
Project	Original	Current	Prior Years	Current Year	Total	Completion
Habersham #6						
Public Safety	$ 42,000.00	$ 42,000.00	$ -	$ -	$ -	0.00%
Water	106,648.00	106,648.00	-	-	-	0.00%
Recreation	82,796.00	82,796.00	82,748.95	-	82,748.95	99.94%
Capital Outlay Projects	104,281.00	104,281.00	-	-	-	0.00%
Roads	107,153.00	107,153.00	13,300.00	23,900.00	37,200.00	34.72%
Total	$ 442,878.00	$ 442,878.00	$ 96,048.95	$ 23,900.00	$ 119,948.95	27.08%

	Estimated Cost*		Expenditures			% of
Project	Original	Current	Prior Years	Current Year	Total	Completion
Banks County						
Streets & Bridges	$ 20,000.00	$ 20,000.00	$ 11,685.00	$ 3,800.00	$ 15,485.00	77.43%
Water	40,000.00	40,000.00	24,289.86	11,762.50	36,052.36	90.13%
Total	$ 60,000.00	$ 60,000.00	$ 35,974.86	$ 15,562.50	$ 51,537.36	85.90%