CITY OF ASHBURN, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2012

TABLE OF CONTENTS

City of Ashburn
Ashburn, Georgia — June 30, 2012

Description	Page Number
Independent Auditor's Report	
Basic Financial Statements:	
Statement of Net Assets - Government-Wide	1
Statement of Activities and Changes in Net Assets - Government-Wide	3
Balance Sheet - Governmental Funds	5
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	7
Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	10
Statement of Net Assets - Proprietary Funds	11
Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds	13
Statement of Cash Flows - Proprietary Funds	15
Statement of Fiduciary Assets and Liabilities - Agency Fund	17
Notes to the Financial Statements	18
Required Supplementary Information:	
General Fund:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (GAAP Budgetary Basis) - General Fund	38
Supplementary Information:	
General Fund:	
Schedule of Assets, Liabilities, and Fund Balance - General Fund	40
Schedule of Expenditures - Budget and Actual - General Fund	41

TABLE OF CONTENTS

City of Ashburn
Ashburn, Georgia — June 30, 2012

Description	Page Number
Non-Major Governmental Funds:	
Schedule of Assets, Liabilities, and Fund Balance	46
Schedule of Revenues, Expenditures, and Changes in Fund Balances	47
Special Revenue Fund:	
Schedule of Assets, Liabilities, and Fund Balance	48
Schedule of Revenues, Expenditures, and Changes in Fund Balance	49
Proprietary Funds:	
Enterprise Funds:	
Water and Sewer Revenue Fund:	
Schedule of Net Assets	51
Schedule of Revenues, Expense, and Changes in Net Assets	53
Schedule of Cash Flows	55
Gas Revenue Fund:	
Schedule of Net Assets	57
Schedule of Revenues, Expense, and Changes in Net Assets	59
Schedule of Cash Flows	61
Schedule of Changes in Fiduciary Assets and liabilities - Agency Fund	63
Downtown Development Authority:	
Schedule of Net Assets	64
Schedule of Revenues, Expense, and Changes in Net Assets	65
Schedule of Cash Flows	66
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	
Schedule of Findings and Responses	68-69
Schedule of Projects Using Special Purpose Local Option Sales Tax Proceeds	70

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor
Members of the City Council
City of Ashburn, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Ashburn, Georgia as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City of Ashburn, Georgia's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Ashburn, Georgia, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2012, on our consideration of City of Ashburn, 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 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* and is important for assessing the results of our audit.

The City of Ashburn has not presented management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be a part of, the basic financial statement.

The Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (GAAP Budgetary Basis) - General Fund as described in the table of contents on pages 38 and 39 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Ashburn, Georgia's basic financial statements. The combining and individual non-major fund schedules listed in the table of contents as Supplementary Information, and the Schedule of Projects Constructed with Special Sales Tax Proceeds, as required by the Official Code of Georgia Annotated Section, 48-8-121, as described in the table of contents on pages 40 through 67 and page 70, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund schedules listed in the table of contents as Supplementary Information, and the Schedule of Projects Constructed with Special Sales Tax Proceeds, as required by the Official Code of Georgia Annotated Section, 48-8-121, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Herring CPA Group, P.C.
Tifton, Georgia
November 22, 2012

STATEMENT OF NET ASSETS

City of Ashburn
Ashburn, Georgia

June 30, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	Downtown Development Authority
LIABILITIES				
Accounts payable	$ 71,100	$ 12,888	$ 83,988	$ 0
Salaries and wages payable	11,515	23,747	35,262	0
Sales tax payable	0	4,578	4,578	0
Compensated absences	49,004	0	49,004	0
Notes payable - current	0	0	0	5,725
Capital lease - current	71,617	0	71,617	0
Landfill postclosure costs - current	6,523	0	6,523	0
Notes payable - non-current	0	5,085,000	5,085,000	18,227
Capital lease - non-current	224,574	0	224,574	0
Landfill postclosure costs - non-current	76,209	0	76,209	0
Consumers' deposits payable	12,617	141,060	153,677	0
Total Liabilities	$ 523,159	$ 5,267,273	$ 5,790,432	$ 23,952
NET ASSETS				
Invested in capital assets, net of related debt	$ 2,559,556	$ 695,180	$ 3,254,736	$ 48,725
Restricted for:				
Debt Retirement	0	9,000	9,000	0
Public Works	5,635	0	5,635	0
Capital Projects	23,866	1,464,996	1,488,862	0
Public Safety	6,961	0	6,961	0
Unrestricted	663,391	901,531	1,564,922	33,518
TOTAL NET ASSETS	$ 3,259,409	$ 3,070,707	$ 6,330,116	$ 82,243

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

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended June 30, 2012

Program Revenues			Net (Expenses) Revenues and Changes in Net Assets Primary Government			Component Unit
	Capital Grants and Contributions	Total	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
	$ 0	$ 89,105	$ (612,508)	$ 0	$ (612,508)	$ 0
	105,876	2,366,999	(66,380)	0	(66,380)	0
	44,528	660,437	(926,759)	0	(926,759)	0
	0	49,377	(29,782)	0	(29,782)	0
	0	0	(20,978)	0	(20,978)	0
	0	236,894	152,965	0	152,965	0
	0	0	(14,094)	0	(14,094)	0
	150,404	3,402,812	(1,517,536)	0	(1,517,536)	0
	0	1,336,249	0	62,846	62,846	0
	0	1,001,825	0	(79,538)	(79,538)	0
	0	2,338,074	0	(16,692)	(16,692)	0
	$ 150,404	$ 5,740,886	$ (1,517,536)	$ (16,692)	$ (1,534,228)	$ 0
	$ 0	56,833	0	0	0	$ 46,919
			$ 644,560	$ 0	$ 644,560	$ 0
			291,971	0	291,971	0
			247,562	0	247,562	0
			8,377	0	8,377	0
			84,000	0	84,000	0
			194,746	0	194,746	0
			14,988	0	14,988	0
			1,886	532	2,418	0
			38,979	0	38,979	0
			1,527,069	532	1,527,601	0
			(12,400)	12,400	0	0
			1,514,669	12,932	1,527,601	0
			(2,867)	(3,760)	(6,627)	46,919
			3,262,276	3,074,467	6,336,743	35,324
			$ 3,259,409	$ 3,070,707	$ 6,330,116	$ 82,243

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

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2012

	General Fund	Other Governmental Funds	Totals
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	$ 71,100	$ 0	$ 71,100
Salaries and wages payable	11,515	0	11,515
Customer deposit payable	12,617	0	12,617
Deferred revenue	54,299	0	54,299
Total Liabilities	149,531	0	149,531
Fund Balances:			
Unassigned	$ 567,116	$ 0	$ 567,116
Nonspendable Fund Balance	113,691	0	113,691
Comitted Fund Balance	68,339	0	68,339
Restricted:			
Special Revenue Fund - Public Works	0	5,635	5,635
Capital Projects	0	23,866	23,866
Special Revenue Fund - Public Safety	0	6,961	6,961
Total Fund Balance	749,146	36,462	785,608
TOTAL LIABILITIES AND FUND BALANCE	$ 898,677	$ 36,462	$ 935,139

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

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET

TO THE STATEMENT OF NET ASSETS

City of Ashburn Ashburn, Georgia		Year Ended June 30, 2012
TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ 785,608
Total net assets reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets total:		2,855,747
Property taxes which are not available to pay for current-period expenditures are reported as deferred income in the Governmental Fund Financial Statements		
Deferred revenue	54,299	
Reserve for allowance for uncollectibles	(8,318)	45,981
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities-both current and long term-are reported in the statement of net assets.		
Balances at June 30, 2012 are:		
Capital Lease	296,191	
Compensated Absences	49,004	
Landfill Postclosure Cost	82,732	
		(427,927)
TOTAL NET ASSETS OF GOVERNMENTAL ACTIVITIES		$3,259,409

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

STATEMENT OF REVENUES, EXPENDITURES,

AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	General Fund	Other Governmental Funds	Total
Revenues:			
Taxes	$ 1,471,216	$ 140,711	$ 1,611,927
Licenses and permits	36,355	0	36,355
Penalties and interest on taxes	14,988	0	14,988
Intergovernmental revenues	0	682,284	682,284
State contract	0	9,016	9,016
Charges for services	715,263	0	715,263
Fines and forfeitures	1,247,221	0	1,247,221
E911 Charges	35,004	0	35,004
Interest	1,886	0	1,886
Other revenue	38,979	12,425	51,404
Total Revenues	3,560,912	844,436	4,405,348
Expenditures:			
Current:			
General government	486,200	71,517	557,717
Public safety	1,934,839	195,517	2,130,356
Public works	1,139,092	185,702	1,324,794
Health/ welfare	25,000	54,159	79,159
Culture/ recreation	20,978	0	20,978
Economic development	0	83,929	83,929
Capital Outlay:	124,408	88,760	213,168
Debt Service:			
Principal	0	151,314	151,314
Interest	0	14,094	14,094
Total Expenditures	3,730,517	844,992	4,575,509
Excess (Deficiency) of Revenues Over Expenditures before Transfers	(169,605)	(556)	(170,161)

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

STATEMENT OF REVENUES, EXPENDITURES,

AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	General Fund	Other Governmental Funds	Total
Other Financing Sources (Uses)			
Transfer in			
Hotel/Motel Fund	$ 22,482	$ 0	$ 22,482
Transfer out			
Hotel/Motel Fund	0	(22,482)	(22,482)
Capital Projects Fund - To Water Fund	0	(12,400)	(12,400)
Net Transfers	22,482	(34,882)	(12,400)
Proceeds of long-term debt	165,637	0	165,637
Total Other Financing Sources	188,119	(34,882)	153,237
Net Changes in Fund Balance	18,514	(35,438)	(16,924)
FUND BALANCE - July 1, 2011	730,632	71,900	802,532
FUND BALANCE - June 30, 2012	$ 749,146	$ 36,462	$ 785,608

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

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,

EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE

STATEMENT OF ACTIVITIES

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ (16,924)
The changes in net assets reported for governmental activities in the Statement of Activities are different because:		
Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period:		213,168
Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues at the fund financial reporting level.		
Deferred revenue	(20,269)	
Reserve for allowance for uncollectibles	8,318	(11,951)
Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities, but they do not require the use of current financial resources. Therefore, this amount of depreciation expense is not reported as expenditures in the governmental funds:		(167,251)
Loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Activities. This is the amount of loan proceeds received this year by the government funds:		(165,637)
Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Government-Wide Statement of Activities. This is the amount of principal paid on long-term debt this year by the government funds:		151,314
Under the modified accrual basis of accounting used in the governmnetal funds, expenditures are recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. This adjustment combines the net changes of two balances.		
Long term compensated absences	12,109	
Landfill Postclosure Cost	(6,523)	(5,586)
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES		$ (2,867)

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

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

City of Ashburn
Ashburn, Georgia — June 30, 2012

	Water and Sewer Fund	Gas Fund	Total
ASSETS			
Current Assets:			
Cash	$ 113,316	$ 563,826	$ 677,142
Cash - Series 2012 Capital Improvement Account	1,111,152	0	1,111,152
Cash - Series 2012 Reserve Account	353,844	0	353,844
Accounts receivable - net	118,670	67,928	186,598
Inventories-materials and supplies	30,460	60,694	91,154
Prepaid items	6,738	7,026	13,764
Total Current Assets	1,734,180	699,474	2,433,654
Non-Current Assets:			
Non-Depreciatable Assets	15,850	8,750	24,600
Deferred charges - Bond issue costs	124,146	0	124,146
Capital assets-net	5,584,849	170,731	5,755,580
Total Non-Current Assets	5,724,845	179,481	5,904,326
TOTAL ASSETS	$ 7,459,025	$ 878,955	$ 8,337,980
LIABILITIES			
Current Liabilities:			
Accounts payable	$ 1,607	$ 11,281	$ 12,888
Salaries and wages payable	9,995	13,752	23,747
Accrued interest payable	0	0	0
Sales tax payable	0	4,578	4,578
Notes payable - current	0	0	0
Consumers' deposits payable	98,905	42,155	141,060
Total Current Liabilities	110,507	71,766	182,273

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

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

City of Ashburn
Ashburn, Georgia

June 30, 2012

	Water and Sewer Fund	Gas Fund	Total
Long-Term Liabilities:			
Notes payable - non-current	$ 5,085,000	$ 0	$ 5,085,000
Total Long-Term Liabilities	5,085,000	0	5,085,000
TOTAL LIABILITIES	5,195,507	71,766	5,267,273
NET ASSETS			
Invested in capital assets, net of related debt	515,699	179,481	695,180
Restricted for Capital Improvements	1,464,996	0	1,464,996
Restricted for debt retirement	9,000	0	9,000
Unrestricted	273,823	627,708	901,531
TOTAL NET ASSETS	$ 2,263,518	$ 807,189	$ 3,070,707

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

STATEMENT OF REVENUES, EXPENSES, AND

CHANGES IN NET ASSETS-PROPRIETARY FUNDS

City Of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	Water and Sewer Fund	Gas Fund	Total
Operating Revenues:			
Charges for services	$ 637,946	$ 969,569	$ 1,607,515
Other	698,303	32,256	730,559
Total Operating Revenues	1,336,249	1,001,825	2,338,074
Operating Expenses:			
Personal services-salaries and wages	140,691	281,652	422,343
Group insurance	22,882	48,432	71,314
Social security and medicare contributions	10,783	20,986	31,769
Retirement	3,305	20,609	23,914
Retirement contributions	265	530	795
Workers' compensation	6,452	12,320	18,772
Professional services	15,904	15,285	31,189
Technical services	14,629	0	14,629
Repair and maintenance	41,528	39,476	81,004
Rental of uniforms	1,142	2,259	3,401
Insurance, other than employee benefits	17,670	30,360	48,030
Communications	1,454	3,529	4,983
Advertising	0	1,542	1,542
Travel	2,100	6,764	8,864
Gas and Oil	9,624	30,476	40,100
General supplies and materials	38,428	5,641	44,069
Energy	85,997	4,015	90,012
Supplies/ inventory purchased for resale	0	523,253	523,253
Other supplies	1,558	3,261	4,819
Waste Management Services	491,527	0	491,527
Depreciation	210,310	31,215	241,525
Total Operating Expenses	1,116,249	1,081,605	2,197,854
Operating Income	220,000	(79,780)	140,220

(Continued on next page)

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

STATEMENT OF REVENUES, EXPENSES, AND

CHANGES IN NET ASSETS-PROPRIETARY FUNDS

City Of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	Water and Sewer Fund	Gas Fund	Total
Non-Operating Revenues (Expenses):			
Interest revenues	$ 290	$ 242	$ 532
Interest expense	(156,912)	0	(156,912)
Total Non-Operating Revenues (Expenses)	(156,622)	242	(156,380)
Income (Loss) before Transfers	63,378	(79,538)	(16,160)
Transfers in	12,400	0	12,400
Change in Net Assets	75,778	(79,538)	(3,760)
NET ASSETS - July 1, 2011	2,187,740	886,727	3,074,467
NET ASSETS - June 30, 2012	$ 2,263,518	$ 807,189	$ 3,070,707

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

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	Water and Sewer Fund	Gas Fund	Total
Cash Flows from Operating Activities:			
Cash Received from Customers	$ 1,344,249	$1,015,446	$2,359,695
Cash Payments for Goods and Services	(725,988)	(675,018)	(1,401,006)
Cash Payment to Employees	(177,926)	(371,679)	(549,605)
Net Cash Provided by Operating Activities	440,335	(31,251)	409,084
Cash Flows from Capital and Related Financing Activities:			
Transfer from Special Purpose Local Option Sales Tax	12,400	0	12,400
Series 2012 Bond Issuance	5,085,000	0	5,085,000
Principal Paid on Notes	(3,603,810)	0	(3,603,810)
Interest Paid	(156,912)	0	(156,912)
Net Cash Used by Capital and Related Financing Activities	1,336,678	0	1,336,678
Cash Flows from Investing Activities:			
Interest on Investments	290	242	532
Net Cash Provided by Investing Activities	290	242	532
Net Increase (Decrease) in Cash and Restricted Cash	1,777,303	(31,009)	1,746,294
Cash and Restricted Cash - July 1, 2010	77,019	594,835	671,854
Cash and Restricted Cash - June 30, 2011	$ 1,854,322	$ 563,826	$2,418,148

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

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	Water and Sewer Fund	Gas Fund	Total
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	$ 220,000	$ (79,780)	$ 140,220
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation	210,310	31,215	241,525
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	8,774	13,621	22,395
(Increase) Decrease in Inventories	106	1,000	1,106
(Increase) Decrease in Prepaid Items	(678)	2,636	1,958
Increase (Decrease) in Accounts Payable	(3,743)	(281)	(4,024)
Increase (Decrease) in Salaries and Wages Payable	(918)	1,934	1,016
Increase (Decrease) in Sales Tax Payable	0	(485)	(485)
Increase (Decrease) in Customers' Deposits	6,484	(1,112)	5,372
Change in Assets and Liabilities	10,025	17,313	27,338
Net Cash Provided by Operating Activities	$ 440,335	$ (31,251)	$ 409,084

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

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUND

City of Ashburn
Ashburn, Georgia

June 30, 2012

	Pending Fund
ASSETS	
Cash	$ 18,910
LIABILITIES	
Due to other Governments	$ 18,910

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

1. Summary of Significant Accounting Policies

General Matters

The City of Ashburn, Georgia was incorporated on December 26, 1890, by an act of the General Assembly of Georgia. The City operates under a Mayor-Council form of government.

The accounting principles of the City of Ashburn conform to generally accepted accounting principles as applied to governments. The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The following is a summary of more significant policies:

Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The primary government is financially accountable if it appoints a voting majority of the Organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific restrictions on, the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has (a) a separately elected governing board, (b) a governing body appointed by a higher level of government, or (c) a jointly appointed board.

The Downtown Development Authority was established to encourage economic growth and development in downtown Ashburn. Its governing board is appointed by the City and the City has assumed financial responsibility for its operations. The Downtown Development Authority's financial data is discreetly presented in these financial statements. The Downtown Development Authority does not issue standalone financial statements.

Excluded from the Reporting Entity:

Turner County Board of Education and Turner County Health Department

These potential component units have separate elected and/or appointed boards and provide services to residents, generally within the geographic boundaries of the government. These are excluded from the reporting entity because the government is not financially accountable for them, nor does the exclusion of these units from the reporting entity cause the financial statements to be misleading or incomplete.

Turner County Landfill

This potential component unit is funded jointly by the City of Ashburn, Turner County, and the City of Sycamore. The Turner County Landfill is considered a component unit of Turner County; the government does not select management or staff, set user fees, establish budgets or control any aspects of its daily activities.

Basis of Presentation

Government-wide Statements: The statements of net assets and the statements of activities display information about the primary government. These statements include the financial activities of the overall government, except the fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the city. Governmental activities generally are

financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between expense and program revenues for the different business-type activities of the city and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program of function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reserved for the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes are presented as general revenues.

Fund Financial Statement: The fund financial statements provide information about the City's funds, including the fiduciary funds. Separate statements for each fund category-*governmental*, *proprietary*, and *fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

In the Fund Financial Statements, there are five classifications of fund balance:

1. Nonspendable Fund Balance – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact. Inventories ($82,747) and prepaid amounts ($30,944) are considered nonspendable.

2. Restricted Fund Balance – The restricted fund balance classification occurs when constraints are placed on the use of resources either externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation.

3. Committed Fund Balance – The committed fund balance classification occurs when amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority which is the City Council. Amounts committed are for capital asset purchases.

4. Assigned Fund Balance – The assigned fund balance classification occurs when amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted or committed.

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

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Operating expenses result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Non-operating expenses result from non-exchange transactions or ancillary activities.

The City reports the following major governmental funds:

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

The City reports the following major enterprise funds:

Water/Sewer Fund. This fund accounts for the operation, maintenance, and development of the City's water Services.

Gas Fund. This fund accounts for the operation, maintenance, and development of the City's gas services.

The City reports the following fund type:

Agency Fund. This fund accounts for monies held on behalf of the courts that the police have confiscated and do not have the legal authority to spend.

Capital Projects Fund. This fund accounts for monies collected from a special sales tax used for capital expenditures.

Measurement Focus, Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide, fiduciary, and proprietary fund financial statements are reported using 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 flow takes place. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, includes property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

All governmental and business-type activities and enterprise funds of the City follow FASB statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles, except that encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase. Annual appropriated budgets are adopted for the general, special revenue, and enterprise funds. Unencumbered annual appropriations lapse at fiscal year-end. The legal level of control for each legally adopted annual operating budget is at the department level. The City budgets the capital projects fund on a project basis with the term of the project being longer than the City's fiscal year. Since any comparison of budgetary information would not be meaningful, none has been presented for the capital projects fund.

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting-under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation-is utilized in the governmental funds. Encumbrances

outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

Cash and Investments

Cash includes amounts in demand deposits as well as investments in negotiable certificates of deposit and in Georgia Fund 1, which is the combined state general fund and local government investment pool managed by the Office of Treasury and Fiscal Services.

The City is allowed to invest in (1) obligations of the State of Georgia or other states; (2) obligations issued by the U.S. government; (3) obligations fully insured or guaranteed by the U.S government or by a government agency of the United States; (4) obligations of any corporation of the U.S government; (5) prime banker acceptances; (6) the Local Government Pool established by the State of Georgia; (7) repurchase agreements; (8) obligations of other political subdivisions of the State of Georgia; and (9) certificates of deposits or deposit accounts with eligible depository institutions (any commercial bank or trust company, mutual savings bank, savings and loan association, or building and loan association existing under the laws of Georgia or the United States and domiciled in Georgia.)

For fiscal year ended June 30, 2012 all investments were in certificates of deposit with local banks and are stated at cost, which approximates market value.

Inventories

Inventories are valued at cost (first-in, first-out). Inventories in the General and Enterprise Funds consist of expendable supplies and items needed for repairs or improvements to the utility system. Inventories are accounted for under the consumption method.

Short-term Inter-fund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. The property tax levy date is September 15, 2011. The city clerk opened the books for payment of taxes on October 20, 2011 and they remained open until December 20, 2011. The City bills and collects its own property taxes based on the Turner County tax valuation in the tax digest approved by the State of Georgia. Collections of property taxes are made throughout the year, with the majority being collected in December. City property tax revenues are recognized when levied to the extent that they result in current receivables.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2012 are recorded as prepaid items. Prepaid expenses in the general and proprietary funds consist solely of insurance premiums.

Capital Assets

Purchased or constructed assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value at the date of donation. General infrastructure assets consist of the road network assets that are acquired or that received substantial improvements and other major infrastructure network – bridges – have not

yet been reported. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives	Capitalization Threshold
Infrastructure	30	$500,000
Building and Improvements	50-100	$25,000
Vehicles	2-15	$5,000
Office equipment	3-15	$5,000
Computer equipment	3-15	$5,000
Fire Equipment	10-35	$5,000
Utility System Addition	50-100	$10,000

Long-term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

Compensated Absences

The liability for vested or accumulated unpaid vacation pay amounts has been accrued in the government-wide and proprietary fund statements. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Accumulated sick pay benefits have not been recorded as a liability because the payment of the benefits is contingent upon future illness of an employee. It is not expected that any unrecorded sick pay benefits will exceed a normal year's accumulation.

Other Post Employment Benefits

There are no Other Post-Employment Benefits as of June 30, 2012.

Prior Period Adjustment

For the Year Ended June 30, 2011, Net Assets were overstated by $7,349. The Net Assets as of June 30, 2011 were adjusted to correct the overstatement.

2. Legal Compliance - Budgets:

The City's procedures for establishing the budgetary data reflected in the financial statements are as follows:

a. Prior to July 1, the City Manager submits to the Mayor and Council a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them for the General Fund, Special Revenue Funds, and the Enterprise Funds.

b. Public hearings are conducted to obtain taxpayer comments.

c. The budget is formally approved by action of the Council at the first regular meeting in July of the year to which it applies.
d. All budget transfers must be approved by the City Manager and/or the Mayor and Council depending on the type and/or amount of expenditure.

The legal level of control for each legally adopted annual operating budget is at the department level.

Budgets for the General Fund and Special Revenue Funds are adopted on the modified accrual basis except that encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase. There were no encumbrances outstanding for the year ended June 30, 2012.

Budgeted amounts are as adopted by the Council. Unencumbered appropriations lapse at year end.

3. Excess of Expenditures over Appropriations:

The following cost center had expenditures in excess of appropriations for the fiscal year ended June 30, 2012:

General Government – The $66,600 excess of expenditures over appropriations is attributable to salaries and professional services being under budgeted.

Fire Department – The $12,399 excess of expenditures over appropriations is attributable to salaries being under budgeted.

Animal Control – The $12,043 excess of expenditures over appropriations is attributable to salaries being under budgeted.

Highways and Streets – The $45,830 excess of expenditures over appropriations is attributable to capital outlays being under budgeted.

Solid Waste and Recycling – The $6,817 excess of expenditures over appropriations is attributable to landfill expenses being under budgeted.

Police Department – The $89,005 excess of expenditures over appropriations is attributable to capital outlays being under budgeted.

Maintenance and Shop – The $5,745 excess of expenditures over appropriations is attributable to salaries and repairs being under budgeted.

Public Works – The $2,276 excess of expenditures over appropriations is attributable to capital outlays being under budgeted.

The council has directed the budget officer to closely monitor the budget on a monthly basis, and bring to the council's attention on any excess expenditure in order that corrective action can be taken in a timely manner.

4. Summary of Deposits and Investment Balances: Georgia Fund 1 AAAM rate 24 day WAM

	Government-wide Statement of Net Assets	Fiduciary Funds Statement of Assets and Liabilities
Pooled Cash and Investments		
unrestricted	2,701,892	18,910
restricted	68,339	0
Total	2,770,231	18,910

The financial institution with which the City has depository accounts did have adequate collateral pledged to the City. The financial institution has a written agreement approved by its board of directors, so their pledge of collateral is valid against the FDIC. The Georgia Fund 1 is managed by the Office of Treasury and Fiscal Services and has a dollar for dollar value.

"Georgia Fund 1", created by OCGA 36-83-8, is a stable net asset value investment pool that follows Standard and Poor's criteria for AAA rated money market funds. However, the State of Georgia Office of Treasury operates Georgia Fund 1in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investments income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share.

For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less are considered cash equivalents.

5. Capital Assets:

Capital asset activity for the year ended June 30, 2012 was as follows:

	Beginning Balances	Increase	Decrease	Ending Balances
Governmental Activities:				
Capital Assets not being depreciated:				
Land	237,366	0	0	237,366
Capital Assets being depreciated:				
Building and Improvements	1,727,049	0	0	1,727,049
Machinery and Equipment	2,414,663	213,168	0	2,627,831
Total Capital Assets being depreciated	4,141,712	213,168	0	4,354,880
Less Accumulated Depreciation:				
Buildings and Improvements	413,309	38,562	0	451,871
Machinery and Equipment	1,155,939	128,689	0	1,284,628
Total Accumulated Depreciation	1,569,248	167,251	0	1,736,499
Net Capital Assets being Depreciated	2,572,464	45,917	0	2,618,381
Total Capital Assets, Net	2,809,830	45,917	0	2,855,747

Depreciation expense of the general fund was charged to governmental functions as follows:

General Government	56,228
Public Safety	68,025
Public Works	32,759
Recreation	10,239
Total	167,251

	Beginning Balances	Increase	Decrease	Ending Balances
Business Type Activities:				
Capital Assets not being depreciated:				
Land	24,600	0	0	24,600
Capital Assets being depreciated:				
Building and Improvements	7,237,528	0	0	7,237,528
Machinery and Equipment	4,075,368	14,603	0	4,089,971
Total Capital Assets being depreciated	11,312,896	14,603	0	11,327,499
Less Accumulated Depreciation:				
Buildings and Improvements	3,819,422	140,697	0	3,960,119
Machinery and Equipment	1,510,972	100,828	0	1,611,800
Total Accumulated Depreciation	5,330,394	241,525	0	5,571,919
Net Capital Assets being depreciated	5,982,502	(226,922)	0	5,755,580
Total Capital Assets, Net	6,007,102	(226,922)	0	5,780,180

Depreciation of all exhaustible capital assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method.

6. Receivables:

Receivables at June 30, 2012, consist of the following:

	General	Other Governmental	Enterprise	Total
Accounts	$ 43,454	$ 0	$ 186,598	$ 230,052
Taxes	87,102	0	0	87,102
Due from other governments	54,481	0	0	54,481
Gross Receivables	$ 185,037	$ 0	$ 186,598	$ 371,635

Taxes receivable are stated net of allowance for uncollectible accounts of $8,318 for the Government Wide Statement. Accounts receivable are stated net of allowance for uncollectible accounts of $1,500 for the Government Wide and the General Fund and $4,800 for the Enterprise Funds.

7. Restricted Assets:

The city has designated $68,339 for capital asset acquisitions in the general fund.

8. Property:

A summary of proprietary fund type property, plant, and equipment at June 30, 2012 follows:

	Estimated Useful Lives	Water/ Sewer Fund	Gas Fund	Total Enterprise Fund
Land		$ 15,850	$ 8,750	$ 24,600
Buildings	10-40 years	215,383	104,551	319,934
Utility System	10-50 years	6,523,083	396,439	6,919,522
Machinery and Equipment	3-20 years	3,084,443	508,695	3,593,138
Site Improvements	45 years	493,854	0	493,854
Total		10,332,613	1,019,435	11,351,048
Less Accumulated Depreciation		(4,731,914)	(838,954)	(5,570,868)
Total		$5,600,699	$180,481	$5,780,180

Depreciation of all exhaustible capital assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight line method.

9. Capital Leases

Capital lease obligations consist of equipment lease-purchases accounted for in the General fund.

The City is obligated to GMA (BB&T Governmental Finance) under a capital lease dated May 4, 2012 covering a 2012 Chevrolet Tahoe. The asset is recorded as a capital lease and has a cost of $36,486. The obligation consists of $814.21 monthly payments until May 4, 2016 including interest at 3.41%.

The City is obligated to GMA (BB&T Governmental Finance) under a capital lease dated July 1, 2011 covering two Ford Crown Victoria police cars. The assets are recorded as a capital lease and have a cost of $56,160. The assets have been capitalized in the General fund. The obligation consists of $1,253.77 monthly payments until July 1, 2015 including interest at 3.43%.

The City is obligated to GMA (BB&T Governmental Finance) under a capital lease dated March 20, 2009 covering a Dodge Charger police car. The asset is recorded as a capital lease and had a cost of $25,160. This asset has been capitalized in the General fund. The obligation consists of $562.02 monthly payments until February 20, 2013 including interest at 3.60%.

The City is obligated to GMA (BB&T Governmental Finance) under a capital lease dated November 28, 2007 covering an International 4400 fire truck. The asset is recorded as a capital lease and had a cost of $200,000. This asset has been capitalized in the General fund. The obligation consists of $2,034 monthly payments until December 15, 2017 including interest at 4.06%.

The City is obligated to GMA (BB&T Governmental Finance) under a capital lease dated September 2, 2011 covering two Chevrolet Silverado trucks. The assets are recorded as a capital lease and have a cost of $57,991. The assets have been capitalized in the General fund. The obligation consists of $1,291.30 monthly payments until September 2, 2015 including interest at 3.30%.

The City is obligated to USDA under a capital lease dated September 28, 2009 covering a Dodge Charger police car. The asset is recorded as a capital lease and had a cost of $29,509. This asset has been capitalized in the General fund. The obligation consists of 5 annual payments of $3,405 until September 28, 2014 including interest at 4.375%.

The City is obligated to USDA under a capital lease dated August 15, 2011 covering a Dodge Charger police car. The asset is recorded as a capital lease and had a cost of $15,000. This asset has been capitalized in the General fund. The obligation consists of 5 annual payments of $3,405 until August 15, 2015 including interest at 4.375%.

The City is obligated to USDA under a capital lease dated July 16, 2010 covering a backhoe. The asset is recorded as a capital lease and had a cost of $38,696. This asset has been capitalized in the General fund. The obligation consists of 5 annual payments of $6,739 until July 16, 2015 including interest at 4.00%.

The future minimum payments under capitalized leases consist of the following:

Fiscal year ending June 30:	General Long-Term Debt
2013	77,617
2014	79,850
2015	79,315
2016	49,230
2017	28,300
2018 – 2020	18,779
Total minimum lease payments	333,091
Amounts representing interest	(36,900)
Present value of net minimum lease payments	$ 296,191

10. Long-Term Debt:

Combined Utility Revenue Bonds Series 2012 were issued during the fiscal year ended June 30, 2012 as payment in full for the Georgia Environmental Facilities Authority Note A and Note B. The Revenue Bonds will fund a project for the City to produce electrical power through solar energy sufficient to provide energy for the operation of certain facilities of the City's water department.

A summary of notes payable by the City as they existed at June 30, 2012, is presented as follows:

	Current	Long-Term	Total
Combined Utility Revenue Bonds Series 2012 - (Original amount $5,085,000) Payable in quarterly installments of $107,082 beginning on January 1, 2013. Interest rate is 3.5%.	$ 0	$5,085,000	$5,085,000
Total Notes Payable	$ 0	$5,085,000	$5,085,000

The annual requirements to amortize the debt outstanding for the proprietary fund at June 30, 2012 including interest payments of $1,935,524 are as follows:

Year Ending June 30,	Principal Due	Interest Due	Total
2013	0	88,783	88,783
2014	180,000	159,544	339,544
2015	195,000	153,919	348,919
2016	200,000	147,994	347,994
2017	205,000	141,919	346,919
2018-2022	1,130,000	611,270	1,741,270
2023-2027	1,305,000	428,923	1,733,923
2028-2033	1,870,000	203,172	2,073,172
Total	$ 5,085,000	$ 1,935,524	$ 7,020,524

Changes in Long-Term Obligations

The following is a summary of changes in long-term obligations of the City's governmental funds for the fiscal year ended June 30, 2012:

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Due in One year
Obligations under capital lease	$ 281,868	$ 165,637	$ 151,314	$ 296,191	$ 71,617
Compensated absences Payable	36,895	15,320	3,211	49,004	49,004
Closure and post closure care	89,255	0	6,523	82,732	6,523
Total	$ 547,319	$ 31,103	$ 170,404	$ 408,018	$ 127,144

Compensated absences and closure and post closure care are paid by the general fund.
The following is a summary of changes in long-term obligations of the City's enterprise funds for the fiscal year ended June 30, 2012:

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Due in One year
Notes payable	$3,729,415	$ 0	$3,729,415	$ 0	$ 0
Notes payable –Revenue Bonds	0	5,085,000	0	5,085,000	0
Total	$4,026,582	$5,085,000	$3,729,415	$ 5,085,000	$ 0

12. Pension Plan

The following information is prepared in accordance with Statement No. 27 of the Government Accounting Standards Board. The pension liability at transition was determined in accordance with GASB 27, pars. 29-37. The City has funded their required pension contributions from the year ended June 30, 1988 until June 30, 2012; therefore, there is no NPO as of the transition date. There has been no liability previously reported for this plan.

The City of Ashburn contributes to the Georgia Municipal Employees Benefit System, an agent multiple-employer defined benefit pension plan of the public employee retirement system that acts as a common investment and administrative agent for Georgia cities. The Georgia Municipal Employees Benefit System issues a publicly available financial report that includes financial statements. The report may be obtained by writing to GMA 201 Pryor Street

S.W., Atlanta, Georgia 30303. The City's payroll for employees covered by the system for the year ended December 31, 2011 was $1,646,419. All full-time (over 30 hours) City employees are eligible to participate in the System. Benefits vest after 10 years of service. City employees who retire at or after age 65 with 5 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1% of their average salary during their last 5 years of employment up to employee's break point plus 1.75% of average earnings for the last 5 years which exceed employee's break point times employee's years and months of credited service. The break point for employees hired prior to September 1, 1980 is based on employee's year of birth; the break point for employees hired on or after September 1, 1980 is based on employee's year of termination of employment.

Employees may retire early at age 55 with 10 years of credited service. Benefits will be reduced to compensate for longer life expectancy after retirement. The System also provides death and disability benefits. These benefit provisions and all other requirements are established by State statute and City ordinance. Employees are not required to contribute to this plan; the City contributes 100% of the amounts necessary to fund the System, using the actuarial basis specified by statute.

The total pension expense for the year ended June 30, 2012 was $83,414 or 4.98% of covered payroll. The Board of Trustees of the Georgia Municipal Employees Benefit System has adopted an actuarial funding policy for determination of annual contributions and the systematic funding of liabilities arising under the plan. The annual recommended contribution is the sum of 1) the normal cost, 2) the level dollar amortization of the unfunded actuarial accrued liability, and 3) interest on these amounts from the valuation date to the date contributions are paid. The City makes contributions to the plan based on employee salaries and the amortization of past service cost. For the plan year beginning January 1, 2011, the minimum funding requirement is $83,414. This amount consists of (a) normal cost of $65,184, (b) administrative expense of $11,065, (c) amortization of the unfunded frozen initial liability of $7,165, (d) interest of $0, and a full funding credit of $(0). The amounts were developed by the plan administrators.

(A) Significant Actuarial Assumptions:

The significant actuarial assumptions used to compute the actuarial accrued liability and the annual recommended contribution of the plan meet the Actuarial Standard of Practice No. 4, Measuring Pension Obligations, establishing generally accepted actuarial principles and practices.

The significant actuarial assumptions used in the current valuation are:

- Rate of return on investment	8.0% per year
- Projected salary increases for	
-- Inflation	5.0% per year
-- Merit or seniority	0.5% per year
Postretirement benefit increases	not applicable

(B) Funding Policy and Annual Contributions:

The funding policy for the plan is to contribute an amount equal to the recommended contribution in each year. The recommended contribution meets the guidelines for calculating an annual required contribution set forth in Paragraphs 9-10 of Statement No. 27. These contributions are determined under the projected unit credit actuarial cost method and the assets valuation method for developing the actuarial value of assets. The period, and related method, for amortizing the initial unfunded actuarial accrued liability is 30 years from 1982 and 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 closed for this plan year.

One hundred percent of the annual recommended contribution was made for the year ended June 30, 2012. There were no net pension obligations.

(C) Funded Status:

The table below sets forth required supplementary information to be disclosed in the schedule of funding progress. The items presented are based on the January 1, 2011 actuarial valuation:

• actuarial value of assets	$ 2,282,960
• actuarial accrued liability	2,308,333
• funded ratio	98.90%
• total unfunded actuarial liability	
• Unfunded (Surplus) actuarial accrued liability	25,373
• annual covered payroll	1,646,419
• ratio of unfunded (excess) to annual covered payroll	1.54%

(D) Effect of Plan Changes on the Actuarial Accrued Liability:

The effect on the actuarial accrued liability of any current-year changes in actuarial assumptions or benefit provisions is:

The plan provisions valued and the actuarial assumptions are the same as those used in the preceding valuation.

(E) Effect of Plan Changes on Recommended Contributions:

The effect on the recommended contributions of any current-year changes in actuarial assumptions, benefit provisions, or actuarial funding method is:

The plan provisions valued and the actuarial assumptions and cost methods are the same as those used to determine the contribution requirement for the preceding year.

(F) Historical Trend Information:

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. The table below sets forth required supplementary information to be disclosed in the plan's financial statements. The items presented are based on the January 1 actuarial valuation:

	2010	2011	2012
- Actuarial value of assets	2,352,502	2,381,949	2,282,960
- Actuarial accrued liability	2,191,744	2,266,398	2,308,333
- Funded ratio	107.33%	95.15%	98.90%

	2010	2011	2012
- Total unfunded actuarial liability (funding excess)	(160,758)	(115,551)	25,373
- Annual covered payroll	1,453,707	1,600,677	1,646,419
- Ratio of unfunded (excess) to annual covered payroll	(11.06)%	(7.22)%	1.54%
Actual contribution as a percentage of covered payroll	5.74%	5.07%	5.07%

Three-year Trend Information -			
Fiscal year ending	6/30/10	6/30/11	6/30/12
Annual pension cost	48,109	53,011	54,119
Percentage of APC contributed	100%	100%	100%
Net pension obligation	0	0	0

Sources of Valuation Data

Asset Data: The Georgia Municipal Employees Benefit System has supplied all asset data used in the valuation. The market value of assets is based on current values as of two months preceding the valuation date and is assumed to be current through that date.

Participant Data: The primary source of participant data for the current valuation is a census of all participants which was prepared by the City through GMEBS. The data are typically collected by the employer two months prior to valuation date and assumed to be current through that date.

13. Utility Rates

The City has adopted the following utility rate schedules:

WATER RATE SCHEDULE

Consumption	Residential	Commercial
0-5,000 gallons	$ 8.00 min	$ 10.00 min
5,001-10,000 gallons	14.25 min	16.75 min
10,001-15,000 gallons	21.75 min	24.75 min
15,001-20,000 gallons	34.25 min	37.75 min
20,001-above gallons	49.25 min	53.25 min

At that point, the rate would be $3.50 per 1,000 gallons consumed on a level term basis for residential and $3.60 per 1,000 gallons consumed on a level term basis for commercial.

SEWER RATE SCHEDULE

Consumption	Residential	Commercial
0-5,000 gallons	$ 13.30 min	$ 15.30 min
5,001-10,000 gallons	21.45 min	23.95 min
10,001-15,000 gallons	31.20 min	34.20 min
15,001-20,000 gallons	47.45 min	50.95 min
20,001-above gallons	67.70 min	71.70 min

At that point, the rate would be $4.85 per 1,000 gallons consumed on a level term basis for residential and $4.95 per 1,000 gallons consumed on a level term basis for commercial.

GAS RATE SCHEDULE

Consumption	Residential & Commercial
Minimum Charge	$ 5.00 min $ 7.00 min
Next 1,300 cubic feet	19.00 MCF $24.70
Next 1,700 cubic feet	18.90 MCF $32.13
Next 7,000 cubic feet	18.80 MCF $131.60
Next 10,000 cubic feet	18.70 MCF $187.00
Next 20,000 cubic feet	18.60 MCF $372.00
Next 60,000 cubic feet	18.50 MCF $1,110.00
Over 100,000 cubic feet	18.40 MCF

Sycamore Prison $250 base charge/ 22.80 per MCF

Large Commercial Customers:

First 1,000 cubic feet	$18.40
All over 1,000 cubic feet per month	18.30

Gas Dryer Rate is $14.00 MCF

Street/ Sanitation Fee is $7.00/ residential $16.30 commercial $19.35

14. Joint Ventures:

The City of Ashburn in conjunction with cities and counties in the ten (10) county South Georgia Area are members of the South Georgia Regional Development Center (RDC). Membership in an RDC 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 RDCs.

Each county and municipality in the state is required by law to pay minimum annual dues to the RDC. The City paid annual dues in the amount of $5,524 ($1,381 quarterly) to the RDC for the year ended June 30, 2012. The RDC Board membership includes chief elected officials of each county and the chief elected official of each municipality. The County board members and 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) to serve as the non-public board member from a County.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines RDCs as "public agencies and instrumentalities of their members". Georgia laws also provide that the member governments are liable for any debt or obligations of an RDC beyond its resources. (O.C.G.A. 50-8-39.1)

The South Georgia Regional Development Center issues separate financial statements which may be obtained by writing to them at P.O. Box 1223 Valdosta, Georgia 31603.

15. Related Organization:

The City of Ashburn is not financially accountable for the Housing Authority; however the council members of the City of Ashburn do appoint all six members of the governing board of the Housing Authority.

16. Risk Management

The City is exposed to various risks of losses related to torts, thefts of, damage to, or destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City has joined Georgia Interlocal Risk Management Agency (GIRMA). This membership allows the City to share liability, crime, motor vehicle, and property damage risks.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. GIRMA is a municipal risk management agency functioning as an unincorporated nonprofit instrumentality of its member municipalities. GIRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of GIRMA against liability or loss.

Responsibilities of the City include:

- To pay all contributions, assessments or other sums due to GIRMA at such times and in such amounts as shall be established by GIRMA.
- To select a person to serve as a Member representative.
- To allow GIRMA and its agents reasonable access to all facilities of the City and all records, including but not limited to financial records, which relate to the purposes of GIRMA.
- To allow attorneys appointed by GIRMA 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 fund established by GIRMA.
- To assist and cooperate in the defense and settlement of claims against the City.
- To furnish full cooperation to GIRMA's attorneys claims adjusters, service company, and any agent, employee, officer or independent contractor of GIRMA relating to the purposes of GIRMA.
- To furnish GIRMA such budget, operating and underwriting information as may be requested.
- To report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in GIRMA being required to pay claim for loss or injuries to municipal property or injuries to municipal property or injuries to persons or property when such loss or injury is within the scope of the protection of a fund in which the City participates.

The City of Ashburn has a $1,000 deductible for each occurrence. The City files all claims with GIRMA, which bills the City for any risk of loss up to the $1,000 deductible. The City is covered for $1,000,000 for each occurrence. Management believes that the coverage is adequate to preclude any significant uninsured risk exposure to the City. Settled claims in the past three years have not exceeded coverage.

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, the City of Ashburn became a member of the Georgia Municipal Association Workers' Compensation Self Insurance Fund. The effective date of membership was May 13, 1983. The liability of the fund to the employees of any employer is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/ or employer's liability.

The Fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding or compensation thereof, although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The fund is 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.

As part of this risk pool, the city 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 pool, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the

pool being required to pay any claim of loss. The city 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 pool.

17. Landfill Closure and Post-closure Care Cost

State and federal laws and regulations require that Turner County place a final cover on its landfill and to perform certain maintenance and monitoring functions at the landfill site for five years after closure. The County's landfill is closed and considered filled to capacity. The estimated liability for post closure care costs as of June 30, 2012 is $197,451 and is based on the landfill at full capacity. The estimated remaining landfill life is approximately 12 years. The City of Ashburn is responsible for 41.9% of those costs, which is $82,732. Actual costs may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

18. Special Purpose Local Option Sales Tax

The City has an original estimated cost for each project for which sales tax proceeds would be used and has an estimated cost for the total which would be spent on all eligible projects combined.

19. Hotel-Motel Tax

The City has levied an 8% Hotel-Motel tax. A summary of the transactions for the year ending June 30, 2012 is as follows:

Hotel Motel Tax Receipts	$ 89,949
Disbursements to Ashburn Downtown Development Authority	16,867
Disbursements to Ashburn-Turner County Chamber of Commerce for tourism	50,600
Balance to City	$ 22,482

The City has committed 60% of the first 5% of the taxes collected to the Chamber of Commerce for the promotion of tourism. The additional 3% of the taxes collected is disbursed to the Downtown Development Authority. We examined the expenditures made by the Chamber of Commerce to ensure that the funds were spent in conformity with requirements of the Code section. The expenditures listed in the Statement of Revenues, Expenditures and Changes in Fund Balance represent those of the City of Ashburn as well as those of the Chamber of Commerce.

20. Defined Contribution Plan

The City of Ashburn has a 401A GMA defined contribution plan administered by GMA. The city contributes $5.00 per week per employee. The total amount contributed by the city to the 401A defined contribution plan was $5,885. The employees contributed $16,325 to their 457B deferred compensation plan. The city has the sole authority of amending and changing the provisions of the plan.

21. Internal Transfers

Internal transfers for the year ended June 30, 2012 were as follows:

	Transfer In		Transfer Out	
Governmental Fund:				
General Fund	22,482	(a)	0	
Water Fund	12,400	(b)	0	
Capital Projects Fund	0		12,400	(b)
Special Revenue Fund:				
Hotel/Motel Tax Fund	0		22,482	(a)
TOTAL ALL FUNDS	$ 34,882		$ 34,882	

(a) To transfer funds for various general governmental activities
(b) To transfer funds for capital asset purchases

22. Subsequent Events

Subsequent events have been evaluated through November 22, 2012 as this is the date the financial statements were available to be issued. No items occurring after the fiscal year ended of June 30, 2012 through November 22, 2012 were deemed required to be presented.

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL (GAAP BUDGETARY BASIS) -GENERAL FUND

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Real property	$ 561,300	$ 561,300	$ 572,365	$ 11,065
Personal property	83,500	83,500	56,129	(27,371)
Franchise taxes	290,000	290,000	291,971	1,971
Local option sales and use taxes	240,000	240,000	247,562	7,562
Alcoholic beverage excise taxes	68,000	68,000	84,000	16,000
Insurance premium taxes	245,000	245,000	194,746	(50,254)
Financial institutions taxes	17,000	17,000	8,377	(8,623)
Penalties and interest on delinquent taxes	7,000	7,000	14,815	7,815
Alcoholic beverages licenses	6,500	6,500	6,300	(200)
General business license	28,000	28,000	30,055	2,055
Penalties on delinquent licenses	100	100	173	73
Payment in lieu of taxes	17,000	17,000	16,066	(934)
Court costs	17,000	17,000	32,273	15,273
Probation costs	41,000	41,000	69,742	28,742
Election qualifying fees	700	700	0	(700)
Accident reports	0	0	185	185
Charges for services-street repairs	2,000	2,000	1,422	(578)
Charges for services-sanitation	620,000	620,000	600,430	(19,570)
Animal control fees	5,000	5,000	8,461	3,461
Charges for services-cemetery	6,000	6,000	2,750	(3,250)
Fines and forfeitures	985,000	985,000	1,247,221	262,221
E911 charges	35,000	35,000	35,004	4
Interest revenue	3,000	3,000	1,886	(1,114)
Insurance Reimbursement	6,000	6,000	0	(6,000)
Miscellaneous revenue	41,900	41,900	38,979	(2,921)
Total Revenues	3,326,000	3,326,000	3,560,912	234,912

(Continued on next page)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL (GAAP BUDGETARY BASIS) -GENERAL FUND

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	Original Budget	Final Budget	Actual	Variance
Expenditures:				
General government	$ 419,600	$ 419,600	$ 486,200	$ 66,600
Public safety	1,947,900	1,947,900	2,059,247	111,347
Public works	1,080,700	1,080,700	1,139,092	58,392
Health/ welfare	25,000	25,000	25,000	0
Culture/recreation	22,300	22,300	20,978	(1,322)
Total Expenditures	3,495,500	3,495,500	3,730,517	235,017
Excess of Revenues Over Expenditures	(169,500)	(169,500)	(169,605)	(105)
Other Financing Sources (Uses)				
Transfers in	167,500	167,500	22,482	(145,018)
Borrowed Funds	0	0	165,637	165,637
Total Other Financing Sources (Uses)	169,500	169,500	188,119	18,619
Excess of Revenues and Other Financing Sources Over Expenditures	$ 0	$ 0	18,514	$ 18,514
FUND BALANCE - July 1, 2011			730,632	
FUND BALANCE - June 30, 2012			$ 749,146	

SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCE

GENERAL FUND

City of Ashburn
Ashburn, Georgia — June 30, 2012

ASSETS

Cash	$ 523,292	
Taxes receivable-delinquent	62,173	
Other taxes receivable	33,247	
Accounts receivable (Net of allowance for uncollectibles of 1,500)	43,454	
Due from other governments	54,481	
Inventories-materials and supplies	82,747	
Prepaid items	30,944	
Reserved assets	68,339	
TOTAL ASSETS		$ 898,677

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts payable	$ 71,100	
Salaries and wages payable	11,515	
Customer deposit payable	12,617	
Deferred revenue	54,299	
Total Liabilities		$ 149,531
Equities and Other Credits:		
Fund balance - unassigned	567,116	
Nonspendable fund balance	113,691	
Fund balance - comitted capital projects	68,339	
Total Equity and Other Credits		749,146
TOTAL LIABILITIES AND FUND BALANCE		$ 898,677

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	Original Budget	Final Budget	Actual	Variance
General Government:				
Legislative -				
Personal services-salaries and wages	$ 28,800	$ 28,800	$ 28,800	$ 0
Group insurance	1,100	1,100	667	(433)
Social security and medicare contributions	2,100	2,100	2,204	104
Travel	11,000	11,000	16,888	5,888
General administration -				
Personal services-salaries and wages	135,350	135,350	161,770	26,420
Group insurance	19,000	19,000	17,652	(1,348)
Social security and medicare contributions	10,000	10,000	11,538	1,538
Retirement contributions	5,900	5,900	6,590	690
Workers' compensation	5,000	5,000	6,332	1,332
Professional services	61,000	61,000	75,250	14,250
Technical services	5,000	5,000	13,325	8,325
Repairs and maintenance	5,250	5,250	8,891	3,641
Rental of land and buildings	5,000	5,000	6,881	1,881
Insurance, other than employee benefits	6,800	6,800	6,330	(470)
Communications	9,500	9,500	8,642	(858)
Advertising	1,500	1,500	1,902	402
Travel	4,500	4,500	7,317	2,817
Dues and fees	13,000	13,000	14,443	1,443
General supplies and materials	13,400	13,400	13,104	(296)
Energy	13,900	13,900	13,880	(20)
Other supplies	5,000	5,000	9,735	4,735
Code Ordinances	2,500	2,500	1,507	(993)
Election	0	0	0	0
Library	21,800	21,800	21,800	0
Chamber	25,000	25,000	25,000	0
Arts council	2,500	2,500	2,500	0
Elderly village	3,000	3,000	3,000	0
Agency on Aging	0	0	0	0
Bad debts	700	700	252	(448)
Unemployment tax	2,000	2,000	0	(2,000)
Total general government	419,600	419,600	486,200	66,600

(Continued on next page)

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	Original Budget	Final Budget	Actual	Variance
Public Safety:				
Police -				
Personal services-salaries and wages	$ 581,000	$ 581,000	$ 582,627	$ 1,627
Group insurance	90,000	90,000	85,838	(4,162)
Social security and medicare contributions	40,000	40,000	43,803	3,803
Retirement contributions	14,000	14,000	14,305	305
Workers' compensation	16,000	16,000	19,598	3,598
Other employee benefits	40,000	40,000	47,108	7,108
Technical services	5,000	5,000	4,649	(351)
Repairs and maintenance	20,000	20,000	23,662	3,662
Rentals - uniforms	8,500	8,500	5,655	(2,845)
Insurance, other than employee benefits	20,500	20,500	20,208	(292)
Communications	8,000	8,000	11,249	3,249
Advertising	500	500	28	(472)
Travel	3,000	3,000	5,133	2,133
General supplies and materials	8,000	8,000	12,028	4,028
Processing fee	30,500	30,500	31,503	1,003
Energy	58,900	58,900	60,036	1,136
Other supplies	10,900	10,900	20,950	10,050
Capital outlays	3,000	3,000	71,160	68,160
GA Crime victim	500	500	312	(188)
Peace Officer Training	80,000	80,000	88,024	8,024
Indigent defense fund	94,000	94,000	99,538	5,538
Drivers Ed and Training	40,000	40,000	43,500	3,500
Brain & Spinal	9,000	9,000	770	(8,230)
Local Victim Assistance	45,000	45,000	45,814	814
DTF Contribution	20,000	20,000	24,650	4,650
Dues and fees	500	500	1,563	1,063
Custody of prisoners	55,000	55,000	27,094	(27,906)
Total police	1,301,800	1,301,800	1,390,805	89,005
Fire -				
Personal services-salaries and wages	282,000	282,000	296,900	14,900
Group insurance	50,000	50,000	47,743	(2,257)
Social security and medicare contributions	24,000	24,000	22,502	(1,498)
Retirement contributions	14,000	14,000	14,470	470
Workers' compensation	9,000	9,000	11,145	2,145
Technical services	2,500	2,500	3,131	631
Repairs and maintenance	12,000	12,000	12,675	675

(Continued on next page)

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	Original Budget	Final Budget	Actual	Variance
Rentals - uniforms	$ 4,500	$ 4,500	$ 1,695	$ (2,805)
Insurance, other than employee benefits	6,000	6,000	5,781	(219)
Communications	1,500	1,500	1,508	8
Travel	1,500	1,500	1,129	(371)
Contract labor	8,000	8,000	6,029	(1,971)
General supplies and materials	2,500	2,500	1,136	(1,364)
Energy	21,400	21,400	25,455	4,055
Dues and fees	0	0	0	0
Capital outlays	0	0	0	0
Total fire	438,900	438,900	451,299	12,399
Animal Control -				
Personal services-salaries and wages	72,500	72,500	76,576	4,076
Group insurance	12,700	12,700	12,190	(510)
Social security and medicare contributions	4,700	4,700	5,764	1,064
Retirement contributions	4,800	4,800	5,535	735
Workers' compensation	2,300	2,300	2,934	634
Technical services	2,000	2,000	2,950	950
Repairs and maintenance	3,700	3,700	3,025	(675)
Insurance, other than employee benefits	2,300	2,300	2,080	(220)
Travel	500	500	675	175
General supplies and materials	2,000	2,000	1,864	(136)
Rentals - uniforms	1,200	1,200	823	(377)
Energy	10,100	10,100	8,508	(1,592)
Capital Outlay	0	0	0	0
Other supplies	400	400	8,319	7,919
Total Animal control	119,200	119,200	131,243	12,043
E911-				
Services	88,000	88,000	85,900	(2,100)
Total E911	88,000	88,000	85,900	(2,100)
Total public safety	1,947,900	1,947,900	2,059,247	111,347
Public Works:				
Highways and streets -				
Personal services-salaries and wages	281,000	281,000	248,037	(32,963)
Group insurance	64,000	64,000	65,218	1,218
Social security and medicare contributions	30,000	30,000	19,324	(10,676)

(Continued on next page)

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	Original Budget	Final Budget	Actual	Variance
Retirement contributions	$ 12,000	$ 12,000	$ 12,770	$ 770
Workers' compensation	14,000	14,000	17,597	3,597
Technical services	2,200	2,200	2,950	750
Disposal	285,000	285,000	279,765	(5,235)
Repairs and maintenance	52,800	52,800	64,101	11,301
Rentals - uniforms	4,700	4,700	3,367	(1,333)
Insurance, other than employee benefits	18,000	18,000	17,780	(220)
Communications	2,300	2,300	1,804	(496)
Capital Outlay	0	0	94,477	94,477
Travel	500	500	56	(444)
General supplies and materials	3,500	3,500	3,143	(357)
Energy	177,200	177,200	168,943	(8,257)
Advertising	100	100	80	(20)
Paved streets	10,500	10,500	4,218	(6,282)
Total highways and streets	957,800	957,800	1,003,630	45,830
Solid waste and recycling -				
Closure and post-closure care	15,000	15,000	21,817	6,817
Total Solid waste and recycling	15,000	15,000	21,817	6,817
Maintenance and shop -				
Personal services-salaries and wages	65,500	65,500	66,916	1,416
Group insurance	12,500	12,500	12,203	(297)
Social security and medicare contributions	4,600	4,600	5,078	478
Retirement contributions	3,100	3,100	3,570	470
Workers' compensation	2,200	2,200	2,638	438
Technical services	2,000	2,000	2,950	950
Repairs and maintenance	3,500	3,500	6,085	2,585
Rentals - uniforms	1,100	1,100	762	(338)
Insurance, other than employee benefits	800	800	690	(110)
Communications	1,000	1,000	1,057	57
General supplies and materials	4,500	4,500	4,939	439
Energy	7,100	7,100	6,757	(343)
Total maintenance and shop	107,900	107,900	113,645	5,745
Total public works	$ 1,080,700	$ 1,080,700	$ 1,139,092	$ 58,392

(Continued on next page)

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	Original Budget	Final Budget	Actual	Variance
Health and Welfare:				
Nutrition				
Communications	25,000	25,000	25,000	0
Total health and welfare	25,000	25,000	25,000	0
Culture/Recreation				
Repairs and maintenance	1,000	1,000	4,546	3,546
General supplies and materials	600	600	549	(51)
Energy	14,500	14,500	9,493	(5,007)
Supplies	200	200	390	190
Professional services	6,000	6,000	6,000	0
Total Culture/Recreation	22,300	22,300	20,978	(1,322)
Total Expenditures	$ 3,495,500	$ 3,495,500	$ 3,730,517	$ 235,017

SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCE

NON-MAJOR GOVERNMENTAL FUNDS

City of Ashburn
Ashburn, Georgia — June 30, 2012

	Special Revenue Funds	Capital Projects Fund	Total
ASSETS			
Cash In bank	$ 12,596	$ 23,866	$ 36,462
Due from other governments	0	0	0
TOTAL ASSETS	$ 12,596	$ 23,866	$ 36,462
LIABILITIES AND FUND BALANCE			
Liabilities:			
Due to General fund	$ 0	$ 0	$ 0
Deferred revenue	0	0	0
Total Liabilities	0	0	0
Fund Balance:			
Restricted:			
Public Works	5,635	0	5,635
Economic Development	0	0	0
Capital Projects	0	23,866	23,866
Public Safety	6,961	0	6,961
Total Fund Balance	12,596	23,866	36,462
TOTAL LIABILITES AND FUND BALANCE	$ 12,596	$ 23,866	$ 36,462

SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCE

NON-MAJOR GOVERNMENTAL FUNDS

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	Special Revenue Funds	Capital Projects Fund	Total
Revenues:			
Federal grant	$ 171,479	$ 0	$ 171,479
State grant	9,016	0	9,016
Hotel/motel tax	140,711	0	140,711
Intergovernmental	0	510,805	510,805
Contributions	12,425	0	12,425
Total Revenues	$ 333,631	$ 510,805	$ 844,436
Expenditures:			
General government	$ 0	$ 71,517	$ 71,517
Public works	44,528	229,934	274,462
Public safety	138,037	57,480	195,517
Health/ welfare	54,159	0	54,159
Economic development	83,929	0	83,929
Debt Service:			
Principal	0	151,314	151,314
Interest	0	14,094	14,094
Total Expenditures	320,653	524,339	844,992
Excess (Deficiency) of Revenues Over Expenditures before Non-Operating Expenditures	12,978	(13,534)	(556)
Non-Operating Expenditures:			
General fund transfer	(22,482)	0	(22,482)
Water transfers	0	(12,400)	(12,400)
Total Non-Operating Expenditures	(22,482)	(12,400)	(34,882)
Excess of Revenues Over Expenditures	(9,504)	(25,934)	(35,438)
FUND BALANCE - July 1, 2011	22,100	49,800	71,900
FUND BALANCE - June 30, 2012	$ 12,596	$ 23,866	$ 36,462

SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCE-SPECIAL REVENUE FUNDS

City of Ashburn
Ashburn, Georgia

June 30, 2012

	Rose Hill Cemetery Fund	Seized Assets	Total
ASSETS			
Cash	$ 5,635	$ 6,961	$ 12,596
Due from other governments	0	0	0
TOTAL ASSETS	$ 5,635	$ 6,961	$ 12,596
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	$ 0	$ 0	$ 0
Due to general fund	0	0	0
Deferred revenue	0	0	0
Employer's share of employee benefits-current	0	0	0
Total Liabilities	0	0	0
Fund Balance:			
Fund balance - restricted	5,635	6,961	12,596
Total Fund Balance	5,635	6,961	12,596
TOTAL LIABILITIES AND FUND BALANCE	$ 5,635	$ 6,961	$ 12,596

SCHEDULE OF REVENUES, EXPENSES AND CHANGES

IN FUND BALANCE-SPECIAL REVENUE FUNDS

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

Program Activity	Rose Hill Cemetary Fund	Hotel Motel Tax	Nutrition Program	TE Grant	City Tourism	FEMA Grant	Cops Grant	Turner County Boys & Girls Club	Local Assistance Grants	Seized Assets	Total
Revenues:											
Hotel / motel taxes	$ 0	$ 89,949	$ 0	$44,528	$ 6,234	$ 0	$ 0	$ 0	$ 0	$ 0	$ 140,711
Federal government grants	0	0	49,052	0	0	88,760	33,667	0	0	0	171,479
State government grants	0	0	0	0	0	0	0	0	9,016	0	9,016
Contributions from private sources	0	0	325	0	0	0	0	4,782	0	7,318	12,425
Total Revenues	0	89,949	49,377	44,528	6,234	88,760	33,667	4,782	9,016	7,318	333,631
Expenditures:											
Personal services-salaries and wages	$ 0	$ 0	$ 25,704	$44,528	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 70,232
SS and medicare contributions	0	0	1,957	0	0	0	0	0	0	0	1,957
Insurance	0	0	6,082	0	0	0	0	0	0	0	6,082
Economic Development	0	16,867	0	0	0	0	0	0	0	0	16,867
Capital outlays	0	0	0	0	0	88,760	0	0	0	0	88,760
Tourism	0	50,600	0	0	16,462	0	0	0	0	0	67,062
Program administration	0	0	15,634	0	0	0	33,667	4,782	9,016	6,594	69,693
Total Expenditures	0	67,467	49,377	44,528	16,462	88,760	33,667	4,782	9,016	6,594	320,653

SCHEDULE OF REVENUES, EXPENSES AND CHANGES

IN FUND BALANCE-SPECIAL REVENUE FUNDS

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

Program Activity	Rose Hill Cemetary Fund	Hotel Motel Tax	Nutrition Program	TE Grant	City Tourism	FEMA Grant	Cops Grant	Turner County Boys & Girls Club	Local Assistance Grants	Seized Assets	Total
Excess of Revenues Over Expenditures before Transfers	$ 0	$ 22,482	$ 0	$ 0	$ (10,228)	$ 0	$ 0	$ 0	$ 0	$ 724	$ 12,978
Transfer in	0	0	0	0	0	0	0	0	0	0	0
Transfer out	0	(22,482)	0	0	0	0	0	0	0	0	(22,482)
Net Transfers	0	(22,482)	0	0	0	0	0	0	0	0	(22,482)
Excess of Revenues Over Expenditures after Transfers	0	-	0	0	(10,228)	0	0	0	0	0	$ (9,504)
FUND BALANCE - July 1, 2011	5,635	0	0	0	10,228	0	0	0	0	6,237	22,100
FUND BALANCE - June 30, 2012	$ 5,635	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 6,961	$ 12,596

SCHEDULE OF NET ASSETS

WATER AND SEWER FUND

June 30, 2012

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accounts payable	$ 1,607	
Salaries and wages payable	9,995	
Notes payable-current	0	
Consumers' deposits payable	98,905	
Total Current Liabilities		$ 110,507
Non-current Liabilities:		
Notes payable-non-current	5,085,000	
Total Non-current Liabilities		5,085,000
Total Liabilities		5,195,507
Net Assets:		
Invested in capital assets, net of related debt	515,699	
Restricted for debt retirement	9,000	
Unrestricted	1,738,819	
Total Net Assets		2,263,518
TOTAL LIABILITIES AND NET ASSETS		$ 7,459,025

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN

NET ASSETS - WATER AND SEWER FUND

City of Ashburn Ashburn, Georgia	Year Ended June 30, 2012
Operating Revenues:	
Water charges	$ 637,946
Sewer charges	698,303
Total Operating Revenues	1,336,249
Operating Expenses:	
Personal services-salaries and wages	140,691
Group insurance	22,882
Social security and medicare contributions	10,783
Retirement	3,305
Retirement contributions	265
Workers' compensation	6,452
Professional services	15,904
Technical services	14,629
Repairs and maintenance	41,528
Rental of uniforms	1,142
Insurance, other than employee benefits	17,670
Communications	1,454
Travel	2,100
Gas and Oil	9,624
General supplies and materials	38,428
Utilities	85,997
Other supplies	1,558
Waste Management Services	491,527
Depreciation	210,310
Total Operating Expenses	1,116,249
Operating Income	220,000

(Continued on next page)

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN

NET ASSETS - WATER AND SEWER FUND

City of Ashburn Ashburn, Georgia	Year Ended June 30, 2012
Non-Operating Revenues (Expenses):	
Interest revenue	$ 290
Interest expense	(156,912)
Total Non-Operating Revenues (Expenses)	(156,622)
Income before Transfers	63,378
Transfers in	12,400
Change in Net Assets	75,778
NET ASSETS - July 1, 2011	2,187,740
NET ASSETS - June 30, 2012	$2,263,518

SCHEDULE OF CASH FLOWS

WATER AND SEWER FUND

City of Ashburn Ashburn, Georgia		Year Ended June 30, 2012
		Enterprise Funds
Cash Flows from Operating Activities:		
Cash Received from Customers	$ 1,344,249	
Cash Payments for Goods and Services	(725,988)	
Cash Payments to Employees	(177,926)	
Net Cash Provided by Operating Activities		$ 440,335
Cash Flows from Capital and Related Financing Activities:		
Principal Paid on Notes	(3,591,410)	
Series 2012 Bond Issuance	5,085,000	
Interest Paid	(156,912)	
Net Cash Used by Capital and Related Financing Activities		1,336,678
Cash Flows from Investing Activities:		
Interest on Investments	290	
Net Cash Provided by Investing Activities		290
Net Increase in Cash and Restricted Cash		1,777,303
CASH AND RESTRICTED CASH - July 1, 2011		77,019
CASH AND RESTRICTED CASH - June 30, 2012		$ 1,854,322

SCHEDULE OF CASH FLOWS

WATER AND SEWER FUND

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	Enterprise Funds
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	$ 220,000
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation	210,310
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	8,774
(Increase) Decrease in Inventories	106
(Increase) Decrease in Prepaid Items	(678)
Increase (Decrease) in Accounts Payable	(3,743)
Increase (Decrease) in Salaries and Wages Payable	(918)
Increase (Decrease) in Customers' Deposits	6,484
Change in Assets and Liabilities	10,025
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 440,335

SCHEDULE OF NET ASSETS

GAS FUND

		June 30, 2012
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	$ 11,281	
Salaries and wages payable	13,752	
Sales tax payable	4,578	
Consumers' deposits payable	42,155	
Total Current Liabilities		$ 71,766
Total Liabilities		71,766
Net Assets:		
Invested in capital assets, net of related debt	179,481	
Unrestricted	627,708	
Total Net Assets		807,189
TOTAL LIABILITIES AND NET ASSETS		$ 878,955

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN

NET ASSETS - GAS FUND

City of Ashburn Ashburn, Georgia	Year Ended June 30, 2012
Operating Revenues:	
Gas charges	$ 969,569
Other	32,256
Total Operating Revenues	1,001,825
Operating Expenses:	
Personal services-salaries and wages	281,652
Group insurance	48,432
Social security and medicare contributions	20,986
Retirement	20,609
Retirement contributions	530
Workers' compensation	12,320
Professional and technical services	15,285
Repairs and maintenance	39,476
Rental of uniforms	2,259
Insurance, other than employee benefits	30,360
Communications	3,529
Advertising	1,542
Travel	6,764
General supplies and materials	5,641
Gas and oil	30,476
Utilities	4,015
Inventory purchased for resale	523,253
Miscellaneous	3,261
Depreciation	31,215
Total Operating Expenses	1,081,605
Operating Income	(79,780)

(Continued on next page)

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN

NET ASSETS - GAS FUND

City of Ashburn Ashburn, Georgia	Year Ended June 30, 2012
Non-Operating Revenues (Expenses):	
Interest revenues	$ 242
Change in Net Assets	(79,538)
NET ASSETS - July 1, 2011	886,727
NET ASSETS - June 30, 2012	$ 807,189

SCHEDULE OF CASH FLOWS

GAS FUND

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

		Enterprise Funds
Cash Flows from Operating Activities:		
Cash Received from Customers	$ 1,015,446	
Cash Payments for Goods and Services	(675,018)	
Cash Payments to Employees	(371,679)	
Net Cash Provided by Operating Activities		$ (31,251)
Cash Flows from Investing Activities:		
Interest on Investments	242	
Net Cash Provided by Investing Activities		242
Net Decrease in Cash		(31,009)
CASH - July 1, 2011		594,835
CASH - June 30, 2012		$ 563,826

SCHEDULE OF CASH FLOWS

GAS FUND

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

		Enterprise Funds
Reconciliation of Operating Income to		
Net Cash Provided by Operating Activities:		
Operating Income		$ (79,780)
Adjustments to Reconcile Operating Income		
to Net Cash Provided by Operating Activities		
Depreciation		31,215
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	$ 13,621	
(Increase) Decrease in Inventories	1,000	
(Increase) Decrease in Prepaid Items	2,636	
Increase (Decrease) in Accounts Payable	(281)	
Increase (Decrease) in Salaries and Wages Payable	1,934	
Increase (Decrease) in Sales Tax Payable	(485)	
Increase (Decrease) in Customers' Deposits	(1,112)	
Change in Assets and Liabilities		17,313
NET CASH USED BY OPERATING ACTIVITIES		$ (31,251)

SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUND

City of Ashburn
Ashburn, Georgia

June 30, 2012

	Pending Fund
Additions:	
Increase to agency funds	$ 10,070
Deductions:	
Disbursement from agency fund	0
Net Increase	10,070
Due to Court - July 1, 2011	8,840
Due to Court - June 30, 2012	$ 18,910

SCHEDULE OF NET ASSETS

DOWNTOWN DEVELOPMENT AUTHORITY

City of Ashburn
Ashburn, Georgia — June 30, 2012

ASSETS

Current Assets:		
Cash	$ 7,455	
Inventory	15,850	
Total Current Assets		23,305
Property, Plant, and Equipment:		
Banners and Flagpole	19,502	
City Park	73,589	
		93,091
TOTAL ASSETS		$116,396

LIABILITIES AND NET ASSETS

Current Liabilities:	
Current Portion Long Term Debt	$ 5,450
Long Term Debt, net of current	12,777
TOTAL LIABILITIES	18,227
Net Assets:	
Unrestricted	98,169
Total Net Assets	98,169
TOTAL LIABILITIES AND NET ASSETS	$116,396

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN

NET ASSETS - DOWNTOWN DEVELOPMENT AUTHORITY

City of Ashburn Ashburn, Georgia	Year Ended June 30, 2012
Operating Revenues:	
Intergovernmental	$ 18,111
Total Operating Revenues	18,111
Operating Expenses:	
Interest	833
Utilities	1,352
Total Operating Expenses	2,185
Change in Net Assets	15,926
NET ASSETS - July 1, 2011	82,243
NET ASSETS - June 30, 2012	$ 98,169

SCHEDULE OF CASH FLOWS

DOWNTOWN DEVELOPMENT AUTHORITY

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

Cash Flows from Operating Activities:		
Intergovernmental cash received	18,111	
Cash Payments for Goods and Services	(2,185)	
Net Cash Provided by Operating Activities		$ 15,926
Cash Flows from Capital and Related Financing Activities:		
Purchase of Property, Plant, and Equipment	(20,409)	
Principal Paid on Note	(5,750)	
Net Cash Used by Capital and Related Financing Activities		(26,159)
Net Decrease in Cash		(10,233)
CASH - July 1, 2011		17,688
CASH - June 30, 2012		$ 7,455

SCHEDULE OF CASH FLOWS

DOWNTOWN DEVELOPMENT AUTHORITY

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income		$ 15,926
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		
Changes in Assets and Liabilities:		
(Increase) Decrease in Inventories	0	
Change in Assets and Liabilities		0
NET CASH PROVIDED BY OPERATING ACTIVITIES		$ 15,926

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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

Honorable Mayor
Members of the City Council
City of Ashburn, Georgia

We have audited the financial statements of governmental activities, the business type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Ashburn, Georgia, as of and for the year ended June 30, 2012, which collectively comprise the City of Ashburn, Georgia's basic financial statements and have issued our report thereon dated November 22, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered City of Ashburn, Georgia's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Ashburn, Georgia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Ashburn, Georgia's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Ashburn, Georgia's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Ashburn, Georgia's financial statements that is more than inconsequential will not be prevented or detected by the City of Ashburn, Georgia's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses, numbers 12-1, 12-2, and 12-3 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Ashburn, Georgia's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance And Other Matters

As part of obtaining reasonable assurance about whether City of Ashburn, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 we reported to management of City of Ashburn, Georgia in a separate letter dated November 22, 2012.

City of Ashburn, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit City of Ashburn, Georgia's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, City Council, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Herring CPA Group, P.C.

Herring CPA Group, P.C.
Tifton, Georgia
November 22, 2012

SECTION 1-SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?	No
Reportable condition(s) identified not considered to be material weaknesses?	Yes
Noncompliance material to financial Statements noted?	No

SECTION II-FINANCIAL STATEMENT FINDINGS

2012-1 FINDING **Accounting Personnel, lack of complete segregation of duties**

Criteria: Adequate number of personnel should be employed to reduce conflicting job duties.

Condition: Recording, collections, and reporting are being administered by the same employees.

Effect: Lack of complete segregation of duties can result in misappropriation of funds.

Recommendation: Additional personnel should be hired or procedures should be implemented requiring the segregation of duties of the accounting personnel.

Management's Response: We concur with the recommendation. However, due to limited resources and personnel we cannot completely correct the lack of segregation of duties.

2012-2 FINDING **Expenditures exceeding budget**

Criteria: Budget to actual numbers were not periodically reviewed with the budget being amended as needed.

Condition: The City was in violation of State budget statutes for the year ended June 30, 2012 because certain departmental expenditures exceeded their budget at the legal level of control. The Georgia Statutes define the legal level of control, at a minimum, to be at the department level. The departments and the budget analysis follow:

SCHEDULE OF FINDINGS AND RESPONSES

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

	EXPENDITURES		
	BUDGETED	ACTUAL	(EXCESS)
General Fund:			
Department:			
General Administration	$ 419,600	$ 486,200	$ 66,600
Police	$1,301,800	$1,390,805	$ 89,005
Animal Control	$ 119,200	$ 131,243	$ 12,043
Highways and streets	$ 957,800	$1,003,630	$ 45,830
Closure and Post closure costs	$ 15,000	$ 21,817	$ 6,817
Maintenance and shop	$ 107,900	$ 113,645	$ 5,745
Fire	$ 438,900	$ 451,299	$ 12,399

Effect: Expenditures are not managed in accordance with budget statutes and actions of the City Council.

Recommendation: Emphasize management of expenditures and periodic comparison to the budget.

Management's response: Management agrees with the finding and will periodically monitor budget and make amendments as necessary.

SCHEDULE OF PROJECTS USING SPECIAL

PURPOSE LOCAL OPTION SALES TAX PROCEEDS

City of Ashburn
Ashburn, Georgia

Year Ended
June 30, 2012

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
			2005 SPLOST			
a) Street and Sidewalk Improvement	$ 304,000	$ 304,000	$ 279,775	$ 16,932	$ 296,707	98%
b) Water, Sewage and Drainage	252,000	252,000	57,595	166,709	224,304	89%
c) Construction, Expansion and Equipping of and Improvements to City Buildings and Facilities	560,000	560,000	422,068	122,601	544,669	97%
d) Rolling Stock and Capital Equipment	1,161,000	1,161,000	899,689	230,497	1,130,186	97%
TOTAL	$2,277,000	$ 2,277,000	$ 1,659,127	$536,739	$2,195,866	96%