City of Calhoun, Georgia

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2010

Prepared by:

Department of Finance and Administration

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(Unaudited)

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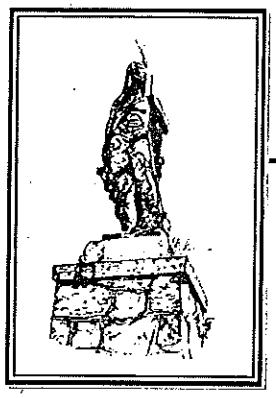
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City of Calhoun, Georgia

Site of New Echota in the Land of the Cherokee

December 30, 2010

To the Honorable Mayor, Members of the City Council and the Citizens of the City of Calhoun, Georgia:

The ***Comprehensive Annual Financial Report*** (CAFR) of the City of Calhoun for the fiscal year ended June 30, 2010, is submitted herewith. This report was prepared by the City's finance department and is intended to fulfill the requirements for audit prescribed by state laws for general-purpose local governments and to fulfill Single Audit requirements of Federal and State governments. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements

R. M. Dobbs & Company, Certified Public Accountants, has issued an unqualified ("clean") opinion of the City of Calhoun's financial statements for the fiscal year ended June 30, 2010. The independent auditor's report is located at the front of the financial section of this report. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

INTRODUCING THE CAFR

The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the City's organizational chart, and a list of elected and appointed officials. The financial section includes the MD&A, the basic financial statements and required supplementary information. The statistical section includes selected financial and demographic information generally presented on a multi-year basis.

This report includes all funds of the City. The City provides a full range of services. These services include public safety (police, fire, and animal control), construction and maintenance of roads and infrastructure, recreational and park activities. This report includes three component units: the Calhoun Board of Education, the Downtown Development Authority and Mainstreet Partnership, all of which meet the component unit criteria as set forth in GAAP. The City is financially accountable for the local support required for the City's independent school system. The activity of the Downtown Development Authority and Mainstreet Partnership is immaterial and is, therefore, not presented on the face of the statements.

Also included in this report are the following enterprise funds: the water and sewer system fund, the electric system fund, the telecommunications fund, the Fields Ferry Golf Course fund, and the solid waste fund. In addition, the City provides economic development support thorough the revolving loan fund and the hotel-motel tax fund.

PROFILE OF THE GOVERNMENT

The City of Calhoun, incorporated in January 1852, is located in the northern portion of the state on I-75, and is considered to be one of the fastest growing small cities in the state, according to the 2000 census. The City of Calhoun occupies a land area of approximately 13 square miles and serves a residential population of approximately 14,500 and a service delivery population of approximately 40,000. The City of Calhoun is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, as deemed appropriate by the Mayor and Council.

The City of Calhoun operates under a Mayor, Council, City Administrator and General Manager form of government. Policy making and legislative authority are vested in the Mayor and Council, consisting of five members. The Mayor and Council are responsible for, among other things, passing of ordinances, zoning, adopting the budget, appointing committees, hiring the City Administrator, General Manager, and City Attorney, and for appointing the heads of various

departments of the City government. The City's Administrator and General Manager are responsible for carrying out the policies and ordinances adopted by the Mayor and Council and overseeing the day-to-day operations of the government. The Mayor and Council are elected on a non-partisan basis; they serve four-year, staggered terms, with two Council members elected every two years and the Mayor elected every four years. The Mayor and Council members are elected at large. However, the Council members are elected for specific Council posts; therefore, candidates seeking office declare a post number when qualifying.

The annual budget serves as the foundation for the City of Calhoun's financial planning and governmental control. All departments and agencies of the City of Calhoun are required to submit requests for appropriation to the Administrator and the Manager by the deadline established in the budget calendar prepared by the department head of each division and approved by the Mayor and Council. The City Administrator and the General Manager use these requests as the starting point for developing a proposed budget. They present the first budget draft to the Mayor and Council at a work session in April of each year. A public hearing on the refined first draft is held in early May of each year. Following the hearing, a second draft is prepared, if necessary, and is reviewed by the Mayor and Council in a second work session. The second public hearing on the final draft is held in early June and is adopted by the Mayor and Council in late June of each year. The appropriated budget is prepared by fund, function and department. Department heads may make transfers of appropriations within divisions of a department, as approved by the budget officers, the Administrator and Manager. However, transfers from department to department and fund to fund require approval of the Mayor and Council. The annual budget also includes the City's long-term financial planning efforts in the form of a five year capital plan for each department.

MAJOR INITIATIVES

Utility division:

In February 2003, the City of Calhoun completed initial engineering plans for the renovation of the oldest portion of the wastewater plant located off Kirby Road and estimated total project costs to be approximately $4.2 million. Funding was also secured at that time through the State Revolving Loan Fund of the Georgia Environmental Facilities Authority. Work continued on the project in fiscal 2010 and was completed in September with a final loan balance of $2,133,992.

In May 2003, the City of Calhoun purchased "Big Springs" from the Forster H. Bates Estate at a cost of $4,025,000, funded with a temporary bank loan and subsequently with permanent financing via a bond issue. The purchase will eventually allow the City to add over six million gallons of raw water per day to its system when permitted by the state. The bond issue was closed in July 2003 and the temporary bank loan was paid in full in fiscal 2004. The piping to connect the spring to the water system was budgeted for fiscal 2005, in the amount of $655,969. Changes in EPD requirements increased the scope and price of the project, and it was delayed. The project was listed as a primary project on the SPLOST Referendum that was successfully passed by 83% of those citizens voting in November 2005. The engineering began in fiscal 2006 and the construction phase was completed in fiscal 2010. The filtration portion of the project will be started in fiscal year 2011 with the total project estimated as being completed in fiscal year 2012. Additional land and buildings were purchased in fiscal year 2010 for approximately $1 million dollars that will enhance the Utilities ability to utilize this spring.

In September 2002 the City of Calhoun entered into an intergovernmental agreement with Pickens County for Calhoun to sell and deliver water at wholesale rates to their border. The agreement included a minimum of one half million gallons per day and a maximum of one and one half million gallons per day at an original price of $1.40 per one thousand gallons. Each local government was responsible for extending any lines to the border in order for the connection and metering equipment to be installed. The City of Calhoun began to deliver water in December 2004 and continues to do so. Originally, the City was only able to provide the minimum of half a million gallons. In fiscal year 2010, a waterline upgrade was installed and a substantial portion of the Covington Bridge pump station was completed allowing the City to fully supply the maximum one and one half million gallons per day if so required.

A similar agreement was entered into with the City of Chatsworth Waterworks Commission, City of Chatsworth, Georgia. The City began delivering water in January 2007 following extension of the Pine Chapel water line to the Chatsworth, Murray County border. The cost to extend the line and install metering and a pump station exceeded $700,000 with a 3.5 year pay back from sales. The line extension was provided by Ellis Contracting, Inc. for $440,500 and was completed in October 2006. City crews installed the pump station. The City of Calhoun began billing for sales in April 2007 and bills quarterly thereafter.

The City began discussions with the City of Dalton regarding an interconnection and the sale of wholesale water in fiscal year 2007. This was established and water sales were made until approximately the summer of 2008. Service is currently inactive.

The City of Calhoun began a project in the beginning of fiscal year 2009 to implement Phase I of an Automated Metering System. This was funded by Water and Sewerage Revenue Refunding Bonds, Series 2008 in the amount of $4,775,000,

$990,000 of which was to payoff prior GEFA debt. Phase I of this project was essentially completed in fiscal year 2010. Phase II of this project began in fiscal year 2010 and will be completed in fiscal year 2011.

The Telecommunications department continues to research for new technologies that will increase efficiency, reduce cost and increase customer satisfaction. As a result, additional services may be offered and service areas can be expanded. The Telecommunications department hired a GIS manager in fiscal year 2008 and subsequent to year end a technician was hired. We have made substantial progress towards fully implementing a state of the art GIS system. We were able to accomplish this due to the economic slowdown allowing us to utilize existing personnel in getting the information into the system.

The City of Calhoun electric fund increased their infrastructure with additional overhead and underground primary conductor installed during fiscal year 2010 by approximately $350,000. They have also completed Phase I of the AMR project. The electric fund is funding this project through current revenues. The City also voted and signed contracts obligating the City to participate in the expansion of two additional generating units at Plant Vogtle. Our allotted capacity will secure a future power resource in 2016 which should accommodate the community's power needs for the next 30 to 35 years.

General Government Division:

Public Safety:

Police:
The City of Calhoun Police Department case load remains average to last year with various types of property crimes, domestic disturbances, false alarms, and traffic related incidents being the highest in numbers. Violent crime statistics are similar to other southeastern municipalities which range in population from 15,000 to 20,000 with similar economics. Traffic accidents ranged from 575 to 600 for the year, which is still down 7% from the past year. This is due to a concentrated effort by the patrol and traffic units controlling speeding, DUI's and other driving infractions. The DUI arrests are up this year due to the concentrated efforts of our department in conjunction with the Governor's Office of Highway Safety. Combined efforts of the Calhoun Police Department and the GBI arrested a local bank robber and solved a previous robbery in a neighboring county.

Department of Justice, COPS grant monthly drawdown's of federal grant funds are being used to fund two patrol officers salaries and fringe benefits totaling approximately $60,000 for this year. Grant funds from the Department of Justice-Bureau of Justice Assistance, was used to purchase a vehicle for the investigation department and new radios totaling $27,481, all at no cost to the city.

The police department entered into a program with the Naval Surface Warfare Center Crane Law Enforcement Electro-Optics Technology Loan Program and received four (4) night vision devices valued at $2,500 each; two of which are used by the police department and the other two were signed over to the fire department for their use.

In fiscal year 2010, the police department conducted major emergency training scenarios at the Calhoun High School. Our school's safety is a national concern and comprehensive drills provided opportunities for public safety officials, teachers, administrators, students and parents to be part of a lock down process. Our Traffic Unit continues to educate our teenagers through the Teen Ride with Pride Program, which is through the University of Georgia.

The police department continued to work as a partner with the Federal Bureau of Investigation's (F.B.I.) Safe Streets Program that provides Calhoun with assets such as manpower, equipment, technical, and legal expertise for operations primarily associated with gang activity, drugs, illegal immigration, and forgery. This year we continue to partner with the Federal Alcohol Tobacco and Firearms division, where two of our officers are sworn as Federal Agents and are being provided with vehicles, at no cost to the city.

Fire:
The Calhoun Fire Department maintained its ISO 4 rating for property and casualty insurance purposes. The department is continually moving ahead with issues to improve this rating. The department plans a fourth station to be located on the west side of the rail line that runs through the City. Funding for the project was included the new 2005 SPLOST referendum and the station is scheduled to be started prior to July 2011.

Structure fires within the City of Calhoun continued to decline this year, due in part to fire inspections, fire codes, fire prevention classes, and fire resistant building materials. While the fire department's primary mission is life safety thru fire

prevention and suppression, they also service other emergency areas. Situations involving search and rescue, EMS/medical calls, vehicle accidents, industrial accidents, hazardous materials incidents and conditions (leaks, spills, toxic materials, and hazardous materials), severe weather and other incidents have caused the department to broaden its scope of operations, response, and expertise.

The Calhoun Fire Department and the Joint Special Operations Team (surrounding area fire departments in GEMA Region 6) now has a trained team of 72 personnel each with 420 hours of Search and Rescue training available to serve this community in case of a major catastrophic event. This GSAR team and equipment along with a fully trained Haz-Mat team with a full line of Hazardous Mitigation Equipment is all located at the new Special Operations building and is available and ready to serve this community in case of almost any type event.

Public Works:
Street Department operations during fiscal 2010 included the use of 165.17 tons of asphalt to dig out and patch potholes and utility cuts and the resurfacing of 3 miles paved through the HB 489 agreement with Gordon County. The paving included resurfacing the east side of the existing Recreation Department road (old section) and milling damaged sections and resurfacing from Wall Street to Hillcrest Drive on East Line Street. Completed with a LARP grant from the Department of Transportation, the City resurfaced .93 miles that included Hunts Drive and Crest Drive. City funds paid for milling on Yellow Jacket Drive and resurfacing on Conference Drive.

Another project included continued improvements to the new 58 acre recreation park, such as maintenance cutting trees to clear creek banks and paving the access road and the parking lot for the 58 acre park playground. The department continues to participate in the West Calhoun Project, a CDBG grant project. Work is scheduled to start on the Transportation Enhancement Grant Project, Streetscape Phase III, that included design and engineering from Hicks Street north to Line Street and on the east side of Wall Street. Planning and purchasing of some of the supplies was done during 2010 and construction will begin in the spring of 2011.

A joint project with Gordon County to add turning lanes and a red light at the intersection of Dews Pond and Lovers Lane was began with the City to provide $150,000 plus in kind work from the Street Department. This project is complete and is scheduled to be turned over to the City from Gordon County after final inspections and approvals and has improved traffic flow from these roads. The Pine Street widening project allowed construction of three lanes for school traffic, new curbs and sidewalks and red light improvements; completed during fiscal 2010. This project helps keeps the backing up of school traffic to a minimum during peak times.

Design and permits are in place for filling in a portion of a track located on McDaniel Station Road, a project that is scheduled for fiscal 2011. This project is in conjunction with an agreement between the Industrial Development Authority and the City for a lot to build a new fire station in this area.

Recreation:
With the increased economic hardship, recreational programs are holding steady. The City developed and now maintains a 58.5 acre park off of McDaniel Station road that connects to the existing River Street Park. The Recreation Department operates and maintains nine softball and baseball fields, a gymnasium, four soccer fields, two football fields, fifteen tennis courts, a pool, pavilion, walking trails, and the largest playground in Northwest Georgia. The Recreation Department worked to maintain an excellent source of programs on a tight budget with continued budget cuts into fiscal 2011. Although this can cause difficulty in providing adequate programs, the Calhoun Recreation Department is continuing to provide quality programs and activities for the citizens of Calhoun and Gordon County.

The City's Public Golf Course, Fields Ferry, faced a challenging year but continued to offer an eighteen hole championship course to the surrounding population. Strong internal management and maintenance of the course allowed them to weather a continued overall downturn in the industry attributed to overbuild, weather, and economic recession that continued int fiscal 2010. The City maintained a Golf Advisory Commission, composed of businessmen active in the sport that met with Golf Management quarterly to review activity and to make recommendations on rates, budget projections, and to review financial reports. The Advisory Commission, established in 1991, continues to advise the Mayor and Council.

The City of Calhoun contracted with MACTEC Engineering and Consulting, Inc. (MACTEC) in November 2005 for an updated Comprehensive Plan that coordinates with the Gordon County Plan. The plan was completed and approved by the Georgia Department of Community Affairs and the Coosa Valley Regional Development Center in early December 2007. The Mayor and Council adopted a Comprehensive Plan and a re-negotiated parts of House Bill 489 contract with Gordon County on December 17, 2007. The Comprehensive Plan should aid the City of Calhoun in addressing the needs of the community during the next twenty years. The City of Calhoun also began negotiations with Gordon County officials regarding the service delivery strategies associated with HB 489, but did not propose any major additional changes related to HB 489. The City of Calhoun also coordinated transportation planning efforts and solid waste planning efforts with

Gordon County. The City of Calhoun has authorized a recreation plan for its multi-sports recreation department with MACTEC Engineering in November 2005. The draft plan is being coordinated with the West Calhoun Urban Redevelopment Plan, which is also being undertaken by MACTEC as authorized by the City of Calhoun in February 2009. The West Calhoun plan was completed in June 2010 and the recreation plan is an ongoing project.

Annexations requests continue to decline because of the slowdown in development due to the economy.

FINANCIAL INFORMATION

Budgeting Controls: Budgets have been adopted and appropriated at the fund level for each City governmental fund. Budgetary control is maintained by continued review of the budget-to-actual reports by the finance departments and each department head and full fund reports to the Mayor and Council quarterly. Budget amendments were made after presentation to the Mayor and Council for consideration for governmental funds. The City's budgetary accounting basis is modified accrual, with all revenues and expenditures budgeted on an accrual basis except for line items for capital outlay and debt payments. All encumbrances are cancelled at the fiscal year end. Unexpended appropriations lapse at year-end for budgetary purposes and are subject to re-appropriation in the following year.

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Calhoun for its comprehensive annual financial report for the fiscal year ended June 30, 2009. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. In order to be awarded this achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report that satisfies both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe the current CAFR continues to meet the program requirement.

Acknowledgments: We wish to express our gratitude and appreciation to the members of the finance department and the Directors of Finance for General Government and Calhoun Utilities for their diligent work on this year's CAFR. We would also like to acknowledge the interest and support of the Mayor and Council in the financial affairs of the City of Calhoun.

Respectfully Submitted,



Eddie Peterson
City Administrator and Clerk



Kelly E. Cornwell
General Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Calhoun

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

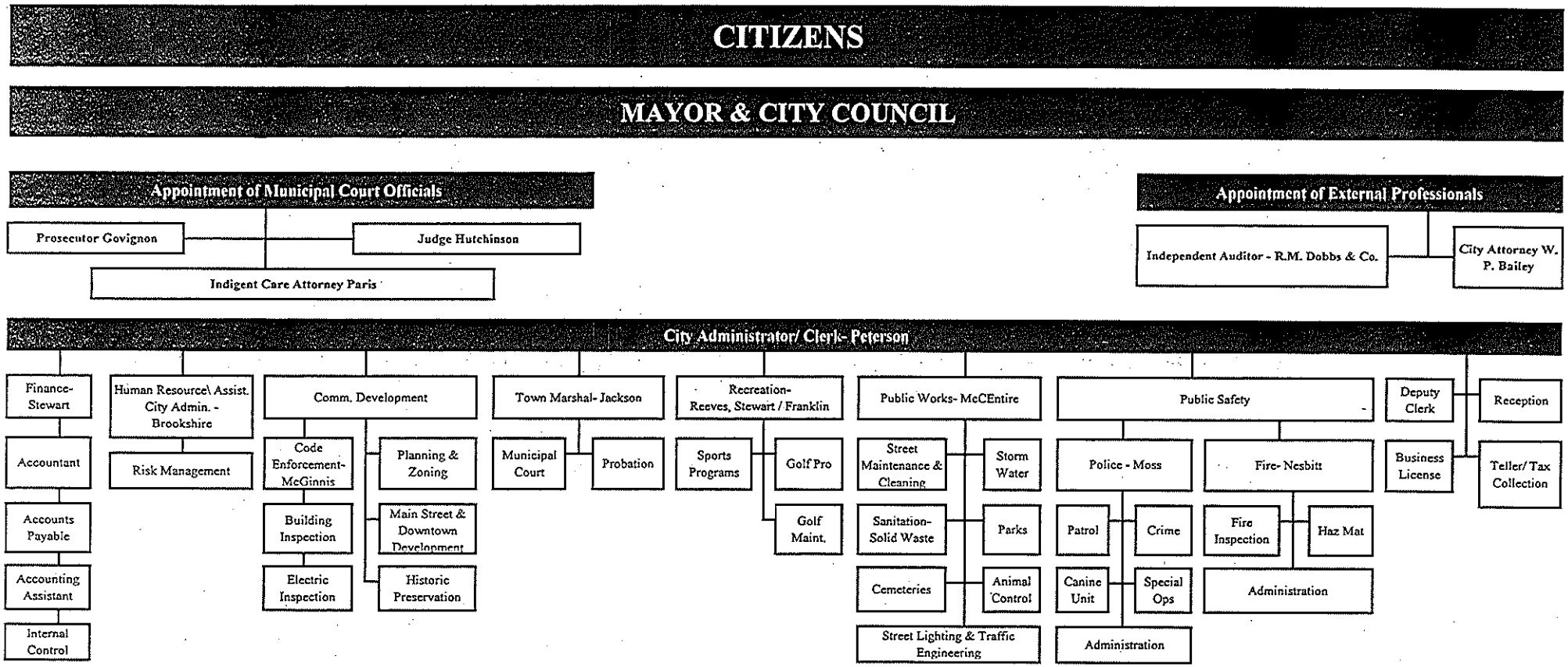
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



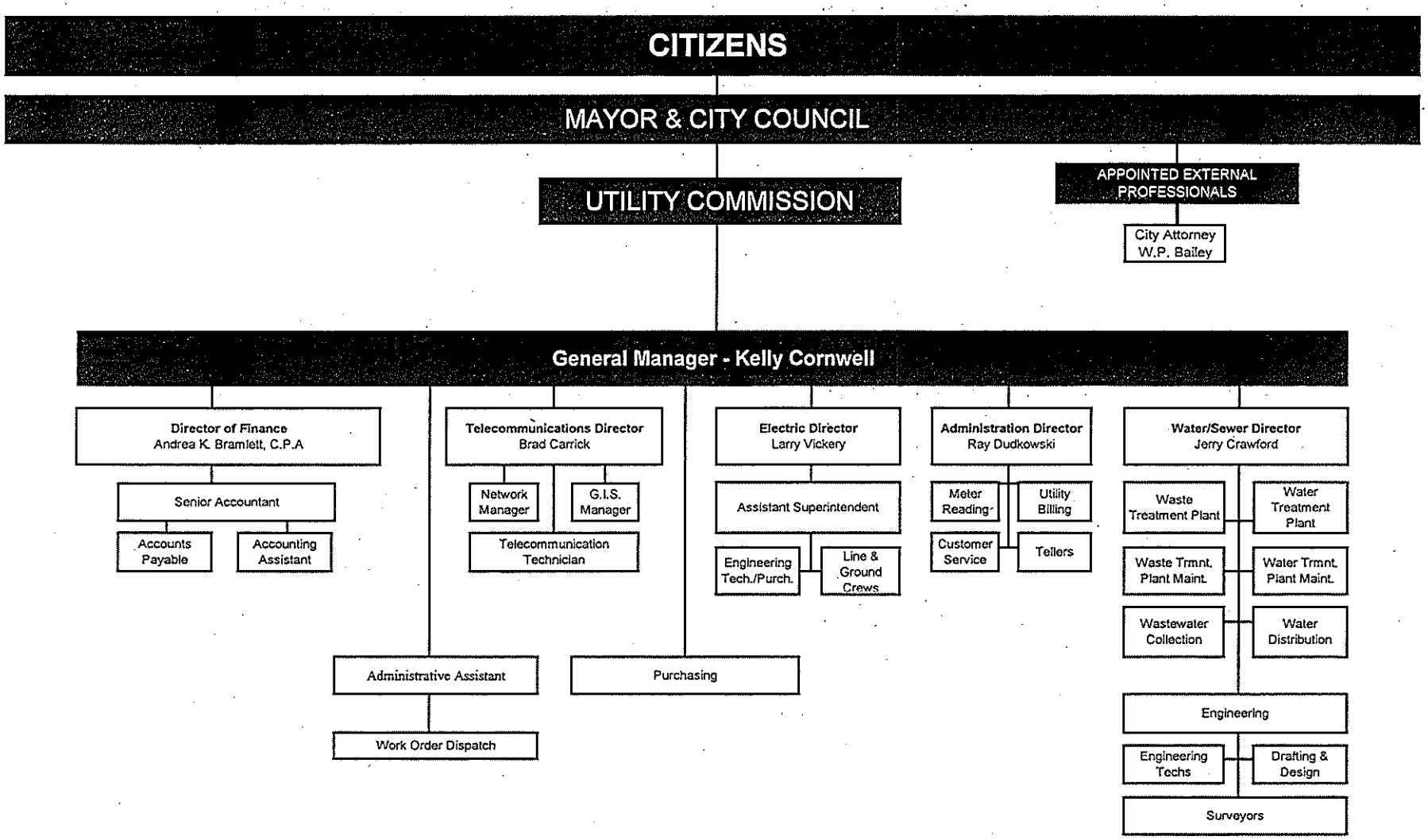
President

Executive Director

CITY OF CALHOUN, GEORGIA
GENERAL GOVERNMENT ORGANIZATIONAL CHART
FISCAL 2009-2010



CALHOUN UTILITIES
FISCAL 2009 - 2010 ORGANIZATIONAL CHART



City of Calhoun, Georgia
Officials, Management and Appointed Professionals
June 30, 2010

Elected Officials:

Mayor	James F. Palmer
Mayor Pro Tempore	George R. Crowley
Councilperson	Matthew Barton
Councilperson	Al Edwards
Councilperson	David Hammond

Appointed Officials and Management:

Administrator / Clerk	F. Eddie Peterson
Human Resource/ Assistant City Administrator	Linda Brookshire
General Government Director of Finance	Alicia Stewart
Code Enforcement	Don McGinnis
Town Marshall	Randy Jackson
Police Chief	Garry Moss
Fire Chief	Lenny Nesbitt
Superintendent of Street Department	Kevin McEntire
Recreation Director	Ronnie Reeves
Golf Professional	Eric Stewart
Superintendent of Golf Maintenance	Harold F. Franklin
General Manager Calhoun Utilities	Kelly E. Cornwell
Director of Water & Sewer	Jerry Crawford
Water Plant Superintendent	Danny Stephens
Sewer Plant Superintendent	Carlton F. Rogers
Water/Sewer Construction Superintendent and Land Application Manager	Mark Williamson
Water and Sewer Maintenance Superintendent	Bobby Robertson
Utilities Director of Finance	Andrea K. Bramlett
Superintendent of Electric Department	Larry Vickery
Superintendent of Telecommunications	Brad Carrick

Appointed Professionals Under Contract:

City Attorney	William P. Bailey
Municipal Court Judge	Susanne Hutchinson
Municipal Court Prosecutor	George Govignon
Municipal Court Indigent Care Attorney	Rebecca B. Paris

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R.M. DOBBS & COMPANY

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INDEPENDENT AUDITOR'S REPORT

To the Honorable James F. Palmer, Mayor
And Members of the City Council
Calhoun, 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 City of Calhoun, Georgia, as of and for the year ended June 30, 2010, 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 Calhoun, 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 the 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 Calhoun, Georgia, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof, and the budgetary comparison for the General Fund 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 December 29, 2010, on our consideration of the City of Calhoun, 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 should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 14 through 22 and on page 32 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Calhoun, Georgia's basic financial statements. The introductory section, combining and individual major and nonmajor fund financial statements, budgetary comparison schedules for nonmajor funds, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards, and project cost schedules are presented for purposes of additional analysis as required by the State of Georgia U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of City of Calhoun, Georgia. The combining and individual major and nonmajor fund financial statements, budgetary comparison schedules for nonmajor funds, the schedule of expenditures of federal awards, and project cost schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or any assurance on it.

R. M. Dobbs & Company

Calhoun, Georgia
December 29, 2010

MANAGEMENT'S DISCUSSION & ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City of Calhoun, Georgia (the City) annual financial report, the City's management is pleased to provide this narrative discussion and analysis of the financial activities of the City for the fiscal year ended June 30, 2010. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The City's assets exceeded its liabilities by $177,304,041 (net assets) for the fiscal year reported.
- Total net assets are comprised of the following:
  (1) Capital assets, net of related debt, of $137,278,601 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  (2) Net assets of $8,688,195 are restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
  (3) Unrestricted net assets of $31,337,245 represent the portion available to maintain the City's continuing obligations to citizens and creditors.
- The City's governmental funds reported total ending fund balance of $17,303,886 this year. This compares to the prior year ending fund balance of $15,756,271 showing an increase of $1,547,615 during the current year. Unreserved fund balance of $9,129,810 for fiscal year 2010 shows a $200,059 decrease from the prior year.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was $5,934,113 or 53% of total general fund expenditures
- Overall, the City continues to maintain a strong financial position, in spite of the economic slowdown.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The City also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The City's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Assets.* This is the government-wide statement of position presenting information that includes all of the City's assets and liabilities, with the difference reported as *net assets.* Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall health of the City would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of City infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities,* which reports how the City's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash was received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City that are principally supported by taxes from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, health and welfare, culture and recreation, housing and development and education. Business-type activities include the electric and water and sewer systems, the golf course, telecommunications and solid waste.

The government-wide financial statements are presented on pages 24-25 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The City has three kinds of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal year accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives. Also, the budgetary comparison statement for the general fund is included in the basic financial statements.

The basic governmental fund financial statements are presented on pages 28-32 of this report.

Individual fund information for nonmajor governmental funds is found in combining statements and the individual fund statements in a later section of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the City charges customers a fee. The five City proprietary funds are classified as enterprise funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the City organization for electric, water and sewer utilities, the golf course, telecommunications and solid waste management.

The basic enterprise fund financial statements are presented on pages 33-36 of this report.

Fiduciary funds are reported only in the basic financial statements on pages 37-38 and in the supplementary financial statements. This category reports an agency fund to account for flow of resources through the municipal court, a cemetery trust fund, and a trust fund for the City's pension fund.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 40 of this report.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the City's budget presentations. Budgetary comparison schedules are included as supplementary information for special revenue funds, debt service funds, and capital project funds, where applicable. These schedules demonstrate compliance with the City's adopted and final revised budget. As discussed, the City reports major funds in the basic financial statements. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 74.

Financial Analysis of the City as a Whole

The City's net assets at fiscal yearend are $177,304,041. The following table provides a summary of the City's net assets:

Summary of Net Assets

	Governmental Activities		Business-type Activities		Total		%
	2010	2009	2010	2009	2010	2009	of Total
Assets							
Current assets	$ 18,319,039	$ 17,601,044	$ 25,133,859	$ 25,524,176	$ 43,452,898	$ 43,125,220	19%
Other assets	1,441,156	68,880	5,736,476	1,743,578	7,177,632	1,812,458	3%
Capital assets	69,005,830	70,619,169	112,956,290	111,250,424	181,962,120	181,869,593	78%
Total assets	88,766,025	88,289,093	143,826,625	138,518,178	232,592,650	226,807,271	100%
Liabilities							
Current liabilities	2,196,437	2,187,939	9,971,339	8,720,616	12,167,776	10,908,555	22%
Long-term liabilities	14,659,219	15,797,100	28,461,614	29,360,324	43,120,833	45,157,424	78%
Total liabilities	16,855,656	17,985,039	38,432,953	38,080,940	55,288,609	56,065,979	100%
Net assets							
Invested in capital assets, net of debt	53,654,505	54,267,923	83,624,096	80,087,162	137,278,601	134,355,085	77%
Restricted	8,688,195	6,667,786	-	-	8,688,195	6,667,786	5%
Unrestricted	9,567,669	9,368,345	21,769,576	20,350,076	31,337,245	29,718,421	18%
Total net assets	$ 71,910,369	$ 70,304,054	$ 105,393,672	$ 100,437,238	$ 177,304,041	$ 170,741,292	100%

The City continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 8.3 to 1 at June 30, 2010 as compared to 8.0 to 1 at June 30, 2009. The current ratio for business-type activities at June 30, 2010 is 2.5 to 1 compared to 2.9 to 1 in the prior year. For the City overall, the current ratio at June 30, 2010 is 3.6 to 1 as compared to 4.0 to 1 at June 30, 2009.

The City reported positive balances in net assets for both governmental and business-type activities. Net assets increased $1,606,315 for governmental activities and by $4,956,434 for business-type activities.

Approximately 75% of the governmental activities' net assets are invested in capital as compared to 77% at June 30, 2009. The City uses these capital assets to provide services to its citizens. With business-type activities, the City spent 79% of its net assets on capital in fiscal 2010 and 80% in 2009. Capital assets in the business-type activities provide utility services, but

they also generate revenues for these funds. Of the City's total net assets, approximately 77% are included in capital assets, as opposed to 79% being included in the prior year.

The following table provides a summary of the City's changes in net assets:

Summary of Changes in Net Assets

	Governmental Activities		Business-type Activities		Total		
	2010	2009	2010	2009	2010	2009	Percentage of Total
Revenues							
Program							
Charges for services and fines	$ 1,267,454	$ 1,257,931	$ 42,235,024	$ 40,783,758	$ 43,502,478	$ 42,041,689	74%
Operating grants	3,858,010	3,567,012	-	-	3,858,010	3,567,012	7%
Capital grants	361,368	717,406	64,200	332,915	425,568	1,050,321	1%
General							
Taxes	9,846,540	9,771,075	-	-	9,846,540	9,771,075	17%
Other	232,878	420,741	626,382	852,873	859,260	1,273,614	1%
Total revenues	15,566,250	15,734,165	42,925,606	41,969,546	58,491,856	57,703,711	100%
Program Expenses							
General government	913,704	1,027,285	-	-	913,704	1,027,285	2%
Judicial	369,108	368,035	-	-	369,108	368,035	1%
Public safety	6,535,237	6,660,064	-	-	6,535,237	6,660,064	13%
Public works	2,652,196	2,671,335	-	-	2,652,196	2,671,335	5%
Health and welfare	63,526	57,673	-	-	63,526	57,673	0%
Culture and recreation	1,589,819	1,623,602	-	-	1,589,819	1,623,602	3%
Housing and economic devlopment	953,607	1,033,443	-	-	953,607	1,033,443	2%
Education	937,959	963,995	-	-	937,959	963,995	2%
Interest	677,260	716,362	-	-	677,260	716,362	1%
Electric	-	-	22,037,788	21,109,534	22,037,788	21,109,534	42%
Water and sewer	-	-	12,611,049	13,489,650	12,611,049	13,489,650	24%
Golf course	-	-	1,055,421	1,109,778	1,055,421	1,109,778	1%
Telecommunications	-	-	748,676	796,054	748,676	796,054	1%
Solid waste	-	-	783,757	751,610	783,757	751,610	2%
Total expenses	14,692,416	15,121,794	37,236,691	37,256,626	51,929,107	52,378,420	100%
Excess	873,834	612,371	5,688,915	4,712,920	6,562,749	5,325,291	
Transfers	732,481	965,704	(732,481)	(965,704)	-	-	
Change in net assets	1,606,315	1,578,075	4,956,434	3,747,216	6,562,749	5,325,291	
Beginning net assets	70,304,054	68,725,979	100,437,238	96,690,022	170,741,292	165,416,001	
Ending net assets	$ 71,910,369	$ 70,304,054	$ 105,393,672	$ 100,437,238	$ 177,304,041	$ 170,741,292	

GOVERNMENTAL REVENUES

The City is heavily reliant on business and franchise taxes and local option sales taxes to support governmental operations. Business license and franchise taxes provided 16.7% of the City's total governmental revenues as compared to 16.9% for fiscal year 2009. Sales taxes provided 26% of total governmental revenues versus 25% in fiscal year 2009. This includes SPLOST revenues for business-type activities that is included in revenue in the governmental funds and then transferred out to the water fund for approved projects. Property taxes and charges for services and fines are also important revenue sources (excluding grants and contributions) providing 11.7% and 8% of total revenues, respectively. Total revenues are 1% lower than the fiscal year 2009 amount. The City earned $145,205 in investment earnings in fiscal year 2010 to support governmental activities. This is down from earnings of $230,986 for fiscal year 2009 because of continued decline in interest rates. Capital grants totaled $361,368 in fiscal year 2010, relating mainly to public works projects for road improvements.

GOVERNMENTAL FUNCTIONAL EXPENSES

This table presents the cost of each of the City's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden placed on the City's taxpayers by each of these functions.

	Total Cost of Services		Net Cost of Services	
	2010	2009	2010	2009
General government	$ 913,704	$ 1,027,285	$ 777,598	$ 887,397
Judicial	369,108	368,035	369,108	368,035
Public safety	6,535,237	6,660,064	5,340,224	5,668,267
Public works	2,652,196	2,671,335	2,439,119	2,037,302
Health and welfare	63,526	57,673	63,526	57,673
Culture and recreation	1,589,819	1,623,602	931,474	923,536
Housing and economic development	953,607	1,033,443	312,210	823,967
Education	937,959	963,995	(1,704,935)	(1,903,094)
Interest	677,260	716,362	677,260	716,362
Total	$ 14,692,416	$ 15,121,794	$ 9,205,584	$ 9,579,445

Public safety expenses make up 44.5% of the governmental activities expenses. This compares to 44.0% in fiscal year 2009. The public works function is the second largest cost, making up 18.1% of governmental activities expenses, compared to 17.7% in fiscal year 2008.

Approximately 18.3% of gross program costs for public safety functions were recovered from public safety revenues, primarily fines and forfeitures. This compares to 14.9% in the prior year.

Note that the education function reports excess of revenues over expenses. This presentation may be misleading, although required. Program revenue in the education function is from intergovernmental ESPLOST revenue restricted for debt service. Debt principal payments have been eliminated from the statement of activities and charged against the liability in the statement of net assets, causing the education function to appear to have a $1.7 million dollar net revenue. It is anticipated that once the debt is paid, education will have a net loss because of depreciation expense.

BUSINESS-TYPE ACTIVITIES
Revenues vs. Costs

The operating revenues for all enterprise funds, including the internal service fund, were $1,288,768 or 2.9% more than 2009 and total operating expenses were $52,444 or .1%, less than fiscal year 2009. Within the total business-type activities of the City, these activities reported $6,449,745 in operating income compared to operating income of $5,108,533 in the prior year,

or an increase of 26.3%. After transfers in and out between other funds and other non-operating items, these funds reported a net change in net assets of $4,956,434 compared to a net change in net assets of $3,747,216 in 2009.

Each specific fund reported the following operating income or (loss):

	Amount Change	%
Water and sewerage fund	$3,106,483	83.3%
Electric system fund	3,139,543	(11.8%)
Field Ferry Golf Course fund	(280,790)	(4.8%)
Telecommunications fund	219,057	18.6%
Solid waste fund	(92,874)	71.2%

Water and Sewerage Fund – One of the major funds is the water and sewerage fund. The operating revenues increased 5.3% and operating expenses decreased 5.4% in fiscal year 2010, resulting in an increase in operating income from 2009 of approximately 83.3%.

The increase in revenues relates to a release of the state mandated water restrictions for a portion of the year and a small rate increase.

Personal services have decreased by $298,256 or 8.7%. This is due to the hiring freeze that has been on for the entire year, forcing some departments to operate under-staffed.

Contractual services decreased from the prior year by $131,125 or 15.2%. This represents a combination of expenses that were reduced during the year, but one of the largest decreases occurred in the decrease in repair and maintenance.

Supplies decreased from the prior year by $210,400 or 6.8%. Calhoun Utilities has worked diligently to cut back in all areas due to the extreme situation that the economy is in and this decrease is reflected here.

Interest expense decreased by 11.5% or $139,959 from the prior year. This is due to our having paid down on the principal portion of the debt. Contributions decreased by 80.7% and $268,715 from the prior year. Since there aren't many developments going on at the current time, the lines that get donated to the Utilities naturally decreases. Transfers into the water and sewerage fund increased $600,551 or 20.7%. Transfers out of the water and sewerage fund increased $1,097,283 or 117.4%. Both of these increases are due to the purchase of Big Springs. We borrowed funds from the Electric Fund for a two-month period until investments came due and then the funds were repaid.

Electric Fund - The other major enterprise fund is the electric system fund. The charges for services for this fund have decreased 2.2% over fiscal year 2009 amounts after taking into consideration the $1,088,047 reduction in revenue for the recording of a liability for electrical regulatory purposes. In order to try to ensure the best possible rate stabilization, as amounts are invested in the Generation Trust Intermediate Trust account, equal amounts will be accrued in a long-term liability account for future rate stabilization. This is offset by a corresponding amount in supplies in 2009, thus after considering this; there is only a .2% change in supplies from the prior year. As to the remaining decrease in revenues, there have been a few plant and business closings or less shifts at plants which have caused this. There were 7,367,254 fewer kilowatts sold in 2010 than in 2009, which reflects a 2.4% decrease. The price per kilowatt is adjusted monthly so this is very close to the 2.2% decrease in revenues.

Personal services has decreased by $90,656 or 8.3%. This is due in part, to the hiring freeze that has been on for the entire year and also to being very cost management minded in utilizing any over-time.

Interest earned was down by 42.7% and $177,279 from the previous year. This is due to the extremely low interest rates that we are able to earn on our investments. Transfers in during fiscal year 2010 increased by $607,390. This was due so that a temporary loan could be made to the Water Fund to purchase Big Springs. Once investment in the Water Fund matured, this was repaid before year end.

Fields Ferry Golf Course Fund - The Fields Ferry golf course fund's operating revenues decreased $67,206 or 8% from fiscal year 2009. Operating expenses were down $54,357 or 4.9% from fiscal year 2009. As a result, the operating loss of the course increased $12,849 or 4.8% from the prior year.

Solid Waste Fund - The solid waste fund's operating revenues increased $240,236 or 54% from fiscal year 2009 because the monthly rate was doubled in an effort make the fund more self-sufficient. The transfer in from the general fund decreased $205,541 or 66%. Operating expenses were up $10,628 or 1.4% from fiscal year 2009.

Financial Analysis of the City's Funds

Governmental Funds

As discussed, governmental funds reported in the fund statements have a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of $17,303,886. Of this year-end total, $5,389,721 is undesignated indicating availability for continuing City service requirements. There is $3,740,089 set aside for working capital and contingencies. Legally restricted fund balances (i.e., the reserved fund balances) are $1,989,610, reserved for specific program purposes. Amounts equal to prepaid assets of $565,480 are also unavailable for current expenditure. Amounts totaling $5,618,986 are committed to debt service.

The total ending fund balances of governmental funds show an increase of $1,547,615 or 9.8% from the prior year. The fund balances of debt service funds increased $1,648,918 for the accumulation of revenues for school debt retirement.

Major Governmental Funds

General Fund - The general fund is the City's primary operating fund and the largest source of day-to-day service delivery. The general fund's fund balance decreased by $813,247 in fiscal year 2010.

General fund revenue decreased $237,245 or 2.7% from the prior year. Sales tax revenue decreased 3.6% or $73,362 because of the downturn in the economy. Other taxes decreased over $118,000 since franchise payments from outside businesses such as financial institutions and electric companies and the insurance premium tax collected by the state all decreased. Licenses and permits decreased $42,794 or 16% because of decreased activity in for building permits. Investment earnings decreased 60% from fiscal year 2009 or $83,260 caused by continued falling interest rates due to the recession. Intergovernmental revenues increased over $72,000 because of a COPS grant funding the wages and benefits of two police officers through federal stimulus money and the value of roads received from Gordon County.

Total general fund expenditures decreased $733,447 or 6.3% when compared to the prior year. In fiscal year 2009, expenditures decreased 1.3%. The functional area with the largest change in the general fund was public safety, with a decrease of $669,742, or 9.6%. The decrease resulted from several fewer positions decreasing wages and benefits along with decreases in maintenance and supplies accounts because of tight controls on all expenditures. General government expenditures decreased $106,728 or 10.6% over fiscal year 2009 largely due to two and a half fewer positions, one in general administration, one in finance, and one in human resources that were not replaced during the year, along with other various smaller variances.

The general fund's unreserved ending fund balance represents the equivalent of 54.0% of annual expenditures, as compared to 58.5% at June 30, 2009.

The Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Therefore, the analysis is presented above.

Budgetary Highlights

The General Fund – There were several budget amendments done during this fiscal year, including amendments within the department and Council approved amendments between departments and revenues. Revenues were $190,860 less than the final budget and met 98% of final budgeted revenues. However, budget amendments resulted in a net decrease of over $466,000 to revenues. During the budget process, it was anticipated that the millage rate would increase, but the Council determined that this was not in the best interest of the citizens of Calhoun when millage rates were set at a later date. The budget for property taxes was decreased by over $600,000, mainly by increasing the use of fund balance. Budget amendments were made to increase intergovernmental revenues $182,241 for several grants that were not awarded when the budget was done. Other than a shortfall in property taxes resulting from the reason explained above, other variances between actual and the final budget included sales tax and interest income shortfalls of $100,000 in total, both a result of the continued decline in the economy.

The City did not overspend any expenditure functions, but spent 95% of the final authorized budget. Expenditures were monitored closely during the year in order to offset any shortfall of revenues to the extent possible. General government expenditures actual was $110,000 less than budget due to many different under budget accounts, including wage and benefits accounts for two and a half fewer positions, combining with other smaller accounts for the large difference. The budget amendments to decrease general government $157,000 were to move the mayor and council contingencies of $150,000 to other departments. The police department actual was approximately $245,000 less than budgeted because of large decreases in wage and benefits since there were a net of two fewer positions, along with decreases in various other supplies and maintenance accounts from tight controls on all expenditures. The fire department actual variance of $161,000 less than budget was due to one person on the force leaving and not being replaced along with several other smaller accounts. One of those was approximately $25,000 less than budget being spent on GSAR and Hazmat maintenance of equipment and vehicles since those resources are shared with other organizations who paid some of the maintenance costs. The fire department had Council approved budget amendments to increase expenditures $50,000 for a GSAR grant that was only utilized for expenditures of $10,000, resulting in an additional budget to actual variance of $40,000. Another budget amendment of $85,000 was made to the fire department upon approval by the Council to use renewal and replacement funds and put a new roof on Station 1, due to leaking and other problems.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2010, was $53,654,505 and $83,624,096 respectively. This was a decrease in net investment of 1.1% for governmental activities and an increase of 4.4% for business-type activities. See Note 3-F for additional information about changes in capital assets during the fiscal year and amounts outstanding at the end of the year.

At June 30, 2010, the depreciable capital assets for governmental activities were 37% depreciated; up 3% from the prior year. For the City's business-type activities, 39% of the asset values were depreciated at June 30, 2010 compared to 37% at June 30, 2009. Consistent percentages are a positive financial indicator.

Long-term Debt

At the end of the fiscal year, the City had two types of bonds outstanding, notes payable, capital leases, claims, landfill closure costs, and a pension liability. See Note 3-J for additional information about the City's long-term debt.

Economic Conditions Affecting the City

The City continues to feel the effects of the economic downturn, as is the nation. With the downturn in the housing market, the City was given the opportunity to stabilize growth by improving development standards and long-term efforts. Local option sales tax revenues, an indicator of consumer spending, continued to drop slightly from the previous year. The existence of a local technical college has allowed for the training and retraining of many in the work force for jobs where higher levels of education and technical skills are required or in areas where more jobs are available. Some additional plant

openings have occurred which has been very positive for the City. The City does continue to get industrial prospects who inquire about the possibility of locating here, as close accessibility to Atlanta is attractive. Volkswagen has begun construction on its North America vehicle assembly plant in the Chattanooga area and the ripple effect within the region is expected to have a positive impact on Calhoun. The City of Calhoun has positioned itself very well for growth, due to capacity for expansion in the areas of water, sewer and electricity.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact either the City's General Government Finance Director, Alicia Stewart at City Hall, 226 South Wall Street, Calhoun, (706) 602-5650 or the Utilities Director of Finance, Andrea K. Bramlett at 700 W. Line Street, Calhoun, (706) 602-5840.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Calhoun, Georgia
Statement of Net Assets
June 30, 2010

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Calhoun School District
Assets				
Current Assets				
Cash and cash equivalents	$ 5,803,985	$ 10,194,025	$ 15,998,010	$ 5,880,313
Investments	7,717,313	-	7,717,313	-
Restricted assets				
Cash and cash equivalents	-	2,001,741	2,001,741	-
Investments	-	4,259,448	4,259,448	-
Receivables				
Accounts	18,116	1,483,442	1,501,558	-
Accrued revenue	-	3,250,200	3,250,200	-
Other	-	-	-	-
Property taxes	1,340,778	-	1,340,778	-
Franchise taxes	108,848	-	108,848	-
Other taxes	63,562	-	63,562	-
Fines	637,057	-	637,057	-
Intergovernmental	1,519,518	751,095	2,270,613	2,600,204
Loans	282,284	-	282,284	-
Deposits	-	36,408	36,408	-
Interest	14,686	-	14,686	-
Due from component unit	247,412	-	247,412	-
Due from primary government	-	-	-	121,277
Inventory	-	2,964,588	2,964,588	51,133
Prepaid items	565,480	192,912	758,392	-
Total Current Assets	18,319,039	25,133,859	43,452,898	8,652,927
Noncurrent Assets				
Restricted assets	-	5,441,542	5,441,542	-
Deferred charges	63,295	294,934	358,229	-
Loans	1,377,861	-	1,377,861	-
Capital assets				
Nondepreciable	16,657,490	15,610,736	32,268,226	-
Depreciable, net	52,348,340	97,345,554	149,693,894	662,646
Total Noncurrent Assets	70,446,986	118,692,766	189,139,752	662,646
Total Assets	88,766,025	143,826,625	232,592,650	9,315,573
Liabilities				
Current Liabilities				
Accounts payable	248,941	2,692,916	2,941,857	109,821
Contractor bonds payable	-	38,554	38,554	-
Accrued payroll liabilities	2,339	47,096	49,435	3,143,272
Accrued expenses	106,499	60,441	166,940	-
Internal balances	76,704	(76,704)	-	-
Intergovernmental payable	-	-	-	200
Accrued interest payable	129,018	57,094	186,112	-
Due to component unit	121,277	-	121,277	-
Due to primary government	-	-	-	247,412
Post-closure care payable	-	22,199	22,199	-
Unearned revenue	53,824	411,284	465,108	-
Claims payable	5,500	-	5,500	-
Compensated absences payable	306,092	214,182	520,274	-
Capital leases payable	300,343	-	300,343	-
General obligation bonds payable	575,000	-	575,000	-
Revenue bonds payable	270,900	1,697,611	1,968,511	-
Notes payable	-	3,214,968	3,214,968	-
Payable from restricted assets	-	1,591,698	1,591,698	-
Total Current Liabilities	2,196,437	9,971,339	12,167,776	3,500,705
Long-Term Liabilities (net of current portion)				
Claims payable	83,261	-	83,261	-
Compensated absences payable	-	-	-	97,614
Pension liability payable	370,876	445,073	815,949	-
Post-closure care payable	-	117,836	117,836	-
Notes payable	-	18,002,226	18,002,226	-
Capital leases payable	649,312	-	649,312	-
General obligation bonds payable	11,321,870	-	11,321,870	-
Revenue bonds payable	2,233,900	6,258,628	8,492,528	-
Payable from restricted noncurrent assets	-	3,637,851	3,637,851	-
Total Long-Term Liabilities	14,659,219	28,461,614	43,120,833	97,614
Total Liabilities	16,855,656	38,432,953	55,288,609	3,598,319
Net Assets				
Invested in capital assets, net of related debt	53,654,505	83,624,096	137,278,601	662,646
Restricted for				
Debt service	5,618,986	-	5,618,986	-
Capital projects	-	-	-	6
Program purposes				
Education	1,147,243	-	1,147,243	-
Housing and development	1,802,754	-	1,802,754	-
Public safety	119,212	-	119,212	-
Unrestricted	9,567,669	21,769,576	31,337,245	5,054,602
Total Net Assets	$ 71,910,369	$ 105,393,672	$ 177,304,041	$ 5,717,254

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Statement of Activities
For the Fiscal Year Ended June 30, 2010

Function/Program	Expenses	Program Revenues: Charges for Services, Sales and Fines	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit: Calhoun School District
Primary Government								
Governmental Activities								
General government	$ 913,704	$ 136,106	$ -	$ -	$ (777,598)	$ -	$ (777,598)	$ -
Judicial	369,108	-	-	-	(369,108)	-	(369,108)	-
Public safety	6,535,237	856,148	171,680	167,185	(5,340,224)	-	(5,340,224)	-
Public works	2,652,196	17,094	1,800	194,183	(2,439,119)	-	(2,439,119)	-
Health and welfare	63,526	-	-	-	(63,526)	-	(63,526)	-
Culture and recreation	1,589,819	159,990	498,355	-	(931,474)	-	(931,474)	-
Housing and economic dev.	953,607	98,116	543,281	-	(312,210)	-	(312,210)	-
Education	937,959	-	2,642,894	-	1,704,935	-	1,704,935	-
Interest	677,260	-	-	-	(677,260)	-	(677,260)	-
Total Governmental Activities	14,692,416	1,267,454	3,858,010	361,368	(9,205,584)	-	(9,205,584)	-
Business-Type Activities								
Electric system	22,037,788	25,043,967	-	-	-	3,006,179	3,006,179	-
Water and sewerage system	12,611,049	14,807,017	-	64,200	-	2,260,168	2,260,168	-
Fields ferry golf course	1,055,421	752,590	-	-	-	(302,831)	(302,831)	-
Telecommunications	748,676	943,803	-	-	-	195,127	195,127	-
Solid waste	783,757	687,647	-	-	-	(96,110)	(96,110)	-
Total Business-Type Activities	37,236,691	42,235,024	-	64,200	-	5,062,533	5,062,533	-
Total - Primary Government	$ 51,929,107	$ 43,502,478	$ 3,858,010	$ 425,568	(9,205,584)	5,062,533	(4,143,051)	-
Component Unit								
Calhoun School District	$ 31,039,960	$ 1,770,003	$ 17,767,812	$ -	-	-	-	(11,502,145)
General Revenues								
Property taxes levied for general government purposes					1,818,434	-	1,818,434	10,298,725
Sales taxes					4,100,660	-	4,100,660	2,661,165
Franchise taxes					2,599,128	-	2,599,128	-
Insurance premium taxes					566,412	-	566,412	-
Gas marketers taxes					88,840	-	88,840	-
Other taxes					673,066	-	673,066	-
Unrestricted intergovernmental					33,636	-	33,636	-
Gain on sale of capital assets					32,740	11,568	44,308	
Investment earnings					145,205	308,070	453,275	17,967
Miscellaneous					21,297	306,744	328,041	38,526
Total General Revenues					10,079,418	626,382	10,705,800	13,016,383
Transfers					732,481	(732,481)	-	-
Total General Revenues and Transfers					10,811,899	(106,099)	10,705,800	13,016,383
Change in Net Assets					1,606,315	4,956,434	6,562,749	1,514,238
Net Assets Beginning of Year					70,304,054	100,437,238	170,741,292	4,203,016
Net Assets End of Year					$ 71,910,369	$ 105,393,672	$177,304,041	$ 5,717,254

See accompanying notes to the basic financial statements

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FUND FINANCIAL STATEMENTS

City of Calhoun, Georgia
Balance Sheet
Governmental Funds
June 30, 2010
(With Comparative Totals at June 30, 2009)

	2010			2009
	General	Nonmajor Governmental Funds	Total Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 1,750,483	$ 4,053,502	$ 5,803,985	$ 7,020,167
Investments	3,161,690	4,555,623	7,717,313	5,427,368
Receivables				
Property taxes	135,539	1,205,239	1,340,778	1,302,982
Franchise taxes	108,848	-	108,848	112,854
Other taxes	36,206	27,356	63,562	58,135
Accounts	16,166	1,950	18,116	43,679
Fines	637,057	-	637,057	566,533
Intergovernmental	934,934	584,584	1,519,518	1,822,279
Interest	-	14,686	14,686	7,992
Interfund	95,192	-	95,192	721,297
Loans	-	282,284	282,284	689,850
Loans- noncurrent	-	1,377,861	1,377,861	-
Component unit	-	247,412	247,412	339,497
Prepaid items	509,437	56,043	565,480	209,708
Total Assets	$ 7,385,552	$ 12,406,540	$ 19,792,092	$ 18,322,341
Liabilities and Fund Balances				
Liabilities				
Accounts payable	$ 81,098	$ 167,843	$ 248,941	$ 385,476
Accrued payroll liabilities	2,339	-	2,339	5,136
Accrued expenditures	74,708	31,791	106,499	83,812
Due to component unit	-	121,277	121,277	464,785
Interfund payable	31,150	140,746	171,896	300,129
Deferred revenue	752,707	1,084,547	1,837,254	1,326,732
Total Liabilities	942,002	1,546,204	2,488,206	2,566,070
Fund Balances (Deficits)				
Reserved for				
Prepaid items	509,437	56,043	565,480	209,708
Long-term receivable	-	-	-	241,895
Debt service	-	5,618,986	5,618,986	3,970,068
Program purposes				
Education	-	67,644	67,644	66,863
Housing and development	-	1,802,754	1,802,754	1,796,145
Public safety	-	119,212	119,212	141,723
Unreserved				
Designated for				
Working capital/contingencies	3,740,089	-	3,740,089	3,527,008
Subsequent year expenditures	-	-	-	669,000
Undesignated (deficits), reported in				
General fund	2,194,024	-	2,194,024	2,667,080
Special revenue funds	-	(1,385)	(1,385)	(20,804)
Capital projects funds	-	3,197,082	3,197,082	2,487,585
Total Fund Balances (Deficits)	6,443,550	10,860,336	17,303,886	15,756,271
Total Liabilities and Fund Balances (Deficits)	$ 7,385,552	$ 12,406,540	$ 19,792,092	$ 18,322,341

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Reconciliation of the Governmental Funds' Balance Sheet
to the Statement of Net Assets
June 30, 2010

Total Governmental Fund Balances			$ 17,303,886
Amounts reported for governmental activities in the statement of net assets are different because:			
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds (exclusive of internal service funds' capital assets).			
Cost of capital assets	$	99,567,028	
Less accumulated depreciation		(30,561,198)	69,005,830
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
Property taxes	$	1,149,526	
Intergovernmental		20,780	
Cemetery lot sales		14,957	
Fines		598,167	1,783,430
Interfund receivables and payables between governmental funds are reported on the governmental fund's balance sheet but eliminated on the government-wide statement of net assets.			
Interfund receivables	$	(3,273)	
Interfund payables		3,273	-
Bond premiums, discounts, refundings and issuance costs are reported as other financing sources and uses and expenditures in the governmental fund financial statements but capitalized on the government-wide statement of net assets.			63,295
Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net assets.			
Bonds	$	(14,401,670)	
Capital leases		(949,655)	
Pension		(370,876)	
Claims		(88,761)	
Compensated absences		(306,092)	
Accrued interest		(129,018)	(16,246,072)
Net Assets Of Governmental Activities			$ 71,910,369

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2010
(With Comparative Totals For the Year Ended June 30, 2009)

	2010			2009
	General	Nonmajor Governmental Funds	Total Governmental Funds	Total Governmental Funds
Revenues				
Taxes				
Property	$ 1,273,387	$ 112,978	$ 1,386,365	$ 1,342,044
Sales	1,943,141	-	1,943,141	2,016,503
Other	3,654,839	272,607	3,927,446	4,046,407
Intergovernmental	610,441	5,777,919	6,388,360	6,242,934
Licenses and permits	219,490	-	219,490	262,284
Charges for services	215,463	159,990	375,453	391,946
Fines and forfeitures	554,815	33,791	588,606	594,969
Contributions	1,393	-	1,393	28,138
Investment earnings	55,829	89,376	145,205	230,986
Miscellaneous	19,596	15,501	35,097	38,330
Total Revenues	8,548,394	6,462,162	15,010,556	15,194,541
Expenditures				
Current				
General government	897,578	-	897,578	1,004,306
Judicial	363,530	-	363,530	400,454
Public safety	6,338,472	56,527	6,394,999	7,046,335
Public works	2,048,529	-	2,048,529	1,888,208
Health and welfare	63,698	-	63,698	58,254
Culture and recreation	333,563	854,719	1,188,282	1,279,260
Housing and economic development	619,849	403,298	1,023,147	1,020,584
Education	-	112,978	112,978	133,712
Capital Outlay	-	397,010	397,010	1,375,312
Debt Service				
Principal retirement	289,137	779,500	1,068,637	979,602
Interest and fiscal charges	40,838	635,679	676,517	710,875
Total Expenditures	10,995,194	3,239,711	14,234,905	15,896,902
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,446,800)	3,222,451	775,651	(702,361)
Other Financing Sources (Uses)				
Sale of capital assets	39,482	-	39,482	8,561
Capital lease inception	-	-	-	392,733
Insurance reimbursement	-	-	-	95,735
Transfers in	2,476,072	875,001	3,351,073	3,446,361
Transfers out	(882,001)	(1,736,590)	(2,618,591)	(2,480,657)
Total Other Financing Sources (Uses)	1,633,553	(861,589)	771,964	1,462,733
Net Change in Fund Balances	(813,247)	2,360,862	1,547,615	760,372
Fund Balances Beginning of Year	7,256,797	8,499,474	15,756,271	14,995,899
Fund Balances End of Year	$ 6,443,550	$ 10,860,336	$ 17,303,886	$ 15,756,271

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Reconciliation of the Governmental Funds' Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
For the Fiscal Year Ended June 30, 2010

Net Changes In Fund Balances - Total Governmental Funds			$ 1,547,615
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.			
	Depreciation expense	$ (2,504,112)	
	Capital outlay	897,515	(1,606,597)
The cost of capital assets that are sold are reported in the government-wide statement of activities but not reported at the fund financial reporting level.			(6,742)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues at the fund financial reporting level.			
	Property taxes:		
	Deferred @ 6/30/10	$ 1,149,526	
	Deferred @ 6/30/09	(717,457)	432,069
	Intergovernmental:		
	Deferred @ 6/30/10	$ 20,780	
	Deferred @ 6/30/09	-	20,780
	Cemetery lot sales:		
	Deferred @ 6/30/10	$ 14,957	
	Deferred @ 6/30/09	(14,432)	525
	Fines:		
	Deferred @ 6/30/10	$ 598,167	
	Deferred @ 6/30/09	(528,587)	69,580
Elimination of transfers between governmental funds, including net effect of transfers recorded for capital assets moved between governmental and enterprise funds.			
	Transfers in	$ (775,001)	
	Transfers out	775,001	-
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of activities.			1,068,637
Amortization of bond issuance costs and bond premiums are reported on the government-wide statement of activities but not reported on the fund financial reporting level.			(5,420)
Some expenses reported in the statement of activities, do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds. The change in the current year expenses are as follows:			
	Accrued interest		
	Liability @ 6/30/10	$ (129,018)	
	Liability @ 6/30/09	133,694	4,676
	Compensated absences		
	Liability @ 6/30/10	$ (306,092)	
	Liability @ 6/30/09	337,776	31,684
	Claims		
	Liability @ 6/30/10	$ (88,761)	
	Liability @ 6/30/09	91,489	2,728
	Pension liability		
	Liability @ 6/30/10	$ (370,876)	
	Liability @ 6/30/09	417,656	46,780
Change In Net Assets of Governmental Activities			$ 1,606,315

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Property taxes	$ 2,038,810	$ 1,396,810	$ 1,273,387	$ (123,423)
Sales taxes	2,005,000	2,005,000	1,943,141	(61,859)
Other taxes	3,667,890	3,682,890	3,654,839	(28,051)
Intergovernmental	350,068	532,309	610,441	78,132
Licenses and permits	250,700	228,830	219,490	(9,340)
Charges for services	206,040	206,040	215,463	9,423
Fines and forfeitures	574,650	574,650	554,815	(19,835)
Contributions	200	200	1,393	1,193
Investment earnings	95,000	95,000	55,829	(39,171)
Miscellaneous	17,525	17,525	19,596	2,071
Total Revenues	9,205,883	8,739,254	8,548,394	(190,860)
Expenditures				
General government	1,165,409	1,007,719	897,578	110,141
Judicial	375,061	375,061	363,530	11,531
Public safety				
Police	3,801,857	3,954,098	3,708,958	245,140
Fire	2,986,129	3,121,129	2,959,489	161,640
Public works	2,053,368	2,055,588	2,048,529	7,059
Health and welfare	66,912	66,912	63,698	3,214
Culture and recreation	356,752	356,752	333,563	23,189
Housing and economic development	619,252	635,672	619,849	15,823
Total Expenditures	11,424,740	11,572,931	10,995,194	577,737
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,218,857)	(2,833,677)	(2,446,800)	386,877
Other Financing Sources (Uses)				
Sale of capital assets	10,000	40,220	39,482	(738)
Transfers in	2,368,083	2,368,083	2,476,072	107,989
Transfers out	(828,226)	(895,626)	(882,001)	13,625
Appropriation of fund balance	669,000	1,321,000	-	(1,321,000)
Total Other Financing Sources (Uses)	2,218,857	2,833,677	1,633,553	(1,200,124)
Net Change in Fund Balances	$ -	$ -	(813,247)	$ (813,247)
Fund Balances Beginning of Year			7,256,797	
Fund Balances End of Year			$ 6,443,550	

See accompanying notes to the basic financial statements.

City of Calhoun, Georgia
Statement of Net Assets
Proprietary Funds
June 30, 2010
(With Comparative Totals at June 30, 2009)

	2010 Business-type Activities - Enterprise Funds				2009	2010 Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds	Total	Total	Internal Service Fund
Assets						
Current Assets						
Cash and cash equivalents	$ 8,743,192	$ 278,075	$ 771,745	$ 9,793,012	$ 3,644,865	$ 401,013
Investments	-	-	-	-	8,634,492	-
Restricted Assets						
Cash and cash equivalents	898,780	1,102,961	-	2,001,741	489,179	-
Investments	4,259,448	-	-	4,259,448	5,435,769	-
Receivables						
Accounts	612,373	792,335	78,734	1,483,442	1,161,365	-
Accrued revenue	2,113,729	1,048,936	87,535	3,250,200	2,986,915	-
Intergovernmental	324,172	426,923	-	751,095	200,000	-
Interfund	-	137,480	57,368	194,848	97,959	31,143
Other	-	-	-	-	293,382	
Advances	317,764	-	-	317,764	323,001	-
Deposits	36,408	-	-	36,408	38,313	-
Inventory	2,131,257	590,628	242,703	2,964,588	2,427,652	-
Prepaid items	28,473	78,424	13,120	120,017	124,285	72,895
Total Current Assets	19,465,596	4,455,762	1,251,205	25,172,563	25,857,177	505,051
Noncurrent Assets						
Restricted assets						
Cash and cash equivalents	-	411,841	-	411,841	334,189	-
Investments	5,029,701	-	-	5,029,701	1,088,047	-
Advances receivable	2,781,887	-	-	2,781,887	3,099,652	-
Deferred charges	-	294,934	-	294,934	321,342	-
Capital Assets						
Nondepreciable	194,197	14,378,989	1,010,573	15,583,759	12,021,457	26,977
Depreciable, net	13,801,454	79,098,493	2,949,825	95,849,772	97,623,516	1,495,782
Total Noncurrent Assets	21,807,239	94,184,257	3,960,398	119,951,894	114,488,203	1,522,759
Total Assets	41,272,835	98,640,019	5,211,603	145,124,457	140,345,380	2,027,810
Liabilities						
Current Liabilities						
Pooled cash shortage	-	-	-	-	776,242	-
Accounts payable	2,183,040	444,985	58,329	2,686,354	2,018,130	6,562
Contractor bonds payable	-	38,554	-	38,554	38,487	-
Accrued payroll liabilities	111	29,898	133	30,142	23,183	16,954
Accrued expenses	10,819	-	45,824	56,643	51,052	3,798
Accrued interest payable	-	57,094	-	57,094	51,426	-
Interfund payable	-	-	91,919	91,919	403,650	57,368
Post-closure care payable	-	-	22,199	22,199	21,764	-
Compensated absences payable	33,280	95,246	32,889	161,415	170,878	52,767
Unearned revenue	-	33,155	21,729	54,884	65,131	356,400
Advances payable	-	170,930	97,957	268,887	275,564	48,876
Notes payable	-	3,214,968	-	3,214,968	1,748,962	-
Revenue bonds payable	-	1,697,611	-	1,697,611	1,637,348	-
Capital leases payable	-	-	-	-	14,164	-
Payable From Restricted Assets:						
Accrued interest payable	-	22,185	-	22,185	37,962	-
Customer deposits and interest	898,780	670,733	-	1,569,513	1,489,012	-
Total Current Liabilities	3,126,030	6,475,359	370,979	9,972,368	8,822,955	542,725
Long-Term Liabilities						
Pension liability	214,906	176,087	54,080	445,073	442,431	-
Post-closure care payable (net of current portion)	-	-	117,836	117,836	140,036	-
Notes payable (net of current portion)	-	18,002,226	-	18,002,226	19,809,947	-
Revenue bonds payable (net of current portion)	-	6,258,628	-	6,258,628	7,952,841	-
Advances payable (net of current portion)	-	496,196	1,267,891	1,764,087	2,032,974	1,017,801
Payable From Restricted Assets:						
Regulatory liability	3,637,851	-	-	3,637,851	1,088,047	-
Total Long-Term Liabilities	3,852,757	24,933,137	1,439,807	30,225,701	31,466,276	1,017,801
Total Liabilities	6,978,787	31,408,496	1,810,786	40,198,069	40,289,231	1,560,526
Net Assets						
Invested in capital assets, net of related debt	13,995,651	64,145,288	3,960,398	82,101,337	78,481,711	1,522,759
Unrestricted (Deficit)	20,298,397	3,086,235	(559,581)	22,825,051	21,574,438	(1,055,475)
Total Net Assets	$ 34,294,048	$ 67,231,523	$ 3,400,817	$ 104,926,388	$ 100,056,149	$ 467,284

Reconciliation of the fund level statement of net assets to the government wide statement of net assets.

Internal service fund net assets reported as business-type activities on the government wide statement		$ 467,284	
Net Assets of Business-type Activities		$ 105,393,672	
Interfund receivables and payables between proprietary funds are reported on the fund level statement of net assets but eliminated on the government-wide statement of net assets	Interfund receivables	$ 57,368	$ -
	Interfund payables	-	57,368
		$ 57,368	$ 57,368
Interfund advances between proprietary funds are reported on the fund level statement of net assets but eliminated on the government-wide statement of net assets	Advances receivable	$ (3,099,651)	$ -
	Advances payable	2,032,974	1,066,677
		$ (1,066,677)	$ 1,066,677

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2010
(With Comparative Totals For the Year Ended June 30, 2009)

	2010				2009	2010
	Business-type Activities - Enterprise Funds					Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds	Total	Total	Internal Service Fund
Operating Revenues						
Charges for services	$ 25,043,967	$ 14,807,017	$ 2,384,040	$ 42,235,024	$ 40,783,758	$ 2,635,770
Miscellaneous	171,615	54,060	24,186	249,861	264,455	56,883
Total Operating Revenues	25,215,582	14,861,077	2,408,226	42,484,885	41,048,213	2,692,653
Operating Expenses						
Personal services	1,006,135	3,148,766	1,005,569	5,160,470	5,561,311	1,763,588
Contractual services	1,162,688	731,109	801,563	2,695,360	2,831,255	372,797
Supplies	18,648,009	2,900,582	238,442	21,787,033	21,017,064	115,250
Interfund allocations	521,220	2,046,007	166,444	2,733,671	2,863,078	82,692
Depreciation	688,541	2,838,336	335,470	3,862,347	3,787,244	-
Amortization	-	82,457	-	82,457	89,651	-
Other	49,446	7,337	15,345	72,128	48,236	-
Total Operating Expenses	22,076,039	11,754,594	2,562,833	36,393,466	36,197,839	2,334,327
Operating Income (Loss)	3,139,543	3,106,483	(154,607)	6,091,419	4,850,374	358,326
Non-Operating Revenues (Expenses)						
Change in estimated landfill closure costs	-	-	(3,236)	(3,236)	13,485	-
Interest expense	(12,195)	(1,074,560)	(21,785)	(1,108,540)	(1,263,887)	(32,892)
Investment earnings	238,247	63,533	5,929	307,709	545,867	361
Gain (loss) on disposition of capital assets	11,538	30	-	11,568	5,726	-
Total Non-Operating Revenues (Expenses)	237,590	(1,010,997)	(19,092)	(792,499)	(698,809)	(32,531)
Income (Loss) Before Contributions and Transfers	3,377,133	2,095,486	(173,699)	5,298,920	4,151,565	325,795
Contributions	-	64,200	-	64,200	332,915	-
Transfers in	1,034,891	3,507,267	112,322	4,654,480	3,664,019	-
Transfers out	(3,015,103)	(2,032,258)	(100,000)	(5,147,361)	(3,903,613)	(239,600)
Total Contributions and Transfers	(1,980,212)	1,539,209	12,322	(428,681)	93,321	(239,600)
Change in Net Assets	1,396,921	3,634,695	(161,377)	4,870,239	4,244,886	86,195
Net Assets Beginning of Year	32,897,127	63,596,828	3,562,194	100,056,149	95,811,263	381,089
Net Assets End of Year	$ 34,294,048	$ 67,231,523	$ 3,400,817	$ 104,926,388	$ 100,056,149	$ 467,284

Reconciliation of the fund level operating statements to the government wide statement of activities.	
Change in net assets	$ 4,870,239
Internal service fund charges (credits) to enterprise funds, resulting in changes in operating expenses.	301,443
Miscellaneous revenue	56,883
Interest revenue	361
Interest expense	(32,892)
Transfers out	(239,600)
Change in Net assets of business-type activities	$ 4,956,434

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2010
(With Comparative Totals For the Year Ended June 30, 2009)

	2010				2009	2010
	Business-type Activities - Enterprise Funds					Business-type Activities
	Electric System	Water & Sewerage System	Other Proprietary Funds	Total	Total	Internal Service Fund
Cash Flows from Operating Activities						
Cash received from customers	$ 23,268,904	$ 14,071,577	$ 2,047,910	$ 39,388,391	$ 39,673,693	$ -
Cash received from other	-	-	-	-	-	56,883
Cash received from interfund services provided	1,711,345	267,988	310,747	2,290,080	2,308,969	2,600,663
Cash payments for personal services	(1,006,859)	(3,149,530)	(1,001,896)	(5,158,285)	(5,571,992)	(1,761,015)
Cash payments for goods and services	(20,104,132)	(1,796,146)	(993,832)	(22,894,110)	(23,114,041)	(204,880)
Cash payments for interfund services used	(704,030)	(3,652,349)	(224,553)	(4,580,932)	(3,748,961)	-
Other cash payments	(53,404)	(7,270)	-	(60,674)	(34,322)	-
Net Cash Provided by (Used in) Operating Activities	3,111,824	5,734,270	138,376	8,984,470	9,513,346	691,651
Cash Flows from Noncapital Financing Activities						
Transfers in	1,034,891	2,142,894	112,322	3,290,107	2,007,571	-
Transfers out	(3,015,103)	(2,032,258)	(100,000)	(5,147,361)	(3,903,613)	(239,600)
Advances from other funds	-	-	-	-	-	(47,438)
Payments for (reduction in) pension liability	1,254	(1,236)	152	170	(29,082)	-
Payments received on advance	323,002	-	-	323,002	314,990	-
Principal paid on advance	-	-	(109,574)	(109,574)	(107,759)	-
Interest paid on advance	-	-	(24,785)	(24,785)	(23,601)	(32,892)
Net Cash Provided by (Used in) Noncapital Financing Activities	(1,655,956)	109,400	(121,885)	(1,668,441)	(1,741,494)	(319,930)
Cash Flows from Capital and Related Financing Activities						
Transfers in- SPLOST and Internal Service funds	-	1,364,373	-	1,364,373	1,656,448	-
Proceeds from debt	-	1,407,250	-	1,407,250	345,990	-
Proceeds from sale of capital assets	-	30	-	30	6,419	-
Payments on interfund loans	-	(165,990)	-	(165,990)	(161,192)	
Payments for landfill post-closure costs	-	-	(25,001)	(25,001)	(36,955)	-
Principal paid on revenue bonds	-	(1,675,000)	-	(1,675,000)	(1,610,000)	-
Interest paid on revenue bonds	-	(332,381)	-	(332,381)	(355,018)	-
Principal paid on notes and leases	-	(1,763,129)	-	(1,763,129)	(1,662,047)	-
Interest paid on notes and leases	-	(752,288)	-	(752,288)	(859,501)	-
Payments for capital acquisitions and construction	(757,797)	(4,701,678)	(130,480)	(5,589,955)	(6,807,103)	-
Net Cash Provided by (Used in) Capital and Related Financing Activities	(757,797)	(6,618,813)	(155,481)	(7,532,091)	(9,482,959)	-
Cash Flows from Investing Activities						
Purchase of investments	5,445,536	2,616,160	372,055	8,433,751	(443,550)	
Investment earnings	238,247	63,533	5,929	307,709	545,867	361
Interest rebated to customer accounts	(12,195)	-	-	(12,195)	(25,767)	-
Net Cash Provided by (Used in) Investing Activities	5,671,588	2,679,693	377,984	8,729,265	76,550	361
Net Increase (Decrease) in Cash and Cash Equivalents	6,369,659	1,904,550	238,994	8,513,203	(1,634,557)	372,082
Cash and Cash Equivalents Beginning of Year	3,272,313	(447,262)	532,751	3,357,802	4,996,605	28,931
Cash and Cash Equivalents End of Year	$ 9,641,972	$ 1,457,288	$ 771,745	$ 11,871,005	$ 3,362,048	$ 401,013

(continued)

City of Calhoun, Georgia
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2010
(With Comparative Totals For the Year Ended June 30, 2009)

(continued)

	2010				2009	2010
	Business-type Activities - Enterprise Funds					Business-type Activities
	Electric System	Water & Sewerage System	Other Proprietary Funds	Total	Total	Internal Service Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities						
Operating Income (Loss)	$ 3,139,543	$ 3,106,483	$ (154,607)	$ 6,091,419	$ 4,850,374	$ 358,326
Adjustments						
Depreciation	688,541	2,838,336	335,470	3,862,347	3,787,244	82,692
Amortization	-	82,457	-	82,457	89,651	-
(Increase) Decrease in Assets						
Accounts receivable and accrued revenues	(288,448)	(542,222)	(16,223)	(846,893)	962,107	-
Inventories	(647,934)	115,575	(4,577)	(536,936)	840,419	-
Interfund receivables	40,770	(133,584)	(4,075)	(96,889)	512,477	(29,961)
Deposits	1,905	-	-	1,905	1,849	-
Prepaid expenses	(3,958)	7,712	514	4,268	344	(13,867)
Increase (Decrease) in Liabilities						
Accounts payable and accrued liabilities	302,916	318,250	38,747	659,913	(1,484,330)	348,834
Accrued payroll liabilities	-	6,900	(2,544)	4,356	22,733	4,918
Deposits payable	51,210	29,291	-	80,501	36,679	-
Interfund payable	(172,721)	(94,928)	(44,082)	(311,731)	(78,227)	(59,291)
Unearned revenue	-	-	(10,247)	(10,247)	(27,974)	-
Net Cash Provided by (Used in) Operating Activities	$ 3,111,824	$ 5,734,270	$ 138,376	$ 8,984,470	$ 9,513,346	$ 691,651
Noncash Investing, Capital and Financing Activities						
Developer contributions - in kind	-	64,200	-	64,200	332,915	-
Transfer of capital assets	-	-	-	-	6,460	-

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Comparative Statements of Fiduciary Net Assets
Fiduciary Funds
June 30, 2010 and 2009

	Municipal Court Agency Fund		Cemetery Trust Fund	
	2010	2009	2010	2009
Assets				
Cash and cash equivalents	$ 17,499	$ 23,031	$ 143,363	$ 146,379
Investments	-	-	848,988	801,338
Total Assets	$ 17,499	$ 23,031	$ 992,351	$ 947,717
Liabilities and Net Assets				
Liabilities				
Due to others	$ 17,499	$ 23,031	$ -	$ -
Net Assets				
Assets held in trust for cemetery prepetual care	-	-	992,351	947,717
Liabilities and Net Assets	$ 17,499	$ 23,031	$ 992,351	$ 947,717

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Comparative Statements of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Years Ended June 30, 2010 and 2009

	Pension Trust Fund		Cemetery Trust Fund	
	2010	2009	2010	2009
Additions				
Employer contributions	$ 167,306	$ 171,646	$ -	$ -
Cemetery lot sales- trust portion	-	-	26,750	85,075
Investment income	-	-	21,662	32,179
Total Additions	167,306	171,646	48,412	117,254
Deductions				
Benefits	167,306	171,646	-	-
Administrative expenses	-	-	3,778	3,649
Total Deductions	167,306	171,646	3,778	3,649
Change in Net Assets	-	-	44,634	113,605
Net Assets Beginning of Year	-	-	947,717	834,112
Net Assets End of Year	$ -	$ -	$ 992,351	$ 947,717

See accompanying notes to the basic financial statements

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes to the financial statements are a part of the basic financial statements and present additional detailed information to amounts presented on the face of the statements.

City of Calhoun, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

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The City of Calhoun, Georgia (The City) is a municipal corporation governed by an elected mayor and four-member council.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The City also applies private sector standards issued on or before November 30, 1989, to its governmental and business-type activities at the government-wide financial reporting level to the extent that those standards do not conflict with or contradict guidance of the GASB. The City applies private sector standards to its enterprise funds at the fund reporting level, provided they do not conflict with or contradict GASB pronouncements.

The most significant of the City's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the City in that the City approves the budget, levies their taxes or issues their debt.

A blended component unit, although a legally separate entity, is, in substance, part of the City's operations. The fund types of such component units are blended with the fund types of the City. A brief description of the blended component unit follows:

Calhoun Recreation Authority (Recreation Authority) – The Recreation Authority is governed by a seven-member board consisting of six members appointed by the City Council and one member from the elected City Council. Although it is legally separate from the City, the Recreation Authority is reported as if it were part of the City because its purpose is to finance golf course construction or other recreation activities. Bonds or other debt issued by the Recreation Authority are secured by a lease agreement with the City and will be retired through lease payments from the City.

Financial statements of the Calhoun Recreation Authority are included in the City's basic financial statements within the governmental debt service fund. Information may be obtained at City Hall, City Administrator's Office, 226 South Wall Street, Calhoun, Georgia.

The component unit columns included on the government-wide financial statements identifies the financial data of the City's discretely presented component units. They are reported separately to emphasize that they are legally separate from the City. A brief description of the discretely presented component units follows:

City of Calhoun, Georgia, Board of Education (School District) – The School Board is authorized within the City of Calhoun, Georgia's charter to regulate the operations of the system of public schools for the City of Calhoun. The School District consists of five members elected by the citizens of the City. However, the School District is fiscally dependent upon the City of Calhoun because the City Council must approve the annual budget, levy the necessary property taxes and approve any debt issuances. Separately issued financial statements for the School District may be obtained at the School District's administrative offices, 308 Barrett Road, NW, Calhoun, Georgia.

Downtown Development Authority (Development Authority) – The Development Authority is a public body, corporate and politic, and was created upon the adoption and approval of the Development Authorities Law of the State of Georgia. The Mayor and City Council appoint all members of the Development Authority. To date, the only activities associated with the Development Authority relate to property deeded by the City to the Development Authority, which was sold in fiscal 2004. Financial statements of the Downtown Development Authority, if material, are required to be in the City's basic financial statements as a discretely presented component unit. This is in accordance with a determination made for such entities by the Georgia Department of Audits

and Accounts. Specific information relative to these activities may be obtained at City Hall, City Administrator's Office, 226 South Wall Street, Calhoun, Georgia.

Mainstreet Partnership, Inc. (Mainstreet) – Mainstreet is a non-profit organization formed to promote the downtown business district and provide services to the downtown merchants and business owners. Dues are collected from downtown businesses for membership and used to promote activities such as concerts and festivals, but the organization is significantly funded by the City of Calhoun. Mainstreet elects a president, vice president, and secretary/treasurer to direct and oversee the actions of the executive director appointed by the City, who is also employed as the City's Downtown Development Director. Information about this activity may be obtained at City Hall, Finance Director's Office, 226 South Wall Street, Calhoun, Georgia.

1-B. Basis of Presentation

The City's basic financial statements consist of government-wide statements, which include aggregated fund data and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include a statement of net assets and a statement of activities. These statements report financial information for the City as a whole. The primary government and the discretely presented component units are presented separately within these financial statements with the focus on the primary government. All City funds, excluding the fiduciary activities and component units that are fiduciary in nature, are included at the government-wide reporting level. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of net assets presents the financial position of the governmental and business-type activities of the City and it's discretely presented component units at year-end. This statement is presented in a classified format.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the business-type activities of the City. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services and fines; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which functions the revenues are *restricted.*

Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the City. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental, proprietary, and fiduciary funds.

Major individual governmental and enterprise funds are reported in separate columns with composite columns for nonmajor funds. Fiduciary funds are reported by type.

Fund Accounting - The City uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between governmental fund assets and liabilities as fund balance. The following is the City's major governmental fund:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Georgia.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. The City's proprietary funds are classified as enterprise funds. The following are the City's major enterprise funds:

Electric System Enterprise Fund – This major enterprise fund is used to account for the operations of the City's electric distribution system.

Water and Sewerage System Enterprise Fund - This major enterprise fund is used to account for the operations of the county-wide water treatment distribution system and wastewater treatment, primarily within the City limits.

Internal Service Fund – This fund provides support services to the various City utilities.

Fiduciary Funds - Fiduciary fund reporting focuses on net assets. The City's fiduciary funds include its single employer pension trust fund, cemetery trust fund, and an agency fund. The pension trust fund is the "City Charter Unfunded Retirement Plan." The cemetery trust fund is a perpetual care trust held for the future maintenance of the cemeteries. The agency fund accounts for the activity of traffic and municipal ordinance violations resulting in fines for offenses occurring with the City. This fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net assets. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net assets. The statements of changes in fund net assets present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

The City's pension trust fund uses the flow of economic resources at the fund reporting level. The statement of changes in fiduciary net assets includes additions and deletions to the pension trust fund's net assets. The agency fund does not have a measurement focus.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase "available for exchange transactions" means expected to be received within 60 days of the balance sheet date.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the City receives value without directly giving equal value in return, include sales tax, property taxes, grants, and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 3-C) Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, all revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following primary revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, franchise taxes, insurance premium taxes, fines, interest and charges for services.

Deferred/Unearned Revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue.

Property taxes, fines and the sale of cemetery plot receivables not collected within 60 days of year-end have been recorded as deferred revenue at the fund reporting level. Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as deferred revenue at both reporting levels.

Deferred revenue for governmental fund types is reclassified as "*unearned revenue*" on the government-wide statement of net assets.

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

1-E. Assets, Liabilities and Fund Equity

1-E-1 Cash, Cash Equivalents, and Investments

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

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the City to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or governmental agency
- Obligations of any corporation of the United States Government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

Notwithstanding these provisions of state statutes, local retirement system funds may be invested and reinvested subject to all terms, conditions, limitations, and restrictions imposed by the laws of Georgia upon domestic life insurance companies in making and disposing of their investments.

State statutes require all deposits to be collateralized by depository insurance, obligations of the United States or certain obligations guaranteed by the U. S. Government, obligations of the State of Georgia or bonds of public or development authorities, counties, or municipalities of the State of Georgia. The acceptable collateral pledged in the City's name are composed of bonds of U. S. Government agencies and bonds of the State of Georgia and its public authorities, counties and municipalities.

It is the City's policy that any investment or deposit in excess of the Federal Deposit Insurance Corporation (FDIC) insured amount must be secured by 110% of an equivalent amount of State or U.S. Obligations.

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable. Unbilled utility charges are accrued as receivables and revenue at June 30, 2010. The delinquent taxes receivable account represents past years of uncollected tax levies. The allowance for estimated uncollectibles is estimated at .54% of the tax digests for fiscal years ended June 30, 2007-2010, in addition to 100% of the receivable for all fiscal years prior to 2007.

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4 Consumable Inventories

On the government-wide statement of net assets, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories are stated at lower of cost or market for proprietary funds with cost determined on a first-in, first-out basis. Inventories of the proprietary funds are expensed when consumed.

1-E-5 Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2010, are recorded as prepaid items at both reporting levels using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved as this amount is not available for general appropriation.

1-E-6 Restricted Assets

Restricted assets represent resources segregated as required by bond ordinances, lease agreements and policies of the City.

1-E-7 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The City reports these assets in the governmental activities column of the government-wide statement of net assets but does not report these assets in the governmental fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net assets and in the enterprise funds' statement of net assets. The City owns and reports all School District land and buildings.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars and twenty thousand dollars for infrastructure expenditures. The City's infrastructure consists of roads, curbs and gutters, sidewalks, bridges, drainage, traffic signals, water and sewer lines and the electric distribution systems. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise funds is capitalized.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

	Estimated Lives		
Asset Class	Governmental Activities	Business-type Activities	Component Unit
Buildings	20-50 Years	---	---
Improvements other than buildings	15-25 Years	15-25 Years	---
Buildings, plants, tanks	---	20-50 Years	---
Utility systems	---	20-50 Years	---
Machinery and equipment	5-25 Years	5-25 Years	5-10 Years
Vehicles	4-6 Years	4-6 Years	5-10 Years
Infrastructure	30-60 Years	---	---

At the inception of capital leases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

1-E-8 Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Unused vacation leave rights expire at the end of the year in which earned. Unused sick leave benefits are paid annually and therefore do not accumulate. All amounts accrued relative to these benefits are paid in December each year.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements for both governmental activities and business-type activities. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "*when due.*"

1-E-9 Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the these funds. However, compensated absences, claims and unfunded pension benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Bonds and capital leases are recognized as a liability in the governmental fund financial statements "*when due*".

1-E-10 Bond Premiums, Discounts and Issuance Costs

On the government-wide statement of net assets and the proprietary fund type statement of net assets, bond premiums and discounts are netted against bonds payable and bond issuance costs are reported as deferred charges. On the government-wide and proprietary fund type statement of activities, bond premiums and discounts and bond issuance costs are deferred and amortized over the life of the bonds using the effective interest method.

At government fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as debt service expenditure.

1-E-11 Fund Equity

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

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Designations are management's intent to set aside these resources for specific services.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, plus any outstanding balances of borrowings not yet expended, but restricted for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets are reported as unrestricted.

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

1-E-12 Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. For the City, these revenues are charges to customers for water and sewerage services, electricity, golf course and associated rental fees, fees for telecommunications services and services for solid waste management. The water and sewer fund also recognizes as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses, including operating grants, investment earnings, interest expense and the gain or loss on the disposition of capital assets.

1-E-13 Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from transfers from capital assets of governmental activities, outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-14 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers.

Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business type activities column are eliminated.

The general fund charges each of the enterprise funds and the recreation fund for specific payroll and other administrative costs that relate to these funds. As interfund reimbursements, these charges are required to be reported "net" as reductions of expenditures in the general fund. These reimbursements are internal accounting adjustments used to reallocate expenditures or expenses to the appropriate fund. The utility internal service fund charges the electric, water & sewerage system, telecom, and general funds various costs that represent operating expenses and the utility internal service fund records these interfund services provided as revenue.

1-E-15 Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-16 Comparative Data

Comparative total data for the prior year have been presented for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Certain immaterial amounts presented in the prior year data have been reclassified to provide more comparative date.

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information – Annual appropriated budgets are prepared for all governmental funds except capital project funds. Project budgets also are adopted for the capital project funds. The budget is prepared on a modified accrual basis with budget items for capital outlay and debt service in all funds. Unspent appropriations lapse at year-end.

The budget officer can make reallocation of budgeted amounts within a department; however, any reallocations between departments within a fund or any increase in the total departmental appropriation within a fund require City Council approval. The City Council amended the original appropriations for fiscal year 2010 for some funds.

2-B. Deficit Fund Equities

Budget cuts and careful spending during fiscal 2011 are expected to cover the Recreation fund deficit of $1,385.

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

Although the City has adopted investment policies, they do not address the specific deposit or investment risks presented below.

Custodial Credit Risk – Deposits – the custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits may not be recovered.

At June 30, 2010, the carrying amount of the City's deposits, not including cash on hand, was $18,408,597 and the related bank balances totaled $18,510,523. All bank balances were covered by Federal Depository Insurance or by collateral held by the City's agent in the City's name.

Cash on hand at June 30, 2010 was $7,700.

Primary Government's Investments

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

At June 30, 2010, the City investments included $7,717,313 held in certificates of deposit and $9,289,149 held in the First Union MEAG Flexible Operating Trust. Interest rates for certificates are fixed for the term of the certificate. The MEAG investment is restricted to specific uses, as designated in the operating trust. All of the holdings of the MEAG investment are fixed income (bond) investments and all are either direct obligations of or otherwise guaranteed by the government of the United States or one of its agencies, corporations, or instrumentalities. An institutional US Government Money Market Fund is also used in these accounts and that Fund invests in similar US Government obligations. MEAG reports interest rate risk using a duration measure.

Credit Quality Risk – Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's investment in certificates is covered by Federal Depository Insurance or collateral held by the City's agent in the City's name. The municipal competitive trust is not rated.

Cash and Investment Reconciliation:

	Cash and Cash Equivalents	Investments
Fund Reporting Level:		
Governmental Funds - Balance Sheet	$ 5,826,248	$ 7,717,313
Proprietary Fund Type Statement of Net Assets	10,194,025	-
Proprietary Fund Type Statement of Net Assets - Restricted	2,413,582	9,289,149
Total	$ 18,433,855	$ 17,006,462

3-B. Receivables

Receivables at June 30, 2010, consisted of taxes, interest, accounts (billings for user charges, including unbilled utility receivables), and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the City's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectibility.

At June 30, 2010, the amount of allowance for uncollectibles was $607,927.

3-C. Property Taxes

Generally, property taxes attach as an enforceable lien on property as of January 1. The City Council levied property taxes December 22, 2009. Property taxes were billed on December 22, 2009 and were payable on March 12, 2010. The lien date was October 22, 2010.

3-D. Component Unit - Special Purpose Local Option Sales Taxes (SPLOST)

SPLOST is to be used for capital outlay for educational purposes and debt service, as described in note 3-I.

3-E. Restricted Assets

The following are the details of the restricted assets for the enterprise funds:

Cash	
Construction Bonds	$ 38,554
Utility Deposits of Customers	1,569,512
Water and Sewerage Debt Service	805,516
Total Cash	2,413,582
Investments	
Electric Fund - Flexible Trust Account - MEAG	4,259,448
Electric Fund - Generation Trust Account - MEAG	5,029,701
Total Investments	9,289,149
Total Restricted Assets	$ 11,702,731

3-F. Capital Assets

Capital asset activity for the year ended June 30, 2010, was as follows:

	Balance 6/30/2009	Additions	Deductions	Balance 6/30/2010
Governmental activities				
Capital assets not being depreciated				
Land	$ 16,305,612	$ 5,144	$ -	$ 16,310,756
Construction in progress	85,846	282,813	21,925	346,734
Total capital assets not being depreciated	16,391,458	287,957	21,925	16,657,490
Depreciable capital assets				
Buildings	43,201,526	265,708	-	43,467,234
Improvements other than buildings	8,449,721	-	-	8,449,721
Machinery and equipment	7,295,530	64,504	137,292	7,222,742
Infrastructure	23,468,569	301,271	-	23,769,840
Total depreciable capital assets	82,415,346	631,483	137,292	82,909,537
Total capital assets	98,806,804	919,440	159,217	99,567,027
Accumulated depreciation				
Buildings	11,306,014	904,403	-	12,210,417
Improvements other than buildings	2,651,362	360,816	-	3,012,178
Machinery and equipment	4,212,218	581,158	130,550	4,662,826
Infrastructure	10,018,041	657,735	-	10,675,776
Total accumulated depreciation	28,187,635	2,504,112	130,550	30,561,197
Governmental activities capital assets, net	$ 70,619,169	$ (1,584,672)	$ 28,667	$ 69,005,830

Governmental activities depreciation expense

General government	$ 19,591
Judicial	5,497
Public safety	371,037
Public works	860,439
Culture and recreation	406,877
Housing and development	15,690
Education	824,981
Total governmental activities depreciation expense	$ 2,504,112

Construction in progress for governmental activities at June 30, 2010 includes the following:

Project Description	Project Authorized	Expended to June 30, 2010	Future Financing
West Calhoun Housing Project	$ 268,396	$ 86,006	$ 182,390
Widening & constuction of roads	200,000	190,075	9,925
School engineering for expansion	25,000	19,325	5,675
Streetscape Phase III	200,000	51,328	148,672
Total	$ 693,396	$ 346,734	$ 346,662

The following are the changes in the business-type capital assets:

	Balance 7/1/2009	Additions	Deductions	Balance 6/30/2010
Business-type activities				
Nondepreciable capital assets				
Land	$ 6,374,252	$ 1,005,065	$ -	$ 7,379,317
Intangibles	46,424	-	-	46,424
Construction in progress	5,627,758	3,115,910	558,673	8,184,995
Total nondepreciable capital assets	12,048,434	4,120,975	558,673	15,610,736
Depreciable capital assets				
Buildings, plant and tanks	39,664,102	178,233	-	39,842,335
Improvements other than buildings	5,395,526	-	-	5,395,526
Machinery and equipment	22,484,117	82,173	345,245	22,221,045
Utility systems	89,732,406	1,831,448	-	91,563,854
Total depreciable assets	157,276,151	2,091,854	345,245	159,022,760
Total capital assets	169,324,585	6,212,829	903,918	174,633,496
Accumulated depreciation				
Buildings, plant and tanks	16,077,911	812,533	-	16,890,444
Improvements other than buildings	2,970,754	210,798	-	3,181,552
Machinery and equipment	11,104,067	1,018,270	341,995	11,780,342
Utility systems	27,921,429	1,903,439	-	29,824,868
Total accumulated depreciation	58,074,161	3,945,040	341,995	61,677,206
Business-type activities capital assets, net	$ 111,250,424	$ 2,267,789	$ 561,923	$ 112,956,290

Construction in progress for business-type activities at June 30, 2010 includes the following:

Project Description	Project Budget	Expended to June 30, 2010	Future Financing
Foster Glen Sewer Project	$ 34,842	$ 16,519	$ 18,323
Camden Court Sewer Extension	20,500	19,958	542
Big Springs Project/ Brittany Drive Water Plant	2,800,000	801,634	1,998,366
Dew's Pond Road/Covington Bridge	847,760	727,760	120,000
Park Place-Phase VIII Sewer Extension	7,000	5,984	1,016
West Calhoun Sewer Project	608,377	605,827	2,550
AMR Phase I & II-Water/Sewer/Electric	6,295,938	5,884,938	411,000
South River Street Replacement	270,000	5,281	264,719
Interconnection - Bartow County	15,086	15,086	-
College Street Intersection Water & Sewer Impr.	38,447	7,448	30,999
GA NorthWest Tech Expansion	78,965	1,277	77,688
Engineered Flooringing - Phase II	945,396	93,283	852,113
Total	$ 11,962,311	$ 8,184,995	$ 3,777,316

3-G. Interfund Balances and Transfers

Interfund Balances - Interfund balances at June 30, 2010, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services

are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The City expects to repay all interfund balances within one year.

	Payable from				
Payable to	General fund	Nonmajor governmental funds	Nonmajor enterprise funds	Internal service fund	Total
General fund	$ -	$ 3,273	$ 91,919	$ -	95,192
Water & sewerage system fund	7	137,473	-	-	137,480
Nonmajor enterprise funds	-	-	-	57,368	57,368
Internal service fund	31,143	-	-	-	31,143
Total	$ 31,150	$ 140,746	$ 91,919	$ 57,368	$ 321,183

Long-term Balances - The electric system fund originally advanced the telecommunications fund resources to startup this fund. During fiscal 2006, the electric fund advanced an additional $61,968 to the telecommunications fund to finance the purchase of a bucket truck which was paid off in this fiscal year. As of June 30, 2010, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2011	97,957	19,939	117,896
2012	99,435	18,461	117,896
2013	100,935	16,961	117,896
2014	102,457	15,439	117,896
2015	104,101	13,892	117,993
2016-2020	543,926	45,483	589,409
2021-2024	317,037	7,178	324,215
	$ 1,365,848	$ 137,353	$ 1,503,201

During fiscal year 2007, the electric system fund advanced the water & sewerage fund monies to construct the Pine Chapel water project and purchase property at the sewer plant. As of June 30, 2010, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2011	170,930	16,316	187,246
2012	99,562	11,514	111,076
2013	24,877	10,032	34,909
2014	25,527	9,382	34,909
2015	26,195	8,714	34,909
2016-2020	141,617	32,930	174,547
2021-2025	161,131	13,418	174,549
2026-2030	17,287	168	17,455
	$ 667,126	$ 102,474	$ 769,600

During fiscal year 2007, the electric system fund advanced the utility internal service fund resources to renovate the building that is now their main location. As of June 30, 2010, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2011	$ 48,876	$ 31,454	$ 80,330
2012	50,359	29,971	80,330
2013	51,887	28,443	80,330
2014	53,461	26,869	80,330
2015	55,083	25,083	80,166
2016-2020	301,520	100,130	401,650
2021-2025	350,120	51,530	401,650
2026-2030	155,371	5,290	160,661
Total	$ 1,066,677	$ 298,770	$ 1,365,447

Changes in the City's long-term advances from the electric fund consisted of the following for the year ended June 30, 2010:

Advances to:	Outstanding 7/1/2009	Additions	Reductions	Outstanding 6/30/2010	Amounts Due in One Year
Telecommunications fund	$ 1,475,422	$ -	$ 109,574	$ 1,365,848	$ 97,957
Water and sewerage fund	833,116	-	165,990	667,126	170,930
Internal service fund	1,114,115	-	47,438	1,066,677	48,876
Total Advances	$ 3,422,653	$ -	$ 323,002	$ 3,099,651	$ 317,763

Interfund Transfers – The following interfund transfers were made in fiscal year 2010:

	Transfers out						
	General fund	Nonmajor governmental funds	Electric system fund	Water & sewerage fund	Nonmajor enterprise funds	Internal service fund	Total
Transfers in							
General fund	$ -	$ -	$ 1,391,227	$ 1,033,058	$ -	$ 51,786	$ 2,476,071
Nonmajor governmental funds	775,001	-	-	-	100,000	-	875,001
Electric system	-	-	-	999,200	-	35,691	1,034,891
Water & sewerage	-	1,736,590	1,623,876	-	-	146,801	3,507,267
Nonmajor enterprise funds	107,000	-	-	-	-	5,322	112,322
Total	$ 882,001	$ 1,736,590	$ 3,015,103	$ 2,032,258	$ 100,000	$ 239,600	$ 8,005,552

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

Historically, the Mayor and City Council appropriate transfers from City Utilities to the General Fund. A four percent franchise fee and an amount representing the lease of assets is transferred monthly. These transfers are intended to offset public safety/works costs which are impacted by the heavy industrial base present within the city limits of Calhoun.

The Solid Waste fund is required to be accounted in an enterprise fund; however, the mayor and council chose to provide additional funding outside the normal solid waste revenue stream, i. e. through tax dollars. Therefore, a transfer from the General Fund is generally required to completely fund these operations.

3-H. Landfill Post-closure Care

The City's industrial landfill was closed under Georgia Environmental Protection Division (EPD) guidelines in 1992. During that year, eleven ground water monitoring wells and three surface water locators were installed under EPD *Solid Waste Guidelines*. The City has monitored the site and will continue such monitoring, as prescribed by the EPD guidelines. Annual costs associated with these requirements are estimated at $25,000 each year for the remaining six years of required monitoring. This annual estimate is based on costs experienced during the initial years of required monitoring. The liability for these costs is reported in the solid waste fund. In the future, significant economic inflation or deflation, technology or applicable laws or regulations may change future estimates of the liability. The estimate of post-closure liability may change from year to year and the change in estimate is a component of net income in the year of revision.

3-I. Short-Term Debt

The City issued a $4.5 million tax exempt Tax Anticipation Note on behalf of the City School Board on January 5, 2009 in the form of a line of credit. The Note yielded an interest rate of 61% of one month's LIBOR plus 175 basis points. On January 1, 2010, the City issued a $3.5 million tax exempt Tax Anticipation Note on behalf of the City of Calhoun School Board that matures December 31, 2010. The Note yielded an interest rate of 3.75% and was issued in the form of a line of credit. These Notes were needed to provide cash flow for the City schools for the fiscal year 2010 between collections of the 2008 and 2009 property taxes.

	Outstanding 7/1/2009	Additions	Reductions	Outstanding 6/30/2010
Calendar Year 2009 TAN	$ -	$ 1,500,000	$ 1,500,000	$ -
Calendar Year 2010 TAN	-	1,500,000	1,500,000	-
Total Short- Term Debt	$ -	$ 3,000,000	$ 3,000,000	$ -

3-J. Long-Term Debt

The City has issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities, including the renovation and expansion of educational facilities within the City. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City has issued revenue bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. Also, the City is obligated for notes payable, capital leases, claims, an unfunded pension plan, and landfill post-closure liabilities. Arbitrage rules apply to the tax-exempt debt issued by the City.

Governmental Activities Debt – The following is a summary of the outstanding debt for the City's governmental activities.

Bonds - On March 9, 2000, the City issued $4,857,800 in Calhoun Recreation Authority refunding revenue bonds at an interest rate of 4.16%. The City issued the bonds to advance refund $4,470,000 of the outstanding series 1992 Calhoun Recreation Authority revenue bonds with interest rates ranging between 4.7% and 6.125%. The bonds from the refunded 1992 issue are fully retired. Annual debt service requirements to amortize the 2000 series bonds at June 30, 2010 are as follows:

Fiscal Year	Principal	Interest	Total
2011	$ 270,900	$ 98,565	$ 369,465
2012	281,800	87,069	368,869
2013	292,300	75,128	367,428
2014	307,300	62,656	369,956
2015	316,700	49,677	366,377
2016-2018	1,035,800	65,914	1,101,714
Total	$ 2,504,800	$ 439,009	$ 2,943,809

In fiscal 2002, the City issued $14,995,000, in school general obligation bonds. These bonds bear interest rates ranging from 3% to 5% and mature in December 2021. On February 24, 2003, the City issued an additional $5,000,000 in school general obligation bonds. The bonds bear interest at rates ranging from 3.5% to 4.25% and mature in October 2021. These bonds are being used to finance construction for the City's schools and will be repaid, in part, from special sales taxes currently approved and being assessed within the City.

Annual debt service requirements to amortize the school bonds at June 30, 2010 are as follows:

Fiscal Year	Principal	Interest	Total
2011	$ 575,000	$ 503,981	$ 1,078,981
2012	635,000	480,731	1,115,731
2013	695,000	454,914	1,149,914
2014	765,000	426,084	1,191,084
2015	840,000	393,591	1,233,591
2016-2020	5,475,000	1,329,513	6,804,513
2021-2022	2,910,000	138,322	3,048,322
Total	$ 11,895,000	$ 3,727,136	$ 15,622,136

Capital Leases –In fiscal year 2007, the City entered into a capital lease for a new fleet of police patrol cars. The financing period is 5 years at a 4.03% interest rate. Cost of the patrol cars total $696,540. In fiscal 2008, the City entered into a capital lease for a fire platform truck in the amount of $694,872. The financing period is 7 years at an interest rate of 3.58%. In fiscal year 2009, the City entered into a capital lease for a fire pumper truck in the amount of $392,733 for a period of 7 years at 3.6%.

Annual debt service requirements to amortize these capital leases at June 30, 2010 are as follows:

Fiscal Year	Principal	Interest	Total
2011	$ 300,343	$ 29,542	$ 329,885
2012	181,639	19,951	201,590
2013	161,780	14,133	175,913
2014	167,676	8,237	175,913
2015	117,188	2,546	119,734
2016	21,028	158	21,186
Total	$ 949,654	$ 74,567	$ 1,024,221

The assets acquired through these capital leases are as follows:

Asset	Governmental Activities
Machinery and equipment	$ 1,784,145
Less: accumulated depreciation	(661,540)
Total	$ 1,122,605

Business-type Activities Debt – The following is a summary of the outstanding debt for the City's business-type activities.

Bonds – On June 11, 2001, the City issued $8,905,000 in Water and Sewerage Revenue Refunding Bonds with interest rates ranging between 2.75% and 5.0%. The City issued the bonds to advance refund $1,865,000 of the outstanding 1980A series revenue bonds with a 5% interest rate; $1,990,000 of the outstanding 1992 refunding series revenue bonds with interest rates ranging from 4.75% to 6.35%; and to prepay $4,728,314 of outstanding Georgia Environmental Facilities Authority loans with interest rates ranging between 5.3% and 6.7%. No debt remains outstanding on these refunded issues at June 30, 2010.

Annual debt service requirements to amortize these bonds at June 30, 2010 are as follows:

Fiscal Year	Principal	Interest	Total
2011	590,000	101,325	691,325
2012	240,000	75,955	315,955
2013	225,000	65,155	290,155
2014	165,000	54,805	219,805
2015	170,000	45,050	215,050
2016-2020	785,000	112,955	897,955
Total	$ 2,175,000	$ 455,245	$ 2,630,245

On July 15, 2004, the City issued Water and Sewerage Revenue Refunding Bonds, Series 2003 in the amount of $4,125,000. Proceeds from this issue repaid a temporary loan from March 2004 in the amount of $4,025,000, used to purchase approximately 100 acres and a spring known as "Big Springs." This purchase was to provide additional water resources for the future of the City of Calhoun. The issue is a private placement issue and bears interest at a rate of 3.6%.

Maturities and debt service requirements remaining on the bond issue at June 30, 2010 are as follows:

Fiscal Year	Principal	Interest	Total
2011	185,000	108,360	293,360
2012	190,000	101,700	291,700
2013	200,000	94,860	294,860
2014	205,000	87,660	292,660
2015	215,000	80,280	295,280
2016-2020	1,190,000	280,080	1,470,080
2021-2023	825,000	60,120	885,120
Total	$ 3,010,000	$ 813,060	$ 3,823,060

On April 14, 2008, the City issued Water and Sewerage Revenue Refunding Bonds, Series 2008 in the amount of $4,775,000. Proceeds from this issue prepaid GEFA loans in the amount of $981,486 with interest rates ranging between 4.8% and 5.12% and will also finance the construction of the automated meter reading system. The issue is a private placement issue and bears interest at a rate of 2.396%. There was a total savings on this refunding of $130,623. The present value of this savings is $97,621 and this is 9.95% of the refunded GEFA loans.

Maturities and debt service requirements remaining on the bond issue at June 30, 2010 are as follows:

Fiscal Year	Principal	Interest	Total
2011	955,000	70,203	1,025,203
2012	975,000	47,321	1,022,321
2013	1,000,000	23,960	1,023,960
Total	$ 2,930,000	$ 141,484	$ 3,071,484

Combined debt service requirements on business type activity bonds are as follows:

Fiscal Year	Principal	Interest	Total
2011	1,730,000	279,888	2,009,888
2012	1,405,000	224,976	1,629,976
2013	1,425,000	183,975	1,608,975
2014	370,000	142,465	512,465
2015	385,000	125,330	510,330
2016-2020	1,975,000	393,035	2,368,035
2021-2024	825,000	60,120	885,120
	$ 8,115,000	$ 1,409,789	$ 9,524,789

Notes Payable-The City has obtained loans from the Georgia Environmental Facilities Authority and the State Revolving Loan Fund for various water and sewer improvements, renovations and expansion. Details of the various loans are as follows:

% Rate	Monthly Payment	Payments Began	Date of Obligation	Original Amount	Maturity Date	Balance 7/1/1009	Additions	Reductions	Balance 6/30/2010
Georgia Environmental Facilities Authority									
3.00%	19,215	1/1/2004	5/28/2002	3,350,649	8/1/2024	2,807,327	-	148,402	2,658,925
3.88%	19,235	10/1/2005	9/2/2004	3,207,598	9/1/2025	2,778,731	-	125,212	2,653,519
3.92%	8,909	4/1/2006	2/28/2006	1,480,396	3/1/2026	1,311,281	-	56,509	1,254,772
3.00%	11,835	5/1/2009	2/6/2003	2,133,992	4/1/2029	2,120,978	-	79,478	2,041,500
3.00%	N/A	N/A	3/5/2010	N/A	N/A	-	1,407,250	-	1,407,250
State Revolving Loan Fund									
2.00%	32,168	9/1/1991	5/15/1989	6,359,995	6/1/2011	756,055	-	374,304	381,751
4.00%	19,018	11/1/1993	1/13/1992	3,140,186	8/1/2013	874,450	-	196,809	677,641
4.00%	66,622	12/1/1998	2/12/1996	10,718,570	9/1/2018	6,171,627	-	562,819	5,608,808
3.00%	86,322	6/1/2007	2/28/2007	5,178,828	3/1/2007	4,738,458	-	205,430	4,533,028
TOTAL						$ 21,558,907	$ 1,407,250	$ 1,748,963	$ 21,217,194

The following shows the required debt service for future years on the GEFA/SRF loans:

Fiscal Year	Principal	Interest	Total
2011	3,214,968	661,589	3,876,557
2012	1,478,637	604,674	2,083,311
2013	1,535,046	548,264	2,083,310
2014	1,398,781	554,108	1,952,889
2015	723,946	331,686	1,055,632
2016-2020	6,971,429	1,601,981	8,573,410
2021-2025	4,658,254	619,906	5,278,160
2026-2030	1,236,133	50,131	1,286,264
	$ 21,217,194	$ 4,972,339	$ 26,189,533

Landfill Post-closure Care

As described in detail in note 3-H, the City's industrial landfill was closed under Georgia Environmental Protection Division (EPD) guidelines in 1992. Estimated maturities of the post-closure costs recorded as long-term debt in the solid waste enterprise fund are as follows:

Fiscal Year	Principal	Interest	Total
2011	$ 22,199	$ 2,801	$ 25,000
2012	22,643	2,357	25,000
2013	23,096	1,904	25,000
2014	23,558	1,442	25,000
2015	24,029	971	25,000
2016	24,510	490	25,000
	$ 140,035	$ 9,965	$ 150,000

Changes in Long-term Debt - Changes in the City's long-term obligations consisted of the following for the year ended June 30, 2010:

Governmental Activities	Outstanding 7/1/2009	Additions	Reductions	Outstanding 6/30/2010	Amounts Due in One Year
Recreation Authority revenue bonds	$ 2,764,300	$ -	$ 259,500	$ 2,504,800	$ 270,900
School bonds	12,415,000	-	520,000	11,895,000	575,000
Capital leases	1,238,791	-	289,136	949,655	300,343
Claims	91,489	-	2,728	88,761	5,500
Pension liability	417,656	-	46,780	370,876	-
Total Governmental Activities	$ 16,927,236	$ -	$ 1,118,144	15,809,092	$ 1,151,743
Plus Unamortized Bond Premium				1,870	
Net Governmental Activities				$ 15,810,962	
Business-Type Activities					
Revenue bonds	$ 9,790,000	$ -	$ 1,675,000	$ 8,115,000	$ 1,730,000
GEFA/SRF loans	21,558,909	1,407,250	1,748,965	21,217,194	3,214,968
Capital leases	14,164	-	14,164	-	-
Estimated landfill closure costs	161,800	-	21,765	140,035	22,199
Pension liability	442,431	2,642	-	445,073	-
Total Business-Type Activities	$ 31,967,304	$ 1,409,892	$ 3,459,894	29,917,302	4,967,167
Less Deferred Bond Related Items				(158,761)	(32,389)
Net Business-Type Activities				$ 29,758,541	$ 4,934,778

The Recreation Authority revenue bonds principal and interest are paid by the general fund transferring resources to the debt service funds. The school bonds principal and interest are paid by the school bonds debt service fund. The governmental activities capital leases are being repaid from the general fund. Claims and pension liabilities are being repaid from the general fund and the water and sewerage funds. Amounts on landfill closure costs are being repaid from the solid waste enterprise fund. Principal and interest payments related to the City's water & sewerage system enterprise fund are financed from income derived from the operation of the water and sewerage system.

3-K. Pension Plans

Primary Government

The City participates in four pension plans, three of which became effective July 1, 2004, and which effectively replaced the City of Calhoun Employees' Pension Plan adopted by the City in 1981, as amended in 1996. The fourth plan is the City Charter Unfunded Retirement Plan which includes retired employees who chose to remain in this plan in 1981 when the City of Calhoun Employees' Pension Plan was established.

Plans Administered through the Georgia Municipal Association

This plan is a defined benefit plan that covers all full-time City employees (30 hours weekly or more) who have been employed for one year or more, plus current elected officials. The plan goes forward covering service from July 1, 2003, plus it will cover current employees with service prior to July 1, 1981. Normal retirement age will be 65, with 5 years of credited service. Early retirement age will be 55, with 10 years of credited service, and benefits will be lower than those paid to employees retiring at normal retirement age. The benefit formula for regular employees will be 1.5% of wages contributed by the City. The benefit level for elected officials will be $50 per year of service, with a cap not to exceed 100% of final base wages. The plan will be funded 100% by the City. This plan is not eligible for roll-over.

Plan Description - The City's defined benefit pension plan, the City of Calhoun Retirement Plan (the "Plan"), provides retirement and disability benefits and death benefits to plan members and beneficiaries. The Plan is affiliated with the Georgia Municipal

Employees Benefit System (the "System"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for cities in the State of Georgia. The City is assigned the authority to establish and amend benefit provisions of the Plan. The System issues a publicly available financial report that includes financial statements and required supplementary information. The report can be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, SW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

Funding Policy - Employees are not required to contribute to the Plan. The City is required to contribute at an actuarially determined rate. The minimum annual contribution requirements of the City are established by Public Retirement Systems Standards Law (Georgia Code Section 47-20-10).

Annual Pension Cost and Net Pension Obligation - For 2010, the City's annual pension cost of $735,285 for the plan was equal to the City's required and actual contributions, based on fiscal year, which differs from the actuarial year. The actuarial valuation date was changed from March 1 to January 1. The required contribution was determined as part of the January 1, 2010, actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return, (b) projected salary increases of 3.5% per year for inflation and (c) additional projected salary increases ranging from 11% to 4% obtained from a table of rates based on age and service per year attributed to seniority/merit. The asset valuation method is the sum of actuarial value at the beginning of the year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at the end of year. The actuarial value is adjusted, if necessary, to be within 50% of market value for 2009, 44% of market value for 2010, 38% of market value for 2011, 32% of market value for 2012, 26% of market value for 2013, and 20% of market value for 2014 and later years. The remaining amortization period varies for the bases, with a net effective amortization period of 15 years. These amortization periods, if applicable, are closed for this plan year.

Schedule of Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL/(UAAL) (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll
3/1/2005	$ 708,439	$ 1,611,601	44.0%	$ 903,162	$ 8,344,786	10.8%
3/1/2006	1,238,987	2,232,214	55.5%	993,227	8,530,446	11.6%
3/1/2007	1,841,950	2,988,371	61.6%	1,146,421	9,115,481	12.6%
3/1/2008	2,547,455	3,790,074	67.2%	1,242,619	9,364,641	13.3%
3/1/2009	2,744,491	4,617,225	59.4%	1,872,734	10,490,318	17.9%
1/1/2010	3,816,264	5,301,253	72.0%	1,484,989	10,295,999	14.4%

Schedule of Employer Contributions

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed	Annual Pension Cost	Percentage Contributed
3/1/2007	$ 602,294	100%	$ 580,419	100%
3/1/2008	646,701	100%	631,899	100%
3/1/2009	757,724	100%	735,285	100%

Participation in this plan is comprised of the following as of the valuation date of January 1, 2010:

Retirees and beneficiaries receiving benefits	25
Terminated plan members entitled to, but not yet receiving benefits	24
Active plan members	279
Total	328

Defined Contribution Plan – This pension plan is a defined contribution plan, which allowed roll-over of the plan assets at June 30, 2003, from the plan administered by AmSouth Bank in Birmingham, Alabama, which was the City's primary plan through June 30, 2003. The employees did not make additional contributions to these funds after June 30, 2003; however, the City provided the final matching amount for fiscal year ended June 30, 2003, during fiscal 2004 in the amount of $371,444. The plan

was effective as of July 1, 2003, and upon transfer, the funds were invested at GMA in the Citistreet Program with investments being directed by the employee. No new funds, other than earnings, are paid into the plan. The plan will accept the current life insurance policies, and GMA will administer these as part of the plan. The plan is eligible for rollover at termination or retirement.

Deferred Compensation Plan - The third plan is the 457(b) plan of deferred compensation that will be funded 100% by the employees. The plan calls for volunteer contribution up to the levels allowed by the IRS. The cost of the plan will be borne by the participating employees. The funds will be invested under the Citistreet Program at GMA, and the employee will direct such investments. The employee will have a "one-time" opportunity to buy whole life insurance without a physical when joining the plan. The plan is portable and eligible for rollover.

City Charter Unfunded Retirement Plan - Single Employer Defined Benefit Pension Plan

Plan Description. Contribution Information and Funding Policies - Prior to the adoption of the City of Calhoun Employees' Pension Plan, the City Charter provided that an employee with thirty years of service should be retired and receive a pension at a rate of 60 percent of the highest pay per year. Benefits are funded via annual budget appropriations. The amounts are disbursed on a weekly basis, and are reflected as contributions made and benefits paid in plan financial statements. The Charter did not require payments to beneficiaries. The Charter did not mandate any funding requirements, i.e., employer/employee contributions. Upon the adoption of the new plan, effective July 1, 1981, employees made irrevocable decisions regarding their plan choice. Only current covered employees are eligible for coverage.

Participation in this plan is comprised of the following:

		June 30, 2010
Retirees Currently Receiving Benefits:		
General government	2	
Culture and recreation	1	
Electric system	2	
Water and sewerage system	1	
Solid waste	2	
Total Retirees Currently Receiving Benefits		8
Active Employees - Fully Vested		---
Active Employees - Nonvested		---
Terminated Employees, entitled to benefits, but not yet receiving benefits		---

Plan Assets, Annual Pension Cost and Net Pension Obligation - There are no assets legally reserved for future funding of the obligations associated with this defined benefit plan. All obligations, including administrative costs, of the plan are paid in conjunction with appropriated annual budgets of funds, which experience costs associated with this plan. The plan is reported in the City's financial statements as a pension trust fund and the actuarial valuation is available as a separate report. A separate audited financial report is not available. Current year annual pension costs for the plan previously provided in the City Charter are shown below. Actuarial valuations are performed annually to determine the pension costs and associated net pension obligation resulting from the "pay as you go" funding called for in the charter. Benefits are recognized when due and payable in accordance with the terms of the plan. Actuarial gains and losses are amortized over a 5 year period. The unfunded actuarial accrued liability was restated in 2007 and is also being amortized over a 5 year period. An assumption change occurred in 2008 and is being amortized over a 10 year period. Administrative costs are financed from the fund applicable to each participant. Trend information for the previous years is shown below:

Fiscal Year	Pension Costs (ARC Adjusted)	Employer Actual Plan Contributions	% of Pension Costs Contributed	Net Pension Obligation
2010	$ 123,168	$ 167,306	136%	$ 815,949
2009	109,603	171,646	157%	860,087
2008	93,002	171,646	185%	922,130
2007	104,300	171,646	165%	1,000,774
2006	129,896	183,460	141%	1,068,120
2005	144,364	202,565	140%	1,121,684

The pension costs for fiscal year ended June 30, 2010 are comprised of the annual required contribution (ARC), interest on the net

pension obligation and adjustments to the ARC. The net pension obligation at June 30, 2010 is as follows:

Net pension obligation, beginning of year	$	860,087
Annual pension cost		
Annual required contribution (ARC)		92,111
Interest on net pension obligation		31,057
Pension costs		123,168
Employer contributions		(167,306)
Increase (decrease) in net pension obligation		(44,138)
Net pension obligation, end of year	$	815,949

The schedule of funding progress is associated with this plan is listed below:

Schedule of Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL/(UAAL) (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll
6/30/2005	-	$ 1,254,296	0.0%	$ 1,254,296	-	-
6/30/2006	-	1,107,264	0.0%	1,107,264	-	-
6/30/2007	-	1,191,569	0.0%	1,191,569	-	-
6/30/2008	-	1,286,024	0.0%	1,286,024	-	-
6/30/2009	-	1,233,436	0.0%	1,233,436	-	-
6/30/2010	-	1,111,036	0.0%	1,111,036	-	-

The following are the actuarial assumptions used in this plan:

Actuarial valuation date	6/30/2010
Actuarial cost method	Projected Unit Credit
Amortization method	Level Dollar
Asset valuation method	Market Value
Actuarial assumptions	
Investment rate of return	4%
Projected salary increases	No Active Employees
Inflation	None
Post employment retirement increases	None
Mortality	Unix's Pension 1984 Mortality Table

3-L. Invested in Capital Assets, Net of Related Debt

Net assets on the government-wide statement of net assets as of June 30, 2010 are as follows:

Investments in capital assets, net of related debt:	Governmental Activities	Business Type Activities
Cost of capital assets	$ 99,567,027	$ 174,633,496
Less accumulated depreciation	30,561,197	61,677,206
Book value	69,005,830	112,956,290
Less capital related debt	(15,351,325)	(29,332,194)
Investments in capital assets, net of related debt	$ 53,654,505	$ 83,624,096

Note 4 - Other Notes

4-A. Risk Management

The City maintains liability insurance coverage with traditional carriers for group insurance coverage, public official liability, comprehensive law enforcement liability, commercial auto and uninsured motorists, property, public employee dishonesty, commercial general liability, and public official bond coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Coverage for workers' compensation is provided through the Georgia Municipal Association (GMA) Workers' Compensation Self-Insurance Fund which is a group self-insured program authorized by state statute and administered by GMA. The fund was created in 1982 to provide workers' compensation statutory coverage to local government entities in Georgia. The fund is the largest source of workers' compensation coverage for municipal governments in Georgia with nearly 540 members. Municipalities, municipal authorities and commissions, housing authorities, regional development centers, and municipal school districts are eligible to participate in the fund. The premiums paid by the City to the fund are expensed. Other than normal audits associated with workers' compensation coverage, the risk pool has made no additional assessments to its participants since its formation. However, the legislation permitting the formation of the fund does provide for assessment of the fund's membership if contributions and surplus are not sufficient to meet operating expenses or claim loss expenses.

4-B. Subsequent Events

Subsequent to year end, Calhoun Utilities signed loan documents with the Georgia Environmental Finance Authority Drinking Water State Revolving Fund loan. This will provide funding for the expansion of the Brittany Drive Water Treatment Plant. This loan will have total proceeds not to exceed $1,600,000 and is issued through the Environmental Protection Division of the federal government. Due to a 30% forgiveness factor that applies to this stimulus loan, the authorized principal is an amount not to exceed $1,120,000. Once the project is completed, these funds will be repaid over a 20 year term at 3% interest.

4-C. Contingent Liabilities

Grants - Amounts received or receivable from grantor agencies are, subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

Lawsuits - The City was a defendant in lawsuits at June 30, 2010. In the opinion of City management, the outcome of these contingencies will not have a material effect on the financial position of the City.

MEAG - The City, together with 47 other cities and one county in the State, has entered into Power Sales Contracts dated March 1, 1976 with the Municipal Electric Authority of Georgia (MEAG) under which the City purchases certain power and energy for resale to its electric system customers. Under the contract entitlement, if the City were unable to purchase budgeted power, MEAG would be obligated to make a good faith effort to sell the power elsewhere. If MEAG were unable to sell the power at a price above its cost, the difference would be an obligation of the City. The contracts are agreements to pay the cost of generating power budgeted for the City. The obligation to pay MEAG certain amounts, whether or not power and energy are received, is a general obligation of the City to which its full faith and credit are pledged. If payments under the Power Sales Contracts are not made from revenues of the electric distribution system, the City is required under the contracts to include in its general revenue or

appropriation measures sums sufficient together with other available revenues to make such payments. During the fiscal year, the City purchased electric power under these contracts for a total cost of $19,133,035 net of off-system sales which reduced costs. Rebates of $855,068 are reflected in the net power purchases of $18,889,535.

On February 22, 1999, the City approved a resolution adopting the provisions of a Municipal Competitive Trust agreement between the City and MEAG. MEAG established the Trust for the mutual benefit of MEAG and its wholesale customers (Cities) who elect to become participants. The Trust was created to provide a means to mitigate the expected differential between "after deregulation" market rates for power and the associated costs of generating that power.

The Trust originally created three types of accounts that are held by MEAG in the name of the City. The flexible operating trust account includes funds that are available to the City for operating costs and rate stabilization. As of June 30, 2010, the balance in this account was $3,617,719. The City of Calhoun also contributed to the generation trust account which has been established to set aside funds to provide generation for the future. As of June 30, 2010, the balance in this account was $559,608 for a total of $4,177,327 to be included in restricted investments in the electric fund.

The funds in the credit support operating account are restricted for use to offset rate increases exceeding certain criteria and for loans for capital improvements that will reduce future operating costs. The funds in the reserve funded debt account can be only applied to charges related to MEAG's bond obligations. The balance of these accounts at June 30, 2010, was $6,682,589 and $10,456,850, respectively. Due to the restrictive nature of these funds, neither is shown in the cash balance for the electric fund. The intermediate generation trust account provides a more restricted investment account to provide for future generation and the balance of that account at June 30, 2010 is $5,029,701. This account has been included on the City's books, but is only available for very restricted purposes. The intermediate flexible operating trust account has a balance of $82,122 as of June 30th and is somewhat restrictive in nature, but the funds are available for a variety of uses, thus this account is included on the Electric funds books.

In March 2008 the City voted and signed contracts for the City to participate in the expansion of two additional generating units at Plant Vogtle thus obligating the City to future debt through MEAG in the purchase of approximately 25 megawatts of capacity. This generation is estimated to cost approximately $3,140 per kW at present value and is estimated that it will cost approximately $6,200 in the year 2016. The City has secured power sales agreements with other entities that will cover a substantial portion of this obligation. The City of Calhoun will maintain 10 megawatts through the life of the project and 15 megawatts were sold through a purchased power agreement for twenty years. Our allotted capacity will secure a future power resource in 2016 which should accommodate the community's power needs for the next 30 to 35 years.

Airport Authority - On July 8, 1996, the City and Gordon County, GA entered into an equipment purchase agreement with the Calhoun-Gordon County Airport Authority as joint lessees. The agreement was to finance fourteen T-hangars at the local airport. The City and Gordon County entered with the Airport Authority in order to guarantee financing. The lease purchase calls for monthly payments of $1,750 totaling $362,250, maturing in a seventeen year period. The interest rate on the obligation is 6.25%. The Authority is responsible for making payments as required by the agreement from hangar rental fees.

4-D. Related Organizations

The City of Calhoun, Georgia, Housing Authority: The Housing Authority has been established under federal laws to carry on activities within the City. The City does appoint board members at the recommendation of the existing board but provides no financing or participation in management or operating decisions of the Authority. The Authority issues separate, audited financial statements with a March 31 fiscal year.

4-E. Joint Ventures

Northwest Georgia Regional Commission: Under Georgia law, the City in conjunction with other cities and counties in the Northwest Georgia area, is a member of the Northwest Georgia Regional Commission (NWGRC). Membership in NWGRC is required by the Official Code of Georgia Anotated (OCGA) section 50-8-34 which provides for the organizational structure of the NWGRC. Membership in the NWGRC includes the chief elected of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a NWGRC. During fiscal year 2010, the City paid dues in the amount of $14,807 to the NWGRC. Separate financial statements may be obtained from the Northwest Georgia Regional Commission, 1 Jackson Hill Drive, Rome, Georgia 30162.

The Calhoun-Gordon County Library: The Calhoun-Gordon County Library is a part of the Dalton, Georgia Regional Library System. This system consists of boards from four member counties. Of the five board members comprising the Gordon County Library Board, one is an appointee of the City. Other board members represent appointees from the City and County school boards and the Gordon County Board of Commissioners. The library board retains asset/equity ownership. The City, local school boards and the Gordon County Board of Commissioners make regular contributions to the Calhoun-Gordon County Library Board. Though the City does provide various support services for the library, the City's ability to significantly influence operations is moderate or comparable in relation to influences of other governments involved. Payments/expenditures to/for the library for the fiscal year ended June 30, 2010, were $137,756. The library issues an annual list of cash receipts and disbursements on a June 30 fiscal year basis. Separate schedules may be obtained from the Calhoun-Gordon County Library, 100 N Park Avenue, Calhoun, GA 30701.

The Calhoun-Gordon County Airport Authority: This Authority is a legally separate entity with full corporate powers, including power to establish rates necessary to finance any debt the Authority might incur. The City and Gordon County, Georgia appoint members of the Airport Authority. The City shares appointment powers with the County equally. The City does not significantly influence operations with contributions in excess of the County. The City and County participate in providing local funding when the Authority is recipient of grants that require matching funding. Both the City and County have entered into agreements to participate as joint lessees in order to guarantee certain debt of the Authority. Additionally, on August 1, 2001, the City, along with Gordon County, entered into an intergovernmental contract with the Calhoun-Gordon County Airport Authority. In the contract, the City and County each agree to provide one-half the debt service payments required on the Authority's 2001 bond issue. The issue, with total debt principal of $685,000, financed construction of a new airport terminal. Debt service requirements total $64,088, per year through the fiscal year 2016. The City's portion (one-half) of the annual debt service is $32,044. The airport is leased to and operated by a for-profit entity. Total expenditures for the Airport Authority for fiscal 2010 were $111,166. Separate financial statements may be obtained from the Calhoun-Gordon County Airport Authority, 1957 Hwy. 41 South, Calhoun, GA 30701.

4-F. Hotel-Motel Lodging Tax

The City of Calhoun levies a 5% Hotel/Motel tax in accordance with OCGA 48-13-51. Amounts levied in excess of 3% (40% of the taxes levied) are expended for the purpose of promoting tourism in accordance with OCGA 48-13-51 (a) (3).

		Tax Rate	% of Receipts		Total
Lodging Tax Receipts					$ 272,607
Disbursements					
Gordon County Chamber of Commerce	Tourism	2%	40%	$ 109,043	
Gordon County Chamber of Commerce	Economic Development	1%	20%	54,521	
Gordon County Industrial Development Authority	Economic Development	2%	40%	109,043	(272,607)
		5%	100%		
Difference					$ -

SUPPLEMENTARY INFORMATION

GENERAL FUND
INDIVIDUAL FUND STATEMENTS

The general fund accounts for all financial resources except for those required to be accounted for in another fund.

City of Calhoun, Georgia
General Fund
Comparative Balance Sheets
June 30, 2010 and 2009

	2010	2009
Assets		
Cash and cash equivalents	$ 1,750,483	$ 2,207,499
Investments	3,161,690	3,109,237
Receivables (net)		
Property taxes	135,539	131,446
Franchise taxes	108,848	112,854
Other taxes	36,206	34,377
Accounts	16,166	25,352
Fines	637,057	566,533
Intergovernmental		
Federal	20,071	4,221
State	804,078	1,019,740
County	55,062	60,102
Authorities	55,723	33,259
Interfund	95,192	721,297
Prepaid items	509,437	151,814
Total Assets	$ 7,385,552	$ 8,177,731
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 81,098	$ 182,817
Accrued payroll liabilities	2,339	5,136
Accrued expenditures	74,708	57,034
Interfund payable	31,150	48,334
Deferred revenue	752,707	627,613
Total Liabilities	942,002	920,934
Fund Balances		
Reserved for prepaid items	509,437	151,814
Reserved for long-term interfund receivable	-	241,895
Unreserved		
Designated for working capital/contingencies	3,740,089	3,527,008
Designated for subsequent year expenditures	-	669,000
Undesignated	2,194,024	2,667,080
Total Fund Balances	6,443,550	7,256,797
Total Liabilities and Fund Balances	$ 7,385,552	$ 8,177,731

City of Calhoun, Georgia
General Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Property taxes	$ 1,273,387	$ 1,208,332
Sales taxes	1,943,141	2,016,503
Other taxes	3,654,839	3,773,022
Intergovernmental	610,441	537,497
Licenses and permits	219,490	262,284
Charges for services	215,463	231,388
Fines and forfeitures	554,815	572,884
Contributions	1,393	28,138
Investment earnings	55,829	139,089
Miscellaneous	19,596	16,502
Total Revenues	8,548,394	8,785,639
Expenditures		
Current		
General government	897,578	1,004,306
Judicial	363,530	400,454
Public safety	6,338,472	7,008,214
Public works	2,048,529	1,888,208
Health and welfare	63,698	58,254
Culture and recreation	333,563	350,396
Housing and economic development	619,849	710,020
Debt Service		
Principal retirement	289,137	262,002
Interest and fiscal charges	40,838	46,787
Total Expenditures	10,995,194	11,728,641
(Deficiency) of Revenues (Under) Expenditures	(2,446,800)	(2,943,002)
Other Financing Sources (Uses)		
Sale of capital assets	39,482	8,561
Capital lease inception	-	392,733
Insurance reimbursement	-	95,735
Transfers in	2,476,072	2,393,341
Transfers out	(882,001)	(1,077,028)
Total Other Financing Sources	1,633,553	1,813,342
Net Change in Fund Balances	(813,247)	(1,129,660)
Fund Balances Beginning of Year	7,256,797	8,386,457
Fund Balances End of Year	$ 6,443,550	$ 7,256,797

NONMAJOR GOVERNMENTAL FUNDS
COMBINING AND INDIVIDUAL FUND STATEMENTS

Special revenue funds are used to account for specific revenue sources that are restricted to expenditures for specific purposes.

Urban Development Action Grant Fund- to account for the Revolving Loan grant used to make low-interest loans to local businesses and promote growth.

Home Investment Partnership Act Fund- to account for transactions relating to loans assigned to the City by the Georgia Department of Community Affairs.

Confiscated Assets Fund- accounts for police seizures and expenditures according to Georgia law.

West Calhoun Grant Fund- accounts for a CDBG grant to redevelop the West Calhoun area.

Hotel/Motel Tax Fund- to account for the collection and disburement of hotel/motel taxes.

School Tax Fund- to account for School tax collections and expenditures paid directly on behalf of the School, with remaining collections transferred to the School monthly.

Recreation Fund- to account for sports programs and recreational activites offered to City residents.

Debt service funds are used to account for the accumulation of resources and the payment of principal and interest on long term general obligation debt.

Revenue Bond Debt Service Fund- to account for debt service of Calhoun Recreation Authority revenue bonds.

School Bond Debt Service Fund- to account for the debt service of the City School Board of Education.

Capital project funds are established for the construction or purchase of significant capital assets used by governmental funds only.

County SPLOST Fund- to account for SPLOST revenues and recreation and park capital expenditures.

2005 SPLOST Fund- to account for SPLOST revenues and capital outlay for water and sewer projects and public safety improvements.

School SPLOST Fund- to account for ESPLOST revenues approved for capital outlay for the City Schools.

City of Calhoun, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
June 30, 2010
(With Comparative Totals at June 30, 2009)

	2010				2009
	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds	Total Nonmajor Governmental Funds
Assets					
Cash and cash equivalents	$ 474,948	$ 1,833,930	1,744,624	$ 4,053,502	$ 4,812,668
Investments	-	3,555,623	1,000,000	4,555,623	2,318,131
Receivables					
Property taxes	1,205,239	-	-	1,205,239	1,171,536
Other taxes	27,356	-	-	27,356	23,758
Accounts receivable	1,950	-	-	1,950	18,327
Intergovernmental	-	-	584,584	584,584	704,957
Interest	9,191	-	5,495	14,686	7,992
Loans	282,284	-	-	282,284	689,850
Loans- noncurrent	1,377,861			1,377,861	-
Due from component unit	17,979	229,433	-	247,412	339,497
Prepaid items	56,043	-	-	56,043	57,894
Total Assets	$ 3,452,851	$ 5,618,986	$ 3,334,703	$ 12,406,540	$ 10,144,610
Liabilities and Fund Balances (Deficits)					
Liabilities					
Accounts payable	$ 167,835	$ -	$ 8	$ 167,843	$ 202,659
Accrued expenditures	31,791	-	-	31,791	26,778
Due to component unit	121,277	-	-	121,277	464,785
Interfund payable	3,273	-	137,473	140,746	251,795
Deferred revenue	1,084,407	-	140	1,084,547	699,119
Total Liabilities	1,408,583	-	137,621	1,546,204	1,645,136
Fund Balances (Deficits)					
Reserved for					
Prepaid items	56,043	-	-	56,043	57,894
Debt service	-	5,618,986	-	5,618,986	3,970,068
Program purposes					
Education	67,644	-	-	67,644	66,863
Housing and development	1,802,754	-	-	1,802,754	1,796,145
Public safety	119,212	-	-	119,212	141,723
Unreserved, undesignated (deficits), reported in					
Special revenue funds	(1,385)	-	-	(1,385)	(20,804)
Capital projects funds	-	-	3,197,082	3,197,082	2,487,585
Total Fund Balances (Deficits)	2,044,268	5,618,986	3,197,082	10,860,336	8,499,474
Total Liabilities and Fund Balances (Deficits)	$ 3,452,851	$ 5,618,986	$ 3,334,703	$ 12,406,540	$ 10,144,610

City of Calhoun, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - By Fund Type
For the Fiscal Years Ended June 30, 2010 and 2009

	2010				2009
	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds	Total Nonmajor Governmental Funds
Revenues					
Property taxes	$ 112,978	$ -	$ -	$ 112,978	$ 133,712
Hotel/motel taxes	272,607	-	-	272,607	273,385
Intergovernmental	783,323	2,642,894	2,351,702	5,777,919	5,705,437
Charges for services	159,990	-	-	159,990	160,558
Fines and forfeitures	33,791	-	-	33,791	22,085
Investment earnings	29,200	50,646	9,530	89,376	91,897
Miscellaneous	15,501	-	-	15,501	21,828
Total Revenues	1,407,390	2,693,540	2,361,232	6,462,162	6,408,902
Expenditures					
Current					
Public safety	56,527	-	-	56,527	38,121
Culture and recreation	854,719	-	-	854,719	928,864
Housing and economic development	403,298	-	-	403,298	310,564
Education	112,978	-	-	112,978	133,712
Capital Outlay	-	-	397,010	397,010	1,375,312
Debt Service					
Principal retirement	-	779,500	-	779,500	717,600
Interest and fiscal charges	-	635,679	-	635,679	664,088
Total Expenditures	1,427,522	1,415,179	397,010	3,239,711	4,168,261
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,132)	1,278,361	1,964,222	3,222,451	2,240,641
Other Financing Sources (Uses)					
Transfers in	394,797	370,557	109,647	875,001	1,053,020
Transfers out	(372,218)	-	(1,364,372)	(1,736,590)	(1,403,629)
Total Other Financing Sources (Uses)	22,579	370,557	(1,254,725)	(861,589)	(350,609)
Net Change in Fund Balances	2,447	1,648,918	709,497	2,360,862	1,890,032
Fund Balances (Deficits) Beginning of Year	2,041,821	3,970,068	2,487,585	8,499,474	6,609,442
Fund Balances (Deficits) End of Year	$ 2,044,268	$ 5,618,986	$ 3,197,082	$ 10,860,336	$ 8,499,474

City of Calhoun, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010
(With Comparative Totals at June 30, 2009)

	2010								2009
	Urban Development Action Grant	Home Investment Partnership	Confiscated Assets	West Calhoun Grant	Hotel/Motel Tax	School Tax	Recreation	Total Nonmajor Special Revenue Funds	Total Nonmajor Special Revenue Funds
Assets									
Cash and cash equivalents	$ 174,241	$ 12,861	$ 264,542	$ -	$ -	$ 6,668	$ 16,636	$ 474,948	$ 1,487,536
Receivables									
Property taxes	-	-	-	-	-	1,205,239	-	1,205,239	1,171,536
Other taxes	-	-	-	-	27,356	-	-	27,356	23,758
Accounts receivable	-	-	-	1,950	-	-	-	1,950	47
Interest	9,191	-	-	-	-	-	-	9,191	7,992
Loans	228,600	53,684	-	-	-	-	-	282,284	689,850
Loans- noncurrent	1,377,861							1,377,861	-
Due from component unit	-	-	-	-	-	17,979	-	17,979	6,449
Prepaid items	-	-	-	-	-	48,876	7,167	56,043	57,894
Total Assets	$ 1,789,893	$ 66,545	$ 264,542	$ 1,950	$ 27,356	$ 1,278,762	$ 23,803	$ 3,452,851	$ 3,445,062
Liabilities and Fund Balances (Deficits)									
Liabilities									
Accounts payable	$ -	$ -	$ 144,007	$ -	$ -	$ 10,242	$ 13,586	$ 167,835	$ 202,659
Accrued expenditures	-	-	-	-	27,356	-	4,435	31,791	26,778
Due to component unit	-	-	-	-	-	121,277	-	121,277	464,785
Interfund payable	-	-	1,323	1,950	-	-	-	3,273	9,900
Deferred revenue	-	53,684	-	-	-	1,030,723	-	1,084,407	699,119
Total Liabilities	-	53,684	145,330	1,950	27,356	1,162,242	18,021	1,408,583	1,403,241
Fund Balances (Deficits)									
Reserved for									
Prepaid items	-	-	-	-	-	48,876	7,167	56,043	57,894
Program purposes									
Education	-	-	-	-	-	67,644	-	67,644	66,863
Housing and development	1,789,893	12,861	-	-	-	-	-	1,802,754	1,796,145
Public safety	-	-	119,212	-	-	-	-	119,212	141,723
Unreserved, undesignated (deficits)	-	-	-	-	-	-	(1,385)	(1,385)	(20,804)
Total Fund Balances (Deficits)	1,789,893	12,861	119,212	-	-	116,520	5,782	2,044,268	2,041,821
Total Liabilities and Fund Balances (Deficits)	$ 1,789,893	$ 66,545	$ 264,542	$ 1,950	$ 27,356	$ 1,278,762	$ 23,803	$ 3,452,851	$ 3,445,062

City of Calhoun, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010
(With Comparative Totals For the Year Ended June 30, 2009)

	2010								2009
	Urban Development Action Grant	Home Investment Partnership	Confiscated Assets	West Calhoun Grant	Hotel/Motel Tax	School Tax	Recreation	Total Nonmajor Special Revenue Funds	Total Nonmajor Special Revenue Funds
Revenues									
Property taxes	$ -	$ -	$ -	$ -	$ -	$ 112,978	$ -	$ 112,978	$ 133,712
Hotel/motel taxes	-	-	-	-	272,607	-	-	272,607	273,385
Intergovernmental	-	-	-	445,108	-	-	338,215	783,323	328,364
Charges for services	-	-	-	-	-	-	159,990	159,990	160,558
Fines and forfeitures	-	-	33,791	-	-	-	-	33,791	22,085
Investment earnings	28,717	258	225	-	-	-	-	29,200	46,771
Miscellaneous	-	638	-	-	-	-	14,863	15,501	21,828
Total Revenues	28,717	896	34,016	445,108	272,607	112,978	513,068	1,407,390	986,703
Expenditures									
Current									
Public safety	-	-	56,527	-	-	-	-	56,527	38,121
Culture and recreation	-	-	-	-	-	-	854,719	854,719	928,864
Housing and economic development	2,500	23,159	-	105,032	272,607	-	-	403,298	310,564
Education	-	-	-	-	-	112,978	-	112,978	133,712
Total Expenditures	2,500	23,159	56,527	105,032	272,607	112,978	854,719	1,427,522	1,411,261
Excess (Deficiency) of Revenues Over (Under) Expenditures	26,217	(22,263)	(22,511)	340,076	-	-	(341,651)	(20,132)	(424,558)
Other Financing Sources (Uses)									
Transfers in	-	-	-	34,797	-	-	360,000	394,797	395,442
Transfers out	-	-	-	(372,218)	-	-	-	(372,218)	-
Total Other Financing Sources (Uses)	-	-	-	(337,421)	-	-	360,000	22,579	395,442
Net Change in Fund Balances	26,217	(22,263)	(22,511)	2,655	-	-	18,349	2,447	(29,116)
Fund Balances (Deficits) Beginning of Year	1,763,676	35,124	141,723	(2,655)	-	116,520	(12,567)	2,041,821	2,070,937
Fund Balances End of Year	$ 1,789,893	$ 12,861	$ 119,212	$ -	$ -	$ 116,520	$ 5,782	$ 2,044,268	$ 2,041,821

City of Calhoun, Georgia
Urban Development Action Grant Fund
Comparative Balance Sheets
June 30, 2010 and 2009

	2010	2009
Assets		
Cash and cash equivalents	$ 174,241	$ 1,121,623
Receivables (net)		
Loans	228,600	89,500
Interest	9,191	7,992
Loans - noncurrent	1,377,861	544,561
Total Assets	$ 1,789,893	$ 1,763,676
Fund Balances		
Reserved for housing	$ 1,789,893	$ 1,763,676

City of Calhoun, Georgia
Urban Development Action Grant Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Investment earnings	$ 28,717	$ 43,559
Expenditures		
Current		
Housing and economic development	2,500	2,500
Excess of Revenues Over Expenditures	26,217	41,059
Fund Balances Beginning of Year	1,763,676	1,722,617
Fund Balances End of Year	$ 1,789,893	$ 1,763,676

City of Calhoun, Georgia
Urban Development Action Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2010
(With Comparative Actual Amounts For the Year Ended June 30, 2009)

	2010				2009
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	$ 32,500	$ 32,500	$ 28,717	$ (3,783)	$ 43,559
Expenditures					
Current					
Housing and economic development	2,500	2,500	2,500	-	2,500
Excess of Revenues Over Expenditures	30,000	30,000	26,217	(3,783)	41,059
Other Financing Sources (Uses)					
Transfer to fund balance	(30,000)	(30,000)	-	30,000	-
Net Change in Fund Balances	$ -	$ -	26,217	$ 26,217	41,059
Fund Balances Beginning of Year			1,763,676		1,722,617
Fund Balances End of Year			$ 1,789,893		$ 1,763,676

City of Calhoun, Georgia
Home Investment Partnership Act Fund
Comparative Balance Sheets
June 30, 2010 and 2009

	2010	2009
Assets		
Cash and cash equivalents	$ 12,861	$ 35,124
Loans receivable	53,684	55,789
Total Assets	$ 66,545	$ 90,913
Liabilities and Fund Balances		
Liabilities		
Deferred revenue	$ 53,684	$ 55,789
Fund Balances		
Reserved for housing - home program	12,861	35,124
Total Liabilities and Fund Balances	$ 66,545	$ 90,913

City of Calhoun, Georgia
Home Investment Partnership Act Fund
Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Investment earnings	$ 258	$ 1,045
Grant revenue	638	2,547
Total Revenues	896	3,592
Expenditures		
Current		
Housing and economic development	23,159	15,225
(Deficiency) of Revenues (Under) Expenditures	(22,263)	(11,633)
Fund Balances Beginning of Year	35,124	46,757
Fund Balances End of Year	$ 12,861	$ 35,124

City of Calhoun, Georgia
Home Investment Partnership Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2010
(With Comparative Actual Amounts For the Year Ended June 30, 2009)

	2010				2009
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	$ -	$ 1,000	$ 258	$ (742)	$ 1,045
Grant revenue	-	2,500	638	(1,862)	2,547
Total Revenues	-	3,500	896	(2,604)	3,592
Expenditures					
Current					
Housing and economic development	-	25,000	23,159	1,841	15,225
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(21,500)	(22,263)	(763)	(11,633)
Other Financing Sources					
Appropriation of fund balance	-	21,500	-	(21,500)	-
Net Change in Fund Balances	$ -	$ -	(22,263)	$ (22,263)	(11,633)
Fund Balances Beginning of Year			35,124		46,757
Fund Balances End of Year			$ 12,861		$ 35,124

City of Calhoun, Georgia
Confiscated Assets Fund
Comparative Balance Sheets
June 30, 2010 and 2009

	2010	2009
Assets		
Cash and cash equivalents	$ 264,542	$ 299,857
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 144,007	$ 157,974
Interfund payable	1,323	160
Total Liabilities	145,330	158,134
Fund Balances		
Reserved for public safety - police	119,212	141,723
Total Liabilities and Fund Balances	$ 264,542	$ 299,857

City of Calhoun, Georgia
Confiscated Assets Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Fines and forfeitures	$ 33,791	$ 22,085
Investment earnings	225	2,167
Total Revenues	34,016	24,252
Expenditures		
Current		
Public safety	56,527	38,121
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,511)	(13,869)
Fund Balances Beginning of Year	141,723	155,592
Fund Balances End of Year	$ 119,212	$ 141,723

City of Calhoun, Georgia
Confiscated Assets Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2010
(With Comparative Actual Amounts For the Year Ended June 30, 2009)

	2010				2009
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Fines and forfeitures	$ 22,500	$ 44,000	$ 33,791	$ (10,209)	$ 22,085
Investment earnings	1,500	1,500	225	(1,275)	2,167
Total Revenues	24,000	45,500	34,016	(11,484)	24,252
Expenditures					
Current					
Public safety	24,000	57,000	56,527	473	38,121
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(11,500)	(22,511)	(11,011)	(13,869)
Other Financing Sources (Uses)					
Appropriation of fund balance	-	11,500	-	(11,500)	-
Net Change in Fund Balances	$ -	$ -	(22,511)	$ (22,511)	(13,869)
Fund Balances Beginning of Year			141,723		155,592
Fund Balances End of Year			$ 119,212		$ 141,723

City of Calhoun, Georgia
West Calhoun Grant Fund
Comparative Balance Sheets
June 30, 2010 and 2009

	2010	2009
Assets		
Accounts receivable	$ 1,950	$ 47
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ 2,702
Interfund payable	1,950	-
Total Liabilities	1,950	2,702
Fund Balances		
Reserved for housing and development	-	(2,655)
Total Liabilities and Fund Balances	$ 1,950	$ 47

City of Calhoun, Georgia
West Calhoun Grant Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Intergovernmental	$ 445,108	$ -
Expenditures		
Current		
Housing and development	105,032	19,454
Excess (Deficiency) of Revenues Over (Under) Expenditures	340,076	(19,454)
Other Financing Sources (Uses)		
Transfers in	34,797	16,799
Transfers out	(372,218)	-
Total Other Financing Sources (Uses)	(337,421)	16,799
Net Change in Fund Balances	2,655	(2,655)
Fund Balances Beginning of Year	(2,655)	-
Fund Balances End of Year	$ -	$ (2,655)

City of Calhoun, Georgia
West Calhoun Grant Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2010
(With Comparative Actual Amounts For the Year Ended June 30, 2009)

	2010				2009
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 554,478	$ 554,478	$ 445,108	$ (109,370)	$ -
Expenditures					
Current					
Housing and development	248,746	248,746	105,032	143,714	19,454
Excess (Deficiency) of Revenues Over (Under) Expenditures	305,732	305,732	340,076	34,344	(19,454)
Other Financing Sources (Uses)					
Transfers in	32,652	32,652	34,797	2,145	16,799
Transfers out	(338,384)	(338,384)	(372,218)	(33,834)	-
Total Other Financing Sources (Uses)	(305,732)	(305,732)	(337,421)	(31,689)	16,799
Net Change in Fund Balances	$ -	$ -	2,655	$ 2,655	(2,655)
Fund Balances Beginning of Year			(2,655)		-
Fund Balances End of Year			$ -		$ (2,655)

City of Calhoun, Georgia
Hotel/Motel Tax Fund
Comparative Balance Sheets
June 30, 2010 and 2009

	2010	2009
Assets		
Hotel/motel taxes receivable	$ 27,356	$ 23,758
Liabilities		
Accrued expenditures	$ 27,356	$ 23,758

City of Calhoun, Georgia
Hotel/Motel Tax Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Hotel/motel taxes	$ 272,607	$ 273,385
Expenditures		
Current		
Housing and economic development	272,607	273,385
Excess of Revenues Over Expenditures	-	-
Fund Balances Beginning of Year	-	-
Fund Balances End of Year	$ -	$ -

City of Calhoun, Georgia
Hotel/Motel Tax Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2010
(With Comparative Actual Amounts For the Year Ended June 30, 2009)

	2010				2009
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Hotel/motel taxes	$ 250,000	$ 275,000	$ 272,607	$ (2,393)	$ 273,385
Expenditures					
Current					
Housing and economic development	250,000	275,000	272,607	2,393	273,385
Excess of Revenues Over Expenditures	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Calhoun, Georgia
School Tax Fund
Comparative Balance Sheets
June 30, 2010 and 2009

	2010	2009
Assets		
Cash and cash equivalents	$ 6,668	$ 24,061
Property taxes receivable	1,205,239	1,171,536
Due from component unit	17,979	6,449
Prepaid items	48,876	49,657
Total Assets	$ 1,278,762	$ 1,251,703
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 10,242	$ 27,068
Due to component unit	121,277	464,785
Deferred revenues	1,030,723	643,330
Total Liabilities	1,162,242	1,135,183
Fund Balances		
Reserved for		
Prepaid items	48,876	49,657
Education	67,644	66,863
Total Fund Balances	116,520	116,520
Total Liabilities and Fund Balances	$ 1,278,762	$ 1,251,703

City of Calhoun, Georgia
School Tax Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Property taxes	$ 112,978	$ 133,712
Expenditures		
Current		
Education	112,978	133,712
Excess of Revenues Over Expenditures	-	-
Fund Balances Beginning of Year	116,520	116,520
Fund Balances End of Year	$ 116,520	$ 116,520

City of Calhoun, Georgia
School Tax Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2010
(With Comparative Actual Amounts For the Year Ended June 30, 2009)

	2010				2009
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Property taxes	$ 149,578	$ 149,578	$ 112,978	$ (36,600)	$ 133,712
Expenditures					
Current					
Education	149,578	149,578	112,978	36,600	133,712
Excess of Revenues Over Expenditures	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			116,520		116,520
Fund Balances End of Year			$ 116,520		$ 116,520

City of Calhoun, Georgia
Recreation Fund
Comparative Balance Sheets
June 30, 2010 and 2009

	2010	2009
Assets		
Cash and cash equivalents	$ 16,636	$ 6,871
Prepaid items	7,167	8,237
Total Assets	$ 23,803	$ 15,108
Liabilities and Fund Balances (Deficits)		
Liabilities		
Accounts payable	$ 13,586	$ 14,915
Accrued expenditures	4,435	3,020
Interfund payable	-	9,740
Total Liabilities	18,021	27,675
Fund Balances (Deficits)		
Reserved for prepaid items	7,167	8,237
Unreserved, undesignated (deficits)	(1,385)	(20,804)
Total Fund Balances (Deficits)	5,782	(12,567)
Total Liabilities and Fund Balances (Deficits)	$ 23,803	$ 15,108

City of Calhoun, Georgia
Recreation Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Intergovernmental	$ 338,215	$ 328,364
Charges for services	159,990	160,558
Miscellaneous	14,863	19,281
Total Revenues	513,068	508,203
Expenditures		
Current		
Culture and recreation	854,719	928,864
(Deficiency) of Revenues (Under) Expenditures	(341,651)	(420,661)
Other Financing Sources		
Transfers in	360,000	378,643
Net Change in Fund Balances	18,349	(42,018)
Fund Balances (Deficits) Beginning of Year	(12,567)	29,451
Fund Balances (Deficits) End of Year	$ 5,782	$ (12,567)

City of Calhoun, Georgia
Recreation Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2010
(With Comparative Actual Amounts For the Year Ended June 30, 2009)

	2010				2009
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 338,215	$ 338,215	$ 338,215	$ -	$ 328,364
Charges for services	162,450	162,450	159,990	(2,460)	160,558
Miscellaneous	16,000	16,000	14,863	(1,137)	19,281
Total Revenues	516,665	516,665	513,068	(3,597)	508,203
Expenditures					
Current					
Culture and recreation	931,642	931,642	854,719	76,923	928,864
Excess (Deficiency) of Revenues Over (Under) Expenditures	(414,977)	(414,977)	(341,651)	73,326	(420,661)
Other Financing Sources					
Transfers in	414,977	414,977	360,000	(54,977)	378,643
Net Change in Fund Balances	$ -	$ -	18,349	$ 18,349	(42,018)
Fund Balances (Deficits) Beginning of Year			(12,567)		29,451
Fund Balances (Deficits) End of Year			$ 5,782		$ (12,567)

City of Calhoun, Georgia
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2010
(With Comparative Totals For the Year Ended June 30, 2009)

	2010			2009
	Revenue Bonds	School Bonds	Total Nonmajor Debt Service Funds	Total Nonmajor Debt Service Funds
Assets				
Cash and cash equivalents	$ 8	$ 1,833,922	$ 1,833,930	$ 1,300,609
Investments	-	3,555,623	3,555,623	2,318,131
Accounts receivable	-	-	-	18,280
Due from component unit	-	229,433	229,433	333,048
Total Assets	$ 8	$ 5,618,978	$ 5,618,986	$ 3,970,068
Fund Balances				
Reserved for debt service	$ 8	$ 5,618,978	$ 5,618,986	$ 3,970,068

City of Calhoun, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2010
(With Comparative Totals For the Year Ended June 30, 2009)

	2010			2009
	Revenue Bonds	School Bonds	Total Nonmajor Debt Service Funds	Total Nonmajor Debt Service Funds
Revenues				
Intergovernmental	$ -	$ 2,642,894	$ 2,642,894	$ 2,762,567
Investment earnings	1	50,645	50,646	32,397
Total Revenues	1	2,693,539	2,693,540	2,794,964
Expenditures				
Debt Service				
Principal retirement	259,500	520,000	779,500	717,600
Interest and fiscal charges	111,097	524,582	635,679	664,088
Total Expenditures	370,597	1,044,582	1,415,179	1,381,688
Excess (Deficiency) of Revenues Over (Under) Expenditures	(370,596)	1,648,957	1,278,361	1,413,276
Other Financing Sources (Uses)				
Transfers in	370,557	-	370,557	369,045
Net Change in Fund Balances	(39)	1,648,957	1,648,918	1,782,321
Fund Balances Beginning of Year	47	3,970,021	3,970,068	2,187,747
Fund Balances End of Year	$ 8	$ 5,618,978	$ 5,618,986	$ 3,970,068

City of Calhoun, Georgia
Revenue Bonds Debt Service Fund
Comparative Balance Sheets
June 30, 2010 and 2009

	2010	2009
Assets		
Cash and cash equivalents	$ 8	$ 47
Fund Balances		
Reserved for debt service	$ 8	$ 47

City of Calhoun, Georgia
Revenue Bonds Debt Service Fund
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Investment earnings	$ 1	$ 39
Expenditures		
Debt Service		
Principal retirement	259,500	247,600
Interest and fiscal charges	111,097	121,645
Total Expenditures	370,597	369,245
Excess (Deficiency) of Revenues Over (Under) Expenditures	(370,596)	(369,206)
Other Financing Sources		
Transfers in	370,557	369,045
Net Change in Fund Balances	(39)	(161)
Fund Balances Beginning of Year	47	208
Fund Balances End of Year	$ 8	$ 47

City of Calhoun, Georgia
Revenue Bonds Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2010
(With Comparative Actual Amounts For the Year Ended June 30, 2009)

	2010				2009
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	$ -	$ -	$ 1	$ 1	$ 39
Expenditures					
Debt Service					
Principal	259,500	259,500	259,500	-	247,600
Interest and fiscal charges	111,097	111,097	111,097	-	121,645
Total Expenditures	370,597	370,597	370,597	-	369,245
Excess (Deficiency) of Revenues Over (Under) Expenditures	(370,597)	(370,597)	(370,596)	1	(369,206)
Other Financing Sources					
Transfers in	370,597	370,597	370,557	(40)	369,045
Net Change in Fund Balances	$ -	$ -	(39)	$ (39)	(161)
Fund Balances Beginning of Year			47		208
Fund Balances End of Year			$ 8		$ 47

City of Calhoun, Georgia
School Bond Debt Service Fund
Comparative Balance Sheets
June 30, 2010 and 2009

	2010	2009
Assets		
Cash and cash equivalents	$ 1,833,922	$ 1,300,562
Investments	3,555,623	2,318,131
Accounts receivable	-	18,280
Due from component unit	229,433	333,048
Total Assets	$ 5,618,978	$ 3,970,021
Fund Balances		
Reserved for debt service	$ 5,618,978	$ 3,970,021

City of Calhoun, Georgia
School Bonds Debt Service Fund
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Intergovernmental	$ 2,642,894	$ 2,762,567
Investment earnings	50,645	32,358
Total Revenues	2,693,539	2,794,925
Expenditures		
Debt Service		
Principal retirement	520,000	470,000
Interest and fiscal charges	524,582	542,443
Total Expenditures	1,044,582	1,012,443
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,648,957	1,782,482
Fund Balances Beginning of Year	3,970,021	2,187,539
Fund Balances End of Year	$ 5,618,978	$ 3,970,021

City of Calhoun, Georgia
School Bonds Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2010
(With Comparative Actual Amounts For the Year Ended June 30, 2009)

	2010				2009
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 1,034,582	$ 2,534,582	$ 2,642,894	$ 108,312	$ 2,762,567
Investment earnings	10,000	55,000	50,645	(4,355)	32,358
Total Revenues	1,044,582	2,589,582	2,693,539	103,957	2,794,925
Expenditures					
Debt Service					
Principal	520,000	520,000	520,000	-	470,000
Interest	524,582	524,582	524,582	-	542,443
Total Expenditures	1,044,582	1,044,582	1,044,582	-	1,012,443
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	1,545,000	1,648,957	103,957	1,782,482
Other Financing Sources (Uses)					
Appropriation of fund balance	-	(1,545,000)	-	1,545,000	-
Total Other Financing Sources (Uses)	-	(1,545,000)	-	1,545,000	-
Net Change in Fund Balances	$ -	$ -	1,648,957	$ 1,648,957	1,782,482
Fund Balances Beginning of Year			3,970,021		2,187,539
Fund Balances End of Year			$ 5,618,978		$ 3,970,021

City of Calhoun, Georgia
Nonmajor Capital Project Funds
Combining Balance Sheet
June 30, 2010
(With Comparative Totals at June 30, 2009)

	2010				2009
	County SPLOST	2005 SPLOST	School SPLOST	Total Nonmajor Capital Projects Funds	Total Nonmajor Capital Projects Funds
Assets					
Cash and cash equivalents	$ -	$1,726,262	$ 18,362	$ 1,744,624	$ 2,024,523
Investments	-	-	1,000,000	1,000,000	-
Receivables:					
Interest	-	-	5,495	5,495	-
Intergovernmental	148	584,436	-	584,584	704,957
Total Assets	$ 148	$2,310,698	$1,023,857	$ 3,334,703	$ 2,729,480
Liabilities and Fund Balances					
Liabilities					
Accounts payable	$ 8	$ -	$ -	$ 8	$ -
Interfund payable	-	137,473	-	137,473	241,895
Deferred revenue	140	-	-	140	-
Total Liabilities	148	137,473	-	137,621	241,895
Fund Balances					
Unreserved, undesignated	-	2,173,225	1,023,857	3,197,082	2,487,585
Total Liabilities and Fund Balances	$ 148	$2,310,698	$1,023,857	$ 3,334,703	$ 2,729,480

City of Calhoun, Georgia
Nonmajor Capital Project Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Fiscal Year Ended June 30, 2010
(With Comparative Actual Amounts For the Year Ended June 30, 2009)

	2010				2009
	County SPLOST	2005 SPLOST	School SPLOST	Total Nonmajor Capital Projects Funds	Total Nonmajor Capital Projects Funds
Revenues					
Intergovernmental	$ 194,183	$2,157,519	$ -	$ 2,351,702	$ 2,614,506
Investment earnings	-	1,736	7,794	9,530	12,729
Total Revenues	194,183	2,159,255	7,794	2,361,232	2,627,235
Expenditures					
Capital Outlay					
Public works	194,183	-	-	194,183	553,516
Culture and recreation	-	-	-	-	46,401
Education	-	-	202,827	202,827	775,395
Total Expenditures	194,183	-	202,827	397,010	1,375,312
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	2,159,255	(195,033)	1,964,222	1,251,923
Other Financing Sources (Uses)					
Transfers in	109,647	-	-	109,647	288,533
Transfers out	-	(1,364,372)	-	(1,364,372)	(1,403,629)
Total Financing Sources (Uses)	109,647	(1,364,372)	-	(1,254,725)	(1,115,096)
Net Change in Fund Balances	109,647	794,883	(195,033)	709,497	136,827
Fund Balances (Deficits) Beginning of Year	(109,647)	1,378,342	1,218,890	2,487,585	2,350,758
Fund Balances (Deficits) End of Year	$ -	$2,173,225	$1,023,857	$ 3,197,082	$ 2,487,585

City of Calhoun, Georgia
County SPLOST Fund
Comparative Balance Sheets
June 30, 2010 and 2009

	2010	2009
Assets		
Cash and cash equivalents	$ -	$ 115,696
Receivables:		
Intergovernmental	148	16,552
Total Assets	$ 148	$ 132,248
Liabilities and Fund Balances (Deficits)		
Liabilities		
Accounts payable	$ 8	$ -
Deferred revenue	140	-
Interfund payable	-	241,895
Total Liabilities	148	241,895
Fund Balances (Deficits)		
Unreserved, undesignated	-	(109,647)
Total Liabilities and Fund Balances	$ 148	$ 132,248

City of Calhoun, Georgia
County SPLOST Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Intergovernmental	$ 194,183	$ 585,826
Expenditures		
Capital Outlay		
Public works	194,183	553,516
Culture and recreation	-	46,401
Total Expenditures	194,183	599,917
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(14,091)
Other Financing Sources		
Transfers in	109,647	-
Net Change in Fund Balances	109,647	(14,091)
Fund Balances (Deficits) Beginning of Year	(109,647)	(95,556)
Fund Balances (Deficits) End of Year	$ -	$ (109,647)

City of Calhoun, Georgia
County SPLOST Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2010
(With Comparative Actual Amounts For the Year Ended June 30, 2009)

	2010				2009
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 110,000	$ 215,000	$ 194,183	$ (20,817)	$ 585,826
Expenditures					
Capital Outlay					
Public works	110,000	215,000	194,183	20,817	553,516
Culture and recreation	-	-	-	-	46,401
Total Expenditures	110,000	215,000	194,183	20,817	599,917
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	(14,091)
Other Financing Sources (Uses)					
Transfers in	110,000	110,000	109,647	(353)	-
Transfer to fund balance	(110,000)	(110,000)	-	110,000	-
Total Other Financing Sources (Uses)	-	-	109,647	109,647	-
Net Change in Fund Balances	$ -	$ -	109,647	$ 109,647	(14,091)
Fund Balances (Deficits) Beginning of Year			(109,647)		(95,556)
Fund Balances (Deficits) End of Year			$ -		$ (109,647)

City of Calhoun, Georgia
2005 SPLOST Fund
Comparative Balance Sheets
June 30, 2010 and 2009

	2010	2009
Assets		
Cash and cash equivalents	$ 1,726,262	$ 853,981
Receivables:		
Intergovernmental	584,436	524,361
Total Assets	$ 2,310,698	$ 1,378,342
Liabilities and Fund Balances		
Liabilities		
Interfund payable	$ 137,473	$ -
Fund Balances		
Unreserved, undesignated	2,173,225	1,378,342
Total Liabilities and Fund Balances	$ 2,310,698	$ 1,378,342

City of Calhoun, Georgia
2005 SPLOST Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Intergovernmental	$ 2,157,519	$ 1,924,158
Investment earnings	1,736	1,304
Total Revenues	2,159,255	1,925,462
Other Financing Sources (Uses)		
Transfers in	-	288,533
Transfers out	(1,364,372)	(1,403,629)
Total Other Financing Sources (Uses)	(1,364,372)	(1,115,096)
Net Change in Fund Balances	794,883	810,366
Fund Balances Beginning of Year	1,378,342	567,976
Fund Balances End of Year	$ 2,173,225	$ 1,378,342

City of Calhoun, Georgia
2005 SPLOST Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2010
(With Comparative Actual Amounts For the Year Ended June 30, 2009)

	2010				2009
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 2,097,446	$ 2,097,446	$ 2,157,519	$ 60,073	$ 1,924,158
Investment earnings	-	-	1,736	1,736	1,304
Total Revenues	2,097,446	2,097,446	2,159,255	61,809	1,925,462
Other Financing Sources and Uses					
Transfers in	-	-	-	-	288,533
Transfers out	(2,097,446)	(2,097,446)	(1,364,372)	733,074	(1,403,629)
Total Other Financing Sources and Uses	(2,097,446)	(2,097,446)	(1,364,372)	733,074	(1,115,096)
Net Change in Fund Balances	$ -	$ -	794,883	$ 794,883	810,366
Fund Balances Beginning of Year			1,378,342		567,976
Fund Balances End of Year			$ 2,173,225		$ 1,378,342

City of Calhoun, Georgia
School SPLOST Fund
Comparative Balance Sheets
June 30, 2010 and 2009

	2010	2009
Assets		
Cash and cash equivalents	$ 18,362	$ 1,054,846
Investments	1,000,000	-
Receivables:		
Interest	5,495	-
Intergovernmental	-	164,044
Total Assets	$ 1,023,857	$ 1,218,890
Fund Balances		
Unreserved, undesignated	$ 1,023,857	$ 1,218,890

City of Calhoun, Georgia
School SPLOST Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Intergovernmental	$ -	$ 104,522
Investment earnings	7,794	11,425
Total Revenues	7,794	115,947
Expenditures		
Capital Outlay		
Education	202,827	775,395
Excess (Deficiency) of Revenues Over (Under) Expenditures	(195,033)	(659,448)
Fund Balances Beginning of Year	1,218,890	1,878,338
Fund Balances End of Year	$ 1,023,857	$ 1,218,890

City of Calhoun, Georgia
School SPLOST Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2010
(With Comparative Actual Amounts For the Year Ended June 30, 2009)

	2010				2009
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 2,000,000	$ -	$ -	$ -	$ 104,522
Investment earnings	50,000	5,000	7,794	2,794	11,425
Total Revenues	2,050,000	5,000	7,794	2,794	115,947
Expenditures					
Capital Outlay					
Education	-	205,000	202,827	2,173	775,395
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,050,000	(200,000)	(195,033)	4,967	(659,448)
Other Financing Sources (Uses)					
Appropriation of fund balance	(2,050,000)	200,000	-	(200,000)	-
Net Change in Fund Balances	$ -	$ -	(195,033)	$ (195,033)	(659,448)
Fund Balances Beginning of Year			1,218,890		1,878,338
Fund Balances End of Year			$ 1,023,857		$ 1,218,890

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MAJOR PROPRIETARY FUNDS
INDIVIDUAL FUND STATEMENTS

Enterprise funds financed and operated in a manner similar to a private business enterprise.

Electric Fund - generates and distributes electricity.

Water and Sewer Fund - provides water and sewer services.

City of Calhoun, Georgia
Electric System Fund
Comparative Statements of Net Assets
June 30, 2010 and 2009

	2010	2009
Assets		
Current Assets		
Cash and cash equivalents	$ 8,743,192	$ 3,112,114
Investments	-	6,208,289
Restricted assets		
Cash and cash equivalents	898,780	160,199
Investments	4,259,448	4,873,757
Receivables		
Accounts	612,373	502,347
Accrued revenue	2,113,729	1,937,719
Intergovernmental	324,172	200,000
Interfund	-	40,770
Other	-	121,760
Advances	317,764	323,001
Deposits	36,408	38,313
Inventories	2,131,257	1,483,323
Prepaid items	28,473	24,515
Total Current Assets	19,465,596	19,026,107
Noncurrent Assets		
Restricted assets		
Investments	5,029,701	1,088,047
Advances receivable	2,781,887	3,099,652
Capital assets		
Nondepreciable	194,197	517,238
Depreciable, net	13,801,454	13,412,407
Total Noncurrent Assets	21,807,239	18,117,344
Total Assets	41,272,835	37,143,451
Liabilities		
Current Liabilities		
Accounts payable	2,183,040	1,882,589
Accrued payroll liabilities	111	111
Accrued expenses	10,819	7,630
Interfund payable	-	172,721
Compensated absences	33,280	34,004
Payable From Restricted Assets:		
Customer deposits	898,780	847,570
Total Current Liabilities	3,126,030	2,944,625
Long-term Liabilities		
Pension liability	214,906	213,652
Payable From Restricted Assets:		
Regulatory liability	3,637,851	1,088,047
Total Long-term Liabilities	3,852,757	1,301,699
Total Liabilities	6,978,787	4,246,324
Net Assets		
Invested in capital assets, net of related debt	13,995,651	13,929,645
Unrestricted	20,298,397	18,967,482
Total Net Assets	$ 34,294,048	$ 32,897,127

City of Calhoun, Georgia
Electric System Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Assets
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Operating Revenues		
Charges for services	$ 25,043,967	$ 24,485,503
Miscellaneous	171,615	195,505
Total Operating Revenues	25,215,582	24,681,008
Operating Expenses		
Personal services	1,006,135	1,096,791
Contractual services	1,162,688	1,183,674
Supplies	18,648,009	17,590,090
Interfund allocations	521,220	519,203
Depreciation	688,541	695,734
Other	49,446	34,453
Total Operating Expenses	22,076,039	21,119,945
Operating Income	3,139,543	3,561,063
Non-Operating Revenues (Expenses)		
Investment earnings	238,247	415,526
Gain (Loss) on sale of capital assets	11,538	(693)
Interest expense	(12,195)	(25,767)
Total Non-Operating Revenues	237,590	389,066
Income Before Transfers	3,377,133	3,950,129
Transfers in	1,034,891	427,501
Transfers out	(3,015,103)	(2,968,638)
Total Transfers	(1,980,212)	(2,541,137)
Change in Net Assets	1,396,921	1,408,992
Net Assets Beginning of Year	32,897,127	31,488,135
Net Assets End of Year	$ 34,294,048	$ 32,897,127

City of Calhoun, Georgia
Electric System Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Cash Flows from Operating Activities		
Cash received from customers	$ 23,268,904	$ 23,732,766
Cash received from interfund services provided	1,711,345	1,762,582
Cash payments for personal services	(1,006,859)	(1,113,805)
Cash payments for goods and services	(20,104,132)	(19,484,506)
Cash payments for interfund services used	(704,030)	74,275
Other cash payments	(53,404)	(31,765)
Net Cash Provided by (Used in) Operating Activities	3,111,824	4,939,547
Cash Flows From Noncapital Financing Activities		
Payments received on advances	323,002	314,990
Payments for (reduction in) pension liability	1,254	(16,101)
Transfers in	1,034,891	427,501
Transfers out	(3,015,103)	(2,968,638)
Net Cash Provided by (Used in) Noncapital Financing Activities	(1,655,956)	(2,242,248)
Cash Flows from Capital and Related Financing Activities		
Principal paid on revenue bonds	-	(48,025)
Payments for capital acquisitions	(757,797)	(1,136,891)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(757,797)	(1,184,916)
Cash Flows from Investing Activities		
Investment earnings	238,247	415,526
(Purchase) Disposal of investments, net of regulatory liability	5,445,536	(227,538)
Interest rebated to customer accounts	(12,195)	(25,767)
Net Cash Provided by (Used in) Investing Activities	5,671,588	162,221
Net Increase (Decrease) in Cash and Cash Equivalents	6,369,659	1,674,604
Cash and Cash Equivalents Beginning of Year	3,272,313	1,597,709
Cash and Cash Equivalents End of Year	$ 9,641,972	$ 3,272,313
Reconciliation of total cash and cash equivalents:		
Cash and cash equivalents	$ 8,743,192	$ 3,112,114
Restricted assets-cash and cash equivalents	898,780	160,199
Total cash and cash equivalents	$ 9,641,972	$ 3,272,313

(continued)

City of Calhoun, Georgia
Electric System Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2010 and 2009

(continued)

	2010	2009
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 3,139,543	$ 3,561,063
Adjustments		
Depreciation	688,541	695,734
(Increase) Decrease in Assets		
Accounts receivable and accrued revenues	(288,448)	796,830
Inventories	(647,934)	(289,715)
Interfund receivables	40,770	480,856
Deposits	1,905	483
Prepaid expenses	(3,958)	2,688
Increase (Decrease) in Liabilities		
Accounts payable and accrued liabilities	302,916	(447,375)
Accrued payroll liabilities	-	(198)
Deposits payable	51,210	926
Interfund payable	(172,721)	138,255
Net Cash Provided by (Used in) Operating Activities	$ 3,111,824	$ 4,939,547

City of Calhoun, Georgia
Water & Sewerage System Fund
Comparative Statements of Net Assets
June 30, 2010 and 2009

	2010	2009
Assets		
Current Assets		
Cash and cash equivalents	$ 278,075	$ -
Investments	-	2,054,148
Restricted assets		
Cash and cash equivalents	1,102,961	328,980
Investments	-	562,012
Receivables		
Accounts	792,335	601,339
Accrued revenue	1,048,936	956,830
Interfund	137,480	3,896
Other	-	171,622
Intergovernmental	426,923	-
Inventory	590,628	706,203
Prepaid items	78,424	86,136
Total Current Assets	4,455,762	5,471,166
Noncurrent Assets		
Restricted assets		
Cash and cash equivalents	411,841	334,189
Deferred charges	294,934	321,342
Capital assets		
Nondepreciable	14,378,989	10,484,504
Depreciable, net	79,098,493	81,065,435
Total Noncurrent Assets	94,184,257	92,205,470
Total Assets	98,640,019	97,676,636
Liabilities		
Current Liabilities		
Pooled cash shortage	-	776,242
Accounts payable	444,985	110,557
Contractor bonds payable	38,554	38,487
Accrued payroll liabilities	29,898	22,998
Accrued interest	57,094	51,426
Accrued contracts payable		-
Interfund payable	-	94,928
Compensated absences payable	95,246	101,382
Unearned revenue	33,155	33,155
Advances payable	170,930	165,990
Notes payable	3,214,968	1,748,962
Revenue bonds payable	1,697,611	1,637,348
Capital lease payable	-	14,164
Payable from Restricted Assets:		
Accrued interest payable	22,185	37,962
Customer deposits and interest	670,733	641,442
Total Current Liabilities	6,475,359	5,475,043
Long-Term Liabilities		
Pension liability	176,087	174,851
Notes payable (net of current portion)	18,002,226	19,809,947
Revenue bonds payable (net of current portion)	6,258,628	7,952,841
Advances payable (net of current portion)	496,196	667,126
Total Long-Term Liabilities	24,933,137	28,604,765
Total Liabilities	31,408,496	34,079,808
Net Assets		
Invested in capital assets, net of related debt	64,145,288	60,386,677
Unrestricted	3,086,235	3,210,151
Total Net Assets	$ 67,231,523	$ 63,596,828

City of Calhoun, Georgia
Water & Sewerage System Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Assets
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Operating Revenues		
Charges for services	$ 14,807,017	$ 14,080,039
Miscellaneous	54,060	36,154
Total Operating Revenues	14,861,077	14,116,193
Operating Expenses		
Personal services	3,148,766	3,447,022
Contractual services	731,109	862,234
Supplies	2,900,582	3,110,982
Interfund allocations	2,046,007	2,157,579
Depreciation	2,838,336	2,750,835
Amortization	82,457	89,651
Other	7,337	2,837
Total Operating Expenses	11,754,594	12,421,140
Operating Income	3,106,483	1,695,053
Non-Operating Revenues (Expenses)		
Interest and fiscal charges	(1,074,560)	(1,214,519)
Gain (loss) on disposition of capital assets	30	1,565
Investment earnings	63,533	114,390
Total Non-Operating (Expenses)	(1,010,997)	(1,098,564)
Income Before Contributions and Transfers	2,095,486	596,489
Contributions	64,200	332,915
Transfers in	3,507,267	2,906,716
Transfers out	(2,032,258)	(934,975)
Total Contributions and Transfers	1,539,209	2,304,656
Change in Net Assets	3,634,695	2,901,145
Net Assets Beginning of Year	63,596,828	60,695,683
Net Assets End of Year	$ 67,231,523	$ 63,596,828

City of Calhoun, Georgia
Water & Sewerage System Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Cash Flows from Operating Activities		
Cash received from customers	$ 14,071,577	$ 14,052,243
Cash received from interfund services provided	267,988	209,473
Cash payments for personal services	(3,149,530)	(3,455,377)
Cash payments for goods and services	(1,796,146)	(2,534,981)
Cash payments for interfund services used	(3,652,349)	(3,744,474)
Other cash payments	(7,270)	(2,557)
Net Cash Provided by (Used in) Operating Activities	5,734,270	4,524,327
Cash Flows from Noncapital Financing Activities		
Payments for (reductions in) pension liability	(1,236)	(12,981)
Transfers in	2,142,894	1,250,268
Transfers out	(2,032,258)	(934,975)
Net Cash Provided by (Used in) Noncapital Financing Activities	109,400	302,312
Cash Flows from Capital and Related Financing Activities		
Transfers in - SPLOST	1,364,373	1,656,448
Proceeds from debt	1,407,250	345,990
Payments on interfund loans	(165,990)	(161,192)
Principal paid on revenue bonds	(1,675,000)	(1,561,975)
Interest paid on revenue bonds	(332,381)	(355,018)
Principal paid on notes and capital leases	(1,763,129)	(1,662,047)
Interest paid on notes and capital leases	(752,288)	(859,501)
Proceeds from the sale of capital assets	30	1,565
Payments for capital acquisitions and construction	(4,701,678)	(5,536,183)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(6,618,813)	(8,131,913)
Cash Flows from Investing Activities		
Investments earnings	63,533	114,390
(Purchase) Disposal of investments	2,616,160	(202,463)
Net Cash Provided by (Used in) Investing Activities	2,679,693	(88,073)
Net Increase (Decrease) in Cash and Cash Equivalents	1,904,550	(3,393,347)
Cash and Cash Equivalents Beginning of Year	(447,262)	2,946,085
Cash and Cash Equivalents End of Year	$ 1,457,288	$ (447,262)
Reconciliation of total cash and cash equivalents:		
Cash and cash equivalents	$ 278,075	$ (776,242)
Current restricted assets-cash and cash equivalents	1,102,961	328,980
Total cash and cash equivalents	$ 1,381,036	$ (447,262)

(continued)

City of Calhoun, Georgia
Water and Sewerage System Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2010 and 2009

(continued)

	2010	2009
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 3,106,483	$ 1,695,053
Adjustments		
Depreciation	2,838,336	2,750,835
Amortization	82,457	89,651
(Increase) Decrease in Assets		
Accounts receivable and accrued revenues	(542,222)	166,937
Inventories	115,575	1,124,970
Interfund receivables	(133,584)	27,621
Prepaid expenses	7,712	(244)
Increase (Decrease) in Liabilities		
Accounts payable and accrued liabilities	318,250	(1,030,849)
Accrued payroll liabilities	6,900	10,295
Deposits payable	29,291	35,753
Interfund payable	(94,928)	(333,262)
Unearned revenue	-	(12,433)
Net Cash Provided by (Used in) Operating Activities	$ 5,734,270	$ 4,524,327
Noncash Investing, Capital and Financing Activities		
Developer contributions - in kind	$ 64,200	$ 332,915

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NONMAJOR PROPRIETARY FUNDS
COMBINING AND INDIVIDUAL FUND STATEMENTS

Enterprise funds financed and operated in a manner similar to a private business enterprise.

Telecom Fund - provides communication and data services.

Solid Waste Fund - provides for collection of solid waste for the residents of the City.

Field's Ferry Golf Course Fund - accounts for the activities related to the City's golf course.

City of Calhoun, Georgia
Combining Statement of Net Assets
Nonmajor Proprietary Funds
June 30, 2010
(With Comparative Totals at June 30, 2009)

	2010				2009
	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds	Total Nonmajor Enterprise Funds
Assets					
Current Assets					
Cash and cash equivalents	$ 763	$ 770,982	$ -	$ 771,745	$ 532,751
Investments	-	-	-	-	372,055
Receivables					
Accounts	1,301	32,389	45,044	78,734	57,679
Accrued revenue	-	46,551	40,984	87,535	92,366
Interfund	-	-	57,368	57,368	53,293
Inventory	-	242,703	-	242,703	238,126
Prepaid items	6,386	2,752	3,982	13,120	13,634
Total Current Assets	8,450	1,095,377	147,378	1,251,205	1,359,904
Noncurrent Assets					
Capital Assets					
Nondepreciable capital assets	696,138	-	314,435	1,010,573	1,019,715
Depreciable capital assets, net	1,658,920	1,290,716	189	2,949,825	3,145,674
Total Noncurrent Assets	2,355,058	1,290,716	314,624	3,960,398	4,165,389
Total Assets	2,363,508	2,386,093	462,002	5,211,603	5,525,293
Liabilities					
Current Liabilities					
Accounts payable	21,198	36,078	1,053	58,329	24,984
Accrued payroll liabilities	89	44	-	133	74
Accrued expenses	5,309	2,543	37,972	45,824	43,422
Interfund payable	13,950	-	77,969	91,919	136,001
Post-closure care payable	-	-	22,199	22,199	21,764
Compensated absences payable	21,157	8,762	2,970	32,889	35,492
Unearned revenue	21,729	-	-	21,729	31,976
Advances payable	-	97,957	-	97,957	109,574
Total Current Liabilities	83,432	145,384	142,163	370,979	403,287
Long-Term Liabilities					
Pension liability	-	-	54,080	54,080	53,928
Post-closure care payable (net of current portion)	-	-	117,836	117,836	140,036
Advances payable (net of current portion)	-	1,267,891	-	1,267,891	1,365,848
Total Long-Term Liabilities	-	1,267,891	171,916	1,439,807	1,559,812
Total Liabilities	83,432	1,413,275	314,079	1,810,786	1,963,099
Net Assets					
Invested in capital assets	2,355,058	1,290,716	314,624	3,960,398	4,165,389
Unrestricted	(74,982)	(317,898)	(166,701)	(559,581)	(603,195)
Total Net Assets	$ 2,280,076	$ 972,818	$ 147,923	$ 3,400,817	$ 3,562,194

City of Calhoun, Georgia
Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2010
(With Comparative Totals For the Year Ended June 30, 2009)

	2010				2009
	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds	Total Nonmajor Enterprise Funds
Operating Revenues					
Charges for services	$ 752,590	$ 943,803	$ 687,647	$ 2,384,040	$ 2,218,216
Miscellaneous	22,041	2,145	-	24,186	32,796
Total Operating Revenues	774,631	945,948	687,647	2,408,226	2,251,012
Operating Expenses					
Personal services	570,214	256,259	179,096	1,005,569	1,017,498
Contractual services	46,375	265,043	490,145	801,563	785,347
Supplies	177,906	38,649	21,887	238,442	315,992
Interfund allocations	19,439	72,965	74,040	166,444	186,296
Depreciation	241,487	93,975	8	335,470	340,675
Other	-	-	15,345	15,345	10,946
Total Operating Expenses	1,055,421	726,891	780,521	2,562,833	2,656,754
Operating Income (Loss)	(280,790)	219,057	(92,874)	(154,607)	(405,742)
Non-Operating Revenues (Expenses)					
Change in estimated landfill closure costs	-	-	(3,236)	(3,236)	13,485
Investment earnings	221	5,708	-	5,929	15,951
Interest and fiscal charges	-	(21,785)	-	(21,785)	(23,601)
Gain on the disposition of capital assets	-	-	-	-	4,854
Total Non-Operating Revenues (Expenses)	221	(16,077)	(3,236)	(19,092)	10,689
Income (Loss) Before Transfers	(280,569)	202,980	(96,110)	(173,699)	(395,053)
Transfers in	-	5,322	107,000	112,322	329,802
Transfers out	(100,000)	-	-	(100,000)	-
Change in Net Assets	(380,569)	208,302	10,890	(161,377)	(65,251)
Net Assets Beginning of Year	2,660,645	764,516	137,033	3,562,194	3,627,445
Net Assets End of Year	$ 2,280,076	$ 972,818	$ 147,923	$ 3,400,817	$ 3,562,194

City of Calhoun, Georgia
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2010
(With Comparative Totals For the Year Ended June 30, 2009)

	2010				2009
	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities					
Cash received from customers	$ 767,828	$ 627,240	$ 652,842	$ 2,047,910	$ 1,888,684
Cash received from interfund services provided	-	309,411	1,336	310,747	336,914
Cash payments for personal services	(567,860)	(253,849)	(180,187)	(1,001,896)	(1,002,810)
Cash payments for goods and services	(223,725)	(243,189)	(526,918)	(993,832)	(1,094,554)
Cash payments for interfund services used	(105,237)	(90,092)	(29,224)	(224,553)	(78,762)
Net Cash Provided by (Used in) Operating Activities	(128,994)	349,521	(82,151)	138,376	49,472
Cash Flows from Noncapital Financing Activities					
Payments for (reductions in) pension liability	-	-	152	152	(4,246)
Transfers in	-	5,322	107,000	112,322	329,802
Transfers out	(100,000)	-	-	(100,000)	-
Principal paid on advance	-	(109,574)	-	(109,574)	(107,759)
Interest paid on advance	-	(24,785)	-	(24,785)	(23,601)
Net Cash Provided by (Used in) Noncapital Financing Activities	(100,000)	(129,037)	107,152	(121,885)	194,196
Cash Flows from Capital and Related Financing Activities					
Payments for capital acquisition and construction	-	(130,480)	-	(130,480)	(134,029)
Proceeds from sale of capital assets	-	-	-	-	4,854
Payments for landfill postclosure care	-	-	(25,001)	(25,001)	(36,955)
Net Cash Provided by (Used in) Capital and Related Financing Activities	-	(130,480)	(25,001)	(155,481)	(166,130)
Cash Flows from Investing Activities					
Purchase of investments	-	372,055	-	372,055	(13,549)
Investment earnings	221	5,708	-	5,929	15,951
Net Cash Provided by (Used in) Investing Activities	221	377,763	-	377,984	2,402
Net Increase (Decrease) in Cash and Cash Equivalents	(228,773)	467,767	-	238,994	79,940
Cash and Cash Equivalents Beginning of Year	229,536	303,215	-	532,751	452,811
Cash and Cash Equivalents End of Year	$ 763	$ 770,982	$ -	$ 771,745	$ 532,751

(continued)

City of Calhoun, Georgia
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2010
(With Comparative Totals For the Year Ended June 30, 2009)

(continued)

	2010				2009
	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds	Total Nonmajor Enterprise Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating Income (Loss)	$ (280,790)	$ 219,057	$ (92,874)	$ (154,607)	$ (405,742)
Adjustments					
Depreciation	241,487	93,975	8	335,470	340,675
(Increase) Decrease in Assets					
Accounts receivable and accrued revenue	3,444	(2,885)	(16,782)	(16,223)	(1,660)
Inventory	-	(4,577)	-	(4,577)	5,164
Interfund receivable	-	12,612	(16,687)	(4,075)	4,000
Deposits	-	-	-	-	1,366
Prepaid expenses	25	(15)	504	514	(2,100)
Increase (Decrease) in Liabilities					
Accounts payable and accrued expenses	1,928	36,864	(45)	38,747	(6,106)
Accrued payroll liabilities	957	(2,410)	(1,091)	(2,544)	12,636
Interfund payable	(85,798)	(3,100)	44,816	(44,082)	116,780
Unearned revenue	(10,247)	-	-	(10,247)	(15,541)
Net Cash Provided by (Used in) Operating Activities	$ (128,994)	$ 349,521	$ (82,151)	$ 138,376	$ 49,472
Noncash Investing, Capital and Financing Activities					
Transfer of capital assets	$ -	$ -	$ -	$ -	$ 6,460

City of Calhoun, Georgia
Fields Ferry Golf Course Fund
Comparative Statements of Net Assets
June 30, 2010 and 2009

	2010	2009
Assets		
Current Assets		
Cash and cash equivalents	$ 763	$ 229,536
Accounts receivable	1,301	4,744
Prepaid items	6,386	6,411
Total Current Assets	8,450	240,691
Noncurrent Assets		
Capital assets		
Nondepreciable	696,138	696,138
Depreciable, net	1,658,920	1,900,408
Total Noncurrent Assets	2,355,058	2,596,546
Total Assets	2,363,508	2,837,237
Liabilities		
Current Liabilities		
Accounts payable	21,198	20,667
Accrued payroll liabilities	89	30
Accrued expenses	5,309	3,912
Interfund payable	13,950	99,748
Compensated absences payable	21,157	20,259
Unearned revenue	21,729	31,976
Total Current Liabilities	83,432	176,592
Net Assets		
Invested in capital assets	2,355,058	2,596,546
Unrestricted	(74,982)	64,099
Total Net Assets	$ 2,280,076	$ 2,660,645

City of Calhoun, Georgia
Fields Ferry Golf Course Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Assets
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Operating Revenues		
Charges for services		
Green fees	$ 470,974	$ 514,041
Cart fees	263,164	282,738
Range fees	18,452	18,720
Miscellaneous	22,041	26,338
Total Operating Revenues	774,631	841,837
Operating Expenses		
Maintenance		
Personal services	387,350	381,099
Contractual services	19,537	27,105
Supplies	146,418	183,501
Interfund allocations	9,509	10,816
Depreciation	31,830	31,235
Total Maintenance	594,644	633,756
Pro Shop		
Personal services	182,864	194,561
Contractual services	26,838	27,200
Supplies	31,488	24,592
Interfund allocations	9,930	10,474
Depreciation	209,657	219,195
Total Pro Shop	460,777	476,022
Total Operating Expenses	1,055,421	1,109,778
Operating (Loss)	(280,790)	(267,941)
Non-Operating Revenues		
Investment earnings	221	1,489
Gain on the disposition of capital assets	-	4,854
Total Non-Operating Revenues	221	6,343
Loss Before Transfers	(280,569)	(261,598)
Transfers out	(100,000)	-
Change in Net Assets	(380,569)	(261,598)
Net Assets Beginning of Year	2,660,645	2,922,243
Net Assets End of Year	$ 2,280,076	$ 2,660,645

City of Calhoun, Georgia
Fields Ferry Golf Course Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Cash Flows from Operating Activities		
Cash received from customers	$ 767,828	$ 827,549
Cash payments for personal services	(567,860)	(569,486)
Cash payments for goods and services	(223,725)	(263,673)
Cash payments for interfund services used	(105,237)	75,117
Net Cash Provided by (Used in) Operating Activities	(128,994)	69,507
Cash Flows from Noncapital Financing Activities		
Transfers out	(100,000)	-
Cash Flows from Capital and Related Financing Activities		
Payments for capital acquisitions	-	(92,175)
Proceeds from sale of capital assets	-	4,854
Net Cash Provided by (Used in) Capital and Related Financing Activities	-	(87,321)
Cash Flows from Investing Activities		
Investment earnings	221	1,489
Net Increase (Decrease) in Cash and Cash Equivalents	(228,773)	(16,325)
Cash and Cash Equivalents Beginning of Year	229,536	245,861
Cash and Cash Equivalents End of Year	$ 763	$ 229,536

(continued)

City of Calhoun, Georgia
Fields Ferry Golf Course Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2010 and 2009

(continued)

	2010	2009
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	$ (280,790)	$ (267,941)
Adjustments		
Depreciation	241,487	250,430
(Increase) Decrease in Assets		
Accounts receivable	3,444	(113)
Deposits	-	1,366
Prepaid expenses	25	(2,436)
Increase (Decrease) in Liabilities		
Accounts payable	531	1,161
Accrued expenses	1,397	2,052
Accrued payroll liabilities	957	4,122
Interfund payable	(85,798)	96,407
Unearned revenue	(10,247)	(15,541)
Net Cash Provided by (Used in) Operating Activities	$ (128,994)	$ 69,507

City of Calhoun, Georgia
Telecommunications Fund
Comparative Statements of Net Assets
June 30, 2010 and 2009

	2010	2009
Assets		
Current Assets		
Cash and cash equivalents	$ 770,982	$ 303,215
Investments	-	372,055
Receivables		
Accounts	32,389	25,169
Accrued revenue	46,551	50,886
Interfund	-	12,612
Inventory	242,703	238,126
Prepaid items	2,752	2,737
Total Current Assets	1,095,377	1,004,800
Noncurrent Assets		
Capital assets		
Nondepreciable	-	9,142
Depreciable, net	1,290,716	1,245,069
Total Noncurrent Assets	1,290,716	1,254,211
Total Assets	2,386,093	2,259,011
Liabilities		
Current Liabilities		
Accounts payable	36,078	3,044
Accrued payroll liabilities	44	44
Accrued expenses	2,543	1,713
Interfund payable	-	3,100
Compensated absences payable	8,762	11,172
Advances payable	97,957	109,574
Total Current Liabilities	145,384	128,647
Long-Term Liabilities		
Advances payable (net of current portion)	1,267,891	1,365,848
Total Liabilities	1,413,275	1,494,495
Net Assets (Deficit)		
Invested in capital assets	1,290,716	1,254,211
Unrestricted (deficit)	(317,898)	(489,695)
Total Net Assets (Deficit)	$ 972,818	$ 764,516

City of Calhoun, Georgia
Telecommunications Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Assets
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Operating Revenues		
Charges for services	$ 943,803	$ 955,306
Miscellaneous	2,145	6,458
Total Operating Revenues	945,948	961,764
Operating Expenses		
Personal services	256,259	267,495
Contractual services	265,043	244,622
Supplies	38,649	88,771
Interfund allocations	72,965	85,959
Depreciation	93,975	90,236
Total Operating Expenses	726,891	777,083
Operating Income	219,057	184,681
Non-Operating Income (Expenses)		
Investment earnings	5,708	14,462
Interest and fiscal charges	(21,785)	(23,601)
Total Non-operating Income (Expenses)	(16,077)	(9,139)
Income Before Transfers (Out)	202,980	175,542
Transfers in	5,322	17,261
Change in Net Assets	208,302	192,803
Net Assets Beginning of Year	764,516	571,713
Net Assets End of Year	$ 972,818	$ 764,516

City of Calhoun, Georgia
Telecommunications Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Cash Flows from Operating Activities		
Cash received from customers	$ 627,240	$ 631,466
Cash received from interfund services provided	309,411	335,904
Cash payments for personal services	(253,849)	(260,449)
Cash payments for goods and services	(243,189)	(303,262)
Cash payments for interfund services used	(90,092)	(107,854)
Net Cash Provided by (Used in) Operating Activities	349,521	295,805
Cash Flows from Noncapital Financing Activities		
Principal paid on advance	(109,574)	(107,759)
Interest paid on advance	(24,785)	(23,601)
Transfers in	5,322	17,261
Net Cash Provided by (Used in) Noncapital Financing Activities	(129,037)	(114,099)
Cash Flows from Capital and Related Financing Activities		
Payments for capital acquisition and construction	(130,480)	(41,854)
Net Cash Flows Provided by (Used in) Capital and Related Financing Activitie	(130,480)	(41,854)
Cash Flows from Investing Activities		
(Purchase) Disposal of investments	372,055	(13,549)
Investment earnings	5,708	14,462
Net Cash Flows Provided by (Used in) Investing Activities	377,763	913
Net Increase (Decrease) in Cash and Cash Equivalents	467,767	140,765
Cash and Cash Equivalents Beginning of Year	303,215	162,450
Cash and Cash Equivalents End of Year	$ 770,982	$ 303,215

City of Calhoun, Georgia
Telecommunications Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2010 and 2009

(continued)

	2010	2009
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 219,057	$ 184,681
Adjustments		
Depreciation	93,975	90,236
(Increase) Decrease in Assets		
Accounts receivable and accrued revenue	(2,885)	5,606
Inventory	(4,577)	5,164
Interfund receivable	12,612	13,579
Prepaid expenses	(15)	490
Increase (Decrease) in Liabilities		
Accounts payable and accrued expenses	36,864	1,652
Accrued payroll liabilities	(2,410)	7,046
Interfund payable	(3,100)	(12,649)
Net Cash Provided by (Used in) Operating Activities	$ 349,521	$ 295,805

City of Calhoun, Georgia
Solid Waste Fund
Comparative Statements of Net Assets
June 30, 2010 and 2009

	2010	2009
Assets		
Current Assets		
Receivables:		
Accounts	$ 45,044	$ 27,766
Accrued revenue	40,984	41,480
Interfund	57,368	40,681
Prepaid items	3,982	4,486
Total Current Assets	147,378	114,413
Noncurrent Assets		
Capital assets		
Nondepreciable	314,435	314,435
Depreciable capital assets, net	189	197
Total Noncurrent Assets	314,624	314,632
Total Assets	462,002	429,045
Liabilities		
Current Liabilities		
Accounts payable	1,053	1,273
Accrued expenses	37,972	37,797
Interfund payable	77,969	33,153
Post-closure care payable	22,199	21,764
Compensated absences payable	2,970	4,061
Total Current Liabilities	142,163	98,048
Long-Term Liabilities		
Pension liability	54,080	53,928
Post-closure care payable	117,836	140,036
Total Long-Term Liabilities	171,916	193,964
Total Liabilities	314,079	292,012
Net Assets (Deficit)		
Invested in capital assets	314,624	314,632
Unrestricted (deficit)	(166,701)	(177,599)
Total Net Assets (Deficit)	$ 147,923	$ 137,033

City of Calhoun, Georgia
Solid Waste Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Assets
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Operating Revenues		
Charges for services	$ 687,647	$ 447,411
Total Revenues	687,647	447,411
Operating Expenses		
Personal services	179,096	174,343
Contractual services	490,145	486,420
Supplies	21,887	19,128
Interfund allocations	74,040	79,047
Depreciation	8	9
Other	15,345	10,946
Total Operating Expenses	780,521	769,893
Operating (Loss)	(92,874)	(322,482)
Non-Operating Revenues		
Change in estimated landfill closure costs	(3,236)	13,485
Total Non-Operating Revenues	(3,236)	13,485
Loss Before Transfers	(96,110)	(308,997)
Transfers in	107,000	312,541
Change in Net Assets	10,890	3,544
Net Assets Beginning of Year	137,033	133,489
Net Assets End of Year	$ 147,923	$ 137,033

City of Calhoun, Georgia
Solid Waste Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Cash Flows from Operating Activities		
Cash received from customers	$ 652,842	$ 429,669
Cash received from interfund services provided	1,336	1,010
Cash payments for personal services	(180,187)	(172,875)
Cash payments for goods and services	(526,918)	(527,619)
Cash payments for interfund services used	(29,224)	(46,025)
Net Cash Provided by (Used in) Operating Activities	(82,151)	(315,840)
Cash Flows from Noncapital Financing Activities		
Payments for (reductions in) pension liability	152	(4,246)
Transfers in	107,000	312,541
Net Cash Flows from Noncapital Financing Activities	107,152	308,295
Cash Flows from Capital and Related Financing Activities		
Payments for landfill postclosure care	(25,001)	(36,955)
Net Increase (Decrease) in Cash and Cash Equivalents	-	(44,500)
Cash and Cash Equivalents Beginning of Year	-	44,500
Cash and Cash Equivalents End of Year	$ -	$ -

(continued)

City of Calhoun, Georgia
Solid Waste Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2010 and 2009

(continued)

	2010	2009
Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities		
Operating Income (Loss)	$ (92,874)	$ (322,482)
Adjustments		
Depreciation	8	9
(Increase) Decrease in Assets		
Accounts receivable and accrued revenue	(16,782)	(7,153)
Interfund receivable	(16,687)	(9,579)
Prepaid expenses	504	(154)
Increase (Decrease) in Liabilities		
Accounts payables and accrued expenses	(45)	(10,971)
Accrued payroll liabilities	(1,091)	1,468
Interfund payable	44,816	33,022
Net Cash Provided by (Used in) Operating Activities	$ (82,151)	$ (315,840)
Noncash Investing, Capital and Financing Activities		
Transfer of capital assets	$ -	$ -

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INTERNAL SERVICE FUND
INDIVIDUAL FUND STATEMENTS

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or agencies on a cost-reimbursed basis.

City of Calhoun, Georgia
Utilities Administration Fund
Comparative Statements of Net Assets
June 30, 2010 and 2009

	2010	2009
Assets		
Current Assets		
Cash	$ 401,013	$ 28,931
Receivables		
Interfund	31,143	1,182
Prepaid items	72,895	59,028
Total Current Assets	505,051	89,141
Noncurrent Assets		
Capital assets		
Nondepreciable	26,977	26,977
Depreciable, net	1,495,782	1,578,474
Total Noncurrent Assets	1,522,759	1,605,451
Total Assets	2,027,810	1,694,592
Liabilities		
Current Liabilities		
Accounts payable	6,562	10,435
Accrued payroll liabilities	16,954	12,036
Accrued expenses	3,798	-
Deferred revenue	356,400	-
Interfund payable	57,368	116,659
Advances payable	48,876	47,437
Compensated absences payable	52,767	60,258
Total Current Liabilities	542,725	246,825
Long-term Liabilities		
Advances payable (net of current portion)	1,017,801	1,066,678
Total Liabilities	1,560,526	1,313,503
Net Assets (Deficit)		
Invested in capital assets	1,522,759	1,605,451
Unrestricted (deficit)	(1,055,475)	(1,224,362)
Total Net Assets (Deficit)	$ 467,284	$ 381,089

City of Calhoun, Georgia
Utilities Administration Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Assets
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Operating Revenues		
Charges for services	$ 2,635,770	$ 2,808,303
Miscellaneous	56,883	32,254
Total Operating Revenues	2,692,653	2,840,557
Operating Expenses		
Personal services	1,763,588	1,968,697
Contractual services	372,797	390,851
Supplies	115,250	135,797
Depreciation	82,692	87,053
Total Operating Expenses	2,334,327	2,582,398
Operating Income	358,326	258,159
Non-Operating Expenses		
Investment earnings	361	4,571
Interest expense	(32,892)	(34,290)
Total Non-Operating (Expenses)	(32,531)	(29,719)
Income Before Transfers Out	325,795	228,440
Transfers out	(239,600)	(726,110)
Change in Net Assets	86,195	(497,670)
Net Assets Beginning of Year	381,089	878,759
Net Assets End of Year	$ 467,284	$ 381,089

City of Calhoun, Georgia
Utilities Administration Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
Cash Flows from Operating Activities		
Cash received from interfund services provided	$ 2,600,663	$ 2,895,325
Cash received from other	56,883	32,254
Cash payments for personal services	(1,761,015)	(1,953,508)
Cash payments for goods and services	(204,880)	(480,499)
Net Cash Provided by (Used in) Operating Activities	691,651	493,572
Cash Flows from Noncapital Financing Activities		
Transfers out	(239,600)	(726,110)
Advance (payments) from other funds	(47,438)	(46,039)
Interest paid on advance	(32,892)	(34,290)
Total Cash Flows Provided by (Used in) Noncapital Financing Activities	(319,930)	(806,439)
Cash Flows from Capital and Related Financing Activities		
Payments for capital acquisition and construction	-	(62,082)
Cash Flows from Investing Activities		
Investment earnings	361	4,571
Net Increase (Decrease) in Cash and Cash Equivalents	372,082	(370,378)
Cash and Cash Equivalents Beginning of Year	28,931	399,309
Cash and Cash Equivalents End of Year	$ 401,013	$ 28,931

(continued)

City of Calhoun, Georgia
Utilities Administration Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2010 and 2009

(continued)

	2010	2009
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 358,326	$ 258,159
Adjustments		
Depreciation	82,692	87,053
(Increase) Decrease in Assets		
Accounts receivable - other	-	898
Interfund receivables	(29,961)	86,124
Prepaid expenses	(13,867)	(7,118)
Increase (Decrease) in Liabilities		
Accounts payables and accrued expenses	348,834	(8,047)
Accrued payroll liabilities	4,918	5,652
Interfund payable	(59,291)	70,851
Net Cash Provided by (Used in) Operating Activities	$ 691,651	$ 493,572

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AGENCY FUND
INDIVIDUAL FUND STATEMENT

The Municipal Court Fund is used to account for the recording of the payment of fines.

City of Calhoun, Georgia
Municipal Court Agency Fund
Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2010

	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
Assets				
Cash and cash equivalents	$ 23,031	$ 782,786	$ 788,318	$ 17,499
Liabilities				
Interfund payable	$ -	$ 525,893	$ 525,893	$ -
Intergovernmental payable	23,031	256,893	262,425	17,499
Total Liabilities	$ 23,031	$ 782,786	$ 788,318	$ 17,499

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information has not been audited.

Contents	*Exhibit*
Financial Trends	I - XIX
These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in a historical perspective.	
Revenue Capacity	XX - XXX
These tables contain information that may assist the reader in assessing the viability of the City's three most significant "*own-source*" revenue sources, utility charges for services, property taxes and sales taxes. Electric user charges are the primary "own revenue source." Some similiar data for the water and sewerage charges also is presented. The principal sales tax remitters information is not available from the Georgia Department of Revenue, the organization which collects the sales taxes from businesses and remits the City's share to the City.	
Debt Capacity	XXXI - XXXVI
These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	XXXVII - XXXVIII
This table offers demographic and economic indicators that are commonly used for financial analysis and that can inform one's understanding the City's present and ongoing financial status.	
Operating Information	XXXIX - XXXXIII
These tables contain service and infrastructure indicators that can inform one's understanding how the information in the City's financial statements relates to the services the City provides and the activities it performs.	

Data Source:

[1] Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in fiscal year 2003, therefore tables presenting government-wide information include only eight years of data.

Exhibit I

City of Calhoun, Georgia
Government-wide Net Assets by Category[2]
Last Eight Fiscal Years[1]
(accrual basis of accounting)

	Amounts							
	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010
Governmental Activities								
Invested in capital assets, net of related debt	$ 36,086,443	$ 42,837,851	$ 45,071,915	$ 48,576,577	$ 51,507,994	$ 53,918,878	$ 54,267,923	$ 53,654,505
Restricted	2,861,025	3,604,957	2,937,541	3,321,689	4,061,264	4,475,779	6,667,786	8,688,195
Unrestricted	5,295,369	5,586,115	5,516,383	6,892,771	8,464,916	10,331,322	9,368,345	9,567,669
Subtotal Governmental Activities Net Assets	44,242,837	52,028,923	53,525,839	58,791,037	64,034,174	68,725,979	70,304,054	71,910,369
Business-type Activities								
Invested in capital assets, net of related debt	58,727,845	62,366,502	63,845,193	68,383,190	73,551,942	76,306,384	80,087,162	83,941,618
Restricted	90,064	120,210	193,720	121,239	-	2,426,382	-	-
Unrestricted	13,451,520	14,834,989	16,736,179	17,088,381	18,536,443	17,957,256	20,350,076	21,452,054
Subtotal Business-type Activities Net Assets	72,269,429	77,321,701	80,775,092	85,592,810	92,088,385	96,690,022	100,437,238	105,393,672
Primary Government								
Invested in capital assets, net of related debt	94,814,288	105,204,353	108,917,108	116,959,767	125,059,936	130,225,262	134,355,085	137,278,601
Restricted	2,951,089	3,725,167	3,131,261	3,442,928	4,061,264	6,902,161	6,667,786	8,688,195
Unrestricted	18,746,889	20,421,104	22,252,562	23,981,152	27,001,359	28,288,578	29,718,421	31,337,245
Total Primary Government Net Assets	$ 116,512,266	$ 129,350,624	$ 134,300,931	$ 144,383,847	$ 156,122,559	$ 165,416,001	$ 170,741,292	$ 177,304,041

	Percentage of Total							
	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010
Governmental Activities								
Invested in capital assets, net of related debt	81.6%	82.3%	84.2%	82.6%	80.4%	78.5%	77.2%	74.6%
Restricted	6.4%	7.0%	5.5%	5.7%	6.3%	6.5%	9.5%	12.1%
Unrestricted	12.0%	10.7%	10.3%	11.7%	13.2%	15.0%	13.3%	13.3%
Subtotal Governmental Activities Net Assets	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Business-type Activities								
Invested in capital assets, net of related debt	81.3%	80.7%	79.0%	79.9%	79.9%	78.9%	79.7%	79.6%
Restricted	0.1%	0.1%	0.3%	0.1%	0.0%	2.5%	0.0%	0.0%
Unrestricted	18.6%	19.2%	20.7%	20.0%	20.1%	18.6%	20.3%	20.4%
Subtotal Business-type Activities Net Assets	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Primary Government								
Invested in capital assets, net of related debt	81.4%	81.3%	81.1%	81.0%	80.1%	78.7%	78.7%	77.4%
Restricted	2.5%	2.9%	2.3%	2.4%	2.6%	4.2%	3.9%	4.9%
Unrestricted	16.1%	15.8%	16.6%	16.6%	17.3%	17.1%	17.4%	17.7%
Total Primary Government Net Assets	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

[1] The City implemented GASB Statement No. 34 in fiscal year 2003, therefore, only eight years of government-wide data is presented.

[2] Accounting standards require that net assets be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net assets are considered restricted only when (1) an external party, such as the State of Georgia or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the City. There are no restrictions currently reported as a result of enabling legislation.

City of Calhoun, Georgia
Chart-Government-wide Net Assets by Category
Last Eight Fiscal Years
(accrual basis of accounting)

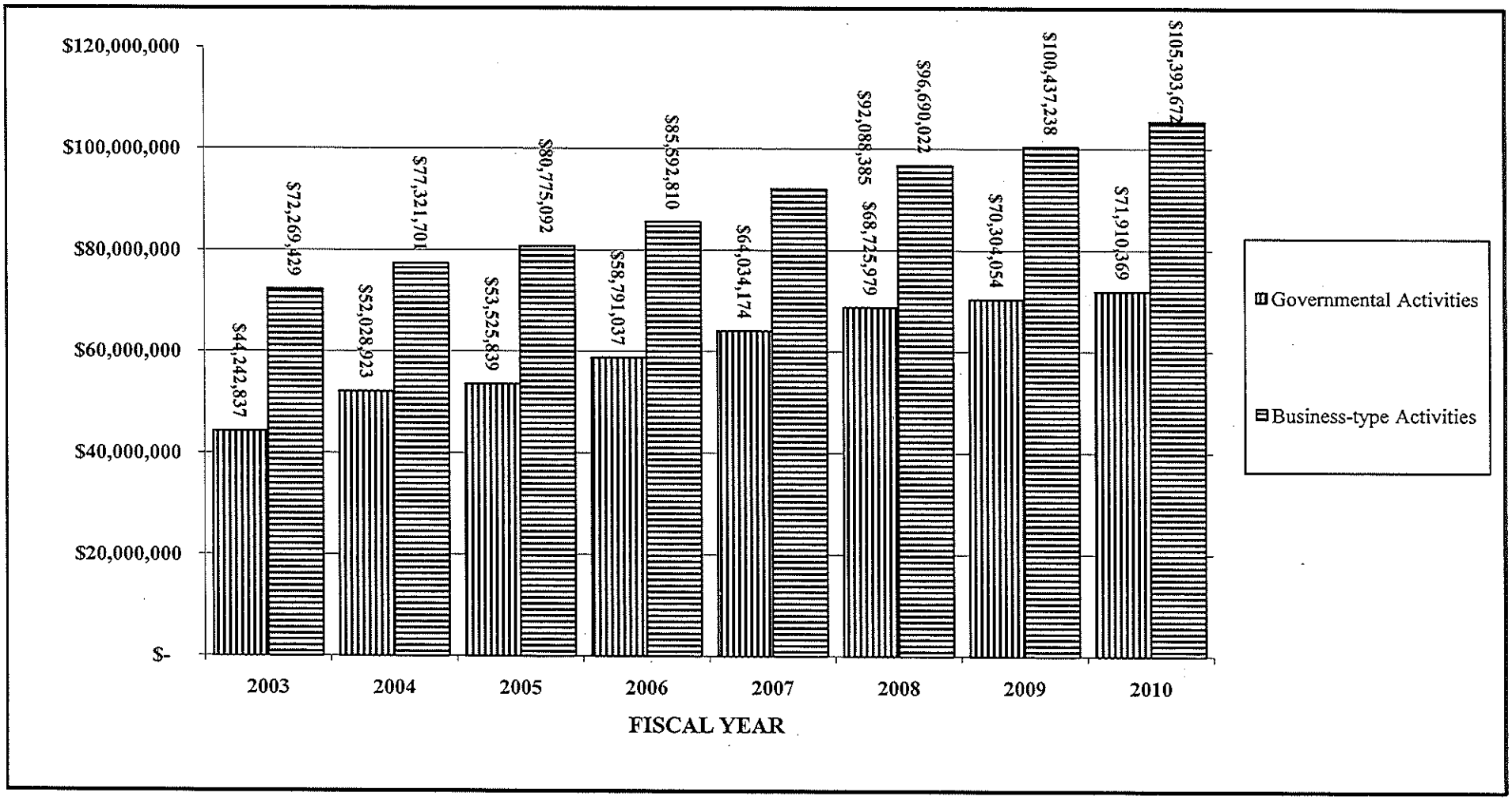


Exhibit II

City of Calhoun, Georgia
Changes in Net Assets - Governmental Activities
Last Eight Fiscal Years [1]
(accrual basis of accounting)

	Fiscal Year Ended June 30,							
Source	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Expenses:								
General government	$ 710,210	$ 724,573	$ 832,492	$ 653,112	$ 856,885	$ 740,757	$ 1,027,285	$ 913,704
Judicial	162,710	205,219	220,446	300,437	333,732	362,286	368,035	369,108
Public safety	5,036,828	5,194,661	5,409,211	5,577,829	5,813,605	6,520,476	6,660,064	6,535,237
Public works	2,295,497	2,109,709	2,339,889	2,408,558	2,049,161	2,440,432	2,671,335	2,652,196
Health and welfare	47,548	43,819	44,192	53,820	52,705	55,875	57,673	63,526
Culture and recreation	898,009	930,482	968,147	1,109,401	1,286,790	1,830,845	1,623,602	1,589,819
Housing and economic development	748,300	979,164	716,010	713,760	780,430	1,040,290	1,033,443	953,607
Education	1,283,162	907,571	2,681,712	1,063,098	909,255	887,135	963,995	937,959
Interest and fiscal charges	844,856	921,762	889,719	828,672	786,380	708,843	716,362	677,260
Total Expenses	12,027,120	12,016,960	14,101,818	12,708,687	12,868,943	14,586,939	15,121,794	14,692,416
Program Revenues:								
Charges for services:								
General government	64,258	67,924	65,525	69,117	114,157	124,752	139,888	136,106
Public safety	791,925	863,975	817,269	1,074,297	1,063,990	1,026,933	794,988	856,148
Public works	40,983	8,150	21,313	23,520	39,559	23,093	25,710	17,094
Culture and recreation	123,478	169,613	164,760	167,617	177,231	176,613	160,558	159,990
Housing and economic development	150,840	129,730	187,595	124,697	201,835	154,646	136,787	98,116
Operating grants and contributions	3,789,345	2,928,646	2,676,043	3,045,332	3,204,758	1,234,401	3,567,012	3,858,010
Capital grants and contributions	6,031,556	6,548,214	2,857,095	3,896,151	2,296,511	3,670,024	717,406	361,368
Total Program Revenues	10,992,385	10,716,252	6,789,600	8,400,731	7,098,041	6,410,462	5,542,349	5,486,832
Net (Expense) Revenue	(1,034,735)	(1,300,708)	(7,312,218)	(4,307,956)	(5,770,902)	(8,176,477)	(9,579,445)	(9,205,584)
General Revenues and Transfers In:								
Taxes:								
Property	1,002,095	955,544	808,419	991,848	1,367,889	1,111,884	1,784,007	1,818,434
Sales	1,600,317	1,713,091	1,825,447	2,154,621	2,207,259	4,075,815	3,940,661	4,100,660
Business license and franchise taxes	2,306,202	2,432,617	2,445,189	2,658,643	2,732,003	2,821,431	2,653,235	2,599,128
Insurance premium	458,202	496,567	534,241	558,949	583,046	606,368	605,645	566,412
Gas marketers	521,738	499,670	218,759	158,725	116,389	94,575	89,812	88,840
Other	555,170	553,468	592,116	596,565	661,179	696,941	697,715	673,066
Unrestricted intergovernmental	65,101	48,162	54,411	63,781	68,679	60,384	62,496	33,636
Investment earnings	498,250	304,280	151,413	292,899	448,503	462,878	230,986	145,205
Miscellaneous	87,070	117,052	63,472	37,995	96,724	62,687	127,259	54,037
Transfers in	1,275,770	1,966,343	2,115,667	1,973,154	2,262,196	1,212,939	965,704	732,481
Total General Revenues and Transfers In	8,369,915	9,086,794	8,809,134	9,487,180	10,543,867	11,205,902	11,157,520	10,811,899
Change in Net Assets	$ 7,335,180	$ 7,786,086	$ 1,496,916	$ 5,179,224	$ 4,772,965	$ 3,029,425	$ 1,578,075	$ 1,606,315

Notes:

[1] The City implemented GASB Statement No. 34 in fiscal year 2003, therefore, only eight years of government-wide data is presented.

Exhibit III

City of Calhoun, Georgia
Changes in Net Assets - Governmental Activities - Percentage of Total
Last Eight Fiscal Years [1]
(accrual basis of accounting)

	Fiscal Year Ended June 30,							
Source	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Expenses:								
General government	5.9%	6.0%	5.9%	5.1%	6.7%	5.1%	6.8%	6.2%
Judicial	1.4%	1.7%	1.6%	2.4%	2.6%	2.5%	2.4%	2.5%
Public safety	41.9%	43.2%	38.4%	43.9%	45.2%	44.7%	44.0%	44.5%
Public works	19.1%	17.6%	16.6%	19.0%	15.9%	16.7%	17.7%	18.1%
Health and welfare	0.4%	0.4%	0.3%	0.4%	0.4%	0.4%	0.4%	0.4%
Culture and recreation	7.5%	7.7%	6.9%	8.7%	10.0%	12.6%	10.7%	10.8%
Housing and economic development	6.2%	8.1%	5.1%	5.6%	6.1%	7.1%	6.8%	6.5%
Education	10.6%	7.6%	18.9%	8.4%	7.2%	6.2%	6.5%	6.5%
Interest and fiscal charges	7.0%	7.7%	6.3%	6.5%	6.1%	4.9%	4.7%	4.6%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Program Revenues:								
Charges for services:								
General government	0.6%	0.6%	1.0%	0.8%	1.6%	1.9%	2.5%	2.5%
Public safety	7.2%	8.1%	12.0%	12.8%	15.0%	16.0%	14.3%	15.6%
Public works	0.4%	0.1%	0.3%	0.3%	0.6%	0.4%	0.5%	0.3%
Culture and recreation	1.1%	1.6%	2.4%	2.0%	2.5%	2.8%	2.9%	2.9%
Housing and economic development	1.4%	1.2%	2.8%	1.5%	2.8%	2.4%	2.5%	1.8%
Operating grants and contributions	34.5%	27.3%	39.4%	36.3%	45.1%	19.3%	64.4%	70.3%
Capital grants and contributions	54.8%	61.1%	42.1%	46.3%	32.4%	57.3%	12.9%	6.6%
Total Program Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
General Revenues and Transfers In:								
Taxes:								
Property	12.0%	10.5%	9.2%	10.5%	13.0%	9.9%	16.0%	16.8%
Sales	19.1%	18.9%	20.7%	22.7%	20.9%	36.5%	35.4%	38.0%
Business license and franchise taxes	27.6%	26.8%	27.8%	28.0%	25.9%	25.2%	23.8%	24.0%
Insurance premium	5.5%	5.5%	6.1%	5.9%	5.5%	5.4%	5.4%	5.2%
Gas marketers	6.2%	5.5%	2.5%	1.7%	1.1%	0.8%	0.8%	0.8%
Other	6.6%	6.1%	6.7%	6.3%	6.3%	6.2%	6.3%	6.2%
Unrestricted intergovernmental	0.8%	0.5%	0.6%	0.7%	0.7%	0.5%	0.6%	0.3%
Investment earnings	6.0%	3.3%	1.7%	3.1%	4.3%	4.1%	2.1%	1.3%
Miscellaneous	1.0%	1.3%	0.7%	0.4%	0.9%	0.6%	1.1%	0.5%
Transfers in	15.2%	21.6%	24.0%	20.7%	21.5%	10.7%	8.6%	6.7%
Total General Revenues and Transfers In	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

[1] The City implemented GASB Statement No. 34 in fiscal year 2003, therefore, only eight years of government-wide data is presented.

Exhibit IV

City of Calhoun, Georgia
Tax Revenues by Source - Governmental Activities
Last Eight Fiscal Years[1]
(accrual basis of accounting)

Fiscal Year Ended June 30,	Amounts						
	Property	Local Option Sales	Business License and Franchise	Insurance Premium	Gas Marketers	Other[2]	Total
2003	$ 1,002,095	$ 1,600,317	$ 2,306,202	$ 458,202	$ 521,738	$ 555,170	$ 6,443,724
2004	955,544	1,713,091	2,432,617	496,567	499,670	553,468	6,650,957
2005	808,419	1,825,447	2,445,189	534,241	218,759	592,116	6,424,171
2006	991,848	2,154,621	2,658,643	558,949	158,725	596,565	7,119,351
2007	1,367,889	2,207,259	2,732,003	583,046	116,389	661,179	7,667,765
2008	1,111,884	4,075,815	2,821,431	606,368	94,575	696,941	9,407,014
2009	1,784,007	3,940,661	2,653,235	605,645	89,812	687,715	9,761,075
2010	1,818,434	4,100,660	2,599,128	566,412	88,840	673,066	9,846,540
% Change From 2003-2010	81.5%	156.2%	12.7%	23.6%	-83.0%	21.2%	52.8%

Fiscal Year Ended June 30,	Percentage of Total						
	Property	Local Option Sales	Business License and Franchise	Insurance Premium	Gas Marketers	Other[1]	Total
2003	15.6%	24.8%	35.8%	7.1%	8.1%	8.6%	100.0%
2004	14.4%	25.8%	36.6%	7.5%	7.5%	8.2%	100.0%
2005	12.6%	28.4%	38.1%	8.3%	3.4%	9.2%	100.0%
2006	13.9%	30.3%	37.3%	7.9%	2.2%	8.4%	100.0%
2007	17.8%	28.8%	35.6%	7.6%	1.5%	8.7%	100.0%
2008	11.8%	43.3%	30.0%	6.4%	1.0%	7.5%	100.0%
2009	18.3%	40.4%	27.2%	6.2%	0.9%	7.1%	100.0%
2010	18.5%	41.6%	26.4%	5.8%	0.9%	6.9%	200.0%

Notes:

[1] The City implemented GASB Statement No. 34 in fiscal year 2003, therefore, only eight years of government-wide data is presented.

[2] Includes financial institution business taxes and hotel/motel taxes.

Exhibit V

City of Calhoun, Georgia
Changes in Net Assets - Business-type Activities
Last Eight Fiscal Years [1]
(accrual basis of accounting)

	Fiscal Year Ended June 30,							
Source	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Expenses:								
Electric system	$ 20,393,826	$ 21,319,448	$ 22,540,426	$ 25,441,726	$ 24,140,215	$ 24,022,988	$ 21,109,534	$ 22,037,788
Water and sewerage system	11,016,875	10,714,833	11,278,166	12,393,869	13,465,985	14,243,150	13,489,650	12,611,049
Fields Ferry golf course	1,143,372	1,181,059	1,153,574	1,138,067	1,140,348	1,124,018	1,109,778	1,055,421
Telecommunications	588,124	651,075	576,736	645,065	711,990	702,866	796,054	748,676
Solid waste	963,170	886,979	850,943	1,002,433	992,069	801,965	751,610	783,757
Total Expenses	34,105,367	34,753,394	36,399,845	40,621,160	40,450,607	40,894,987	37,256,626	37,236,691
Program Revenues:								
Charges for services:								
Electric system	23,542,563	24,545,373	24,182,335	27,607,811	26,460,667	27,249,318	24,485,503	25,043,967
Water and sewerage system	12,184,616	13,647,944	13,790,525	14,931,786	17,151,316	15,595,960	14,080,039	14,807,017
Fields Ferry golf course	882,467	882,605	836,799	841,132	931,627	947,832	815,499	752,590
Telecommunications	707,711	702,469	717,008	813,975	833,147	901,719	955,306	943,803
Solid waste	428,689	445,174	487,415	725,930	768,936	450,665	447,411	687,647
Operating grants and contributions	1,275,360	-	-	-	-	-	-	-
Capital grants and contributions	761,688	1,226,802	1,495,935	1,747,936	2,662,406	409,519	332,915	64,200
Total Program Revenues	39,783,094	41,450,367	41,510,017	46,668,570	48,808,099	45,555,013	41,116,673	42,299,224
Net (Expense) Revenue	5,677,727	6,696,973	5,110,172	6,047,410	8,357,492	4,660,026	3,860,047	5,062,533
General Revenues and Net Transfers :								
Investment earnings	202,045	178,202	231,464	407,941	592,810	705,127	550,438	308,070
Miscellaneous	253,538	143,440	437,527	423,012	320,181	449,423	302,435	318,312
Net transfers	(1,275,770)	(1,966,343)	(2,115,667)	(1,973,154)	(2,262,196)	(1,212,939)	(965,704)	(732,481)
Total General Revenues and Transfers	(820,187)	(1,644,701)	(1,446,676)	(1,142,201)	(1,349,205)	(58,389)	(112,831)	(106,099)
Change in Net Assets	$ 4,857,540	$ 5,052,272	$ 3,663,496	$ 4,905,209	$ 7,008,287	$ 4,601,637	$ 3,747,216	$ 4,956,434

Notes:

[1] The City implemented GASB Statement No. 34 in fiscal year 2003, therefore, only eight years of government-wide data is presented.

Exhibit VI

City of Calhoun, Georgia
Changes in Net Assets - Business-type Activities - Percentage of Total
Last Eight Fiscal Years [1]
(accrual basis of accounting)

	Fiscal Year Ended June 30,							
Source	2003	2004	2005	2006	2007	2008	2009	2010
Expenses:								
Electric system	59.8%	61.3%	61.9%	62.6%	59.7%	58.7%	56.7%	59.2%
Water and sewerage system	32.3%	30.8%	31.0%	30.5%	33.3%	34.8%	36.2%	33.9%
Fields ferry golf course	3.4%	3.4%	3.2%	2.8%	2.8%	2.7%	3.0%	2.8%
Telecommunications	1.7%	1.9%	1.6%	1.6%	1.8%	1.7%	2.1%	2.0%
Solid waste	2.8%	2.6%	2.3%	2.5%	2.4%	1.9%	1.9%	2.0%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Program Revenues:								
Charges for services:								
Electric system	59.2%	59.2%	58.3%	59.2%	54.2%	59.8%	59.6%	59.2%
Water and sewerage system	30.6%	32.9%	33.2%	32.0%	35.1%	34.2%	34.2%	35.0%
Fields ferry golf course	2.2%	2.1%	2.0%	1.8%	1.9%	2.1%	2.0%	1.8%
Telecommunications	1.8%	1.7%	1.7%	1.7%	1.7%	2.0%	2.3%	2.2%
Solid waste	1.1%	1.1%	1.2%	1.6%	1.6%	1.0%	1.1%	1.6%
Operating grants and contributions	3.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital grants and contributions	1.9%	3.0%	3.6%	3.7%	5.6%	1.0%	0.9%	0.3%
Total Program Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

[1] The City implemented GASB Statement No. 34 in fiscal year 2003, therefore, only eight years of government-wide data is presented.

Exhibit VII

City of Calhoun, Georgia
Changes in Net Assets - Total
Last Eight Fiscal Years [1]
(accrual basis of accounting)

	Fiscal Year Ended June 30,							
Source	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Expenses:								
Governmental activities[2]	$ 12,027,120	$ 12,016,960	$ 14,101,818	$ 12,708,687	$ 12,868,943	$ 14,586,939	$ 15,121,794	$ 14,692,416
Business-type activities[3]	34,105,367	34,753,394	36,399,845	40,621,160	40,450,607	40,894,987	37,256,626	37,236,691
Total Expenses	46,132,487	46,770,354	50,501,663	53,329,847	53,319,550	55,481,926	52,378,420	51,929,107
Program Revenues								
Governmental activities[2]	10,992,385	10,716,252	6,789,600	8,400,731	7,098,041	6,410,462	5,542,349	5,486,832
Business-type activities[3]	39,783,094	41,450,367	41,510,017	46,668,570	48,808,099	45,555,013	41,116,673	42,299,224
Total Program Revenues	50,775,479	52,166,619	48,299,617	55,069,301	55,906,140	51,965,475	46,659,022	47,786,056
Net (Expense) Revenue	4,642,992	5,396,265	(2,202,046)	1,739,454	2,586,590	(3,516,451)	(5,719,398)	(4,143,051)
General Revenues and Transfers:								
Governmental activities[2]	8,369,915	9,086,794	8,809,134	9,487,180	10,543,867	11,205,902	11,157,520	10,811,899
Business-type activities[3]	(820,187)	(1,644,701)	(1,446,676)	(1,142,201)	(1,349,205)	(58,389)	(112,831)	(106,099)
Total General Revenues and Transfers	7,549,728	7,442,093	7,362,458	8,344,979	9,194,662	11,147,513	11,044,689	10,705,800
Change in Net Assets	$ 12,192,720	$ 12,838,358	$ 5,160,412	$ 10,084,433	$ 11,781,252	$ 7,631,062	$ 5,325,291	$ 6,562,749

Notes:

[1] The City implemented GASB Statement No. 34 in fiscal year 2003, therefore, only eight years of government-wide data is presented.

Data Source:

[2] Exhibit II.

[3] Exhibit V.

Exhibit VIII

City of Calhoun, Georgia
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Fund										
Reserved	$ 61,004	$ 88,816	$ 134,638	$ 151,322	$ 284,676	$ 200,841	$ 172,825	$ 130,383	$ 393,709	$ 509,437
Unreserved	7,635,036	6,261,243	6,838,895	6,935,822	6,961,232	7,910,115	8,878,944	8,256,074	6,863,088	5,934,113
Subtotal General Fund	7,696,040	6,350,059	6,973,533	7,087,144	7,245,908	8,110,956	9,051,769	8,386,457	7,256,797	6,443,550
General Fund Percentage Change	0.7%	-17.5%	9.8%	1.6%	2.2%	11.9%	11.6%	-7.4%	-13.5%	-11.2%
All Other Governmental Funds										
Reserved [1]	847,889	14,872,548	19,443,163	4,018,791	2,638,477	3,184,559	3,745,336	4,235,633	6,032,693	7,664,639
Unreserved										
Special Revenue Funds	-	(17,720)	(31,858)	(20,415)	(27,456)	5,313	28,026	23,051	(20,804)	(1,385)
Capital Projects Funds	(3,316)	15,875	(202,717)	(262,403)	(474,744)	(119,531)	(119,589)	2,350,758	2,487,585	3,197,082
Subtotal All Other Governmental Funds	844,573	14,870,703	19,208,588	3,735,973	2,136,277	3,070,341	3,653,773	6,609,442	8,499,474	10,860,336
Total Governmental Funds										
Reserved	908,893	14,961,364	19,577,801	4,170,113	2,923,153	3,385,400	3,918,161	4,366,016	6,426,402	8,174,076
Unreserved	7,631,720	6,259,398	6,604,320	6,653,004	6,459,032	7,795,897	8,787,381	10,629,883	9,329,869	9,129,810
Total Governmental Funds	$ 8,540,613	#########	$ 26,182,121	$10,823,117	$ 9,382,185	$ 11,181,297	$ 12,705,542	$ 14,995,899	$ 15,756,271	$ 17,303,886
All Governmental Funds Percentage Change	7.8%	148.5%	23.4%	-58.7%	-13.3%	19.2%	13.6%	18.0%	5.1%	9.8%

Notes:

[1] In fiscal year 2002, the City issued general obligation bonds totaling $14,995,000 and in fiscal year 2003, the City issued $5,000,000 in general obligation bonds. The large reserved fund balance at June 30, 2002 and 2003 relates to the unspent bond proceeds.

City of Calhoun, Georgia

General Governmental Revenues by Source (Unaudited) [1]

Last Ten Fiscal Years

(modified accrual basis of accounting)

Source	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues:										
Taxes	$ 4,761,980	$ 3,732,102	$ 6,364,867	$ 6,603,583	$ 6,579,058	$ 7,281,831	$ 7,474,872	$ 7,698,581	$ 7,404,954	$ 7,256,952
Intergovernmental	546,971	991,754	4,534,713	4,741,557	4,123,355	5,130,474	4,931,359	6,688,782	6,242,934	6,388,360
Licenses and permits	2,586,416	2,498,142	211,321	185,223	241,404	192,627	298,341	258,454	262,284	219,490
Charges for services	1,535,176	1,738,732	1,995,470	2,187,676	2,218,450	288,820	383,276	406,544	391,946	375,453
Fines and forfeitures	934,377	989,271	843,318	696,023	780,862	870,448	893,024	767,025	594,969	588,606
Contributions and donations	-	-	15,156	5,093	3,622	347,775	44,390	1,929	28,138	1,393
Investment earnings	-	-	498,250	304,280	151,413	292,899	448,503	462,878	230,986	145,205
Miscellaneous[2]	547,930	560,970	101,970	132,202	89,787	62,963	51,839	71,977	38,330	35,097
Total Revenues	10,912,850	10,510,971	14,565,065	14,855,637	14,187,951	14,467,837	14,525,604	16,356,170	15,194,541	15,010,556
% change from prior year	26.3%	-3.7%	38.6%	2.0%	-4.5%	2.0%	0.4%	12.6%	-7.1%	-1.2%
Taxes	43.6%	35.5%	43.7%	44.5%	46.4%	50.3%	51.5%	47.1%	48.7%	48.3%
Intergovernmental	5.0%	9.4%	31.1%	31.9%	29.1%	35.5%	33.9%	40.9%	41.1%	42.6%
Licenses and permits	23.7%	23.8%	1.5%	1.2%	1.7%	1.3%	2.1%	1.6%	1.7%	1.5%
Fines and forfeitures	14.1%	16.5%	13.7%	14.7%	15.6%	2.0%	2.6%	2.5%	2.6%	2.5%
Charges for services	8.6%	9.4%	5.8%	4.7%	5.5%	6.0%	6.1%	4.7%	3.9%	3.9%
Contributions and donations	0.0%	0.0%	0.1%	0.0%	0.0%	2.4%	0.3%	0.0%	0.2%	0.0%
Investment earnings	0.0%	0.0%	3.4%	2.0%	1.1%	2.0%	3.1%	2.8%	1.5%	1.0%
Miscellaneous	5.0%	5.4%	0.7%	1.0%	0.6%	0.5%	0.4%	0.4%	0.3%	0.2%
Total revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

[1] Includes all governmental fund types.

[2] Investment earnings included in miscellaneous revenues for fiscal years 2001 - 2002.

Exhibit X

City of Calhoun, Georgia
Tax Revenues by Source - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(in thousand dollars)

Fiscal Year Ended June 30,	Amounts[1]						
	Property	Local Option Sales	Business License and Franchise	Insurance Premium	Gas Marketers	Other[2]	Total
2001	$ 1,824	$ 1,615	$ -	$ 387	$ 235	$ 701	$ 4,762
2002	937	1,555	-	425	77	738	3,732
2003	923	1,600	2,306	458	522	556	6,365
2004	908	1,713	2,432	497	500	554	6,604
2005	963	1,825	2,446	534	219	592	6,579
2006	1,154	2,155	2,659	559	159	596	7,282
2007	1,174	2,207	2,726	583	116	668	7,474
2008	1,220	2,259	2,813	606	95	706	7,699
2009	1,342	2,017	2,653	606	90	698	7,406
2010	1,386	1,943	2,600	566	89	673	7,257
% Change From 2001-2010	-24.0%	20.3%	100.0%	46.3%	-62.1%	-4.0%	52.4%

Fiscal Year Ended June 30,	Percentage of Total						
	Property	Local Option Sales	Business License and Franchise	Insurance Premium	Gas Marketers	Other[1]	Total
2001	38.3%	33.9%	0.0%	8.1%	4.9%	14.7%	100.0%
2002	25.1%	41.7%	0.0%	11.4%	2.1%	19.8%	100.0%
2003	14.5%	25.1%	36.2%	7.2%	8.2%	8.7%	100.0%
2004	13.7%	25.9%	36.8%	7.5%	7.6%	8.4%	100.0%
2005	14.6%	27.7%	37.2%	8.1%	3.3%	9.0%	100.0%
2006	15.8%	29.6%	36.5%	7.7%	2.2%	8.2%	100.0%
2007	15.7%	29.5%	36.5%	7.8%	1.6%	8.9%	100.0%
2008	15.8%	29.3%	36.5%	7.9%	1.2%	9.2%	100.0%
2009	18.1%	27.2%	35.8%	8.2%	1.2%	9.4%	100.0%
2010	19.1%	26.8%	35.8%	7.8%	1.2%	9.3%	100.0%

Notes:

[1] Amounts presented in $1,000's.

[2] Includes beer, wine, and liquor taxes, financial institution business taxes, and hotel/motel taxes.

City of Calhoun, Georgia

General Governmental Expenditures by Function (Unaudited) [1]

Last Ten Fiscal Years

(modified accrual basis of accounting)

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Expenditures:										
Current:										
General government [2]	$ 2,001,159	$ 2,341,960	$ 2,397,250	$ 2,558,450	$ 2,719,269	$ 616,511	$ 847,374	$ 1,126,658	$ 1,004,306	$ 897,578
Judicial	-	-	162,710	206,840	220,424	299,345	333,892	360,207	400,454	363,530
Public safety	4,230,051	4,749,253	4,799,964	5,078,134	5,190,075	5,524,642	6,467,129	7,357,039	7,046,335	6,263,391
Public works	1,515,504	1,505,118	1,943,132	1,720,516	1,878,830	1,810,968	1,497,415	1,408,513	1,888,208	1,770,722
Health and welfare	55,185	55,547	47,345	43,559	45,037	53,820	52,567	55,905	58,254	63,698
Culture and recreation	563,618	724,655	763,662	762,312	766,077	872,095	1,365,314	2,122,797	1,279,260	1,181,283
Housing and economic development	459,321	546,793	758,680	972,734	715,135	729,760	786,511	1,064,702	1,020,584	939,055
Education	45,396	58,760	90,787	112,294	104,360	115,002	140,057	97,775	133,712	112,978
Total Current	8,870,234	9,982,086	10,963,530	11,454,839	11,639,207	10,022,143	11,490,259	13,593,596	12,831,113	11,592,235
% Change From Prior Year	12.6%	12.5%	9.8%	4.5%	1.6%	-13.9%	14.6%	18.3%	-5.6%	-9.7%
Capital Outlay	2,059,077	2,242,653	4,322,015	18,304,185	3,298,608	2,038,891	1,702,369	1,706,004	1,375,312	897,516
% Change From Prior Year	12.1%	8.9%	92.7%	323.5%	-82.0%	-38.2%	-16.5%	0.2%	-19.4%	-34.7%
Debt Service										
Principal	296,985	1,109,195	406,562	1,466,990	1,912,233	1,884,403	2,033,809	1,731,681	979,602	1,068,637
Interest and fees	246,637	237,613	921,051	957,679	894,502	836,140	795,824	744,110	710,875	676,517
Total Debt Service	543,622	1,346,808	1,327,613	2,424,669	2,806,735	2,720,543	2,829,633	2,475,791	1,690,477	1,745,154
% Change From Prior Year	24.9%	147.7%	-1.4%	82.6%	15.8%	-3.1%	4.0%	-12.5%	-31.7%	3.2%
Total Expenditures	11,472,933	13,571,547	16,613,158	32,183,693	17,744,550	14,781,577	16,022,261	17,775,391	15,896,902	14,234,905
Debt Service as a % of Noncapital Expenditures	5.8%	11.9%	10.8%	17.5%	19.4%	21.3%	19.8%	15.4%	11.6%	13.1%

Notes:

[1] Includes all governmental fund types.

[2] In fiscal year 2006, the City established an utility internal service fund which accounts for all utility billing services which previously were included within the general fund and then charged back to the

City of Calhoun, Georgia

General Governmental Current Expenditures by Function (Unaudited) [1]

Last Ten Fiscal Years

(modified accrual basis of accounting)

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Expenditures:										
Current:										
General government [2]	$ 2,001,159	$ 2,341,960	$ 2,397,250	$ 2,558,450	$ 2,719,269	$ 616,511	$ 847,374	$ 1,126,658	$ 1,004,306	$ 897,578
Judicial	-	-	162,710	206,840	220,424	299,345	333,892	360,207	400,454	363,530
Public safety	4,230,051	4,749,253	4,799,964	5,078,134	5,190,075	5,524,642	6,467,129	7,357,039	7,046,335	6,394,999
Public works	1,515,504	1,505,118	1,943,132	1,720,516	1,878,830	1,810,968	1,497,415	1,408,513	1,888,208	2,048,529
Health and welfare	55,185	55,547	47,345	43,559	45,037	53,820	52,567	55,905	58,254	63,698
Culture and recreation	563,618	724,655	763,662	762,312	766,077	872,095	1,365,314	2,122,797	1,279,260	1,188,282
Housing and economic development	459,321	546,793	758,680	972,734	715,135	729,760	786,511	1,064,702	1,020,584	1,023,147
Education	45,396	58,760	90,787	112,294	104,360	115,002	140,057	97,775	133,712	112,978
Total Current	$ 8,870,234	$ 9,982,086	##########	$ 11,454,839	$ 11,639,207	$ 10,022,143	$ 11,490,259	$13,593,596	$12,831,113	$12,092,741
Current:										
General government	22.6%	23.5%	21.9%	22.3%	23.4%	6.2%	7.4%	8.3%	7.8%	7.4%
Judicial	0.0%	0.0%	1.5%	1.8%	1.9%	3.0%	2.9%	2.6%	3.1%	3.0%
Public safety	47.7%	47.6%	43.8%	44.3%	44.6%	55.1%	56.3%	54.1%	54.9%	52.9%
Public works	17.1%	15.1%	17.7%	15.0%	16.1%	18.1%	13.0%	10.4%	14.7%	16.9%
Health and welfare	0.6%	0.6%	0.4%	0.4%	0.4%	0.5%	0.5%	0.4%	0.5%	0.5%
Culture and recreation	6.4%	7.3%	7.0%	6.7%	6.6%	8.7%	11.9%	15.6%	10.0%	9.8%
Housing and economic development	5.2%	5.5%	6.9%	8.5%	6.1%	7.3%	6.8%	7.8%	8.0%	8.5%
Education	0.5%	0.6%	0.8%	1.0%	0.9%	1.1%	1.2%	0.7%	1.0%	0.9%
Total Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

[1] Includes all governmental fund types.

[2] In fiscal year 2006, the City established an utility internal service fund which accounts for all utility billing services which previously were included within the general fund and then charged back to the utilities.

City of Calhoun, Georgia
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Revenues - Exhibit IX	$ 10,912,850	$ 10,510,971	$ 14,565,065	$ 14,855,637	$ 14,187,951	$ 14,467,837	$ 14,525,604	$16,356,170	$15,194,541	$15,010,556
Total Expenditures - Exhibit XI	11,472,933	13,571,547	16,613,158	32,183,693	17,744,550	14,781,577	16,022,261	17,775,391	15,896,902	14,234,905
Excess (Deficiency) of Revenues Over (Under) Expenditures	(560,083)	(3,060,576)	(2,048,093)	(17,328,056)	(3,556,599)	(313,740)	(1,496,657)	(1,419,221)	(702,361)	775,651
Other Financing Sources (Uses)										
Sale of capital assets	-	-	-	2,709	-	29,421	104,706	15,966	8,561	39,482
General obligation bonds issued	-	-	5,000,000	-	-	-	-	-	-	-
Premium on debt issuance	-	-	537,876	-	-	-	-	-	-	-
Inception of capital lease	-	-	-	-	-	-	696,540	694,872	392,733	-
Insurance reimbursement	-	-	-	-	-	-	-	-	95,735	-
Transfers in	2,300,157	18,248,306	2,419,463	3,029,234	3,215,586	3,173,399	3,744,120	3,991,525	3,446,361	3,351,073
Transfers out	(1,138,269)	(1,909,313)	(1,143,693)	(1,062,891)	(1,099,919)	(1,043,580)	(1,481,924)	(2,655,165)	(2,480,657)	(2,618,591)
Total Other Financing Sources (Uses)	1,161,888	16,338,993	6,813,646	1,969,052	2,115,667	2,159,240	3,063,442	2,047,198	1,462,733	771,964
Net Change in Fund Balances	$ 601,805	$ 13,278,417	$ 4,765,553	$ (15,359,004)	$ (1,440,932)	$ 1,845,500	$ 1,566,785	$ 627,977	$ 760,372	$ 1,547,615

Exhibit XIV

City of Calhoun, Georgia

Operating Revenue, Expenses and Income (Loss) [2]

Electric Service

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Operating Revenue [1]		Operating Expenses		Operating Income (Loss)	
	Amount	% Change	Amount	% Change	Amount	% Change
2001	$ 22,858,034	8.3%	$ 19,058,906	6.8%	$ 3,799,128	-20.3%
2002	23,730,718	3.8%	20,321,225	6.6%	3,409,493	10.3%
2003	24,646,575	3.9%	21,289,397	4.8%	3,357,178	-1.5%
2004	24,310,378	-1.4%	22,446,977	5.4%	1,863,401	-44.5%
2005	27,861,141	14.6%	25,440,839	13.3%	2,420,302	29.9%
2006	26,580,505	-4.6%	24,156,151	-5.0%	2,424,354	0.2%
2007	26,580,505	0.0%	24,002,025	-0.6%	2,578,480	6.4%
2008	27,326,985	2.8%	24,002,025	0.0%	3,324,960	29.0%
2009	24,681,008	-9.7%	21,119,945	-12.0%	3,564,276	7.2%
2010	25,215,582	2.2%	22,076,039	4.5%	3,139,543	-11.9%

Notes:

[1] Includes charges for services and miscellaneous operating revenue.

Data Source:

[2] Exhibit XV.

Exhibit XV

City of Calhoun, Georgia
Detailed Operating Revenues, Expenses and Income (Loss)
Electric Service
Last Ten Fiscal Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Operating Revenues	$ 21,746,608	$ 22,858,034	$ 23,730,718	$24,646,575	$24,310,378	$ 27,861,141	$ 26,580,505	$27,326,985	$ 24,681,008	$ 25,215,582
Operating Expenses:										
Personal services	680,004	897,864	878,686	763,755	943,172	1,038,029	1,105,318	1,146,427	1,096,791	1,006,135
Contractual services	1,376,275	1,548,147	1,444,399	1,486,416	1,432,173	1,562,421	1,456,984	1,380,497	1,183,674	1,162,688
Supplies [1]	16,044,382	16,386,197	17,005,565	18,007,024	18,975,129	21,593,127	20,324,752	20,182,804	17,590,090	18,648,009
Interfund allocations	348,308	322,008	331,322	339,033	356,075	498,617	521,867	570,844	519,203	521,220
Depreciation	582,188	606,970	616,325	643,272	674,416	674,492	684,543	697,996	695,734	688,541
Other	27,749	29,007	44,928	49,897	66,012	74,153	62,687	23,457	34,453	49,446
Total Operating Expenses	19,058,906	19,790,193	20,321,225	21,289,397	22,446,977	25,440,839	24,156,151	24,002,025	21,119,945	22,076,039
Operating Income	$ 2,687,702	$ 3,067,841	$ 3,409,493	$ 3,357,178	$ 1,863,401	$ 2,420,302	$ 2,424,354	$ 3,324,960	$ 3,561,063	$ 3,139,543
Operating Revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Operating Expenses:										
Personal services	4%	5%	4%	4%	4%	4%	5%	5%	5%	5%
Contractual services	7%	8%	7%	7%	6%	6%	6%	6%	6%	5%
Supplies	84%	83%	84%	85%	85%	85%	84%	84%	83%	84%
Interfund allocation	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Depreciation	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total Operating Expenses	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Operating Income as a Percentage of Operating Revenues	12.4%	13.4%	14.4%	13.6%	7.7%	8.7%	9.1%	12.2%	14.4%	12.5%

Notes:

[1] Includes purchase of electric power.

Data Source:

[2] Applicable years' comprehensive annual financial report.

Exhibit XVI

City of Calhoun, Georgia
Operating Expenses - by Object
Electric Service
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Personal Services	Contractual Services	Supplies	Interfund Allocations	Depreciation	Other	Total
	Amounts [3]						
2001	$ 897,864	$ 1,548,147	$ 16,386,197	$ 322,008	$ 606,970	$ 29,007	$ 19,790,193
2002	878,686	1,444,399	17,005,565	331,322	616,325	44,928	20,321,225
2003	763,755	1,486,416	18,007,024	339,033	643,272	49,897	21,289,397
2004	943,172	1,432,173	18,975,129	356,075	674,416	66,012	22,446,977
2005	1,038,029	1,562,421	21,593,127	498,617	674,492	74,153	25,440,839
2006	924,521	1,456,984	20,324,752	521,867	684,543	62,687	23,975,354
2007	1,146,427	1,380,497	20,182,804	570,844	697,996	23,457	24,002,025
2008	1,146,427	1,380,497	20,182,804	570,844	697,996	23,457	24,002,025
2009	1,096,791	1,183,674	17,590,090	519,203	695,734	34,453	21,119,945
2010	1,006,135	1,162,688	18,648,009	521,220	688,541	49,446	22,076,039
*[1]	$ 984,181	$ 1,403,790	$ 18,889,550	$ 455,103	$ 668,029	$ 45,750	$ 22,446,402
**[2]	12.1%	-24.9%	13.8%	61.9%	13.4%	70.5%	11.6%
	Annual Percentage Change						
2001	32.0%	12.5%	2.1%	100.0%	4.3%	4.5%	5.8%
2002	-2.1%	-6.7%	3.8%	2.9%	1.5%	54.9%	2.7%
2003	-13.1%	2.9%	5.9%	2.3%	4.4%	11.1%	4.8%
2004	23.5%	-3.6%	5.4%	5.0%	4.8%	32.3%	5.4%
2005	10.1%	9.1%	13.8%	40.0%	0.0%	12.3%	13.3%
2006	-10.9%	-6.7%	-5.9%	4.7%	1.5%	-15.5%	-5.8%
2007	24.0%	-5.2%	-0.7%	9.4%	2.0%	-62.6%	0.1%
2008	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2009	-4.3%	-14.3%	-12.8%	-9.0%	-0.3%	46.9%	-12.0%
2010	-8.3%	-1.8%	6.0%	0.4%	-1.0%	43.5%	4.5%

Notes:

[1] Dollar average for ten years.

[2] Percentage change in dollars over ten years.

Data Source:

[3] Exhibit XV

Exhibit XVII

City of Calhoun, Georgia
Operating Revenue, Expenses and Income (Loss) [2]
Water and Sewerage Service
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Operating Revenue [1]		Operating Expenses		Operating Income (Loss)	
	Amount	% Change	Amount	% Change	Amount	% Change
2001	$ 11,056,534	-3.4%	$ 9,515,587	-4.5%	$ 1,540,947	-0.9%
2002	12,220,073	10.5%	10,093,954	6.1%	2,126,119	-38.0%
2003	13,670,149	11.9%	9,720,374	-3.7%	3,949,775	-85.8%
2004	14,079,939	3.0%	10,294,353	5.9%	3,785,586	4.2%
2005	14,079,939	0.0%	10,294,353	0.0%	3,785,586	0.0%
2006	15,083,280	7.1%	11,225,297	9.0%	3,857,983	-1.9%
2007	17,194,748	14.0%	12,386,026	10.3%	4,808,722	-24.6%
2008	15,696,326	-8.7%	13,371,537	8.0%	2,324,789	51.7%
2009	14,116,193	-10.1%	12,421,140	-7.1%	1,695,053	27.1%
2010	14,861,077	5.3%	11,754,594	-5.4%	3,106,483	-83.3%

Notes:
[1] Includes charges for services and miscellaneous operating revenue.

Data Source:
[2] Exhibit XVIII

Exhibit XVIII

City of Calhoun, Georgia
Detailed Operating Revenues, Expenses and Income (Loss)
Water and Sewerage Service
Last Ten Fiscal Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Operating Revenues	$ 11,056,534	$ 12,247,435	$ 12,220,073	$ 13,670,149	$ 14,079,939	$ 15,083,280	$ 17,194,748	$ 15,696,326	$ 14,116,193	$ 14,861,077
Operating Expenses:										
Personal services	1,870,387	2,149,655	2,194,003	2,342,125	2,552,855	2,450,265	2,785,028	3,378,521	3,447,022	3,148,766
Contractual services	1,166,471	1,389,963	1,302,043	1,099,696	939,863	904,876	1,035,051	1,161,630	862,234	731,109
Supplies	2,407,223	2,511,605	2,980,659	2,521,971	2,765,109	3,905,414	3,994,499	3,202,920	3,110,982	2,900,582
Interfund allocation	935,727	1,108,119	1,343,327	1,359,436	1,494,691	1,393,487	1,928,868	2,162,340	2,157,579	2,046,007
Depreciation	2,232,284	2,205,948	2,107,891	2,230,813	2,339,466	2,355,636	2,540,759	3,368,301	2,750,835	2,838,336
Amortization	95,427	127,641	118,921	112,459	108,477	104,106	92,845	93,163	89,651	82,457
Other	44,944	22,656	47,110	53,874	93,892	111,513	8,976	4,662	2,837	7,337
Total Operating Expenses	8,752,463	9,515,587	10,093,954	9,720,374	10,294,353	11,225,297	12,386,026	13,371,537	12,421,140	11,754,594
Operating Income	$ 2,304,071	$ 2,731,848	$ 2,126,119	$ 3,949,775	$ 3,785,586	$ 3,857,983	$ 4,808,722	$ 2,324,789	$ 1,695,053	$ 3,106,483
Operating Revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Operating Expenses:										
Personal services	21%	23%	22%	24%	25%	22%	22%	25%	28%	27%
Contractual services	13%	15%	13%	11%	9%	8%	8%	9%	7%	6%
Supplies	28%	26%	30%	26%	27%	35%	32%	24%	25%	25%
Interfund allocation	11%	12%	13%	14%	15%	12%	16%	16%	17%	17%
Depreciation	26%	23%	21%	23%	23%	21%	21%	25%	22%	24%
Amortization	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Other	1%	0%	0%	1%	1%	1%	0%	0%	0%	0%
Total Operating Expenses	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Operating Income as a Percentage of Operating Revenues	20.8%	22.3%	17.4%	28.9%	26.9%	25.6%	28.0%	14.8%	12.0%	20.9%

Data Source:

[1] Applicable years' comprehensive annual financial report.

Exhibit XIX

City of Calhoun, Georgia
Operating Expenses - by Object
Water and Sewerage Service
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Personal Services	Contractual Services	Supplies	Interfund Allocation	Depreciation	Amortization	Other	Total
	Amounts [1,2]							
2001	$ 1,870,387	$ 1,166,471	$ 2,407,223	$ 935,727	$ 2,232,284	$ 95,427	$ 44,944	$ 8,752,463
2002	2,149,655	1,389,963	2,511,605	1,108,119	2,205,948	127,641	22,656	9,515,587
2003	2,194,003	1,302,043	2,980,659	1,343,327	2,107,891	118,921	47,110	10,093,954
2004	2,342,125	1,099,696	2,521,971	1,359,436	2,230,813	112,459	53,874	9,720,374
2005	2,552,855	939,863	2,765,109	1,494,691	2,339,466	108,477	93,892	10,294,353
2006	2,450,265	904,876	3,905,414	1,393,487	2,355,636	104,106	111,513	11,225,297
2007	2,785,028	1,035,051	3,994,499	1,928,868	2,540,759	92,845	8,976	12,386,026
2008	3,378,521	1,161,630	3,202,920	2,162,340	3,368,301	93,163	4,662	13,371,537
2009	3,447,022	862,234	3,110,982	2,157,579	2,750,835	89,651	2,837	12,421,140
2010	3,148,766	731,109	2,900,582	2,046,007	2,838,336	82,457	7,337	11,754,594
*[1]	$ 2,631,863	$ 1,059,294	$ 3,030,096	$ 1,592,958	$ 2,497,027	$ 102,515	$ 39,780	$10,953,533
**[2]	68.3%	-37.3%	20.5%	118.7%	27.1%	-13.6%	-83.7%	34.3%
	Annual Percentage Change							
2001	0.2%	-37.1%	-9.9%	100.0%	0.7%	-40.7%	0.0%	-4.5%
2002	14.9%	19.2%	4.3%	18.4%	-1.2%	33.8%	-100.0%	8.7%
2003	2.1%	-6.3%	18.7%	21.2%	-4.4%	-6.8%	0.0%	6.1%
2004	6.8%	-15.5%	-15.4%	1.2%	5.8%	-5.4%	0.0%	-3.7%
2005	9.0%	-14.5%	9.6%	9.9%	4.9%	-3.5%	0.0%	5.9%
2006	-4.0%	-3.7%	41.2%	-6.8%	0.7%	-4.0%	100.0%	9.0%
2007	13.7%	14.4%	2.3%	38.4%	7.9%	-10.8%	-92.0%	10.3%
2008	21.3%	12.2%	-19.8%	12.1%	32.6%	0.3%	-48.1%	8.0%
2009	2.0%	-25.8%	-2.9%	-0.2%	-18.3%	-3.8%	-39.1%	-7.1%
2010	-8.7%	-15.2%	-6.8%	-5.2%	3.2%	-8.0%	158.6%	-5.4%

Notes:

[1] Dollar average for ten years.

[2] Percentage change in dollars over ten years.

Data Source:

[3] Exhibit XVIII

City of Calhoun, Georgia
Taxable Assessed Value and Estimated Actual Value of Property
Last Ten Fiscal Years

Fiscal [1] Year	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Conservation Use Property	Utility Property	Motor Vehicles and Mobile Homes	Less: Tax Exempt Property[2]	Total Taxable Assessed Value[3]	Total Direct Tax Rate[4]	Estimated Actual Value	Annual Percentage Change
	Amounts [5] *(in thousands of dollars)*											
2001	$ 86,472	$ 136,994	$ 237,757	$ 456	$ 390	$ 5,165	$ 26,974	$ 20,203	$ 474,005	15.250	$ 1,153,058	8.9%
2002	101,391	150,131	237,522	690	267	5,093	28,222	29,653	493,663	16.030	1,222,610	6.0%
2003	107,942	149,944	224,467	699	484	5,327	29,383	31,269	486,977	16.140	1,205,883	-1.4%
2004	117,037	163,294	209,475	961	410	5,306	26,789	30,641	492,631	16.250	1,224,515	1.5%
2005	131,108	169,410	208,683	946	528	5,080	26,695	32,567	509,883	16.450	1,273,003	4.0%
2006	147,636	184,827	220,012	1,988	571	4,881	26,812	35,214	551,513	15.410	1,381,188	8.5%
2007	159,760	203,388	233,582	3,146	699	5,135	27,910	30,791	602,829	16.250	1,491,825	8.0%
2008	175,725	263,465	253,689	3,326	845	4,250	30,465	55,945	675,820	15.695	1,732,198	16.1%
2009	181,712	283,681	336,873	2,800	709	4,220	29,822	30,054	809,763	15.695	2,024,408	16.9%
2010	212,661	302,044	295,462	3,417	1,353	4,007	31,740	22,115	828,569	15.456	2,071,422	2.3%
% Change From 2001-2010	145.9%	120.5%	24.3%	649.3%	246.9%	-22.4%	17.7%	9.5%	74.8%	1.4%	79.6%	
	Percentage of Total Assessed Valuation											
2001	17.5%	27.7%	48.1%	0.1%	0.1%	1.0%	5.5%	4.1%	95.9%			
2002	19.4%	28.7%	45.4%	0.1%	0.1%	1.0%	5.4%	5.7%	94.3%			
2003	20.8%	28.9%	43.3%	0.1%	0.1%	1.0%	5.7%	6.0%	94.0%			
2004	22.4%	31.2%	40.0%	0.2%	0.1%	1.0%	5.1%	5.9%	94.1%			
2005	24.2%	31.2%	38.5%	0.2%	0.1%	0.9%	4.9%	6.0%	94.0%			
2006	25.2%	31.5%	37.5%	0.3%	0.1%	0.8%	4.6%	6.0%	94.0%			
2007	25.2%	32.1%	36.9%	0.5%	0.1%	0.8%	4.4%	4.9%	95.1%			
2008	24.0%	36.0%	34.7%	0.5%	0.1%	0.6%	4.2%	7.6%	92.4%			
2009	21.6%	33.8%	40.1%	0.3%	0.1%	0.5%	3.6%	3.6%	96.4%			
2010	25.0%	35.5%	34.7%	0.4%	0.2%	0.5%	3.7%	2.6%	97.4%			

Notes:

[1] Taxes recognized for the year presented are reported in the subsequent fiscal year.

[2] Excludes homestead property exemptions. All prior years restated.

[3] All property is assessed at 40% of fair market value.

[4] Tax rates expressed in rate per $1,000 of annual taxes values (i.e., mills). Includes the school tax levied on behalf of the Calhoun City Schools, a discretely presented component unit.

Data Source:

[5] Georgia Department of Revenue, Tax Digest Consolidation Summary, http://www.dor.ga.gov/DigestConsolidation/Default.aspx.

City of Calhoun, Georgia
Direct and Overlapping Property Tax Rates [1]
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Direct			Overlapping Rates [2,3]					Total City Rate
	City of Calhoun	City of Calhoun Schools[5]	Total Direct Rate	State of Georgia[4]	Gordon County				
					Operating	Roads	Recreation	Total	
2001	1.700	13.550	15.250	0.250	5.030	2.000	0.059	7.089	22.589
2002	1.580	14.450	16.030	0.250	5.030	-	-	5.030	21.310
2003	1.570	14.570	16.140	0.250	4.830	-	-	4.830	21.220
2004	1.540	14.710	16.250	0.250	5.540	-	-	5.540	22.040
2005	1.500	14.950	16.450	0.250	7.570	-	-	7.570	24.270
2006	1.750	13.660	15.410	0.250	7.570	-	-	7.570	23.230
2007	1.670	14.580	16.250	0.250	10.671	-	-	10.671	27.171
2008	1.615	14.080	15.695	0.250	10.174	-	-	10.174	26.119
2009	1.615	14.080	15.695	0.250	9.528	-	-	9.528	25.473
2010	1.591	13.865	15.456	0.250	8.815	-	-	8.815	24.521
% Change From 2001-2010	-6.4%	2.3%	1.4%	0.0%	75.2%	-100.0%	-100.0%	24.3%	8.6%

Notes:

[1] Tax rates expressed in rate per $1,000 of annual taxes values (i.e., mills).

[2] Overlapping rates are those of governments that overlap the City's geographic boundaries.

[3] Since City property owners do not pay Gordon County school tax, this government's tax rates are not presented.

[4] The State of Georgia levies one quarter of one mill on each county's taxable property to help finance their certification of each Georgia county's tax digests.

[5] The City of Calhoun levies the property taxes for the Calhoun City Schools, a discretely presented component unit.

Data Source:

[1] Georgia Department of Revenue, Property Tax Division.

Exhibit XXII

City of Calhoun, Georgia
Principal Property Taxpayers [1]
Current Year and Nine Years Ago
(amounts expressed in thousands)

	Fiscal Year Ended June 30, 2010				Fiscal Year Ended June 30, 2001		
Principal Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Principal Taxpayer**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Mohawk Industries	$ 78,053	1	9.42%	Aladdin (Mohawk) Industries	$ 47,334	1	9.99%
Shaw Industries Group, Inc.	36,875	2	4.45%	The Dixie Group	41,121	2	8.68%
Kobelco Construction	34,497	5	4.16%	Kobelco Construction	23,391	3	4.93%
Faus	26,217	3	3.16%	Outboard Marine Corp.	18,991	4	4.01%
Mannington Carpets	16,950	4	2.05%	Mannington Carpets	17,540	5	3.70%
Calhoun Outlets	6,908	6	0.83%	Prime Calhoun Outlets	9,993	6	2.11%
Kerry Inc.	5,422	7	0.65%	Crown Crafts	9,908	7	2.09%
Stanton Carpet	5,410	8	0.65%	Shaw Industries	9,076	8	1.91%
Brumlow Mills	5,281	9	0.64%	Springs Industries	7,491	9	1.58%
DMK Holdings LLC	5,176	10	0.62%	Wal-Mart	5,602	10	1.18%
Total Principal Taxpayers	220,789		26.65%	**Total Principal Taxpayers**	190,447		40.18%
All Other Taxpayers	607,780		73.35%	**All Other Taxpayers**	283,558		59.82%
Total	$ 828,569		100.00%	**Total**	$ 474,005		100.00%

Data Source:
[1] City Tax Records

Exhibit XXIII

City of Calhoun, Georgia
Property Tax Levies and Collections [1,3]
Last Ten Fiscal Years
(amounts expressed in thousand dollars)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Uncollected Taxes	
		Amount	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage of Levy
2001	$ 7,229	$ 6,718	92.93%	$ 498	$ 7,216	99.82%	$ 13	0.18%
2002	7,745	7,098	91.65%	565	7,663	98.94%	82	1.06%
2003	7,707	7,219	93.67%	405	7,624	98.92%	83	1.08%
2004	7,940	7,550	95.09%	373	7,923	99.79%	17	0.21%
2005	8,353	8,059	96.48%	264	8,323	99.64%	30	0.36%
2006	8,548	8,320	97.33%	210	8,530	99.79%	18	0.21%
2007	9,484	9,246	97.49%	214	9,460	99.75%	24	0.25%
2008	10,323	9,940	96.29%	220	10,160	98.42%	163	1.58%
2009	11,670	10,430	89.37%	802	11,232	96.25%	438	3.75%
2010	11,911	10,939	91.84%	-	10,939	91.84%	972	8.16%

Notes:

[1] Includes property taxes levied for Calhoun Public Schools, a component unit of the City.

[2] The amounts reported in the total uncollected taxes column are the uncollected taxes for each tax levy.

Data Source:

[3] City tax collection records.

Exhibit XXIV

City of Calhoun, Georgia
Overlapping Sales Tax Rates [1]
Last Ten Fiscal Years

Fiscal Year Ended	Overlapping				
	Gordon County				
June 30,	LOST [2]	SPLOST [3]	Schools [4] EDSPLOST	State of Georgia	Totol
2001	1.00%	-	1.00%	4.00%	6.00%
2002	1.00%	1.00%	1.00%	4.00%	7.00%
2003	1.00%	1.00%	1.00%	4.00%	7.00%
2004	1.00%	1.00%	1.00%	4.00%	7.00%
2005	1.00%	1.00%	1.00%	4.00%	7.00%
2006	1.00%	1.00%	1.00%	4.00%	7.00%
2007	1.00%	1.00%	1.00%	4.00%	7.00%
2008	1.00%	1.00%	1.00%	4.00%	7.00%
2009	1.00%	1.00%	1.00%	4.00%	7.00%
2010	1.00%	1.00%	1.00%	4.00%	7.00%

Notes:

[2] The local option sales tax was approved by referendum and is effective indefinitely. Both the City and the County is required to reduce their property tax millage rate in the current year by the amount of these taxes collected in the prior year.

[3] The previous special purpose local option sales tax was approved effective April 1, 2001 and expired March 31, 2006. The current special purpose local option sales tax was approved effective April 1, 2006 and expires March 31, 2012.

[4] Effective January 1, 2004 the Gordon County Board of Education began levying a 1% education special purpose local option sales tax, that is allocated between the City and County Schools. The current tax was approved effective July 1, 2007 and expires June 30, 2012.

Data Source:

[1] Georgia Departmentof Revenue, Sales and Use Tax Division.

Exhibit XXV

City of Calhoun, Georgia
Consumption Billed [1]
By Service
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Electric		Water		Sewer	
	kWh	% Change	Gallons [2]	% Change	Gallons	% Change
2001	331,641,347	-4.5%	3,875,025	-8.9%	2,657,932	-12.5%
2002	346,840,122	4.6%	3,729,416	-3.8%	2,570,982	-3.3%
2003	361,156,159	4.1%	3,622,604	-2.9%	2,457,621	-4.4%
2004	367,613,781	1.8%	3,480,032	-3.9%	2,365,450	-3.8%
2005	376,358,315	2.4%	3,486,044	0.2%	2,284,207	-3.4%
2006	380,039,465	1.0%	3,487,338	0.0%	2,192,067	-4.0%
2007	351,987,898	-7.4%	3,632,643	4.2%	1,921,788	-12.3%
2008	334,648,148	-4.9%	3,311,812	-8.8%	1,771,938	-7.8%
2009	301,476,976	-9.9%	3,021,126	-8.8%	1,502,199	-15.2%
2010	301,476,976	0.0%	3,087,921	2.2%	1,582,014	5.3%

Notes:

[2] Amounts expressed in thousands of gallons.

Data Source:

[1] City's utility billing department.

City of Calhoun, Georgia
Electric Service Rates [1]
Last Ten Fiscal Years

	2001	*2002*	*2003*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*
Residential:										
Summer Rates:										
Base Charge	$ 7.8800	$ 7.8800	$ 7.8800	$ 7.8800	$ 7.8800	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000
First 650 kWh	0.0718	0.0718	0.0718	0.0718	0.0718	-	-	-	-	-
Next 350 kWh	0.0718	0.0718	0.0718	0.0718	0.0718	-	-	-	-	-
Over 1000 kWh	0.0718	0.0718	0.0718	0.0718	0.0718	-	-	-	-	-
Transmission/kWh	-	-	-	-	-	0.0050	0.0050	0.0050	0.0050	0.0050
Generation/kWh	-	-	-	-	-	0.0640	0.0640	0.0640	0.0640	0.0640
Energy Charge	-	-	-	-	-	0.0150	0.0150	0.0150	0.0150	0.0150
Winter Rates:										
Base Charge	-	-	-	-	-	-	-	-	-	-
First 650 kWh	0.0718	0.0718	0.0718	0.0718	0.0718					
Next 350 kWh	0.0718	0.0718	0.0718	0.0718	0.0718	-	-	-	-	-
Over 1000 kWh	0.0718	0.0718	0.0718	0.0718	0.0718	-	-	-	-	-
Small Power Non-demand										
Base Charge	16.520	16.520	16.520	16.520	16.520	15.0000	15.0000	15.0000	15.0000	15.0000
First 25 kWh	-	-	-	-	-	-	-	-	-	-
Next 2975 kWh	0.1198	0.1198	0.1198	0.1198	0.1198	-	-	-	-	-
Next 7000 kWh	0.1155	0.1155	0.1155	0.1155	0.1155	-	-	-	-	-
All over 10000 kWh	0.10234	0.10234	0.10234	0.10234	0.10234	-	-	-	-	-
Transmission/kWh	-	-	-	-	-	0.0050	0.0050	0.0050	0.0050	0.0050
Generation/kWh										
First 3,000/kWh	-	-	-	-	-	0.1100	0.1100	0.1100	0.1100	0.1100
Over 3,000/kWh	-	-	-	-	-	0.1000	0.1000	0.1000	0.1000	0.1000
Energy Charge	-	-	-	-	-	0.0100	0.0100	0.0100	0.0100	0.0100
Small Power										
Base charge	16.5200	16.5200	16.5200	16.5200	16.5200	30.0000	30.0000	30.0000	30.0000	30.0000
First 25 kWh:										
Next 2975 kWh	0.1179	0.1179	0.1179	0.1179	0.1179	-	-	-	-	-
Next 7000 kWh	0.1136	0.1136	0.1136	0.1136	0.1136	-	-	-	-	-
Over 10000 kWh	0.1005	0.1005	0.1005	0.1005	0.1005	-	-	-	-	-
Next 200 X kWh	0.0305	0.0305	0.0305	0.0305	0.0305	-	-	-	-	-
Next 200 X kWh	0.0290	0.0290	0.0290	0.0290	0.0290	-	-	-	-	-
Over 600 X kWh	0.0278	0.0278	0.0278	0.0278	0.0278	-	-	-	-	-
Transmission&Demand/kWh						2.25000	2.25000	2.25000	2.25000	2.25000
Generation/kWhH										
First 200HUD	-	-	-	-	-	0.1060	0.1060	0.1060	0.1060	0.1060
Next 200 HUD	-	-	-	-	-	0.0440	0.0440	0.0440	0.0440	0.0440
Over400 HUD	-	-	-	-	-	0.0400	0.0400	0.0400	0.0400	0.0400
Medium Power										
Base charge	18.10000	18.10000	18.10000	18.10000	18.10000	60.00000	60.00000	60.00000	60.00000	60.00000
First 200 HUD										
first 3,000 kWh	0.1169	0.1169	0.1169	0.1169	0.1169	-	-	-	-	-
next 7,000	0.1085	0.1085	0.1085	0.1085	0.1085	-	-	-	-	-
next 190,000	0.1009	0.1009	0.1009	0.1009	0.1009	-	-	-	-	-

City of Calhoun, Georgia
Electric Service Rates [1]
Last Ten Fiscal Years

	2001	*2002*	*2003*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*
Over 200,000	0.0821	0.0821	0.0821	0.0821	0.0821	-	-	-	-	-
Next 200 HUD	0.0309	0.0309	0.0309	0.0309	0.0309	-	-	-	-	-
Next 200 HUD	0.0279	0.0279	0.0279	0.0279	0.0279	-	-	-	-	-
Over 600 HUD	0.0268	0.0268	0.0268	0.0268	0.0268	-	-	-	-	-
Transmission&Demand/kWh						2.50000	2.50000	2.50000	2.50000	2.50000
Generation/KWH										
Over 200,000	-	-	-	-	-	0.1000	0.1000	0.1000	0.1000	0.1000
Next 200 HUD	-	-	-	-	-	0.0900	0.0900	0.0900	0.0900	0.0900
Next 200 HUD	-	-	-	-	-	0.0440	0.0440	0.0440	0.0440	0.0440
Over 600 HUD	-	-	-	-	-	0.0400	0.0400	0.0400	0.0400	0.0400
Large Power:										
Base Charge	18.10000	18.10000	18.10000	18.10000	18.10000	100.00000	100.00000	100.0000	100.0000	100.0000
First 200 X kWh:										
First 3000 kWh	0.11990	0.11990	0.11990	0.11990	0.11990	-	-	-	-	-
Next 7000 kWh	0.01105	0.11050	0.11050	0.11050	0.11050	-	-	-	-	-
Next 190000 kWh	0.09690	0.09690	0.09690	0.09690	0.09690	-	-	-	-	-
Over 200000 kWh	0.08120	0.08120	0.08120	0.08120	0.08120	-	-	-	-	-
Next 200 X kWh	0.03020	0.03020	0.03020	0.03020	0.03020	-	-	-	-	-
Next 200 X kWh	0.02960	0.02960	0.02960	0.02960	0.02960	-	-	-	-	-
Over 600 X kWh	0.01620	0.01620	0.01620	0.01620	0.01620	-	-	-	-	-
Transmission&Demand/kWh								3.0000	3.0000	3.0000
Generation Charges										
First 200 HUD	-	-	-	-	-	0.08800	0.08800	0.0880	0.0880	0.0880
First 100,000 kWh						0.07800	0.07800	0.0780	0.0780	0.0780
Over 100,000	-	-	-	-	-	0.04400	0.04400	0.0440	0.0440	0.0440
Next 200 HUD	-	-	-	-	-	0.04000	0.04000	0.0400	0.0400	0.0400
Over 600 HUD	-	-	-	-	-	0.03750	0.03750	0.0375	0.0375	0.0375
Extra Large Power	-	-	-	-	-	-	-	-	-	-
Base Charge	148.37000	148.37000	148.37000	148.37000	148.37000	148.37000	-	-	-	-
First 200 HUD	0.07950	0.07950	0.07950	0.07950	0.07950	0.07950	-	-	-	-
Next 200 HUD	0.02860	0.02860	0.02860	0.02860	0.02860	0.02860	-	-	-	-
Next 200 HUD	0.02720	0.02720	0.02720	0.02720	0.02720	0.02720	-	-	-	-
Over 600 HUD	0.02490	0.02490	0.02490	0.02490	0.02490	0.02490	-	-	-	-
Large Industrial IND										
Customer Charge		155.00000	155.00000	155.00000	155.00000	500.00000	500.00000	500.0000	500.0000	500.0000
Transmission Demand/kWh		1.50000	1.50000	1.50000	1.50000	1.50000	1.50000	1.5000	1.5000	1.5000
First 200 HUD										
First 160,000 kWh		0.09820	0.09820	0.09820	0.09820	0.09000	0.09000	0.0900	0.0900	0.0900
Over 160,000		0.06370	0.06370	0.06370	0.06370	0.07000	0.07000	0.0700	0.0700	0.0700
Next 300 HUD		0.02550	0.02550	0.02550	0.02550	0.04200	0.04200	0.0420	0.0420	0.0420
Over 500 HUD		0.02060	0.02060	0.02060	0.02060	0.03750	0.03750	0.0375	0.0375	0.0375

Data Source:

[1] City's utility billing department.

Exhibit XXVII

City of Calhoun, Georgia
Water Service Rates [1]
Last Ten Fiscal Years

	2001	*2002*	*2003*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*
Inside city limits:										
Minimum charges:										
1st 2,000 gallons:										
3/4" x 1"	$ 8.50	$ 8.50	$ 8.50	$ 8.50	$ 9.00	$ 9.00	$ 9.00	-	-	-
2" residential	15.00	15.00	15.00	15.00	n/a	n/a	n/a	-	-	-
2" residential/commercial	n/a	n/a	n/a	n/a	86.50	86.50	86.50	-	-	-
2" commercial/industrial	45.00	45.00	45.00	45.00	n/a	n/a	n/a	-	-	-
2" irrigation	n/a	n/a	n/a	n/a	20.00	20.00	20.00	-	-	-
4" commercial/industrial	346.00	346.00	346.00	346.00	346.00	346.00	346.00	-	-	-
6" commercial/industrial	691.00	691.00	691.00	691.00	691.00	691.00	691.00	-	-	-
8" commercial/industrial	1,211.00	1,211.00	1,211.00	1,211.00	1,211.00	1,211.00	1,211.00	-	-	-
Per 1,000 gallons thereafter:										
3/4" x 1"	0.86	0.86	0.93	1.03	1.22	1.41	1.60	-	-	-
2" residential	0.86	0.86	0.93	1.03	n/a	n/a	n/a	-	-	-
2" residential/commercial	n/a	n/a	n/a	n/a	1.22	1.41	1.60	-	-	-
2" commercial/industrial	0.86	0.86	0.93	1.03	n/a	n/a	n/a	-	-	-
2" irrigation	n/a	n/a	n/a	n/a	1.22	1.41	1.60	-	-	-
4" commercial/industrial	0.86	0.86	0.93	1.03	1.16	1.29	1.42	-	-	-
6" commercial/industrial	0.86	0.86	0.93	1.03	1.16	1.29	1.42	-	-	-
8" commercial/industrial	0.86	0.86	0.93	1.03	1.16	1.29	1.42	-	-	-
Minimum Charges:										
0 Gallons										
3/4" x 1" (residential)	-	-	-	-	-	-	-	$ 9.00	$ 9.00	$ 7.00
2" commercial/residential	-	-	-	-	-	-	-	86.50	86.50	99.02
2" irrigation	-	-	-	-	-	-	-	20.00	20.00	22.89
4" industrial	-	-	-	-	-	-	-	346.00	346.00	363.30
6" industrial	-	-	-	-	-	-	-	691.00	691.00	725.55
8" industrial	-	-	-	-	-	-	-	1,211.00	1,211.00	1,271.55
Per 1,000 gallons thereafter:										
3/4" x 1" (residential)	-	-	-	-	-	-	-	1.64	1.64	1.78
2" commercial/residential	-	-	-	-	-	-	-	1.64	1.64	1.78
2" irrigation	-	-	-	-	-	-	-	1.64	1.64	1.78
4" industrial	-	-	-	-	-	-	-	1.46	1.46	1.58
6" industrial	-	-	-	-	-	-	-	1.46	1.46	1.58
8" industrial	-	-	-	-	-	-	-	1.46	1.46	1.58
10,001 - 30,000										
3/4" x 1" (residential)	-	-	-	-	-	-	-	2.64	2.64	2.83
2" irrigation	-	-	-	-	-	-	-	2.64	2.64	2.83
4" commercial/industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
6" commercial/industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
8" commercial/industrial	-	-	-	-	-	-	-	n/a	n/a	n/a

City of Calhoun, Georgia
Water Service Rates [1]
Last Ten Fiscal Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
30,001 - 50,000 gallons										
3/4" x 1" (residential)	-	-	-	-	-	-	-	3.64	3.64	3.88
2" residential	-	-	-	-	-	-	-	n/a	n/a	n/a
2" commercial	-	-	-	-	-	-	-	n/a	n/a	n/a
2" commercial/industrial	-	-	-	-	-	-	-	3.64	3.64	3.88
2" irrigation	-	-	-	-	-	-	-	3.64	3.64	3.88
4" industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
6" industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
8" industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
above 50,000 gallons										
3/4" x 1" (residential)	-	-	-	-	-	-	-	10.00	10.00	10.87
2" residential/commercial	-	-	-	-	-	-	-	n/a	n/a	n/a
2" irrigation	-	-	-	-	-	-	-	10.00	10.00	10.87
4" industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
6" industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
8" industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
Outside city limits:										
Minimum charge										
3/4" x 1"	11.50	11.50	11.50	11.50	12.00	12.00	12.00	-	-	-
2" residential	21.00	21.00	21.00	21.00	n/a	n/a	n/a	-	-	-
2" residential/commercial	n/a	n/a	n/a	n/a	173.00	132.50	132.50	-	-	-
2" commercial/industrial	69.00	69.00	69.00	69.00	n/a	n/a	n/a	-	-	-
2" irrigation	n/a	n/a	n/a	n/a	30.00	30.00	30.00	-	-	-
4" commercial/industrial	531.00	531.00	531.00	531.00	531.00	531.00	531.00	-	-	-
6" commercial/industrial	1,051.00	1,051.00	1,051.00	1,051.00	1,051.00	1,051.00	1,051.00	-	-	-
8" commercial/industrial	1,871.00	1,871.00	1,871.00	1,871.00	1,871.00	1,871.00	1,871.00	-	-	-
Per 1,000 gallons thereafter:										
3/4" x 1"	1.44	1.44	1.56	1.66	1.91	2.04	2.17	-	-	-
2" irrigation	n/a	n/a	n/a	n/a	1.91	2.04	2.17	-	-	-
4" industrial	1.44	1.44	1.56	1.66	1.82	1.82	1.95	-	-	-
6" industrial	1.44	1.44	1.56	1.66	1.82	1.82	1.95	-	-	-
8"industrial	1.44	1.44	1.56	1.66	1.82	1.82	1.95	-	-	-
Minimum Charges:										
0 Gallons										
3/4" x 1" (residential)	-	-	-	-	-	-	-	12.00	12.00	9.00
2" commercial	-	-	-	-	-	-	-	132.50	132.50	151.67
2" irrigation	-	-	-	-	-	-	-	30.00	30.00	34.34
4" industrial	-	-	-	-	-	-	-	531.00	531.00	557.55
6" industrial	-	-	-	-	-	-	-	1,051.00	1,051.00	1,103.55
8" industrial	-	-	-	-	-	-	-	1,871.00	1,871.00	1,964.55

City of Calhoun, Georgia
Water Service Rates [1]
Last Ten Fiscal Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Per 1,000 gallons thereafter:										
3/4" x 1" (residential)	-	-	-	-	-	-	-	2.23	2.23	2.42
2" residential/commercial	-	-	-	-	-	-	-	n/a	n/a	2.42
2" irrigation	-	-	-	-	-	-	-	2.23	2.23	2.42
4" industrial	-	-	-	-	-	-	-	2.00	2.00	2.17
6" industrial	-	-	-	-	-	-	-	2.00	2.00	2.17
8" industrial	-	-	-	-	-	-	-	2.00	2.00	2.17
10,001 - 30,000										
3/4" x 1" (residential)	-	-	-	-	-	-	-	3.23	3.23	3.47
2" residential/commercial	-	-	-	-	-	-	-	n/a	n/a	3.47
2" commercial/industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
2" irrigation	-	-	-	-	-	-	-	3.23	3.23	3.47
4" industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
6" industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
8" industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
30,001 - 50,000 gallons										
3/4" x 1" (residential)	-	-	-	-	-	-	-	4.23	4.23	4.52
2" residential/commercial	-	-	-	-	-	-	-	n/a	n/a	4.52
2" commercial/industrial	-	-	-	-	-	-	-	2.23	2.23	n/a
2" irrigation	-	-	-	-	-	-	-	4.23	4.23	4.52
4" industrial	-	-	-	-	-	-	-	2.00	2.00	n/a
6" industrial	-	-	-	-	-	-	-	2.00	2.00	n/a
8" industrial	-	-	-	-	-	-	-	2.00	2.00	n/a
above 50,000 gallons										
3/4" x 1" (residential)	-	-	-	-	-	-	-	12.00	12.00	13.04
2" residential/commercial	-	-	-	-	-	-	-	n/a	n/a	13.04
2" irrigation	-	-	-	-	-	-	-	12.00	12.00	13.04
4" industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
6" industrial	-	-	-	-	-	-	-	n/a	n/a	n/a
8" industrial	-	-	-	-	-	-	-	n/a	n/a	n/a

Data Source:

[1] City's utility billing department.

Exhibit XXVIII

City of Calhoun, Georgia
Sewer Service Rates [1]
Last Ten Fiscal Years

	2001	*2002*	*2003*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*
Inside city limits:										
Minimum charges:										
1st 2,000 gallons:										
3/4" x 1"	$ 2.80	$ 2.80	$ 2.80	$ 7.00	$ 7.00	$ 7.00	$ 7.00	-	-	-
2"	5.00	5.00	5.00	12.00	65.00	65.00	65.00	-	-	-
4"	18.00	18.00	18.00	277.00	260.00	260.00	260.00	-	-	-
6"	30.00	30.00	30.00	553.00	518.00	518.00	518.00	-	-	-
8"	50.00	50.00	50.00	969.00	908.00	908.00	908.00	-	-	-
Per 1,000 gallons thereafter:										
3/4" x 1"	1.40	1.60	1.60	1.75	2.07	2.39	2.71	-	-	-
2"	1.40	1.60	1.60	1.75	2.07	2.39	2.71	-	-	-
4"	1.40	1.60	1.60	1.75	1.87	1.99	2.11	-	-	-
6"	1.40	1.60	1.60	1.75	1.87	1.99	2.11	-	-	-
8"	1.40	1.60	1.60	1.75	1.87	1.99	2.11	-	-	-
Existing county customers										
Minimum charge										
3/4" x 1"	2.80	2.80	2.80	7.00	7.00	7.00	7.00	-	-	-
2"	5.00	5.00	5.00	12.00	65.00	65.00	65.00	-	-	-
4"	18.00	18.00	18.00	277.00	260.00	260.00	260.00	-	-	-
6"	30.00	30.00	30.00	553.00	518.00	518.00	518.00	-	-	-
8"	50.00	50.00	50.00	969.00	908.00	908.00	908.00	-	-	-
Per 1,000 gallons thereafter:										
3/4" x 1"	1.40	1.60	1.60	3.50	3.50	4.00	4.00	-	-	-
2"	1.40	1.60	1.60	3.50	3.50	4.00	4.00	-	-	-
4"	1.40	1.60	1.60	3.50	3.50	4.00	4.00	-	-	-
6"	1.40	1.60	1.60	3.50	3.50	4.00	4.00	-	-	-
8"	1.40	1.60	1.60	3.50	3.50	4.00	4.00	-	-	-

City of Calhoun, Georgia

Sewer Service Rates[1]

Last Ten Fiscal Years

	2001	*2002*	*2003*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*
Outside city limits:										
Minimum charge										
3/4" x 1"	2.80	2.80	2.80	9.00	9.00	7.00	7.00	-	-	-
2"	5.00	5.00	5.00	16.50	130.00	65.00	65.00	-	-	-
4"	18.00	18.00	18.00	425.00	398.00	260.00	260.00	-	-	-
6"	30.00	30.00	30.00	840.00	788.00	518.00	518.00	-	-	-
8"	50.00	50.00	50.00	1,497.00	1,403.00	908.00	908.00	-	-	-
Per 1,000 gallons thereafter:										
3/4" x 1"	1.40	1.60	1.60	4.60	4.60	4.00	4.00	-	-	-
2"	1.40	1.60	1.60	4.60	4.60	4.00	4.00	-	-	-
4"	1.40	1.60	1.60	4.60	4.60	4.00	4.00	-	-	-
6"	1.40	1.60	1.60	4.60	4.60	4.00	4.00	-	-	-
8"	1.40	1.60	1.60	4.60	4.60	4.00	4.00	-	-	-
Minimum charge:										
3/4" x 1"	-	-	-	-	-	-	-	$ 7.00	$ 7.00	$ 2.30
2"	-	-	-	-	-	-	-	65.00	65.00	74.40
4"	-	-	-	-	-	-	-	260.00	260.00	286.00
6"	-	-	-	-	-	-	-	518.00	518.00	569.80
8"	-	-	-	-	-	-	-	908.00	908.00	998.80
Per 1,000 gallons thereafter:										
3/4" x 1"	-	-	-	-	-	-	-	2.87	2.87	3.27
2"	-	-	-	-	-	-	-	2.87	2.87	3.27
4"	-	-	-	-	-	-	-	2.23	2.23	2.54
6"	-	-	-	-	-	-	-	2.23	2.23	2.54
8"	-	-	-	-	-	-	-	2.23	2.23	2.54
Minimum charge										
3/4" x 1"	-	-	-	-	-	-	-	7.00	7.00	2.30
2"	-	-	-	-	-	-	-	65.00	65.00	139.12
4"	-	-	-	-	-	-	-	260.00	260.00	557.55

City of Calhoun, Georgia

Sewer Service Rates [1]

Last Ten Fiscal Years

	2001	*2002*	*2003*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*
6"	-	-	-	-	-	-	-	518.00	518.00	1,103.55
8"	-	-	-	-	-	-	-	908.00	908.00	1,964.55
Per 1,000 gallons thereafter:										
3/4" x 1"	-	-	-	-	-	-	-	4.24	4.24	4.31
2"	-	-	-	-	-	-	-	4.24	4.24	4.31
4"	-	-	-	-	-	-	-	4.24	4.24	4.31
6"	-	-	-	-	-	-	-	4.24	4.24	4.31
8"	-	-	-	-	-	-	-	4.24	4.24	4.31

Data Source:

[1] City's utility billing department.

Exhibit XXIX

City of Calhoun, Georgia
Customer Accounts at Year-end [1]
By Service
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Electric		Water		Sewer		Total	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change
2001	4,204	0.3%	15,984	2.0%	4,956	5.5%	25,144	2.4%
2002	4,470	6.3%	16,436	2.8%	4,870	-1.7%	25,776	2.5%
2003	4,623	3.4%	17,077	3.9%	5,234	7.5%	26,934	4.5%
2004	5,055	9.3%	17,460	2.2%	5,254	0.4%	27,769	3.1%
2005	5,234	3.5%	17,970	2.9%	5,744	9.3%	28,948	4.2%
2006	5,325	1.7%	18,427	2.5%	5,920	3.1%	29,672	2.5%
2007	5,035	-5.4%	18,579	0.8%	6,116	3.3%	29,730	0.2%
2008	5,013	-0.4%	18,904	1.7%	6,153	0.6%	30,070	1.1%
2009	4,972	-0.8%	18,869	-0.2%	6,113	-0.7%	29,954	-0.4%
2010	4,972	0.0%	18,911	0.2%	6,163	0.8%	30,046	0.3%

Data Source:

[1] City's utility billing department.

Exhibit XXX

City of Calhoun, Georgia
Ten Largest Customers - Electric Service [2]
Fiscal Years 2001 and 2010

	Fiscal Year 2010				Fiscal Year 2001				
Rank	Customer	Consumption kWh	Amount	%	Rank	Customer [1]	Consumption kWh	Amount	%
1	Shaw Industries	59,684,240	$ 4,045,654	17.7%	1	Mohawk Ind. (Aladdin)	74,398,000	$ 3,696,230	17.3%
2	Mohawk Industries	40,903,760	2,836,889	12.4%	2	Shaw Industries	54,117,000	2,885,946	13.5%
3	Engineered Flooring	24,703,270	1,610,140	7.0%	3	Carriage	51,971,000	2,772,650	13.0%
4	Calhoun Utilities	16,429,064	1,182,595	5.2%	4	Kobelco	5,114,000	396,797	1.9%
5	Apache Mills	7,806,320	684,792	3.0%	5	Ga. Textiles	5,550,000	366,634	1.7%
6	Calhoun City Schools	6,240,447	667,803	2.9%	6	Gordon Hospital	4,702,000	323,360	1.5%
7	Gordon Hospital	9,253,830	657,902	2.9%	7	Color Tech.	5,246,000	320,536	1.5%
8	Colormaster	6,056,400	513,713	2.2%	8	Astro Dye Works, Inc.	3,245,000	308,565	1.4%
9	City of Calhoun	1,711,177	507,434	2.2%	9	Artisans	3,181,000	305,125	1.4%
10	Caltex (Beaulieu)	5,281,280	447,099	2.0%	10	Apache Mills	2,835,000	194,212	0.9%
	Total Ten Largest Customers	178,069,788	13,154,021	57.4%		**Total Ten Largest Customers**	210,359,000	11,570,055	54.2%
	All Other Customers	123,407,188	9,743,508	42.6%		**All Other Customers**	121,283,000	9,788,709	45.8%
	Total	301,476,976	$ 22,897,529	100.0%		**Total**	331,642,000	$ 21,358,764	100.0%

Notes:

[1] The City of Calhoun and the Calhoun City Schools would have been principal customers but that information is not available.

Data Source:

[2] City's utility billing department.

City of Calhoun, Georgia

Ratios of Total Debt Oustanding by Type [1, 3]

Last Ten Fiscal Years

	Governmental Activities			Business-type Activities						
June 30,	Recreation Authority Revenue Bonds	School General Obligation Bonds [2]	Capital Leases	Revenue Bonds	GEFA/SRF and MEAG Loans	Capital Leases	Total	Percentage of Personal Income [4]	Estimated Population [4]	Per Capita
2001	$ 5,207,195	$ -	$ 300,659	$ 8,905,000	$ 19,371,588	$ -	$ 33,784,442	13.00%	10,942	3,088
2002	4,310,800	14,995,000	743,425	7,860,000	17,746,138	-	45,655,363	16.89%	11,161	4,091
2003	4,115,800	19,995,000	531,863	6,810,000	18,039,768	-	49,492,431	16.36%	12,184	4,062
2004	3,911,000	18,955,000	309,673	9,725,000	19,536,403	-	52,437,076	16.70%	12,342	4,249
2005	3,701,800	17,485,000	76,640	8,680,000	24,463,189	143,033	54,549,662	15.30%	13,666	3,992
2006	3,483,600	15,885,000	10,437	8,020,000	26,432,006	113,077	53,944,120	14.02%	14,015	3,849
2007	3,251,800	14,200,000	589,968	7,335,000	25,464,310	79,477	50,920,555	13.24%	14,379	3,541
2008	3,011,900	12,885,000	1,108,059	11,154,084	22,841,749	47,365	51,048,157	13.27%	14,753	3,460
2009	2,764,300	12,415,000	1,238,791	9,590,189	21,558,909	14,164	47,581,353	12.37%	14,807	3,213
2010	2,504,800	11,895,000	949,655	7,956,239	21,217,194	-	44,522,888	11.57%	14,955	2,977

Notes:

[1] Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

[2] In fiscal year 2002, the City issued general obligation bonds totaling $14,995,000 and in fiscal year 2003, the City issued $5,000,000 in general obligation bonds. The bond proceeds were used to construct school buildings.

Data Source:

[3] Applicable years' comprehensive annual financial report.

[4] Exhibit XXXVII

Exhibit XXXII

City of Calhoun, Georgia

Ratios of Net General Bonded Debt Outstanding [2]

Last Ten Fiscal Years

June 30,	General Obligation Bonds [1]	Less Amounts Available in Debt Service Funds	Net General Obligation Bonds	Percentage of Estimated Actual Value of Taxable Property [2]	Estimated Population [3]	Total General Bonded Debt Per Capita [3]
2001	-	-	-	0.000%	10,942	-
2002	14,995,000	365,922	14,629,078	1.197%	11,161	1,311
2003	19,995,000	1,822,661	18,172,339	1.507%	12,184	1,491
2004	18,955,000	2,231,725	16,723,275	1.366%	12,342	1,355
2005	17,485,000	2,396,344	15,088,656	1.185%	13,666	1,104
2006	15,885,000	2,843,669	13,041,331	0.944%	14,015	931
2007	14,200,000	3,373,124	10,826,876	0.726%	14,379	753
2008	12,885,000	2,187,747	10,697,253	0.618%	14,753	725
2009	12,415,000	3,970,068	8,444,932	0.417%	14,807	570
2010	11,895,000	5,618,978	6,276,022	0.303%	14,955	420

Notes:

[1] Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

Data Source:

[2] Applicable years' comprehensive annual financial report.

[3] Exhibit XXXVII

Exhibit XXXIII

City of Calhoun, Georgia
Direct and Overlapping Debt
June 30, 2010

Governmental Unit:	Debt Outstanding[4]	Estimated Percentage Applicable [2]	Estimated Share of Overlapping Debt
Debt Repaid With Property Taxes			
Overlapping Governments' Debt[1]			
City Recreation Authority[3]	$ 2,504,800	100.0%	$ 2,504,800
City Direct Debt	11,895,000	100.0%	11,895,000
Total Direct and Overlapping Debt			$ 14,399,800

Notes:

[1] Overlapping governments are those that coincide, at least in part, within the geographic boundaries of the City. Direct debt is that of the City.

[2] Applicable percentages were estimated by determining the portion of another government's taxable assessed value that is within the City's boundaries and dividing it by the City's total taxable assessed value.

[3] A blended component unit.

Data Source:

[4] Exhibit XXXI

City of Calhoun, Georgia
Legal Debt Margin
Last Ten Fiscal Years
(Amounts presented in $1,000)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Assessed Value [1]	$ 474,005	$ 493,663	$ 486,977	$ 492,631	$ 509,883	$ 551,513	$ 602,829	$ 675,820	$ 809,763	$ 828,569
Legal Debt Margin										
Debt limit (10% of assessed value) [2]	$ 47,401	$ 49,366	$ 48,698	$ 49,263	$ 50,988	$ 55,151	$ 60,283	$ 67,582	$ 80,976	$ 82,857
Debt applicable to limit:										
General obligation bonds	-	14,995	19,995	18,955	17,485	15,885	14,200	12,885	12,415	11,895
Less: Amount reserved for repayment of general obligation debt	-	387	1,844	2,232	2,396	2,844	3,373	2,188	3,970	5,619
Total debt applicable to limit	-	14,608	18,151	16,723	15,089	13,041	10,827	10,697	8,445	6,276
Legal debt margin	$ 47,401	$ 34,758	$ 30,547	$ 32,540	$ 35,899	$ 42,110	$ 49,456	$ 56,885	$ 72,531	$ 76,581
As a percentage of debt limit	100.00%	70.41%	62.73%	66.05%	70.41%	76.35%	82.04%	84.17%	89.57%	92.43%

Notes:

[1] Exhibit XX

[2] Under Article 9, Section 5, Paragraph 1 of the State of Georgia Constitution, the City's outstanding general obligation debt should not exceed 10% of the assessed valuation of taxable property within the City.

Exhibit XXXV

City of Calhoun, Georgia
Pledged Revenue Coverage
Water And Sewerage Senior Lien Revenue Bonds
Last Ten Fiscal Years
(Amounts Presented in $1,000)

Fiscal Year Ended June 30,	Revenues [1]	Less Operating Expenses [2]	Net Available Revenues	Principal[3]	Interest[3]	Total[3]	Times Coverage
2001	$ 11,310	$ 6,425	$ 4,885	$ 535	$ 247	$ 782	6.25
2002	11,700	7,247	4,453	1,045	339	1,384	3.22
2003	12,303	7,867	4,436	1,050	310	1,360	3.26
2004	13,060	7,377	5,683	1,080	276	1,356	4.19
2005	14,139	7,846	6,293	1,045	384	1,429	4.40
2006	15,177	8,766	6,411	660	346	1,006	6.37
2007	18,109	9,752	8,357	685	322	1,007	8.30
2008	15,696	9,930	5,766	690	295	985	5.85
2009	14,116	9,581	4,535	1,610	397	2,007	2.26
2010	14,861	8,834	6,027	1,675	332	2,007	3.00

Notes:

[1] Includes the operating revenues plus investment earnings.

[2] Water and sewer direct operating expenses exclusive of depreciation and amortization plus any loss on disposition of capital assets.

[3] Includes the 2001, 2004 and 2008 water and sewerage revenue bonds.

City of Calhoun, Georgia
Pledged Revenue Coverage
Water And Sewerage GEFA Loans
Last Ten Fiscal Years
(Amounts Presented in $1,000)

Fiscal Year Ended June 30,	Revenues [1]	Less Operating Expenses [2]	Net Available Revenues	Principal[3]	Interest	Total	Times Coverage
2001	$ 11,310	$ 6,425	$ 4,885	$ 1,748	$ 1,204	$ 2,952	1.65
2002	11,700	7,247	4,453	1,987	961	2,948	1.51
2003	12,303	7,867	4,436	2,026	898	2,924	1.52
2004	13,060	7,377	5,683	2,089	832	2,921	1.95
2005	14,139	7,846	6,293	2,098	991	3,089	2.04
2006	15,177	8,766	6,411	1,953	1,018	2,971	2.16
2007	18,109	9,752	8,357	2,148	1,075	3,223	2.59
2008	15,696	9,930	5,766	1,123	668	1,791	3.22
2009	14,116	9,581	4,535	1,984	657	2,641	1.72
2010	14,861	8,834	6,027	1,749	630	2,379	2.53

Notes:

[1] Water and sewer revenues inclusive of interest and other nonoperating revenues. (In Fiscal 2002, customer additions were added to revenues; these are now contributions and have been removed from revenues for this presentation.)

[2] Water and sewer direct operating expenses exclusive of depreciation and amortization plus any loss on disposition of capital assets.

[3] Only the amount of regular principal payments have been included. Payments to retire the debt through proceeds from bonds were not included as they would skew the coverage calculation.

Exhibit XXXVII

City of Calhoun, Georgia
Demographic and Economic Statistics
Last Ten Fiscal Years

Calendar Year	Population[1]	*(in thousands of dollars)* Personal Income[2]	Per Capita Income[2] Gordon County	Per Capita Income[2] United States	County as a % of U.S.	Median Age[3]	City School Enrollment[4]	Unemployment Rates[5] City	Unemployment Rates[5] State of Georgia	Unemployment Rates[5] United States
2001	10,942	$ 1,050,452	$ 22,968	$ 30,562	75%	33.9	2,522	6.6%	4.0%	4.7%
2002	11,161	1,054,055	22,567	30,795	73%	33.9	2,594	4.9%	4.8%	5.8%
2003	12,184	1,099,284	22,987	31,466	73%	33.9	2,658	5.4%	4.7%	6.0%
2004	12,342	1,183,533	24,156	33,090	73%	33.9	2,777	4.5%	4.6%	5.5%
2005	13,666	1,256,016	25,007	34,471	73%	33.9	3,096	4.9%	5.6%	5.1%
2006	14,015	1,291,961	25,192	34,510	73%	34.0	3,234	4.4%	4.7%	4.6%
2007	14,379	1,340,846	25,740	35,260	73%	34.0	3,247	4.6%	4.6%	4.7%
2008	14,753	1,402,764	25,828	35,204	73%	34.0	3,288	6.5%	5.6%	5.5%
2009	14,807	1,346,161	25,978	38,615	67%	34.4	3,361	13.5%	10.1%	9.5%
2010	14,955	1,373,084	26,393	40,148	66%	34.4	3,423	12.6%	9.6%	9.3%

Data Sources:

[1] 1999-2007, U.S. Bureau of Economic Analysis- http:usgovinfo.about.com/gi/dynamic/offsite.htm?site=http://factfinder.census.gov/., 2008-2010 estimated by management.

[2] 1999 - 2006, U.S. Bureau of Economic Analysis, http://www.bea.gov/regional/reis/drill.cfmm, 2007-2010 based on management's estimates.

[3] U.S. Census Bureau - http://usgovinfo.about.com/gi/dynamic/offsite.htm?site=http://factfinder.census.gov/, 2001-2010 estimated by management.

[4] City of Calhoun School System, 2009 restated to agree to information from School System obtained from Georgia Department of Education.

[5] Georgia Department of Labor, "Georgia Area Labor Profile" 2009 Averages.

Exhibit XXXVIII

City of Calhoun, Georgia
Principal Employers
Current Year and Nine Years Ago

Employer	2010 Number of Employees	Rank	Percentage of Total City Employment	Employer	2001 Number of Employees	Rank	Percentage of Total City Employment
Mohawk Industries, Inc.	1,800	1	8.18%	Mohawk Industries, Inc.	3,250	1	15.54%
Shaw Industries	1,253	2	5.69%	Dixie Yarn	1,400	2	6.70%
Gordon County Schools	973	3	4.42%	Gordon County Schools	875	3	4.18%
Gordon Hospital	600	4	2.73%	Mannington Carpets	675	4	3.23%
Mannington Carpets	520	5	2.36%	Shaw Industries	609	5	2.91%
Calhoun City Schools	397	6	1.80%	Georgia Corporation	430	6	2.06%
Gordon County Government	386	7	1.75%	Springs Industries	413	7	1.98%
City of Calhoun Government	352	8	1.60%	Calhoun City Schools	350	8	1.67%
Apache Mills	350	9	1.59%	Apache Mills	330	9	1.58%
Beaulieu Group	310	10	1.41%	Gordon County Government	329	10	1.57%
Total Principal Employers	6,941		31.54%	**Total Principal Employers**	8,661		41.42%
Other Employers	15,065		68.46%	**Other Employers**[2]	12,250		58.58%
Total Employers [1]	22,006		100.00%	**Total Employers**	20,911		100.00%

Data Source:

Gordon County Chamber of Commerce and MEAG Annual Report.

[1] Estimated by Gordon County Chamber of Commerce.

[2] Estimated by management.

City of Calhoun, Georgia
Full-time Equivalent Employees by Function [1]
Last Ten Fiscal Years

Function/program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government										
Mayor and City Council	5	5	5	5	5	5	5	5	5	5
Administration	4	3	3	3	3	5	3	2	2	1
Tax Administration	1	1	1	1	1	1	1	1	1	1
Business License	-	-	-	-	-	-	-	-	-	2
Human Resources	1	1	1	1	1	1	1	1	2	2
Finance	6	6	6	7	7	8	8	5	6	4
	17	16	16	17	17	20	18	14	16	15
Judicial										
Court Services	-	4	4	4	4	4	4	3	3	3
Probation	-	-	-	-	1	1	2	2	2	2
	-	4	4	4	5	5	6	5	5	5
Public Safety										
Police	55	54	53	50	51	52	52	52	49	49
Fire	35	39	39	39	39	38	40	40	38	38
Animal Control	1	1	1	1	1	1	1	1	1	1
	91	94	93	90	91	91	93	93	88	88
Public Works										
Administration	-	-	-	-	-	1	1	1	1	1
Streets and highways	16	18	18	18	18	16	18	18	16	16
City Maintenance	4	6	6	7	7	7	7	6	6	6
Cemetery	2	4	4	4	4	4	4	2	4	3
	22	28	28	29	29	28	30	27	27	26
Health and Welfare										
Senior Citizens Activities	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Recreation Department	13	20	22	20	19	17	14	8	14	14
Library	6	7	7	8	8	9	8	4	9	9
	19	27	29	28	27	26	22	12	23	23
Housing and Economic Development										
Mainstreet Program	1	1	1	1	1	1	1	1	1	1
Airport	2	3	3	3	3	3	4	2	4	4
Inspections/ Community Dev.	3	3	3	3	3	3	3	6	5	4
	6	7	7	7	7	7	8	9	10	9
Utilities Administration										
Administration	3	3	3	3	3	4	4	5	5	5
Utilities Finance	-	-	-	-	-	-	-	-	5	5
GIS	-	-	-	-	-	-	-	-	2	2
Billing	3	2	2	2	2	2	2	2	3	3
Customer Service	3	3	3	3	3	3	3	4	4	2
Tellers	2	2	2	2	2	2	3	3	3	2
Meter Reading	6	6	6	6	6	6	6	7	6	5
Engineering	1	2	2	4	4	5	6	6	6	6
Purchasing	2	2	2	2	2	2	2	2	2	2
	20	20	20	22	22	24	26	29	36	32
Electric System	17	18	18	19	19	19	19	18	17	17
Water and Sewer System										
Wastewater Treament	12	13	13	12	10	11	11	10	9	9
Sewer Construction	8	14	12	12	18	12	13	13	12	12
Maintenance Crew	-	4	6	6	7	10	9	11	10	10
Water Treatment	9	10	8	8	8	8	8	8	8	7
Water Construction	21	16	18	19	25	24	27	27	24	22
	50	57	57	57	68	65	68	69	63	60
Fields Ferry Golf Course										
Pro Shop	18	13	11	14	13	10	9	3	9	9
Maintenance	10	10	10	10	10	10	10	9	8	8
	28	23	21	24	23	20	19	12	17	17
Telecommunciations	4	4	4	4	4	4	4	5	4	4
Solid Waste	6	5	6	6	6	6	5	3	3	3
Total	281	304	304	308	319	316	319	297	310	300
Percentage Change From Prior Year	13.3%	8.2%	0.0%	1.3%	3.6%	-0.8%	0.9%	-6.9%	4.4%	-3.2%

Data Source:
[1] City of Calhoun, Human Resource Department

City of Calhoun, Georgia
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Physical arrests	1,119	N/A	N/A	N/A	N/A	N/A	N/A	1,743	535	1,572
Parking violations	71	N/A	N/A	N/A	N/A	N/A	N/A	456	N/A	882
Traffic violations	7,016	977	5,976	10,831	7,709	7,732	7,007	7,557	5,055	6,042
Fire										
Emergency responses	766	715	730	800	630	697	707	792	740	894
Inspections	341	342	553	530	327	438	669	797	674	1,977
Library										
Volumes in collection	52,134	59,677	61,783	66,766	72,667	72,000	80,483	86,623	87,500	90,839
Total volumes borrowed	51,112	56,997	69,188	76,366	78,003	103,704	124,000	128,199	131,185	141,757

Notes:
N/A Not available in some categories

Data Sources:
Various City departments.

City of Calhoun, Georgia
Utilities - Operating Indicators by Service
Last Ten Fiscal Years

Utility Service	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Electric Service:										
Coincident peak (kW)	62,650	66,286	66,497	68,570	66,929	66,082	65,462	66,536	56,758	60,838
Reserves (kW)	9,398	9,943	9,975	10,286	10,039	9,912	9,819	8,867	6,418	9,126
Total requirements (kW)	72,048	76,229	76,472	78,856	76,968	75,994	75,281	75,403	63,176	69,964
Southeastern Power Administration (kW)	6,704	6,972	7,660	7,660	7,660	7,660	7,660	7,660	7,660	7,660
MEAG projects 1, 2, 3 & 4 (kW)	45,300	47,200	47,200	47,200	47,200	47,200	47,200	47,200	47,200	47,200
MEAG combined cycle (kW)	-	-	-	15,630	15,630	15,630	15,630	15,630	15,630	15,630
Total resources (kW)	52,004	54,172	54,860	70,490	70,490	70,490	70,490	70,490	70,490	70,490
Excess capacity (deficit) (kW)	(20,044)	(22,057)	(21,612)	(8,366)	(6,478)	(5,504)	(4,791)	(4,913)	7,314	526
Per cent reserve of capacity	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Water Service:										
Daily average consumption	10,617,000	10,218,000	9,925,000	9,534,000	9,551,000	9,554,000	9,952,000	9,176,000	10,661,191	10,236,000
Maximum daily capacity of wells (in gallons)	1,400,000	1,400,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000
Maximum daily capacity of plant (in gallons)[1]	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	23,800,000
Elevated storage capacity (gallons)	-	-	-	-	-	-	-	-	-	
Reservoir storage capacity (gallons)	20,600,000	20,600,000	20,600,000	20,600,000	24,600,000	24,600,000	24,600,000	24,600,000	24,600,000	24,600,000
Sewer Service:										
Maximum daily capacity of treatment plant (gallons)	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Daily average treatment (gallons)	8,062,000	8,566,000	8,798,000	7,468,000	7,418,000	6,901,000	5,431,000	5,277,000	6,525,833	5,688,000
Unused capacity	7,938,000	7,434,000	7,202,000	8,532,000	8,582,000	9,099,000	10,569,000	10,723,000	9,474,167	10,312,000
Percentage of capacity used	0.503875	0.535375	0.549875	0.466750	0.463625	0.431313	0.339438	0.329813	0.407865	0.355500

Data Source:
Applicable Department

Exhibit XXXXII

City of Calhoun, Georgia
Utilities - Capital Asset Indicators - by Service
Last Ten Fiscal Years

Function/program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Electric Service:										
Miles of line	147	155	165	179	180	182	185	222	227	234
Service area (square miles)	13	13	13	13	13	13	13	13	13	13
Number of sub-stations	3	3	3	3	3	3	3	3	3	3
20 megawatt generator	1	1	1	1	1	1	1	1	1	1
Water Service:										
Miles of water mains	586	592	599	622	624	628	640	640	720	770
Number of wells	1	1	2	2	2	2	2	2	2	2
Number of treatment plants	1	1	2	2	2	2	2	2	2	2
Number of elevated tanks	-	-	-	-	-	-	-	-	-	-
Number of reservoirs	12	12	12	12	12	12	12	15	15	15
Sewer Service:										
Miles of sanitary sewers	101	102	103	110	111	113	118	120	137	134
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of lift stations	5	5	5	5	6	6	6	9	9	9

Data Source:
Various Departments

Exhibit XXXXIII

City of Calhoun, Georgia
Capital Asset and Infrastructure Statistics by Function/Program
Last Ten Fiscal Years

Function/program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units	12	12	24	24	24	24	24	27	32	33
Fire stations	3	3	3	3	3	3	3	3	3	3
Streets and highways										
Streets (miles)	86	86	94	94	95	97	98	99	99	99
Street Lights	827	834	861	868	878	882	918	973	973	979
Parks and recreation										
Acreage	337	337	342	342	342	342	342	342	342	342
Water										
Water mains (miles)	586	592	599	622	624	628	640	640	720	770
Fire hydrants	666	695	695	700	733	743	742	741	900	775
Storage capacity (thousands of gallons)	21,550	21,550	21,550	21,550	23,500	23,500	24,600	24,600	24,600	24600
Wastewater										
Sanitary sewers (miles)	101	102	103	110	111	113	118	119	137	134
Treatment capacity (thousands of gallons)	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16000
Storm sewers (miles)	29	29	30	30	30	30	30	30	30	30

Data Source:
Various City Departments.

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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*

To the Honorable James F. Palmer, Mayor
And Members of the City Council
City of Calhoun, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of City of Calhoun, Georgia, as of and for the year ended June 30, 2010, which collectively comprise the City of Calhoun, Georgia's basic financial statements and have issued our report thereon dated December 29, 2010. 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 Calhoun, Georgia's internal control over financial reporting as a basis for designing our auditing 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 Calhoun, Georgia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Calhoun, Georgia's internal control over financial reporting.

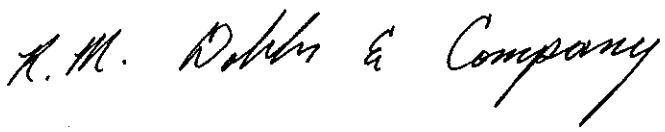
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Calhoun, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.



Calhoun, Georgia
December 29, 2010

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Honorable James F. Palmer, Mayor
And Members of the City Council
City of Calhoun, Georgia

Compliance

We have audited the compliance of the City of Calhoun, Georgia, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2010. The City of Calhoun, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Calhoun, Georgia's management. Our responsibility is to express an opinion on the City of Calhoun, Georgia's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Calhoun, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of City of Calhoun, Georgia's compliance with those requirements.

In our opinion, the City of Calhoun, Georgia, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

Management of the City of Calhoun, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Calhoun, Georgia's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Calhoun, Georgia's internal control over compliance.

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

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

This report is intended solely for the information and use of management, City Council, others within the entity, 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.

R. M. Dobbs & Company

Calhoun, Georgia
December 29, 2010

CITY OF CALHOUN, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Grant/Loan Identification Number	Program or Award Amount	Federal Expenditures
U.S. Department of Housing and Urban Development				
Georgia Department of Community Affairs				
Community Development Block Grant	14.218	08q-x-064-2-5030	$ 800,000	$ 442,453
Georgia Department of Community Affairs				
Urban Development Action Grant	14.221	10-64-586000530		1,783,202
Georgia Housing and Finance Authority				
HOME Investment Partnerships Program	14.239	34531000	(Note C)	23,159
Calhoun Housing Authority	15.226	Ga. Projects		
Payment in Lieu of Taxes		11900199M		
		Contract A-3103		33,636
Total U. S. Department of Housing and Urban Development				2,282,450
U.S. Environmental Protection Agency				
Georgia Environmental Protection Division/				
Georgia Environmental Facilities Authority				
Capitalized Grant for Drinking Water State Revolving Loan Fund				
Federal Money Loan	66.468	DW 09-022	$ 1,500,000	980,327
U.S. Department of Justice				
Bureau of Justice Assistance				
Bulletproof Vest Partnership Program	16.607	04023455	$ 5,004	5,004
Office of Community Oriented Policing Services				
ARRA COPS Hiring Recovery Program	16.710	2009RKWX0281	$ 299,478	70,997
Bureau of Justice Assistance				
ARRA Recovery Act JAG Program	16.738	2009-SB-B9-0752	$ 27,481	27,481
Total U. S. Department of Justice				103,482
U.S. Department of Homeland Security				
Georgia Emergency Management Agency				
Domestic Preparedness State Homeland Grant Program	97.067	2006-GE-T6-0066	$ 605,000	10,107
				$ 3,376,366

CITY OF CALHOUN, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE A - BASIS OF PRESENTATION

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

NOTE B - LOANS OUTSTANDING

Balance of Federal Money Loans		
From prior years outstanding		
CW SRF #91-006	$	677,641
CW SRF #13088701		381,749
CW SRF #93-007		5,608,806
CW SRF #99-001		2,658,924
DW SRF #00-026		4,533,026
CW SRF #02-002		2,041,498

NOTE C - HOME PROGRAM

HOME loans receivable assigned by the Department of Community Affairs to the City include various loans made to qualified applicants, most of which may be forgiven over applicable loan periods.

CITY OF CALHOUN, GEORGIA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

The prior audit's schedule of findings and questioned costs included no findings relative to federal awards.

CITY OF CALHOUN, GEORGIA
URBAN DEVELOPMENT ACTION GRANT SPECIAL REVENUE FUND
SCHEDULE OF RECONCILIATION - RLF REPORTS TO FINANCIAL STATEMENTS
JUNE 30, 2010

	RLF Reports	Accrual	Financial
Total Assets	$ 1,780,702	$ 9,191	$ 1,789,893
Total Liabilities and Fund Balance	$ 1,780,702	$ 9,191	$ 1,789,893
Net Revenues (Expenditures)	$ 25,018	$ 1,199	$ 26,217

CITY OF CALHOUN, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the City of Calhoun, Georgia.

2. No significant deficiencies relating to the audit of the financial statements are reported in the 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.*

3. No instances of noncompliance material to the financial statements of the City of Calhoun, Georgia, were disclosed during the audit.

4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Report On Compliance With Requirements Applicable To Each Major Program And On Internal Control Over Compliance In Accordance With OMB Circular A-133.

5. The auditor's report on compliance for the Community Development Block Grant and the GEFA Grant expresses an unqualified opinion on these major federal programs.

6. There were no audit findings required to be reported in accordance with Section 510(a) of OMB Circular A-133.

7. The programs tested as major programs include: Community Development Block Grant, CFDA #14.218, and the GEFA Capitalized Grant State Revolving Loan Fund, CFDA #66.468.

8. The threshold for distinguishing between Type A and B programs was $300,000.

9. The City of Calhoun, Georgia did qualify as a low-risk auditee.

FINDINGS – FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

Community Development Block Grant CFDA #14.218
GEFA Capitalized Grant State Revolving Loan Fund CFDA #66.468

There were no findings or questioned costs required to be reported.

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INDEPENDENT AUDITOR'S REPORT

To the Honorable James F. Palmer, Mayor
And Members of the City Council
City of Calhoun, Georgia

We have audited the accompanying Project Cost Schedules for projects constructed with Special Sales Tax Proceeds for the City of Calhoun, Georgia as of June 30, 2010. These Project Cost Schedules are the responsibility of the City of Calhoun, Georgia's management. Our responsibility is to express an opinion on the Project Cost Schedules based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance that the Project Cost Schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Project Cost Schedules. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Project Cost Schedules were prepared to present each identified project and information required by Section 48-8-121 OCGA and is not intended to be a complete presentation of the City of Calhoun, Georgia's assets and liabilities.

In our opinion, the accompanying Project Cost Schedules present fairly, in all material respects, the original estimated cost of each project, expenditures incurred and the estimated percentage of completion of each project as of June 30, 2010, in conformity with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Mayor and City Council, management, 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.

R. M. Dobbs & Company

Calhoun, Georgia
December 29, 2010

CITY OF CALHOUN, GEORGIA
PROJECT COST SCHEDULE FOR PROJECTS CONSTRUCTED
WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
FROM INCEPTION THROUGH JUNE 30, 2010 (CUMULATIVE TOTAL)

		Board Approved Projects						
Project	Referendum Authorized Amounts	Original Estimated Cost	Prior Years' Additional Projects, Additions & Revisions	Revised Estimated Cost	Prior Years' Expenditures	Current Year	Cumulative Total	Estimated Percentage of Completion Referendum Authorized Amounts
2001 SPLOST								
Recreation Capital Projects	$ 4,025,000	$ 1,199,500	$ 1,072,932	$ 2,272,432	$ 4,027,008	$ -	$ 4,027,008	100.0%
Transportation Capital Projects	4,025,000	420,000	2,869,716	3,289,716	4,022,992	-	4,022,992	100.0%
	$ 8,050,000	$ 1,619,500	$ 3,942,648	$ 5,562,148	$ 8,050,000	$ -	$ 8,050,000	

Project	Referendum Authorized Amounts	Original Estimated Cost	Prior Years' Expenditures	Current Year	Cumulative Total	Estimated Percentage of Completion Referendum Authorized Amounts
2005 SPLOST						
Water/Sewer System Improvements	$ 4,734,297	$ 4,734,297	$ 2,365,041	$ 1,364,372	$ 3,729,413	78.8%
Waste Treatment Plant Improvement	4,000,000	4,000,000	-	-	-	0.0%
4th Fire Station & Equipment	1,500,000	1,500,000	-	-	-	0.0%
	$10,234,297	$10,234,297	$ 2,365,041	$ 1,364,372	$ 3,729,413	

CITY OF CALHOUN, GEORGIA
NOTES TO PROJECT COST SCHEDULES
FOR PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

The accompanying project cost schedules include information required by state statute. This information is presented on the modified accrual basis of accounting, consistent with generally accepted principles for governmental fund financial statements.