City of Calhoun, Georgia

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2013

Prepared by:

Department of Finance

City of Calhoun, Georgia
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2013

TABLE OF CONTENTS

Introductory Section
(Unaudited)

Letter of Transmittal 1-4
GFOA Certificate of Achievement 5
Organizational Chart- General Government 6
Organizational Chart- Utilities 7
List of Principal Officials 8

Financial Section

Independent Auditors' Report 9-10

Management's Discussion and Analysis (Unaudited) 12-19

Basic Financial Statements

Government-wide Financial Statements
Statement of Net Position 22
Statement of Activities 23

Fund Financial Statements

Governmental Funds
Balance Sheet 26
Reconciliation of the Governmental Funds' Balance Sheet to the Statement of Net Position 27
Statement of Revenues, Expenditures and Changes in Fund Balances 28
Reconciliation of the Governmental Funds' Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities 29
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual - General Fund 30

Proprietary Funds
Statement of Net Position 31
Statement of Revenues, Expenses, and Changes in Fund Net Position 32
Statement of Cash Flows 33-34

Fiduciary Funds
Comparative Statements of Fiduciary Net Position 35
Comparative Statements of Changes in Fiduciary Net Position 36

Notes to the Basic Financial Statements 38-64

Supplementary Information

Combining and Individual Fund Statements and Schedules

Governmental Funds
General Fund
Comparative Balance Sheets 66
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 67

Major Governmental Funds
School Bond Debt Service Fund
Comparative Balance Sheets 70
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 71
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual 72
2011 School Bonds Capital Project Fund
Comparative Balance Sheets 73
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 74
2012 School Bonds Capital Project Fund
Comparative Balance Sheets 75
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 76

Nonmajor Governmental Funds
Combining Balance Sheet – By Fund Type 78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - By Fund Type 79

Nonmajor Special Revenue Funds
Combining Balance Sheet 80
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 81
Urban Development Action Grant Fund
Comparative Balance Sheets 82
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances 83
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual 84
Home Investment Partnership Act Fund
Comparative Balance Sheets 85
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances 86
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual 87
Confiscated Assets Fund
Comparative Balance Sheets 88
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 89
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual 90

West Calhoun Grant Fund
Comparative Balance Sheets 91
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 92
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual....93
Hotel/Motel Tax Fund
Comparative Balance Sheets 94
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 95
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual....96
School Tax Fund
Comparative Balance Sheets 97
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 98
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual....99
Recreation Fund
Comparative Balance Sheets 100
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 101
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual....102
Cherokee Mill Loft Apts.
Comparative Balance Sheets 103
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 104
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual....105

Nonmajor Debt Service Funds
Revenue Bond Debt Service Fund
Comparative Balance Sheets 106
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 107
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.... 108

Nonmajor Capital Project Funds
Combining Balance Sheet 109
Combining Statement of Revenues, Expenditures and Changes in Fund Balances....110
2005 SPLOST Fund
Comparative Balance Sheets 111
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 112
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual....113
School SPLOST Fund
Comparative Balance Sheets 114
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 115
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual....116

2011 SPLOST Fund
Comparative Balance Sheets....117
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances 118
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual 119

Proprietary Funds

Enterprise Funds
Major Enterprise Funds
Electric System Fund
Comparative Statements of Net Position 122
Comparative Statements of Revenues, Expenses and Changes in Fund Net Position 123
Comparative Statements of Cash Flows 124-125

Water and Sewerage System Fund
Comparative Statements of Net Position 126
Comparative Statements of Revenues, Expenses and Changes in Fund Net Position 127
Comparative Statements of Cash Flows 128-129

Nonmajor Enterprise Funds
Combining Statement of Net Position 132
Combining Statement of Revenues, Expenses and Changes in Fund Net Position....133
Combining Statement of Cash Flows 134-135
Fields Ferry Golf Course Fund
Comparative Statements of Net Position 136
Comparative Statements of Revenues, Expenses and Changes in Fund Net Position....137
Comparative Statements of Cash Flows 138
Telecommunications Fund
Comparative Statements of Net Position 139
Comparative Statements of Revenues, Expenses and Changes in Fund Net Position....140
Comparative Statements of Cash Flows 141-142
Solid Waste Fund
Comparative Statements of Net Position 143
Comparative Statements of Revenues, Expenses and Changes in Fund Net Position....144
Comparative Statements of Cash Flows 145

Internal Service Fund-Individual Fund Statements
Utilities Administration Fund
Comparative Statements of Net Position 148
Comparative Statements of Revenues, Expenses and Changes in Fund Net Position....149
Comparative Statements of Cash Flows 150

Fiduciary Funds

Municipal Court Agency Fund
Statement of Changes in Assets and Liabilities 152

Statistical Section
(Unaudited)

Financial Trends

Government-wide Net Position by Category S-2
Chart - Government-wide Net Position by Category S-3
Changes in Net Position – Governmental Activities S-4
Changes in Net Position – Governmental Activities – Percentage of Total S-5
Tax Revenues by Source – Governmental Activities S-6
Changes in Net Position – Business-type Activities S-7
Changes in Net Position – Business-type Activities – Percentage of Total S-8
Changes in Net Position – Total S-9
Fund Balances – Governmental Funds S-10
General Governmental Revenues by Source S-11
Tax Revenues by Source - Governmental Funds S-12
General Governmental Expenditures by Function S-13
General Governmental Current Expenditures by Function S-14
Changes in Fund Balances – Governmental Funds S-15
Operating Revenue, Expenses and Income (Loss) – Electric Service S-16
Detailed Operating Revenues, Expenses and Income (Loss) – Electric Service S-17
Operating Expenses – by Object - Electric Service S-18
Operating Revenue, Expenses and Income (Loss) – Water and Sewerage Service S-19
Detailed Operating Revenue, Expenses and Income (Loss) -
Water and Sewerage Service S-20
Operating Expenses – by Object – Water and Sewerage Service S-21

Revenue Capacity

Taxable Assessed Value and Estimated Actual Value of Property S-22
Direct and Overlapping Property Tax Rates S-23
Principal Property Taxpayers S-24
Property Tax Levies and Collections S-25
Overlapping Sales Tax Rates S-26
Consumption Billed by Service S-27
Electric Service Rates S-28-S-30
Water Service Rates S-31-S-33
Sewer Service Rates S-34-S-35
Customer Accounts at Year-End By Service S-36
Ten Largest Customers – Electric Service S-37

Debt Capacity
Ratios of Total Debt Outstanding by Type S-38
Ratios of Net General Bonded Debt Outstanding S-39
Direct and Overlapping Debt S-40
Legal Debt Margin S-41
Pledged Revenue Coverage - Water and Sewerage Senior Lien Revenue Bonds S-42
Pledged Revenue Coverage - Water and Sewerage GEFA Loans S-43

Demographic and Economic Information
Demographic and Economic Statistics S-44
Principal Employers S-45

Operating Information
Full-time Equivalent Employees by Function S-46
Operating Indicators by Function/Program S-47
Utilities – Operating Indicators by Service S-48
Utilities – Capital Asset Indicators – by Service S-49
Capital Asset and Infrastructure Statistics by Function/Program S-50

Internal Control and Federal Compliance Section

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 C-1-C-2
Report on Compliance with Requirement Applicable To Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 ..... C-3-C-4
Schedule of Expenditures of Federal Awards C-5
Notes to Schedule of Expenditures of Federal Awards C-6
Summary Schedule of Prior Audit Findings C-7
Urban Development Action Grant- Schedule of Reconciliation RLF Reports to Financial Statements C-8
Schedule of Findings and Questioned Costs C-9

State Section

Special Sales Tax Proceeds
Independent Auditor's Report ST-1
Project Cost Schedule for Projects Constructed With Special Purpose Local Option Sales Tax ST-2
Notes to Project Cost Schedules for Projects Constructed With Special Purpose Local Option Sales Tax Proceeds ST-3



City of Calhoun, Georgia

Site of New Echota in the Land of the Cherokee

December 31, 2013

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, 2013, 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, 2013. 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.

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 two component units: the Calhoun Board of Education and the Downtown Development Authority both 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 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. The City of Calhoun occupies a land area of approximately 15 square miles and serves a residential population of approximately 15,650 and a service delivery population of approximately 55,000. 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 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 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 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 has allowed the City to add over six million gallons of raw water per day to its system as 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. 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. The filtration portion of the project was started in fiscal year 2011 with a loan from GEFA that had 30% forgiveness through the federal ARRA funding. The project is estimated to be completed in fiscal year 2014 with an additional amount of funding from GEFA.

The Water and Sewer fund refunded their 2003 Water and Sewerage Bonds and three GEFA notes during fiscal 2013 at 2.08%, with a net present value savings of $496,118. The Water and Waste Water Department also secured low interest GEFA fund financing availability for possible accelerating of some long term infrastructure improvements. The borrowing will only be accessed where financial and engineering analysis indicate that it is cost effective.

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 during the economic slowdown allowing us to utilize existing personnel in getting the information into the system. The GIS system has provided the City with opportunities to improve mapping information, allowed public access via the City's website, and has made interactive field access available for operations personnel.

The City of Calhoun Electric fund performed work on major projects for fiscal year 2013 of approximately $815,000 that included construction at the new high school, construction on underground primary wiring at local facilities and GDOT intersection improvements. The City has 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 2017. An additional five year Inter Participant Transfer (IPT), facilitated through MEAG, was executed in early 2011 to bridge electric generation needs until Plant Vogtle becomes commercially operable. These transactions 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 1% from the past year. 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. On November 15, 2013 at the Governors Office of Highway Safety awards banquet our department placed third in our category; and as a result we were awarded funds to enhance our traffic safety enforcement programs.

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, vehicle and fuel, equipment, technical, and legal expertise for operations primarily associated with gang activity, drugs, illegal immigration, and forgery. Several federal cases worked by our department provided shared funds that were used to furnish and re-model a new office building for the Special Operations Division. This year we continue to partner with the Federal Alcohol Tobacco and Firearms division, where one of our officers is sworn as Federal Agent and is being

provided with a vehicle and fuel, at no cost to the City. Successful cases through this agency have also provided shared funds to assist the department without using City budget funds.

Fire:
The Calhoun Fire Department has an ISO 4 rating for property and casualty insurance purposes. The department has also completed construction on a training center located at Station #2. This center consists of a live fire burn building and training tower, along with other training props. This was built per ISO recommendations in the last review. The fire department has hired a Chief of Training to coordinate the department training and use of the site. These two additions will have a direct impact of helping to potentially lower the ISO rating for property and casualty insurance purposes for the City of Calhoun.

The number of structure fires within the City of Calhoun continued to decline this year, while the total number of calls continues to increase due to increased medical call requests. Fire call reduction is 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.

Public Works:
Street Department operations during fiscal year 2013 included paving on Wilco Lane, Mauldin Rd., Camelot Circle, E. May St. and the Recreation Dept. football field. These were paved through a joint agreement with Gordon County. The State LMIG Program contractor paved Saddle Mtn. Loop, Trammell St., Westwood Dr., Windy Hills Dr., Park Ave., S. McConnell Rd. and the top section of Chandler Cemetery. City funds paved an 850 ft. section of Harris Beamer Rd., 6th St. and Linda Lane. Linda Lane also had sidewalks, curb, gutter and streetlights installed. E. May St. is under construction with the same improvements at this time.

Work has been completed 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. Work has been started on the Transportation Enhancement Grant Project, Streetscape Phase IV which includes design and engineering from the Yeager Company.

Recreation:
Participation programming remained steady despite continued economic hardship. The Recreation Department completed construction of a restroom/concession/pavilion facility at the new Recreation Complex. The facility services the football field and walking trail. The pavilion area will be available for parties, reunions and special events. The parking lot that services the football field, walking trail and restroom/concession//pavilion building was also paved during June 2012.

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 into fiscal 2013. 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 Golf Course installed new greens and irrigation which was completed by mid-August, 2012. Twenty new golf carts were purchased in this year as well.

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 department 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 for proprietary funds is modified accrual, with all revenues and expenditures budgeted on an accrual basis except for line items for capital outlay and debt payments. The City's budgetary accounting basis for governmental funds is modified accrual. 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.

Long-term Financial Planning:
Each year the City adopts a five-year Capital Improvement Program. This plan helps identify projects that should be undertaken in the next five years. This long-range planning is essential in addressing the future development and growth of the City. The City of

Calhoun has continually funded its capital requirements aggressively and maintains a pay as you go funding for most of its capital needs, which limits its borrowing requests.

***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, 2012. 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 Director of Finance of the City of Calhoun for her 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



Larry Vickery
General Manager

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Calhoun

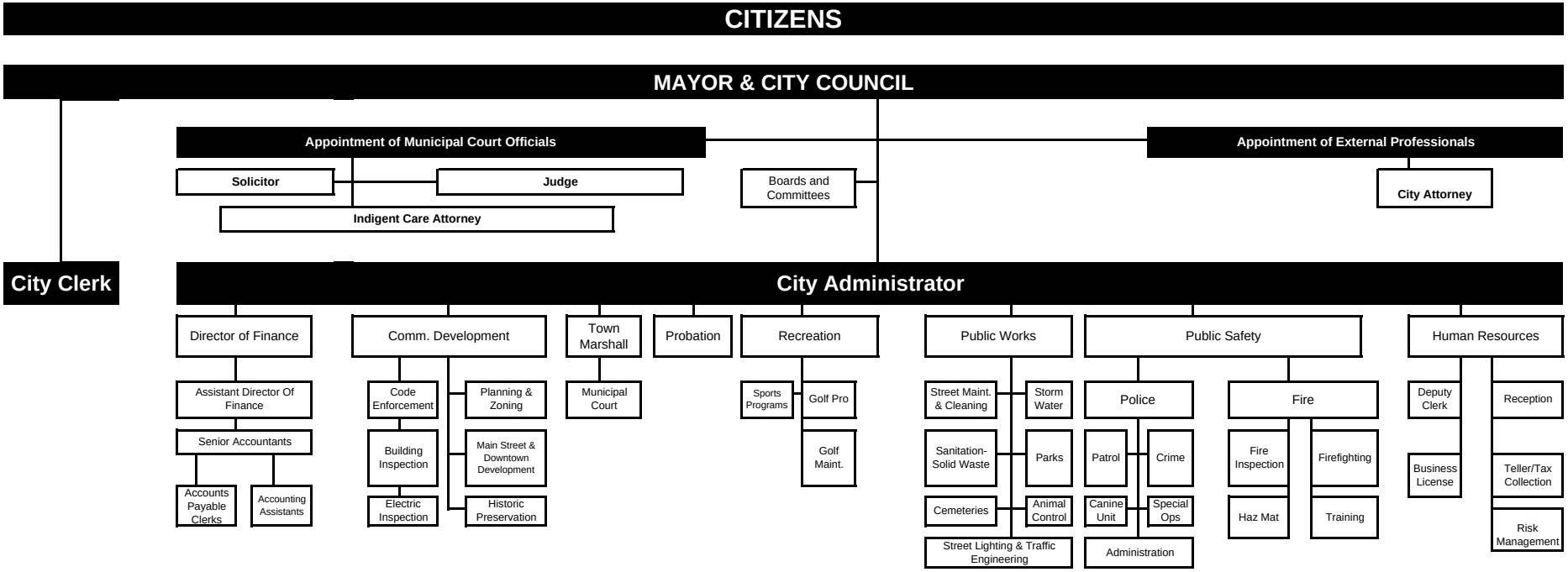
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

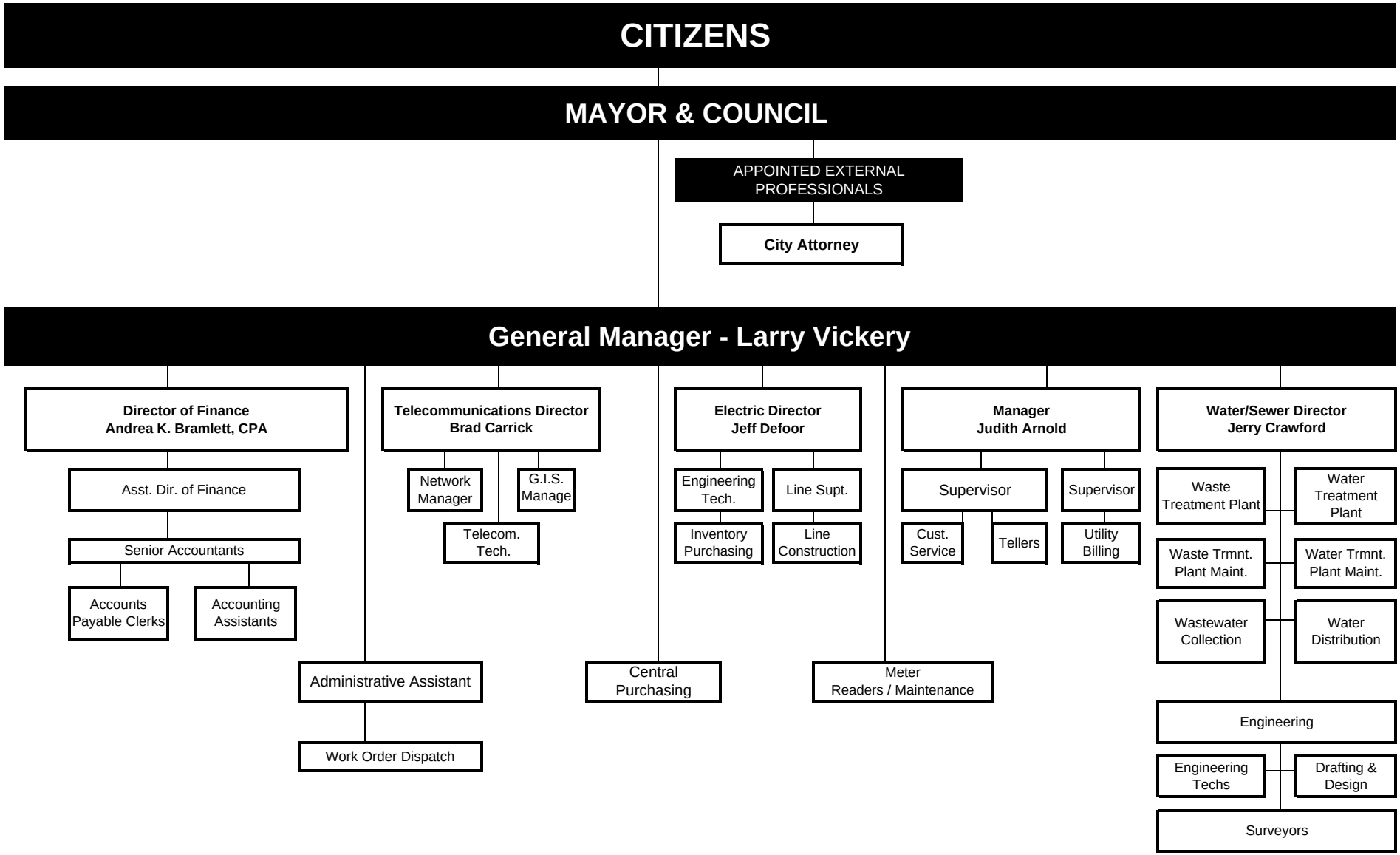
June 30, 2012

Executive Director/CEO

CITY OF CALHOUN, GEORGIA
FISCAL 2013-2014 GOVERNMENTAL ORGANIZATIONAL CHART



CALHOUN UTILITIES
FISCAL 2013 - 2014 ORGANIZATIONAL CHART



City of Calhoun, Georgia
Officials, Management and Appointed Professionals
June 30, 2013

Elected Officials:

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

Appointed Officials and Management Related to General Government:

Administrator ..... F. Eddie Peterson
Director of Finance ..... Andrea K. Bramlett
Human Resource/ Assistant City Administrator ..... Linda Brookshire
Police Chief ..... Garry Moss
Fire Chief ..... Lenny Nesbitt
Superintendent of Street Department ..... Kevin McEntire
Probation Director ..... Neal Russell
Town Marshal ..... Randy Jackson
Code Enforcement ..... Don McGinnis
Downtown Development ..... Suzanne Roland
Recreation Director ..... Kim Townsend
Golf Professional ..... Eric Stewart
Superintendent of Golf Maintenance ..... Harold Franklin
City Clerk ..... Paul Worley

Appointed Officials and Management Related to Calhoun Utilities:

General Manager ..... Larry Vickery
Director of Finance ..... Andrea K. Bramlett
Director of Water & Sewer ..... Jerry Crawford
Water Plant Superintendent ..... Danny Stephens
Sewer Plant Superintendent ..... John Banks
Water & Sewer Construction Superintendent ..... Mark Williamson
Water and Sewer Maintenance Superintendent ..... Bobby Robertson
Superintendent of Electric Department ..... Jeff Defoor
Superintendent of Telecommunications ..... Brad Carrick

Appointed Professionals

Municipal Court Judge ..... Suzanne Hutchinson Smith
Municipal Court Prosecutor ..... George Govignon
Municipal Court Indigent Care Attorney ..... Rebecca B. Parris
City Attorney ..... George Govignon

R.M. DOBBS & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 423
CALHOUN, GEORGIA 30703-0423
706-629-4511

JERRY L. CLEMENTS, C.P.A.
LOUISE McGOWAN, C.P.A.
JUDY M. FAGAN, C.P.A.
JAN C. GOBLE, C.P.A.
MITZI B. POWELL, C.P.A.

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
AND
GEORGIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Calhoun, Georgia, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 14-21 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Calhoun, Georgia's basic financial statements. The introductory section, combining and individual fund financial statements, budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary comparison schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, budgetary comparison schedules, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic 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 provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2013, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Calhoun, Georgia's internal control over financial reporting and compliance.

R M. Dobbs & Company

Calhoun, Georgia
December 31, 2013

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, 2013. 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 $200,694,097 (net position) for the fiscal year reported.
- Total net position is comprised of the following:
  (1) Net investment in capital assets of $160,440,977 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  (2) Net position of $9,229,059 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
  (3) Unrestricted net position of $31,024,061 represents 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 $25,560,184 this year. This compares to the prior year ending fund balance of $37,898,851 showing an decrease of $12,338,667 during the current year. Unassigned and committed fund balance of $7,343,223 for fiscal year 2013 shows a $25,917 decrease from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $6,294,679 or 50% 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 Position.* 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 position.* Over time, increases or decreases in net position 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 position 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, judicial, 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 22-23 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 26-30 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 31-34 of this report.

Fiduciary funds are reported only in the basic financial statements on pages 35-36 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 38 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 78.

Financial Analysis of the City as a Whole

The City's net position at fiscal yearend are $200,694,097. The following table provides a summary of the City's net position:

Summary of Net Assets

	Governmental Activities		Business-type Activities		Total	
	2013	2012, as restated	2013	2012, as restated	2013	2012, as restated
Assets						
Current assets	$ 26,656,652	$ 36,172,534	$ 32,813,246	$ 32,217,295	$ 59,469,898	$ 68,389,829
Other assets	1,078,891	1,110,607	10,289,597	11,196,510	11,368,488	12,307,117
Capital assets	94,626,093	73,742,313	113,360,674	112,359,054	207,986,767	186,101,367
Total assets	122,361,636	111,025,454	156,463,517	155,772,859	278,825,153	266,798,313
Deferred Outflow of Resources						
Deferred bond refunding	-	-	140,682	193,324	140,682	193,324
Liabilities						
Current liabilities	1,249,900	(874,746)	11,929,891	15,875,650	13,179,791	15,000,904
Long-term liabilities	36,635,699	33,630,184	28,103,386	32,516,667	64,739,085	66,146,851
Total liabilities	37,885,599	32,755,438	40,033,277	48,392,317	77,918,876	81,147,755
Deferred Inflows of Resources						
Unavailable Revenues	352,862	-	-	-	352,862	-
Net position						
Net investment in capital assets	67,313,839	51,462,689	93,127,138	89,563,303	160,440,977	141,025,992
Restricted	9,229,059	19,122,020	-	-	9,229,059	19,122,020
Unrestricted	7,580,277	7,685,307	23,443,784	23,006,674	31,024,061	30,691,981
Total net position	$ 84,123,175	$ 78,270,016	$ 116,570,922	$ 112,569,977	$ 200,694,097	$ 190,839,993

The City reported positive balances in net position for both governmental and business-type activities. Net position increased $5,853,159 for governmental activities and by $4,000,945 for business-type activities.

Approximately 80% of the governmental activities' net position are invested in capital assets at June 30, 2013 as compared to 66% at June 30, 2012. The City uses these capital assets to provide services to its citizens. With business-type activities, the City has invested 80% of its net position in capital assets in both fiscal years 2013 and 2012. Capital assets in the business-type activities provide utility services, but they also generate revenues for these funds.

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

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2013	2012, *as restated*	2013	2012, *as restated*	2013	2012, *as restated*
Revenues						
Program						
Charges for services and fines	$ 1,596,835	$ 1,465,955	$ 52,523,695	$ 49,620,808	$ 54,120,530	$ 51,086,763
Operating grants	5,165,209	4,525,283	84,020	84,109	5,249,229	4,609,392
Capital grants	5,551,820	2,628,092	371,021	950,126	5,922,841	3,578,218
General						
Taxes	8,218,564	7,658,728	-	-	8,218,564	7,658,728
Other	181,185	124,138	551,044	532,992	732,229	657,130
Total revenues	20,713,613	16,402,196	53,529,780	51,188,035	74,243,393	67,590,231
Program expenses						
General government	802,314	810,234	-	-	802,314	810,234
Judicial	452,375	373,132	-	-	452,375	373,132
Public safety	6,915,456	6,536,010	-	-	6,915,456	6,536,010
Public works	2,886,680	2,840,555	-	-	2,886,680	2,840,555
Health and welfare	61,103	53,383	-	-	61,103	53,383
Culture and recreation	1,640,601	1,633,489	-	-	1,640,601	1,633,489
Housing and economic devlopment	925,367	941,496	-	-	925,367	941,496
Education	1,958,815	1,136,156	-	-	1,958,815	1,136,156
Interest	1,669,843	1,871,332	-	-	1,669,843	1,871,332
Electric	-	-	32,655,400	31,075,351	32,655,400	31,075,351
Water and sewer	-	-	11,987,691	12,228,646	11,987,691	12,228,646
Golf course	-	-	906,523	939,840	906,523	939,840
Telecommunications	-	-	871,141	927,374	871,141	927,374
Solid waste	-	-	655,980	589,174	655,980	589,174
Total expenses	17,312,554	16,195,787	47,076,735	45,760,385	64,389,289	61,956,172
Excess	3,401,059	206,409	6,453,045	5,427,650	9,854,104	5,634,059
Transfers	2,452,100	3,060,444	(2,452,100)	(3,060,444)	-	-
Change in net position	5,853,159	3,266,853	4,000,945	2,367,206	9,854,104	5,634,059
Net position beginning of year, *as restated*	78,270,016	75,003,163	112,569,977	110,409,049	190,839,993	185,412,212
Prior period adjustment		-	-	(206,278)	-	(206,278)
Ending net position	$ 84,123,175	$ 78,270,016	$ 116,570,922	$ 112,569,977	$ 200,694,097	$ 190,839,993

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 14% of the City's total governmental revenues, as compared to 18% in the prior year. Sales taxes provided 11% of total governmental revenues versus 14% in fiscal year 2012. 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 6% and 8% of total revenues, respectively. Total General Fund revenues are 10% higher than the fiscal year 2012 amount.

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	
	2013	2012	2013	2012
General government	$ 802,314	$ 810,234	$ 624,367	$ 681,565
Judicial	452,375	373,132	452,375	373,132
Public safety	6,915,456	6,536,010	5,232,288	4,850,290
Public works	2,886,680	2,840,555	1,970,162	697,710
Health and welfare	61,103	53,383	61,103	53,383
Culture and recreation	1,640,601	1,633,489	532,779	829,330
Housing and economic development	925,367	941,496	770,740	794,717
Education	1,958,815	1,136,156	(6,314,967)	(2,575,002)
Interest	1,669,843	1,871,332	1,669,843	1,871,332
Total	$ 17,312,554	$ 16,195,787	$ 4,998,690	$ 7,576,457

Public safety expenses make up 40% of the governmental activities expenses. This compares to 41% in fiscal year 2012. The public works function is the second largest cost, making up 17% of governmental activities expenses, compared to 18% in fiscal year 2012.

Approximately 24% of gross program costs for public safety functions were recovered from public safety revenues, primarily fines and forfeitures. This compares to 26% 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 position, causing the education function to appear to have a $6.3 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 $3,288,962 or 6% more than 2012 and total operating expenses were $1,779,625 or 4%, more than fiscal year 2012. Within the total business-type activities of the City, these activities reported $6,663,995 in operating income compared to operating income of $5,154,658 in the prior year, or an increase of 29%. After transfers in and out between other funds and other non-operating items, these funds reported a net change in net position of $4,000,945 compared to a net change in net position of $2,367,206 in 2012.

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

	Amount Change	%
Water and sewerage fund	$ (334,058)	(9%)
Electric system fund	1,783,346	126%
Field Ferry Golf Course fund	26,105	7%
Telecommunications fund	51,773	31%
Solid waste fund	(69,382)	(55%)

Water and Sewerage Fund – One of the major funds is the water and sewerage fund. The operating revenues decreased 2% and operating expenses maintained, resulting in a decrease in operating income from 2012 of approximately 9%.

Personal services have increased by $146,544 or 5%. This is due to a continuing replacement of personnel that were lost during the hiring freeze that was in place for a time, forcing many departments to operate under-staffed.

Contractual Services decreased $261,781or 32%. This primarily represents the additional costs we incurred in repair and maintenance in fiscal 2013.

Electric Fund - The other major enterprise fund is the electric system fund. The charges for services for this fund have increased 7% or $3,261,475 over fiscal year 2012. There were 19,714,256 more kilowatts sold in 2013 than in 2012, which reflects a 5% increase. The price per kilowatt is adjusted monthly so this is very close to the percentage increase in revenues.

Supplies have increased by $1,277,794 or 5% from the prior year. This is due to the increased amount of power that must be purchased to satisfy demand.

Transfers out during fiscal year 2013 decreased by $639,227, which represents 22%. In the prior year, the Electric fund did work on some buildings of the City that was funded by the EECBG grant.

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 $25,560,184. Of this year-end total, $6,294,679 is unassigned indicating availability for continuing City service requirements. There is $1,048,544 committed for working capital and contingencies. Legally restricted fund balances for program purposes are $2,072,325, restricted for capital projects is $13,100,956 and $2,668,962 was restricted for debt service. Amounts equal to prepaid assets of $374,718 are nonspendable for current expenditures.

The total ending fund balances of governmental funds show a decrease of $12,338,667 or 33% from the prior year. This decrease is due to the net almost $17 million dollars spent on the new high school and middle school complex this year.

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 $58,538 in fiscal year 2013.

General fund revenue increased $ 906,770 or 10% from the prior year. Property taxes increased $377,833 or 32%. This was a result of a small increase in the millage rate. Contributions increased $381,032, which represented paving done by the County, as well as a donation of a building and land for special operations.

Total general fund expenditures increased $2,019,702 when compared to the prior year, which represented 19%. Public Safety had an increase of $1,290,129 or 21%. This was primarily due to the purchase of a new police fleet. There was also a building renovation done to the fueling station for the police, and land a building donated and renovated for the special operations division among other things. Public works had an increase of $621,930 or 31%. This was due, in part, to work done on the Streetscape III project, additional asphalt purchased for paving projects and additional personnel costs as staffing gets back full capacity.

The general fund's unassigned and committed ending fund balance represents the equivalent of 58% of annual expenditures, as compared to 70% at June 30, 2012.

2011 School Bond Capital Project Fund – This fund constructed a new school complex, which was completed in fiscal 2013, with funds from a $21 million bond issuance. The fund balance at year end is zero since construction is completed and all bond proceeds have been expended.

2012 School Bond Capital Project Fund – This fund is constructing a new school complex with funds from a $12 million bond issuance. The fund balance has the portion of the bond proceeds that have not been expended remaining there.

School Bond Debt Service Fund – This governmental fund accounts for the issuance of bonds for various school needs. Citizens have approved an E-SPLOST to fund the payments on these bonds during the term of the SPLOST. Renewals on the E-SPLOST will be voted on as each term expires until all such debt is paid. The 2002 School Bonds and almost all of the 2003 School Bonds were paid off prematurely during fiscal year 2013, which reduced the funds balance substantially.

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 a few budget amendments done during this fiscal year, including amendments within the department and Council approved amendments between departments. Revenues were $101,121 more than the final budget and 101% of final budgeted revenues was met. The primary increase in revenues was in contributions. Budget amendments increased General fund revenues by $344,212 and accounted for additional sales tax, intergovernmental revenue and miscellaneous other items.

The City spent 97% of the final authorized budgeted expenditures. General government expenditures actual was $373,050 less than budget primarily due to projects that were postponed, transfers to other funds that were not required and wage and benefit savings. The budget amendments to increase the General Fund $387,212 were primarily to budget for paving, the special operations land and building, repairs and maintenance work and some Streetscape III work.

2012 School Bond Capital Project Fund –There was one budget amendment done during this fiscal year to establish a project length budget for this project. Since this is a project length budget, no budget comparison is provided.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2013, the depreciable capital assets for governmental activities were 34% depreciated, while being 43% depreciated at fiscal 2012. For the City's business-type activities, 42% of the asset values were depreciated at June 30, 2013 versus 41% at June 30, 2012. Consistent or decreasing percentages are a positive financial indicator.

See Note 3-E for additional information about changes in capital assets during the fiscal year and amounts outstanding at the end of the year.

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-H 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. 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. Local option sales tax revenues, an indicator of consumer spending, showed a slight upswing from the previous year. There has been some plant expansion and industrial growth, which has been very positive for the City. A large hotel chain has almost completed construction of one of its premier facilities in the City of Calhoun. The City does continue to get industrial prospects who inquire about the possibility of locating here, as close accessibility to Atlanta is attractive. 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. The government-wide financial statements include not only the City itself (known as the primary government), but also the material component unit: Calhoun School District. Financial information for the component unit is reported separately from the financial information presented for the primary government. Complete financial statements for the unit are available from the City's Director of Finance upon request. If you have questions about this report or would like to request additional information, contact the Director of Finance, Andrea K. Bramlett at 700 W. Line Street, Calhoun, GA 30701, (706) 602-5840, abramlett@calnet-ga.net.

(This page was intentionally left blank.)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Calhoun, Georgia
Statement of Net Position
June 30, 2013

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Calhoun School District
Assets				
Cash	$ 22,349,684	$ 10,838,778	$ 33,188,462	$ 12,135,207
Restricted assets, current				
Cash	-	2,761,728	2,761,728	-
Investments	-	9,680,087	9,680,087	-
Receivables				
Interest	2,543	-	2,543	-
Property taxes	866,897	-	866,897	-
Franchise taxes	115,033	-	115,033	-
Other taxes	64,430	-	64,430	-
Accounts	54,552	1,440,392	1,494,944	-
Accrued revenue	-	4,185,351	4,185,351	-
Other	-	117,335	117,335	-
Fines	1,199,511	-	1,199,511	-
Intergovernmental	1,367,960	695,253	2,063,213	4,637,209
Deposits	-	49,098	49,098	-
Collections for others	2,366	-	2,366	-
Loans	1,076,525	-	1,076,525	-
Due from component unit	261,324	-	261,324	-
Due from primary government	-	-	-	1,894,687
Inventory	-	2,854,889	2,854,889	37,094
Prepaid items	374,718	190,335	565,053	-
Restricted assets, noncurrent				
Cash	-	725,155	725,155	-
Investments	-	9,564,442	9,564,442	-
Capital assets				
Nondepreciable	21,268,917	13,265,475	34,534,392	-
Depreciable, net	73,357,176	100,095,199	173,452,375	7,733,696
Total Assets	122,361,636	156,463,517	278,825,153	26,437,893
Deferred Outlfows of Resources				
Deferred bond refunding	-	140,682	140,682	-
Liabilities				
Current liabilities				
Accounts payable	372,727	3,650,915	4,023,642	144,109
Contractor bonds payable	-	38,728	38,728	3,225,386
Accrued payroll liabilities	2,236	183,220	185,456	3,282,030
Accrued expenses	302,649	66,243	368,892	-
Compensated absences payable	71,758	89,212	160,970	2,292
Claims payable	6,080	-	6,080	-
Internal balances	(2,617,121)	2,617,121	-	-
Due to component unit	1,894,687	-	1,894,687	-
Due to primary government	-	-	-	261,324
Accrued interest payable	536,908	22,566	559,474	-
Unearned revenue	-	282,708	282,708	-
Post-closure care payable	-	23,558	23,558	-
Notes payable	-	1,775,153	1,775,153	-
General obligation bonds payable	205,000	-	205,000	-
Revenue bonds payable	307,300	1,405,000	1,712,300	-
Capital leases payable	167,676	-	167,676	-
Payable from restricted assets	-	1,775,467	1,775,467	-
Long-term liabilities (net of current portion)				
Compensated absences payable	215,272	165,682	380,954	152,457
Claims payable	68,179	-	68,179	-
Post-closure care payable	-	48,539	48,539	-
General obligation bonds payable	34,384,734	-	34,384,734	-
Revenue bonds payable	1,352,500	9,830,000	11,182,500	-
Notes payable	-	7,364,065	7,364,065	-
Capital leases payable	138,217	-	138,217	-
Pension liability payable	476,797	221,735	698,532	-
Payable from restricted noncurrent assets	-	10,473,365	10,473,365	-
Total Liabilities	37,885,599	40,033,277	77,918,876	7,067,598
Deferred Inflows of Resources				
Unavailable revenues	352,862	-	352,862	-
Net Position				
Net investment in capital assets	67,313,839	93,127,138	160,440,977	4,508,310
Restricted for				
Debt service	2,668,962	-	2,668,962	-
Capital projects	3,857,783	-	3,857,783	3,461
Program purposes				
Education	623,723	-	623,723	363,085
Housing and development	1,862,113	-	1,862,113	-
Public safety	190,913	-	190,913	-
Culture and recreation	25,565	-	25,565	
Unrestricted	7,580,277	23,443,784	31,024,061	14,495,439
Total Net Position	$ 84,123,175	$ 116,570,922	$ 200,694,097	$ 19,370,295

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Statement of Activities
For the Fiscal Year Ended June 30, 2013

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 Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit: Calhoun School District
Primary Government								
Governmental Activities								
General government	$ 802,314	$ 167,154	$ 10,793	$ -	$ (624,367)	$ -	$ (624,367)	$ -
Judicial	452,375	-	-	-	(452,375)	-	(452,375)	-
Public safety	6,915,456	1,119,975	409,565	153,628	(5,232,288)	-	(5,232,288)	-
Public works	2,886,680	1,685	213,262	701,571	(1,970,162)	-	(1,970,162)	-
Health and welfare	61,103	-	-	-	(61,103)	-	(61,103)	-
Culture and recreation	1,640,601	237,350	529,735	340,737	(532,779)	-	(532,779)	-
Housing and economic dev.	925,367	70,671	83,956	-	(770,740)	-	(770,740)	-
Education	1,958,815	-	3,917,898	4,355,884	6,314,967	-	6,314,967	-
Interest	1,669,843	-	-	-	(1,669,843)	-	(1,669,843)	-
Total Governmental Activities	17,312,554	1,596,835	5,165,209	5,551,820	(4,998,690)	-	(4,998,690)	-
Business-Type Activities								
Electric system	32,655,400	35,583,995	-	151,300	-	3,079,895	3,079,895	-
Water and sewerage system	11,987,691	14,713,066	-	219,721	-	2,945,096	2,945,096	-
Fields ferry golf course	906,523	526,871	-	-	-	(379,652)	(379,652)	-
Telecommunications	871,141	991,022	84,020	-	-	203,901	203,901	-
Solid waste	655,980	708,741	-	-	-	52,761	52,761	-
Total Business-Type Activities	47,076,735	52,523,695	84,020	371,021	-	5,902,001	5,902,001	-
Total - Primary Government	$ 64,389,289	$ 54,120,530	$ 5,249,229	$ 5,922,841	(4,998,690)	5,902,001	903,311	-
Component Unit								
Calhoun School District	$ 56,579,178	$ 1,832,972	$ 19,864,125	$ 23,999,386		-	-	(10,882,695)
		General Revenues						
		Property taxes levied for general government purposes			1,325,528	-	1,325,528	12,463,445
		Sales taxes			2,363,077	-	2,363,077	2,901,241
		Franchise taxes			2,866,079	-	2,866,079	-
		Insurance premium taxes			807,870	-	807,870	-
		Gas marketers taxes			92,039	-	92,039	-
		Other taxes			763,971	-	763,971	-
		Unrestricted intergovernmental			30,590	-	30,590	-
		Gain on sale of capital assets			82,877	40,042	122,919	-
		Investment earnings			40,774	126,834	167,608	12,139
		Miscellaneous			26,944	384,168	411,112	13,554
		Total General Revenues			8,399,749	551,044	8,950,793	15,390,379
		Transfers			2,452,100	(2,452,100)	-	-
		Total General Revenues and Transfers			10,851,849	(1,901,056)	8,950,793	15,390,379
		Change in Net Position			5,853,159	4,000,945	9,854,104	4,507,684
		Net Position Beginning of Year, *as restated*			78,270,016	112,569,977	190,839,993	14,862,611
		Net Position End of Year			$ 84,123,175	$ 116,570,922	$ 200,694,097	$ 19,370,295

See accompanying notes to the basic financial statements

(This page was intentionally left blank.)

FUND FINANCIAL STATEMENTS

City of Calhoun, Georgia
Balance Sheet
Governmental Funds
June 30, 2013
(With Comparative Totals at June 30, 2012)

	2013						2012
	General	School Bonds Debt Service Fund	2011 School Bonds Capital Project Fund	2012 School Bonds Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds	Total Governmental Funds
Assets							
Cash	$ 3,488,086	$ 2,447,538	$ -	$ 9,243,173	$ 7,170,887	$ 22,349,684	$ 31,773,922
Receivables							
Property taxes	63,925	-	-	-	802,972	866,897	1,077,961
Franchise taxes	115,033	-	-	-	-	115,033	115,699
Other taxes	33,339	-	-	-	31,091	64,430	63,973
Accounts	54,552	-	-	-	-	54,552	16,902
Fines	1,199,511	-	-	-	-	1,199,511	1,018,239
Intergovernmental	1,135,475	-	-	-	232,485	1,367,960	1,441,567
Interest	-	-	-	-	2,543	2,543	1,528
Collections for others	-	-	-	-	2,366	2,366	-
Interfund	3,614,257	-	-	-	2,188	3,616,445	3,611,007
Loans	-	-	-	-	258,189	258,189	221,914
Loans- noncurrent	-	-	-	-	818,336	818,336	883,886
Component unit	39,900	221,424	-	-	-	261,324	260,133
Prepaid items	368,452	-	-	-	6,266	374,718	407,416
Total Assets	$ 10,112,530	$ 2,668,962	$ -	$ 9,243,173	$ 9,327,323	$ 31,351,988	$ 40,894,147
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	$ 91,136	$ -	$ -	$ -	$ 281,591	$ 372,727	$ 207,685
Accrued payroll liabilities	2,236	-	-	-	-	2,236	-
Accrued expenditures	252,913	-	-	-	49,736	302,649	152,123
Due to component unit	-	-	-	1,767,764	126,923	1,894,687	160,180
Interfund payable	274,206	-	-	-	188,350	462,556	497,706
Advances payable	536,768	-	-	-	-	536,768	-
Total Liabilities	1,157,259	-	-	1,767,764	646,600	3,571,623	1,017,694
Deferred Inflows of Resources							
Unavailable revenue	1,243,596	-	-	-	976,585	2,220,181	1,977,602
Total Liabilities and Deferred Inflows of Resources	2,400,855	-	-	1,767,764	1,623,185	5,791,804	2,995,296
Fund Balances							
Nonspendable							
Prepaid items	368,452	-	-	-	6,266	374,718	407,416
Restricted							
Debt service	-	2,668,962	-	-	-	2,668,962	10,129,701
Capital projects	-	-	-	7,475,409	5,625,547	13,100,956	18,016,233
Program purposes							
Housing and development	-	-	-	-	1,862,113	1,862,113	1,840,312
Public safety	-	-	-	-	190,913	190,913	103,380
Culture and recreation	-	-	-	-	19,299	19,299	32,669
Committed							
Working capital/contingencies	1,048,544	-	-	-	-	1,048,544	3,959,964
Unassigned, reported in							
General fund	6,294,679	-	-	-	-	6,294,679	3,409,176
Total Fund Balances	7,711,675	2,668,962	-	7,475,409	7,704,138	25,560,184	37,898,851
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 10,112,530	$ 2,668,962	$ -	$ 9,243,173	$ 9,327,323	$ 31,351,988	$ 40,894,147

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Reconciliation of the Governmental Funds' Balance Sheet
to the Statement of Net Position
June 30, 2013

Total Governmental Fund Balances			$ 25,560,184
Amounts reported for governmental activities in the statement of net position 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	$ 131,912,134		
Less accumulated depreciation	(37,286,041)		94,626,093
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
Property taxes	673,519		
Cemetery lot sales	15,177		
Fines	1,178,623		1,867,319
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 position.			
Interfund receivables	(7,239)		
Interfund payables	7,239		-
Liabilities not due and payable in the current period are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net position.			
Bonds	(36,249,534)		
Capital leases	(305,893)		
Pension	(476,797)		
Claims	(74,259)		
Compensated absences	(287,030)		
Accrued interest	(536,908)		(37,930,421)
Net Position Of Governmental Activities			$ 84,123,175

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, 2013
(With Comparative Totals For the Year Ended June 30, 2012)

	2013						2012
	General	School Bonds Debt Service Fund	2011 School Bonds Capital Project Fund	2012 School Bonds Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds	Total Governmental Funds
Revenues							
Taxes							
Property	$ 1,557,412	$ -	$ -	$ -	$ -	$ 1,557,412	$ 1,179,529
Sales	2,363,077	-	-	-	-	2,363,077	2,257,286
Other	4,210,265	-	-	-	319,694	4,529,959	4,405,025
Intergovernmental	647,567	3,904,673	-	-	1,483,152	6,035,392	7,122,576
Licenses and permits	220,735	-	-	-	-	220,735	200,394
Charges for services	221,924	-	-	-	237,350	459,274	414,540
Fines and forfeitures	499,594	-	-	-	218,206	717,800	655,469
Contributions	381,032	-	-	-	-	381,032	-
Investment earnings	4,496	6,685	4,424	6,540	41,150	63,295	101,001
Miscellaneous	5,894	-	-	-	24,100	29,994	39,422
Total Revenues	10,111,996	3,911,358	4,424	6,540	2,323,652	16,357,970	16,375,242
Expenditures							
Current							
General government	852,445	-	-	-	-	852,445	821,051
Judicial	447,648	-	-	-	-	447,648	367,148
Public safety	7,506,741	-	-	-	128,017	7,634,758	6,273,075
Public works	2,623,342	-	-	-	-	2,623,342	2,001,412
Health and welfare	61,103	-	-	-	-	61,103	53,469
Culture and recreation	326,308	-	-	-	948,609	1,274,917	1,212,754
Housing and economic development	585,547	-	-	-	329,512	915,059	884,600
Education	-	-	-	-	-	-	81,758
Capital Outlay	-	-	11,696,057	5,256,592	1,263,520	18,216,169	8,902,937
Debt Service							
Principal retirement	161,780	9,885,000	-	-	292,300	10,339,080	1,098,439
Interest and fiscal charges	14,133	1,505,545	-	-	76,627	1,596,305	1,375,080
Bond issuance costs	-	-	-	198,778	-	198,778	-
Total Expenditures	12,579,047	11,390,545	11,696,057	5,455,370	3,038,585	44,159,604	23,071,723
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,467,051)	(7,479,187)	(11,691,633)	(5,448,830)	(714,933)	(27,801,634)	(6,696,481)
Other Financing Sources (Uses)							
Sale of capital assets	69,996	-	-	-	5,032	75,028	5,960
Insurance reimbursement	11,600	-	-	-	-	11,600	-
Proceeds of bond issuance	-	-	-	12,000,000	-	12,000,000	-
Premium on bond issuance	-	-	-	924,239	-	924,239	-
Transfers in	3,160,205	18,448	-	-	680,450	3,859,103	4,812,524
Transfers out	(833,288)	-	-	-	(573,715)	(1,407,003)	(1,752,080)
Total Other Financing Sources (Uses)	2,408,513	18,448	-	12,924,239	111,767	15,462,967	3,066,404
Net Change in Fund Balances	(58,538)	(7,460,739)	(11,691,633)	7,475,409	(603,166)	(12,338,667)	(3,630,077)
Fund Balances Beginning of Year	7,770,213	10,129,701	11,691,633	-	8,307,304	37,898,851	41,528,928
Fund Balances End of Year	$ 7,711,675	$ 2,668,962	$ -	$ 7,475,409	$ 7,704,138	$ 25,560,184	$ 37,898,851

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, 2013

Net Changes In Fund Balances - Total Governmental Funds		$ (12,338,667)
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	$ (2,505,367)	
Capital outlay	19,041,471	16,536,104
Bond proceeds are reported as other financing at the fund level but are reported as a liability on the government-wide statement of activities.		(12,000,000)
Bond premiums are reported as other financing at the fund level but are netted with debt liabilities on the government-wide statement of activities.		(924,239)
Contributions of capital assets from the component unit are reported on the government-wide statement of activities but not at the fund financial reporting level.		4,351,427
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.		(3,751)
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 @ 6/30/13	673,517	
Deferred @ 6/30/12	(905,403)	(231,886)
Intergovernmental:		
Deferred @ 6/30/13	-	
Deferred @ 6/30/12	(54,768)	(54,768)
Cemetery lot sales:		
Deferred @ 6/30/13	15,177	
Deferred @ 6/30/12	(15,177)	-
Fines:		
Deferred @ 6/30/13	1,178,623	
Deferred @ 6/30/12	(982,647)	195,976
Elimination of transfers between governmental funds, including net effect of transfers recorded for capital assets moved between governmental and enterprise funds.		
Transfers in	(902,337)	
Transfers out	902,337	-
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.		10,339,080
Amortization of bond premiums/discounts are reported on the government-wide statement of activities but not reported on the fund financial reporting level.		989
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 @ 6/30/13	(536,908)	
Liability @ 6/30/12	474,395	(62,513)
Compensated absences		
Liability @ 6/30/13	(287,030)	
Liability @ 6/30/12	278,551	(8,479)
Claims		
Liability @ 6/30/13	(74,259)	
Liability @ 6/30/12	80,106	5,847
Pension liability		
Liability @ 6/30/13	(476,797)	
Liability @ 6/30/12	524,836	48,039
Change In Net Position of Governmental Activities		$ 5,853,159

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, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Property taxes	$ 1,619,198	$ 1,619,198	$ 1,557,412	$ (61,786)
Sales taxes	2,251,670	2,325,467	2,363,077	37,610
Other taxes	4,107,587	4,107,587	4,210,265	102,678
Intergovernmental	603,413	671,328	647,567	(23,761)
Licenses and permits	170,775	170,775	220,735	49,960
Charges for services	426,526	441,526	221,924	(219,602)
Fines and forfeitures	471,974	471,974	499,594	27,620
Contributions	-	176,000	381,032	205,032
Investment earnings	10,500	10,500	4,496	(6,004)
Miscellaneous	5,020	16,520	5,894	(10,626)
Total Revenues	9,666,663	10,010,875	10,111,996	101,121
Expenditures				
General government	1,150,868	1,151,868	852,445	299,423
Judicial	464,206	464,206	447,648	16,558
Public safety				
Police	4,290,876	4,413,106	4,413,106	-
Fire	3,262,141	3,272,141	3,269,548	2,593
Public works	2,421,196	2,623,696	2,623,342	354
Health and welfare	68,320	68,320	61,103	7,217
Culture and recreation	365,902	368,194	326,308	41,886
Housing and economic development	541,376	590,566	585,547	5,019
Total Expenditures	12,564,885	12,952,097	12,579,047	373,050
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,898,222)	(2,941,222)	(2,467,051)	474,171
Other Financing Sources (Uses)				
Sale of capital assets	5,000	60,000	69,996	9,996
Insurance reimbursement	-	-	11,600	11,600
Transfers in	3,806,682	3,806,682	3,160,205	(646,477)
Transfers out	(913,460)	(925,460)	(833,288)	92,172
Total Other Financing Sources (Uses)	2,898,222	2,941,222	2,408,513	(532,709)
Net Change in Fund Balances	$ -	$ -	(58,538)	$ (58,538)
Fund Balances Beginning of Year			7,770,213	
Fund Balances End of Year			$ 7,711,675	

See accompanying notes to the basic financial statements.

City of Calhoun, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2013
(With Comparative Totals at June 30, 2012)

	2013				2012 *as restated*	2013
	Business-type Activities - Enterprise Funds					Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds	Total	Total	Internal Service Fund
Assets						
Current assets						
Cash	$ 5,872,621	$ 1,150,621	$ 856,668	$ 7,879,910	$ 8,766,874	$ 2,958,868
Restricted Assets						
Cash	979,498	1,782,230	-	2,761,728	2,356,256	-
Investments	9,680,087	-	-	9,680,087	7,875,035	-
Receivables						
Accounts	524,501	827,002	88,889	1,440,392	1,473,061	-
Accrued revenue	3,109,588	981,638	94,125	4,185,351	3,802,985	-
Intergovernmental	695,253	-	-	695,253	725,569	-
Interfund	22,796	185,052	14,396	222,244	30,778	247,132
Other	114,527	-	2,434	116,961	42,810	374
Advances	505,895	-	-	505,895	177,700	-
Deposits	49,098	-	-	49,098	45,574	-
Inventory	1,885,594	720,041	249,254	2,854,889	3,337,263	-
Prepaid items	19,926	96,499	7,125	123,550	83,503	66,785
Noncurrent assets						
Restricted assets						
Cash	-	725,155	-	725,155	596,076	-
Investments	9,564,442	-	-	9,564,442	8,245,602	-
Advances receivable	2,432,016	-	-	2,432,016	2,354,832	-
Capital Assets						
Nondepreciable	758,484	11,469,441	1,010,573	13,238,498	10,759,490	26,977
Depreciable, net	14,331,991	81,669,803	2,772,786	98,774,580	100,226,508	1,320,619
Total Assets	50,546,317	99,607,482	5,096,250	155,250,049	150,899,916	4,620,755
Deferred Outflows of Resources						
Deferred bond refunding	-	140,682	-	140,682	193,324	-
Liabilities						
Current liabilities						
Accounts payable	2,941,019	647,132	52,658	3,640,809	3,241,022	10,106
Contractor bonds payable	-	38,728	-	38,728	38,705	-
Accrued payroll liabilities	64	104,614	15,737	120,415	51,259	62,805
Accrued expenses	41,089	-	25,154	66,243	66,624	-
Accrued interest payable	-	22,566	-	22,566	35,870	-
Interfund payable	8,228	-	454,400	462,628	291,412	3,160,637
Post-closure care payable	-	-	23,558	23,558	23,096	-
Compensated absences payable	16,885	40,867	10,820	68,572	65,953	20,640
Unearned revenue	20,394	-	24,714	45,108	19,782	237,600
Advances payable	-	31,371	167,180	198,551	125,812	71,633
Notes payable	-	1,775,153	-	1,775,153	1,661,139	-
Revenue bonds payable	-	1,405,000	-	1,405,000	2,125,000	-
Payable From Restricted Assets						
Accrued interest payable	-	18,625	-	18,625	19,006	-
Customer deposits and interest	979,498	777,344	-	1,756,842	1,549,819	-
Long-term liabilities						
Compensated absences payable	31,359	75,897	20,096	127,352	122,485	38,330
Pension liability	-	221,735	-	221,735	245,811	-
Post-closure care payable (net of current portion)	-	-	48,539	48,539	72,097	-
Notes payable (net of current portion)	-	7,364,065	-	7,364,065	11,689,612	-
Revenue bonds payable (net of current portion)	-	9,830,000	-	9,830,000	7,320,000	-
Advances payable (net of current portion)	-	334,199	971,878	1,306,077	1,439,278	824,882
Payable From Restricted Assets:						
Regulatory liability	10,473,365	-	-	10,473,365	8,682,440	-
Total Liabilities	14,511,901	22,687,296	1,814,734	39,013,931	38,886,222	4,426,633
Net Position						
Net investment in capital assets	15,090,475	72,905,708	3,783,359	91,779,542	88,190,247	1,347,596
Unrestricted (deficit)	20,943,941	4,155,160	(501,843)	24,597,258	24,016,771	(1,153,474)
Total Net Position	$ 36,034,416	$ 77,060,868	$ 3,281,516	$ 116,376,800	$ 112,207,018	$ 194,122
Reconciliation of the fund level statement of net position to the government wide statement of net position.						
Internal service fund net position reported as business-type activities on the government wide statement				194,122		
Net Position of Business-type Activities				$ 116,570,922		
Interfund receivables and payables between proprietary funds are reported on the fund level statement of net position but eliminated on the government-wide statement of net position		Interfund receivables		$ (14,059)		$ -
		Interfund payables		-		(14,059)
				$ (14,059)		$ (14,059)
Interfund advances between proprietary funds are reported on the fund level statement of net position but eliminated on the government-wide statement of net position		Advances receivable		$ (2,401,143)		$ -
		Advances payable		1,504,628		896,515
				$ (896,515)		$ 896,515

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2013
(With Comparative Totals For the Year Ended June 30, 2012)

	2013				2012	2013
	Business-type Activities - Enterprise Funds					Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds	Total	Total *as restated*	Internal Service Fund
Operating Revenues						
Charges for services	$ 35,583,995	$ 14,713,066	$ 2,226,634	$ 52,523,695	$ 49,620,808	$ 2,738,626
Miscellaneous	214,938	107,779	20,006	342,723	246,551	41,445
Total Operating Revenues	35,798,933	14,820,845	2,246,640	52,866,418	49,867,359	2,780,071
Operating Expenses						
Personal services	1,128,953	3,161,277	860,483	5,150,713	4,824,994	2,089,727
Contractual services	1,626,897	556,649	802,919	2,986,465	3,301,674	377,223
Supplies	28,592,454	2,796,481	292,668	31,681,603	30,376,257	154,707
Interfund allocations	451,887	1,744,369	155,679	2,351,935	2,335,478	23,245
Depreciation	798,400	3,010,866	223,193	4,032,459	4,027,129	65,453
Amortization	-	30,142	-	30,142	31,145	-
Other	1,338	37,484	-	38,822	(165,813)	-
Total Operating Expenses	32,599,929	11,337,268	2,334,942	46,272,139	44,730,864	2,710,355
Operating Income (Loss)	3,199,004	3,483,577	(88,302)	6,594,279	5,136,495	69,716
Non-Operating Revenues (Expenses)						
Change in estimated landfill closure costs	-	-	(3,404)	(3,404)	(9,357)	-
Bond issuance charges	-	(59,015)	-	(59,015)	(100,908)	-
Interest and fiscal charges	-	(665,748)	(11,278)	(677,026)	(780,655)	(9,402)
Investment earnings	112,089	12,795	1,406	126,290	242,460	544
Intergovernmental revenue	121,312	219,721	84,020	425,053	84,109	-
Intergovernmental expenses	-	-	(84,020)	(84,020)	(84,109)	-
Gain (loss) on disposition of capital assets	-	40,042	-	40,042	-	-
Total Non-Operating Revenues (Expenses)	233,401	(452,205)	(13,276)	(232,080)	(648,460)	(8,858)
Income (Loss) Before Contributions and Transfers	3,432,405	3,031,372	(101,578)	6,362,199	4,488,035	60,858
Contributions	29,988	-	-	29,988	950,126	-
Transfers in	33,258	896,019	199,770	1,129,047	1,114,778	-
Transfers out	(2,277,662)	(1,072,119)	(1,671)	(3,351,452)	(4,104,176)	(229,695)
Total Contributions and Transfers	(2,214,416)	(176,100)	198,099	(2,192,417)	(2,039,272)	(229,695)
Change in Net Position	1,217,989	2,855,272	96,521	4,169,782	2,448,763	(168,837)
Net Position Beginning of Year	34,816,427	74,205,596	3,184,995	112,207,018	109,964,533	362,959
Prior period adjustment	-	-	-	-	(206,278)	-
Net Position End of Year	$ 36,034,416	$ 77,060,868	$ 3,281,516	$ 116,376,800	$ 112,207,018	$ 194,122

Reconciliation of the fund level operating statements to the government wide statement of activities.	
Change in net assets	$ 4,169,782
Internal service fund charges (credits) to enterprise funds, resulting in changes in operating expenses.	28,271
Miscellaneous revenue	41,445
Interest revenue	544
Interest expense	(9,402)
Transfers out	(229,695)
Change in Net assets of business-type activities	$ 4,000,945

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, 2013
(With Comparative Totals For the Year Ended June 30, 2012)

	2013				2012 *as restated*	2013
	Business-type Activities - Enterprise Funds					Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds	Total	Total	Internal Service Fund
Cash Flows from Operating Activities						
Cash received from customers	$ 33,833,584	$ 14,723,995	$ 1,931,176	$ 50,488,755	$ 48,080,258	$ -
Cash received from other	-	-	-	-	-	(143,648)
Cash received from interfund services provided	1,524,514	361,706	306,765	2,192,985	2,362,509	2,986,659
Other cash receipts	-	-	173,826	173,826	242,933	-
Cash payments for personal services	(1,125,466)	(3,105,946)	(846,026)	(5,077,438)	(4,845,178)	(2,061,784)
Cash payments for goods and services	(29,699,182)	(1,653,280)	(1,073,341)	(32,425,803)	(32,460,877)	(461,843)
Cash payments for interfund services used	(511,484)	(3,223,616)	(209,298)	(3,944,398)	(3,861,314)	(134,671)
Other cash payments	(3,908)	(37,461)	-	(41,369)	119,071	-
Net Cash Provided by (Used in) Operating Activities	4,018,058	7,065,398	283,102	11,366,558	9,637,402	184,713
Cash Flows from Noncapital Financing Activities						
Transfers in	33,258	896,019	199,770	1,129,047	1,114,778	-
Transfers out	(2,277,662)	(1,072,119)	(1,671)	(3,351,452)	(4,104,176)	(229,695)
Payments for (reduction in) pension liability	-	(24,076)	-	(24,076)	(147,813)	-
Net Cash Provided by (Used in) Noncapital Financing Activities	(2,244,404)	(200,176)	198,099	(2,246,481)	(3,137,211)	(229,695)
Cash Flows from Capital and Related Financing Activities						
Advances to other funds	(862,644)	-	-	(862,644)	-	-
Payments received on advance	457,265	-	-	457,265	249,356	-
Proceeds from debt	-	541,909	-	541,909	381,754	-
Proceeds from issuance of bonds	-	6,645,000	-	6,645,000	6,525,000	-
Advances from other funds	-	-	77,220	77,220	-	(70,927)
Payments for landfill post-closure costs	-	-	(26,500)	(26,500)	(32,000)	-
Principal paid on revenue bonds	-	(4,855,000)	-	(4,855,000)	(3,465,000)	-
Interest paid on revenue bonds	-	(338,545)	-	(338,545)	(274,992)	-
Bond issuance charges	-	(59,015)	-	(59,015)	-	-
Principal paid on notes and leases	-	(4,753,442)	-	(4,753,442)	(6,853,478)	-
Interest paid on notes and leases	-	(312,123)	-	(312,123)	(493,339)	-
Payments for capital acquisitions and construction	(983,416)	(3,672,038)	(455,998)	(5,111,452)	(2,595,366)	(39,993)
Intergovernmental revenues	121,312	219,721	-	341,033	561,126	-
Principal paid on advance	-	(31,062)	(106,620)	(137,682)	(198,997)	-
Interest paid on advance	-	(10,032)	(11,278)	(21,310)	(18,461)	(9,402)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(1,267,483)	(6,624,627)	(523,176)	(8,415,286)	(6,214,397)	(120,322)
Cash Flows from Investing Activities						
Purchase of investments	(1,312,573)	-	-	(1,312,573)	(786,405)	-
Investment earnings	112,089	12,795	1,406	126,290	242,460	544
Interest rebated to customer accounts	-	-	-	-	(775)	-
Net Cash Provided by (Used in) Investing Activities	(1,200,484)	12,795	1,406	(1,186,283)	(544,720)	544
Net Increase (Decrease) in Cash	(694,313)	253,390	(40,569)	(481,492)	(258,926)	(164,760)
Cash Beginning of Year	7,546,432	2,679,461	897,237	11,123,130	11,382,056	3,123,628
Cash End of Year	$ 6,852,119	$ 2,932,851	$ 856,668	$ 10,641,638	$ 11,123,130	$ 2,958,868

See accompanying notes to the basic financial statements

(continued)

City of Calhoun, Georgia
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2013
(With Comparative Totals For the Year Ended June 30, 2012)

(continued)

	2013				2012	2013
	Business-type Activities - Enterprise Funds					Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds	Total	Total	Internal Service Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities						
Operating Income (Loss)	$ 3,199,004	$ 3,483,577	$ (88,302)	$ 6,594,279	$ 5,136,495	$ 69,716
Adjustments						
Depreciation	798,400	3,010,866	223,193	4,032,459	4,027,129	65,453
Amortization	-	30,142	-	30,142	31,145	-
(Increase) Decrease in Assets						
Accounts receivable and accrued revenues	(486,251)	165,088	(14,054)	(335,217)	687,851	(374)
Inventories	272,736	226,313	(16,675)	482,374	(608,710)	-
Interfund receivables	(20,489)	(169,440)	(1,537)	(191,466)	216,322	63,314
Intergovernmental receivable	(58,315)	-	-	(58,315)	(129,248)	-
Deposits	(3,524)	-	-	(3,524)	(10,561)	-
Prepaid expenses	(2,570)	(38,458)	981	(40,047)	(812)	(972)
Increase (Decrease) in Liabilities						
Accounts payable and accrued liabilities	200,097	202,211	(2,880)	399,428	344,190	(37,891)
Accrued payroll liabilities	3,487	55,331	14,456	73,274	(20,185)	27,943
Deposits payable	107,255	99,768	-	207,023	(51,699)	-
Interfund payable	8,228	-	162,988	171,216	(17,170)	(2,476)
Unearned revenue	-	-	4,932	4,932	32,655	-
Net Cash Provided by (Used in) Operating Activities	$ 4,018,058	$ 7,065,398	$ 283,102	$ 11,366,558	$ 9,637,402	$ 184,713
Noncash Investing, Capital and Financing Activities						
Developer contributions - in kind	-	-	-	-	389,000	-
Contribution of captial assets	29,988	-	-	29,988	-	-

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Comparative Statements of Fiduciary Net Position
Fiduciary Funds
June 30, 2013 and 2012

	Municipal Court Agency Fund		Cemetery Trust Fund	
	2013	**2012**	**2013**	**2012**
Assets				
Cash	$ 18,217	$ 21,200	$ 169,707	$ 125,118
Investments		-	920,143	935,940
Total Assets	$ 18,217	$ 21,200	$ 1,089,850	$ 1,061,058
Liabilities and Net Position				
Liabilities				
Due to others	$ 18,217	$ 21,200	$ -	$ -
Net Position				
Assets held in trust for cemetery perpetual care	-	-	1,089,850	1,061,058
Liabilities and Net Position	$ 18,217	$ 21,200	$ 1,089,850	$ 1,061,058

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Comparative Statements of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Years Ended June 30, 2013 and 2012

	Pension Trust Fund		Cemetery Trust Fund	
	2013	**2012**	**2013**	**2012**
Additions				
Employer contributions	$ 97,456	$ 130,893	$ -	$ -
Cemetery lot sales- trust portion	-	-	25,350	24,500
Investment income	-	-	7,563	11,589
Total Additions	97,456	130,893	32,913	36,089
Deductions				
Benefits	97,456	130,893	-	-
Administrative expenses	-	-	4,121	3,611
Total Deductions	97,456	130,893	4,121	3,611
Change in Net Position	-	-	28,792	32,478
Net Position Beginning of Year	-	-	1,061,058	1,028,580
Net Position End of Year	$ -	$ -	$ 1,089,850	$ 1,061,058

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, 2013

Index

Summary of Significant Accounting Policies 1
Reporting Entity 1-A
Basis of Presentation 1-B
Measurement Focus 1-C
Basis of Accounting 1-D
Assets, Liabilities and Fund Equity 1-E
Cash, Cash Equivalents and Investments 1-E-1
Receivables 1-E-2
Interfund Balances 1-E-3
Consumable Inventories 1-E-4
Prepaid Items 1-E-5
Restricted Assets 1-E-6
Capital Assets 1-E-7
Compensated Absences 1-E-8
Accrued Liabilities and Long-term Obligations 1-E-9
Bond Premiums, Discounts, Issuance Costs and Debt Refunding Gains and Losses 1-E-10
Fund Equity 1-E-11
Operating Revenues and Expenses 1-E-12
Contributions of Capital 1-E-13
Interfund Activity 1-E-14
Estimates 1-E-15
Comparative Data 1-E-16

Stewardship, Compliance and Accountability 2
Budgetary Information 2-A

Detailed Notes on All Funds 3
Deposits and Investments 3-A
Receivables 3-B
Property Taxes 3-C
Restricted Assets 3-D
Capital Assets 3-E
Interfund Balances and Transfers 3-F
Landfill Post-Closure Care 3-G
Long-Term Debt 3-H
Pension Plans 3-I
Net Investment in Capital Assets 3-J

Other Notes 4
Risk Management 4-A
Contingent Liabilities 4-B
Related Organizations 4-C
Joint Ventures 4-D
Hotel-Motel Lodging Tax 4-E
Prior Period Adjustments 4-F

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 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.

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 position 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 position 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 are the City's major governmental funds:
>
> > ***General Fund*** - The general fund accounts for and reports all financial resources not accounted for and reported in another fund.
> >
> > ***School Bond Debt Service Fund*** – This governmental fund accounts for the debt payments on school bonds and the accumulation of resources from ESPLOST revenue to make debt payments.

2011 School Bonds Capital Project Fund – This governmental fund accounts for the issuance of bonds and the construction of a new high school.

2012 School Bonds Capital Project Fund – This governmental fund accounts for the issuance of bonds and the construction of a new middle school.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, 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 departments. This includes administration, engineering, work order dispatch and meter reading for Utility departments. Finance and purchasing are handled for all City funds through the Internal Service Fund. Utility billing, customer service and tellers are also recorded for all enterprise funds of the City.

Fiduciary Funds - Fiduciary fund reporting focuses on net position. 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 position. 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 position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in net total position. 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 position. 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.

Unearned Revenue and Deferred Outflows/Inflows of Resources - Unearned 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 unearned revenue (i.e., they are measurable but not available) rather than as revenue.

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City reports the deferred charge on refunding, resulting from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or refunding debt.

In addition to liabilities, the statement of financial position also reports a separate section for deferred inflows of resources. This separate element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. 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.

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 and Investments

Cash includes 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 is 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, 2013. The delinquent taxes receivable account represents past years of uncollected tax levies. The allowance for estimated uncollectibles is estimated at .76% of the tax digests for fiscal years ended June 30, 2008-2012, in addition to 100% of the receivable for all fiscal years prior to 2008.

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, 2013, 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 and Debt Refunding Gains and Losses

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

Debt refunding gains and losses are reported as deferred inflows or outflows of resources on the statements of net position. These gains and losses are deferred and amortized over the shorter of the life of the refunding debt (new debt) and the refunded debt (old debt).

Bond issuance costs are recognized as an outflow of resources in the reporting period in which they are incurred.

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 position."

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

- ***Nonspendable –*** Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- ***Restricted –*** Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- ***Committed –*** Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. A vote by Council is required to be taken to establish any type of restriction on fund balance, modify the restriction or release it.
- ***Assigned –*** Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City's finance committee or the City's Director of Finance to assign fund balances.
- ***Unassigned –*** Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criteria. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balance may be reported in all funds.

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

- Committed
- Assigned
- Unassigned

Net Position - Net position represent the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation and debt, plus any outstanding balances of borrowings not yet expended, but restricted for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its 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 position balances are reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is 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-on 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 2013 for some funds.

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

The City has adopted investment policies, which 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. It is the City's policy that any investment or deposit in excess of the FDIC insured amount must be secured by 110% of an equivalent amount of State or U.S. Obligations, with the exception of the Municipal Competitive Trust, pension trust fund and cemetery trust fund.

At June 30, 2013, the carrying amount of the City's deposits, not including cash on hand, was $36,686,173 and the related bank balances totaled $37,262,909. All bank balances were covered by Federal Depository Insurance or by collateral held by the City's agent.

Cash on hand at June 30, 2013 was $7,389.

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. The City does not have any maturity limitations specified in the investment policy.

At June 30, 2013, the City's investments included $19,244,529 held in the First Union MEAG Flexible Operating Trust. The MCT investment is restricted to specific uses, as designated in the operating trust. All of the holdings of the MCT 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. MCT reports interest rate risk using a duration measure. The pension trust fund is monitored and managed by the Georgia Municipal Association.

Credit Quality Risk – Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. It is the City's policy to invest in non-negotiable certificates of deposit and money market accounts that are covered by FDIC insurance or pledged collateral. The Council has also authorized investments in the MCT and the pension trust. The municipal competitive trust is not rated.

Foreign Currency Risk – The risk that changes in foreign currency exchange rates will adversely affect cash flows or the fair value of hedging derivative instrument or the associated hedged item. The City has not adopted a policy regarding foreign currency risk.

Cash and Investment Reconciliation:

	Cash	Investments
Fund Reporting Level:		
Governmental Funds - Balance Sheet	$ 22,349,684	$ -
Proprietary Fund Type Statement of Net Position	10,838,778	-
Proprietary Fund Type Statement of Net Position - Restricted	3,486,883	19,244,529
Fiduciary Fund Type Statement of Net Position	18,217	-
Total	$ 36,693,562	$ 19,244,529

3-B. Receivables

Receivables at June 30, 2013, 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, 2013, the amount of allowance for uncollectibles was $1,157,015.

3-C. Property Taxes

Generally, property taxes attach as an enforceable lien on property as of January 1. The City Council levied property taxes September 27, 2012. Property taxes were billed on October 3, 2012 and were payable on December 31, 2012. The lien date was August 15, 2013.

3-D. Restricted Assets

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

Cash	
Constuction bonds	$ 38,673
Utility deposits of customers	1,822,640
Water and sewerage debt service	1,625,570
Total Cash	3,486,883
Investments	
Electric Fund- Flexible Trust account- MEAG	9,680,087
Electric Fund- Generation Trust account- MEAG	9,564,442
Total Investments	19,244,529
Total Restricted Assets	$ 22,731,412

3-E. Capital Assets

Capital asset activity for the year ended June 30, 2013, was as follows:

	Balance 6/30/2012	Adjustments	Additions	Deductions	Balance 6/30/2013
Governmental activities					
Capital assets not being depreciated					
Land	$ 16,593,422	$ 38,000	$ 19,200	$ -	$ 16,650,622
Construction in progress	9,236,597	325	16,354,209	20,972,836	4,618,295
Total capital assets not being depreciated	25,830,019	38,325	16,373,409	20,972,836	21,268,917
Depreciable capital assets					
Buildings	43,590,435	-	26,232,119	-	69,822,554
Improvements other than buildings	8,472,471	-	613,953	-	9,086,424
Machinery and equipment	7,303,161	8,777	856,724	702,583	7,466,079
Infrastructure	24,016,956	(38,325)	289,529	-	24,268,160
Total depreciable capital assets	83,383,023	(29,548)	27,992,325	702,583	110,643,217
Total capital assets	109,213,042	8,777	44,365,734	21,675,419	131,912,134
Accumulated depreciation					
Buildings	14,037,306	-	1,054,180	-	15,091,486
Improvements other than buildings	3,721,423	-	350,783	-	4,072,206
Machinery and equipment	5,706,205	8,777	423,182	698,832	5,439,332
Infrastructure	12,005,795	-	677,222	-	12,683,017
Total accumulated depreciation	35,470,729	8,777	2,505,367	698,832	37,286,041
Governmental activities capital assets, net	$ 73,742,313	$ -	$ 41,860,367	$ 20,976,587	$ 94,626,093

Governmental activities depreciation expense

General government	$ 17,098
Judicial	5,884
Public safety	322,204
Public works	811,799
Culture and recreation	378,194
Housing and development	7,829
Education	962,359
Total governmental activities depreciation expense	$ 2,505,367

Construction in progress for governmental activities at June 30, 2013 includes the following:
The following are the changes in the business-type capital assets:

Project Description	Project Authorized	Expended to June 30, 2013	Future Financing
School expansion	$ 49,000,000	$ 4,415,337	$ 44,584,663
Linda Lane & E. May Street	350,000	44,598	305,402
Streetscape phase IV	400,000	18,957	381,043
Radio update	100,000	63,058	36,942
Bailey property renovation	55,000	8,893	46,107
Library	400,000	67,452	332,548
Total	$ 50,305,000	$ 4,618,295	$ 45,686,705

	Balance 7/1/2012	Adjustments	Additions	Deductions	Balance 6/30/2013
Business-type activities					
Nondepreciable capital assets					
Land	$ 7,389,307	$ -	$ -	$ -	$ 7,389,307
Intangibles	46,424	-	-	-	46,424
Construction in progress	3,350,736	-	3,553,959	1,074,951	5,829,744
Total nondepreciable capital assets	10,786,467	-	3,553,959	1,074,951	13,265,475
Depreciable capital assets					
Buildings, plant and tanks	40,017,473	-	-	24,500	39,992,973
Improvements other than buildings	5,400,947	26,476	69,371	-	5,496,794
Machinery and equipment	22,136,890	(43,812)	984,669	399,782	22,677,965
Utility systems	103,316,901	3,431	1,566,484	-	104,886,816
Total depreciable assets	170,872,211	(13,905)	2,620,524	424,282	173,054,548
Total capital assets	181,658,678	-	6,174,483	1,499,233	186,320,023
Accumulated depreciation					
Buildings, plant and tanks	18,480,674	-	819,519	24,500	19,275,693
Improvements other than buildings	3,604,721	-	127,344	-	3,732,065
Machinery and equipment	13,201,053	(13,905)	969,220	399,782	13,756,586
Utility systems	34,013,176	-	2,181,829	-	36,195,005
Total accumulated depreciation	69,299,624	(13,905)	4,097,912	424,282	72,959,349
Business-type activities capital assets, net	$ 112,359,054	$ -	$ 2,076,571	$ 1,074,951	$ 113,360,674

Construction in progress for business-type activities at June 30, 2013 includes the following:

Project Description	Project Budget	Expended to June 30, 2013	Future Financing
Foster Glen Sewer Project	$ 34,842	$ 16,520	$ 18,322
Camden Court Sewer Extension	20,500	19,958	542
Brittany Drive Water Plant Renovation	3,585,000	2,751,641	833,359
Mauldin Rd. Water Plant Improvements	3,512,400	38,893	3,473,507
Park Place-Phase VIII Sewer Extension	7,000	5,984	1,016
Water/Sewer Relocate @ I 75 & Hwy. 156	1,647,412	6,582	1,640,830
Interconnection - Bartow County	15,086	15,086	-
King Street Sewer	300,000	4,026	295,974
I75 @ Union Grove Rd.	990,000	868,578	121,422
Waterline Relocate @ I 75 & Hwy. 136	510,300	771,872	(261,572)
Gordon Agricultural Center	170,000	148,130	21,870
Galvanized Replacement lines	1,520,000	329,344	1,190,656
Streetscape Phase IV	600,000	5,412	594,588
Calhoun High Electric	538,000	467,971	70,029
LED Lighting Changeout	85,000	62,049	22,951
Water System Improvements	1,546,800	290,379	1,256,421
Other	415,000	27,319	387,681
Total	$ 15,497,340	$ 5,829,744	$ 9,667,596

3-F. Interfund Balances and Transfers

Interfund Balances - Interfund balances at June 30, 2013, 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	Electric system fund	Nonmajor enterprise funds	Internal service fund	Total
General fund	$ -	$ 7,239	$ 8,228	$ 454,400	$ 3,144,390	$ 3,614,257
Nonmajor governmental funds	-	-	-	-	2,188	2,188
Water & sewerage system fund	24,165	160,887	-	-	-	185,052
Electric fund	3,481	19,315		-	-	22,796
Nonmajor enterprise funds	337	-	-	-	14,059	14,396
Internal service fund	246,223	909	-	-	-	247,132
Total	$ 274,206	$ 188,350	$ 8,228	$ 454,400	$ 3,160,637	$ 4,085,821

Long-term Balances - The electric system fund originally advanced the telecommunications fund resources to start this fund. As of June 30, 2013, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2014	$ 107,680	$ 10,215	$ 117,895
2015	108,761	9,135	117,896
2016	109,853	8,043	117,896
2017	110,955	6,940	117,895
2018	112,069	5,827	117,896
2019-2023	512,520	12,076	524,596
	$ 1,061,838	$ 52,236	$ 1,114,074

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, 2013, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2014	$ 31,371	$ 3,538	$ 34,909
2015	31,686	3,223	34,909
2016	32,004	2,905	34,909
2017	32,325	2,584	34,909
2018	32,650	2,259	34,909
2019-2023	168,229	6,316	174,545
2024	37,305	243	37,548
	$ 365,570	$ 21,068	$ 386,638

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, 2013, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2014	$ 71,633	$ 8,697	$ 80,330
2015	72,352	7,978	80,330
2016	73,078	7,252	80,330
2017	73,812	6,518	80,330
2018	74,553	5,777	80,330
2019-2023	384,139	17,511	401,650
2023-2027	146,948	1,532	148,480
Total	$ 896,515	$ 55,265	$ 951,780

During fiscal year 2013, the electric system fund advanced the golf fund resources to install new greens and covers. As of June 30, 2013, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2014	$ 59,500	$ 500	$ 60,000
2015	17,720	32	17,752
Total	$ 77,220	$ 532	$ 77,752

During fiscal year 2013, the electric system fund advanced the general fund resources to purchase a fleet of police cars. As of June 30, 2013, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2014	$ 235,711	$ 4,289	$ 240,000
2015	238,079	1,921	240,000
2016	62,978	108	63,086
Total	$ 536,768	$ 6,318	$ 543,086

Changes in the City's long-term advances from the electric fund consisted of the following for the year ended June 30, 2013:

Advances to:	Outstanding 6/30/2012	Additions	Reductions	Outstanding 6/30/2013	Amounts Due in One Year
Telecommunications fund	$ 1,168,458	$ -	$ 106,620	$ 1,061,838	$ 107,680
Water and sewerage fund	396,632	-	31,062	365,570	31,371
Internal service fund	967,441	-	70,926	896,515	71,633
Golf fund	-	131,242	54,022	77,220	59,500
General fund	-	731,402	194,634	536,768	235,711
Total Advances	$ 2,532,531	$ 862,644	$ 457,264	$ 2,937,911	$ 505,895

Interfund Transfers – The following interfund transfers were made in fiscal year 2013:

	Transfers out						
	General fund	Nonmajor governmental funds	Electric system fund	Water & sewerage fund	Nonmajor enterprise funds	Internal service fund	Total
Transfers in							
General fund	$ 1,085	$ 202,354	$ 1,846,964	$ 1,064,819	$ 600	$ 44,383	$ 3,160,205
School bonds debt service	-	18,448	-	-	-	-	18,448
Nonmajor governmental funds	680,450	-	-	-	-	-	680,450
Electric system	9,587	-	18,663	3,718	1,071	219	33,258
Water & sewerage	-	298,891	412,035	-	-	185,093	896,019
Nonmajor enterprise funds	142,166	54,022	-	3,582	-	-	199,770
Total	$ 833,288	$ 573,715	$ 2,277,662	$ 1,072,119	$ 1,671	$ 229,695	$ 4,988,150

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.

3-G. 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 three 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-H. 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, 2013 are as follows:

Fiscal Year	Principal	Interest	Total
2014	$ 307,300	$ 62,656	$ 369,956
2015	316,700	49,677	366,377
2016	330,600	36,213	366,813
2017	343,800	22,185	365,985
2018	361,400	7,517	368,917
Total	$ 1,659,800	$ 178,248	$ 1,838,048

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.

In fiscal 2011, the City issued $21,000,000 in school general obligation bonds. These bonds bear interest at a rate of 5.12% and mature in September 2025. In fiscal 2012, the City issued $12,000,000 in school general obligation bonds. These bonds bear interest at a rate of 4.0% and mature in September 2032. 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, 2013 are as follows:

Fiscal Year	Principal	Interest	Total
2014	$ 205,000	$ 1,510,675	$ 1,715,675
2015	305,000	1,501,750	1,806,750
2016	290,000	1,491,075	1,781,075
2017	-	1,482,675	1,482,675
2018	-	1,482,675	1,482,675
2019-2023	4,880,000	7,300,622	12,180,622
2024-2028	18,345,000	3,531,096	21,876,096
2029-2033	9,775,000	1,011,125	10,786,125
Total	$ 33,800,000	$ 19,311,693	$ 53,111,693

Capital Leases –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, 2013 are as follows:

Fiscal Year	Principal	Interest	Total
2014	$ 167,676	$ 8,237	$ 175,913
2015	117,188	2,546	119,734
2016	21,029	158	21,187
Total	$ 305,893	$ 10,941	$ 316,834

The assets acquired through these capital leases are as follows:

Asset	Governmental Activities
Machinery and equipment	$ 1,087,605
Less: accumulated depreciation	(478,766)
Total	$ 608,839

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

Bonds –On September 28, 2011, the City issued Water and Sewerage Revenue Refunding Bonds, Series 2011 in the amount of $6,525,000. Proceeds from this issue prepaid GEFA loans in the amount of $4,955,000 and Series 2001 Bonds in the amount of $1,570,000 and with interest rates ranging from 4.0% to 5.0%. The present value of the savings on the refunding of the bonds was $150,723 and it was $281,172 on the notes for a total of $431,895 which was 6.7% of the refunded debt. The issue is a private placement issue and bears interest at a rate of 1.935%.

Maturities and debt service requirements remaining on the bond issue at June 30, 2013 are as follows:

Fiscal Year	Principal	Interest	Total
2014	$ 875,000	$ 94,525	$ 969,525
2015	885,000	77,594	962,594
2016	900,000	60,469	960,469
2017	920,000	43,054	963,054
2018	875,000	25,252	900,252
2018-2022	430,000	11,030	441,030
Total	$ 4,885,000	$ 311,924	$ 5,196,924

During 2012 the City issued Water and Sewerage Revenue Refunding Bonds, Series 2012 in the amount of $6,645,000. Proceeds from this issue prepaid GEFA loans in the amount of $4,023,682 and Series 2003 Bonds in the amount of $2,585,000 with interest rates ranging from 3.0% to 3.92%. The cash flows required for the debt that was refunded totaled $8,099,423. Cash flows for the Refunding Bonds, Series 2012 are $7,577,741. The present value of the savings was $496,118. The issue is a private placement issue and bears interest at a rate of 2.08%.

Maturities and debt service requirements remaining on the bond issue at June 30, 2013 are as follows:

Fiscal Year	Principal	Interest	Total
2014	$ 530,000	$ 132,080	$ 662,080
2015	540,000	121,056	661,056
2016	550,000	109,824	659,824
2017	560,000	98,384	658,384
2018	575,000	86,736	661,736
2019-2023	2,900,000	214,708	3,114,708
2024-2026	695,000	25,064	720,064
Total	$ 6,350,000	$ 787,852	$ 7,137,852

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

Fiscal Year	Principal	Interest	Total
2014	$ 1,405,000	$ 226,605	$ 1,631,605
2015	1,425,000	198,650	1,623,650
2016	1,450,000	170,293	1,620,293
2017	1,480,000	141,438	1,621,438
2018	1,450,000	111,988	1,561,988
2019-2023	3,330,000	225,738	3,555,738
2024-2026	695,000	25,064	720,064
	$ 11,235,000	$ 1,099,776	$ 12,334,776

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. No interest has been capitalized during this period. Interest expense includes $27,324 of construction interest incurred. Details of the various loans are as follows:

% Rate	Monthly Payment	Payments Began	Date of Obligation	Original Amount	Maturity Date	Balance 6/30/2012	Additions	Reductions	Balance 6/30/2013
Georgia Environmental Facilities Authority									
3.00%	19,215	1/1/2004	5/28/2002	3,259,841	8/1/2024	$ 2,348,544	$ -	$ 162,457	$ 2,186,087
3.88%	19,235	10/1/2005	9/2/2004	3,207,598	9/1/2025	2,388,217	-	2,388,217	-
3.92%	8,909	4/1/2006	2/28/2006	1,480,396	3/1/2026	1,134,925	-	1,134,925	-
3.00%	11,835	5/1/2009	2/6/2003	2,133,992	4/1/2029	1,875,214	-	86,953	1,788,261
3.00%	5,792	4/1/2011	3/5/2010	599,848	3/1/2021	534,320	-	534,320	-
3.00%	N/A	N/A	N/A	2,770,000	N/A	706,591	541,909	-	1,248,500
State Revolving Loan Fund									
4.00%	19,018	11/1/1993	1/13/1992	3,140,186	8/1/2013	259,662	-	221,869	37,793
3.00%	86,322	6/1/2007	2/28/2007	5,178,828	3/1/2027	4,103,278	-	224,701	3,878,577
TOTAL						$ 13,350,751	$ 541,909	$ 4,753,442	$ 9,139,218

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

Fiscal Year	Principal	Interest	Total
2014	$ 1,775,153	$ 289,495	$ 2,064,648
2015	503,252	214,654	717,906
2016	518,457	199,450	717,907
2017	534,371	183,535	717,906
2018	550,525	167,381	717,906
2019-2023	3,013,437	575,644	3,589,081
2024-2028	2,127,283	147,200	2,274,483
2029	116,740	1,612	118,352
	$ 9,139,218	$ 1,778,971	$ 10,918,189

Landfill Post-closure Care

As described in detail in note 3-G, 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
2014	$ 23,558	$ 1,442	$ 25,000
2015	24,029	971	25,000
2016	24,510	490	25,000
	$ 72,097	$ 2,903	$ 75,000

Changes in Long-term Debt - Changes in the City's long-term obligations consisted of the following for the year ended June 30, 2013:

Governmental Activities	Outstanding 6/30/2012	Additions	Reductions	Outstanding 6/30/2013	Amounts Due in One Year
Revenue bonds	$ 1,952,100	$ -	$ 292,300	$ 1,659,800	$ 307,300
General obligation school bonds	31,685,000	12,000,000	9,885,000	33,800,000	205,000
Capital leases	467,673	-	161,780	305,893	167,676
Claims	80,106	-	5,847	74,259	6,080
Compensated absences	278,551	287,030	278,551	287,030	71,758
Pension liability	524,836	-	48,039	476,797	-
Total Governmental Activities	$34,988,266	$12,287,030	$10,671,517	36,603,779	757,814
Plus Deferred Bond Related Items				789,734	-
Net Governmental Activities				$ 37,393,513	$ 757,814
Business-Type Activities					
Revenue bonds	$ 9,445,000	$ 6,645,000	$ 4,855,000	$ 11,235,000	$ 1,405,000
GEFA/SRF loans	13,350,751	541,909	4,753,442	9,139,218	1,775,153
Estimated landfill closure costs	95,193	-	23,096	72,097	23,558
Compensated absences	251,855	254,894	251,855	254,894	89,212
Pension liability	245,811	-	24,076	221,735	-
Total Business-Type Activities	$23,388,610	$ 7,441,803	$ 9,907,469	$ 20,922,944	$ 3,292,923

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. Governmental compensated absences are primarily repaid from the general fund. Enterprise compensated absences are primarily paid out of the water and sewer fund.

3-I. 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 2013, the City's annual pension cost of $718,885 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 in fiscal year 2010. The required contribution was determined as part of the January 1, 2012, actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return and (b) projected salary increases of 3.5% per year plus age and service based merit increases and (c) inflation at 3.5%. 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 12 years. These amortization periods, if applicable, are closed for this plan year. The amortization method is closed level dollar. The schedule of funding progress presents multiyear trend information about whether the actuarial value of plan assets in increasing or decreasing over time relative to the actuarial accrued liability for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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
3/1/2008	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%
1/1/2011	4,717,707	6,120,497	77.08%	1,402,790	10,106,966	13.88%
1/1/2012	5,599,224	6,915,532	80.97%	1,316,308	9,598,700	13.71%
1/2/2013	6,556,534	7,664,617	85.54%	1,108,083	9,820,672	11.28%

Schedule of Employer Contributions

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed	Annual Pension Cost	Percentage Contributed
1/1/2011	756,671	100%	744,457	100%
1/1/2012	742,653	100%	731,077	100%
1/1/2013	713,034	100%	718,885	100%

Participation in this plan is comprised of the following as of the valuation date of January 1, 2013:

Retirees and beneficiaries receiving benefits	43
Terminated plan members entitled to, but not yet receiving benefits	35
Active plan members	257
Total	335

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, 2013
Retirees Currently Receiving Benefits:		
General government	2	
Culture and recreation	1	
Water and sewerage system	1	
Total Retirees Currently Receiving Benefits		4
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 under the closed method. The unfunded accrued actuarial 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
2013	$ 25,342	$ 97,456	385%	$ 698,533
2012	113,333	130,893	115%	770,647
2011	121,521	149,263	123%	788,207
2010	123,168	167,306	136%	815,949
2009	109,603	171,646	157%	860,087
2008	93,002	171,646	185%	922,130

The pension costs for fiscal year ended June 30, 2013 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, 2013 is as follows:

Net pension obligation, beginning of year	$ 770,647
Annual pension cost	
Annual required contribution (ARC)	(3,535)
Interest on net pension obligation	28,877
Pension costs	25,342
Adjustment to the ARC	-
Employer contributions	(97,456)
Increase (decrease) in net pension obligation	(72,114)
Net pension obligation, end of year	$ 698,533

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
6/30/2008	-	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	-	-
6/30/2011	-	970,093	0.0%	970,093	-	-
6/30/2012	-	685,111	0.0%	685,111	-	-
6/30/2013	-	656,015	100.0%	656,015	-	-

The following are the actuarial assumptions used in this plan:

Actuarial valuation date	6/30/2013
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-J. Net Investment in Capital Assets

The "*net investment in capital assets*" on the government-wide statement of net position as of June 30, 2013 is as follows:

Net Invetment in Captial Assets:	Governmental Activities	Business Type Activities
Cost of capital assets	$ 131,912,134	$ 186,320,023
Less accumulated depreciation	37,286,041	72,959,349
Book value	94,626,093	113,360,674
Less capital related debt, net of deferred refunding amounts, bond premiums and discounts	(36,555,427)	(20,233,536)
Add debt proceeds unspent at fiscal year end	9,243,173	-
Net investment in capital assets	$ 67,313,839	$ 93,127,138

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. 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, 2013. 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 $28,425,330 net of off-system sales which reduced costs. Rebates of $1,032,036 are reflected in the net power purchases of $27,393,294.

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, 2013, the balance in this account was $6,040,750. The intermediate flexible operating trust account has a balance of $83,759 as of June 30 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. 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, 2013, the balance in this account was $3,555,579 for a total of $9,680,087 to be included in current 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, 2013, was $1,360,604 and $9,530,825, 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, 2013 is $9,564,442. This account has been included in long-term investments on the City's books, but is only available for very restricted purposes.

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.

4-C. 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-D. 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 Annotated (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 2013, the City paid dues in the amount of $15,773 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, 2013, were $121,189. 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 paid by the City for the Airport Authority for fiscal 2013 were $87,281. Separate financial statements may be obtained from the Calhoun-Gordon County Airport Authority, 1957 Hwy. 41 South, Calhoun, GA 30701.

4-E. 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					$ 319,695
Disbursements					
Gordon County Chamber of Commerce	Tourism	2%	40%	$ 127,878	
Gordon County Chamber of Commerce	Economic Development	1%	20%	63,939	
Gordon County Industrial Development Authority	Economic Development	2%	40%	127,878	(319,695)
		5%	100%		
Difference					$ -

4-F. Prior Period Adjustment

In fiscal year 2013, the City implemented *GASB Statement No. 63, Financial Reporting of Deferred Ouflows of Resources, Deferred Inflows of Resources, and Net Position*. Also during fiscal year 2013, the City early implemented *GASB Statement No. 65, Items Previously Reported as Assets and Liabilities*. As a result, we have deleted unamortized bond issuance costs for governmental activities at the government-wide level and for the business -type activities at the fund level by adjusting all periods affected. In addition, there are numerous terminology changes throughout the financial section of this report. These classification modifications for terminology changes do not require a prior period adjustment.

	Governmental Activities	Business Type Activities
Net position as previously reported, June 30, 2012	$ 78,496,736	$ 112,854,475
Prior period adjustment for unamortized bond issuance costs	(226,720)	(206,278)
Bond issuance costs expensed fiscal 2012	-	(100,908)
Bond amorization deleted fiscal 2012	-	22,688
Net position as restated, June 30, 2012	$ 78,270,016	$ 112,569,977

GENERAL FUND
INDIVIDUAL FUND STATEMENTS

The general fund is used to account for and report all financial resources not accounted for for and reported in another fund.

City of Calhoun, Georgia
General Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ 3,488,086	$ 2,985,123
Receivables (net)		
Property taxes	63,925	80,119
Franchise taxes	115,033	115,699
Other taxes	33,339	36,287
Accounts	54,552	16,902
Fines	1,199,511	1,018,239
Intergovernmental		
Federal	3,895	19,014
State	1,009,687	1,190,984
County	58,730	38,913
Authorities	63,163	45,667
Interfund	3,614,257	3,491,736
Component unit	39,900	-
Prepaid items	368,452	401,073
Total Assets	$ 10,112,530	$ 9,439,756
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	$ 91,136	$ 113,020
Accrued payroll liabilities	2,236	-
Accrued expenditures	252,913	115,001
Interfund payable	274,206	320,996
Advances payable	536,768	-
Total Liabilities	1,157,259	549,017
Deferred Inflows of Resources		
Deferred revenue	1,243,596	1,120,526
Total Liabilities and Deferred Inflows of Resources	2,400,855	1,669,543
Fund Balances		
Nonspendable		
Prepaid items	368,452	401,073
Committed		
Working capital/contingencies	1,048,544	3,959,964
Unassigned	6,294,679	3,409,176
Total Fund Balances	7,711,675	7,770,213
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 10,112,530	$ 9,439,756

City of Calhoun, Georgia
General Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Property taxes	$ 1,557,412	$ 1,179,529
Sales taxes	2,363,077	2,257,286
Other taxes	4,210,265	4,125,464
Intergovernmental	647,567	625,517
Licenses and permits	220,735	200,394
Charges for services	221,924	191,238
Fines and forfeitures	499,594	608,844
Contributions	381,032	-
Investment earnings	4,496	10,663
Miscellaneous	5,894	6,291
Total Revenues	10,111,996	9,205,226
Expenditures		
Current		
General government	852,445	821,051
Judicial	447,648	367,148
Public safety	7,506,741	6,216,612
Public works	2,623,342	2,001,412
Health and welfare	61,103	53,469
Culture and recreation	326,308	303,664
Housing and economic development	585,547	594,400
Debt Service		
Principal retirement	161,780	181,639
Interest and fiscal charges	14,133	19,950
Total Expenditures	12,579,047	10,559,345
(Deficiency) of Revenues (Under) Expenditures	(2,467,051)	(1,354,119)
Other Financing Sources (Uses)		
Sale of capital assets	69,996	5,960
Insurance reimbursement	11,600	-
Transfers in	3,160,205	3,038,721
Transfers out	(833,288)	(735,062)
Total Other Financing Sources	2,408,513	2,309,619
Net Change in Fund Balances	(58,538)	955,500
Fund Balances Beginning of Year	7,770,213	6,814,713
Fund Balances End of Year	$ 7,711,675	$ 7,770,213

(This page was intentionally left blank.)

MAJOR GOVERNMENTAL FUNDS
INDIVIDUAL FUND STATEMENTS

Government funds are accounted for using a flow of current financial resources measurement focus.

School Bond Debt Service Fund- accounts for the debt service of the City School Board of Education by issuing bonds as needed for special projects.

2011 School Bond Capital Project Fund - records the construction of the new high school and middle school complex.

2012 School Bond Capital Project Fund - records the construction of the new middle school complex.

City of Calhoun, Georgia
School Bond Debt Service Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ 2,447,538	$ 9,882,714
Due from component unit	221,424	246,987
Total Assets	$ 2,668,962	$ 10,129,701
Fund Balances		
Restricted for debt service	$ 2,668,962	$ 10,129,701

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, 2013 and 2012

	2013	2012
Revenues		
Intergovernmental	$ 3,904,673	$ 3,678,441
Investment earnings	6,685	16,512
Total Revenues	3,911,358	3,694,953
Expenditures		
Debt Service		
Principal retirement	9,885,000	635,000
Interest and fiscal charges	1,505,545	1,266,552
Total Expenditures	11,390,545	1,901,552
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,479,187)	1,793,401
Other Financing Sources		
Transfers in	18,448	1,017,018
Net Change in Fund Balances	(7,460,739)	2,810,419
Fund Balances Beginning of Year	10,129,701	7,319,282
Fund Balances End of Year	$ 2,668,962	$ 10,129,701

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, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 3,844,031	$ 3,904,673	$ 3,904,673	$ -	$ 3,678,441
Investment earnings	21,000	21,000	6,685	(14,315)	16,512
Total Revenues	3,865,031	3,925,673	3,911,358	(14,315)	3,694,953
Expenditures					
Debt Service					
Principal	9,881,199	9,885,000	9,885,000	-	635,000
Interest	1,403,999	1,505,545	1,505,545	-	1,266,552
Total Expenditures	11,285,198	11,390,545	11,390,545	-	1,901,552
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,420,167)	(7,464,872)	(7,479,187)	(14,315)	1,793,401
Other Financing Sources (Uses)					
Transfers in	7,420,167	7,438,615	18,448	(7,420,167)	1,017,018
Appropriation of fund balance	-	26,257	-	(26,257)	-
Total Other Financing Sources (Uses)	7,420,167	7,464,872	18,448	(7,446,424)	1,017,018
Net Change in Fund Balances	$ -	$ -	(7,460,739)	$(7,460,739)	2,810,419
Fund Balances Beginning of Year			10,129,701		7,319,282
Fund Balances End of Year			$ 2,668,962		$ 10,129,701

City of Calhoun, Georgia
2011 School Bonds Capital Project Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ -	$ 11,691,633
Fund Balances		
Restricted for capital projects	$ -	$ 11,691,633

City of Calhoun, Georgia
2011 School Bonds Capital Project Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Investment earnings	$ 4,424	$ 31,465
Expenditures		
Capital Outlay		
Education	11,696,057	8,596,032
Net Change in Fund Balances	(11,691,633)	(8,564,567)
Fund Balances Beginning of Year	11,691,633	20,256,200
Fund Balances End of Year	$ -	$ 11,691,633

City of Calhoun, Georgia
2012 School Bonds Capital Project Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ 9,243,173	$ -
Liabilities and Fund Balances		
Liabilities		
Due to component unit	$ 1,767,764	$ -
Fund Balances		
Restricted for capital projects	7,475,409	-
Total Liabilities and Fund Balances	$ 9,243,173	$ -

City of Calhoun, Georgia
2012 School Bonds Capital Project Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Investment earnings	$ 6,540	$ -
Expenditures		
Capital Outlay		
Education	5,256,592	-
Debt Service		
Bond issuance costs	198,778	-
Total Expenditures	5,455,370	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,448,830)	-
Other Financing Sources and Uses		
Proceeds of bond issuance	12,000,000	-
Premium on debt issuance	924,239	
Other Financing Sources and Uses	12,924,239	-
Net Change in Fund Balances	7,475,409	-
Fund Balances Beginning of Year	-	-
Fund Balances End of Year	$ 7,475,409	$ -

NONMAJOR GOVERNMENTAL FUNDS
COMBINING AND INDIVIDUAL FUND STATEMENTS

Special revenue funds are used to account for the proceeds of specific revenue sources, that are legally restricted to expenditures for specified 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 obligation debt. and the payment of principal and interest on long term general

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

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

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

2011 SPLOST Fund - to account for SPLOST revenues and capital outlay for various utility, recreation and other projects as well as 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, 2013
(With Comparative Totals at June 30, 2012)

	2013				2012
	Nonmajor Special Revenue Funds	Nonmajor Revenue Bonds Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds	Total Nonmajor Governmental Funds
Assets					
Cash	$ 1,230,658	$ -	$ 5,940,229	$ 7,170,887	$ 7,214,452
Receivables					
Property taxes	802,972	-	-	802,972	997,842
Other taxes	31,091	-	-	31,091	27,686
Intergovernmental	-	-	232,485	232,485	146,989
Interest	2,543	-	-	2,543	1,528
Loans	258,189	-	-	258,189	221,914
Loans- noncurrent	818,336	-	-	818,336	883,886
Collections for others	2,366	-	-	2,366	-
Interfund	2,188	-	-	2,188	119,271
Due from component unit	-	-	-	-	13,146
Prepaid items	6,266	-	-	6,266	6,343
Total Assets	$ 3,154,609	$ -	$ 6,172,714	$ 9,327,323	$ 9,633,057
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	$ 255,313	$ -	$ 26,278	$ 281,591	$ 94,665
Accrued expenditures	49,736	-	-	49,736	37,122
Due to component unit	126,923	-	-	126,923	160,180
Interfund payable	909	-	187,441	188,350	176,710
Total Liabilities	432,881	-	213,719	646,600	468,677
Deferred Inflows of Resources					
Unavailable revenue	643,137	-	333,448	976,585	857,076
Total Liabilities and Deferred Inflows of Resources	1,076,018	-	547,167	1,623,185	1,325,753
Fund Balances					
Nonspendable					
Prepaid items	6,266	-	-	6,266	6,343
Restricted					
Debt service	-	-	-	-	-
Capital projects	-	-	5,625,547	5,625,547	6,324,600
Program purposes					
Education	-	-	-	-	-
Housing and development	1,862,113	-	-	1,862,113	1,840,312
Public safety	190,913	-	-	190,913	103,380
Culture and recreation	19,299	-	-	19,299	32,669
Total Fund Balances	2,078,591	-	5,625,547	7,704,138	8,307,304
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 3,154,609	$ -	$ 6,172,714	$ 9,327,323	$ 9,633,057

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, 2013 and 2012

	2013				2012
	Nonmajor Special Revenue Funds	Nonmajor Revenue Bonds Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds	Total Nonmajor Governmental Funds
Revenues					
Hotel/motel taxes	$ 319,694	$ -	$ -	$ 319,694	$ 279,561
Intergovernmental	369,576	-	1,113,576	1,483,152	2,818,618
Charges for services	237,350	-	-	237,350	223,302
Fines and forfeitures	218,206	-	-	218,206	46,625
Investment earnings	24,264	-	16,886	41,150	42,361
Miscellaneous	24,100	-	-	24,100	33,131
Total Revenues	1,193,190	-	1,130,462	2,323,652	3,443,598
Expenditures					
Current					
Public safety	128,017	-	-	128,017	56,463
Culture and recreation	948,609	-	-	948,609	909,090
Housing and economic development	329,512	-	-	329,512	290,200
Education	-	-	-	-	81,758
Capital Outlay	-	-	1,263,520	1,263,520	306,905
Debt Service					
Principal retirement	-	292,300	-	292,300	281,800
Interest and fiscal charges	-	76,627	-	76,627	88,578
Total Expenditures	1,406,138	368,927	1,263,520	3,038,585	2,014,794
Excess (Deficiency) of Revenues Over (Under) Expenditures	(212,948)	(368,927)	(133,058)	(714,933)	1,428,804
Other Financing Sources (Uses)					
Sale of capital assets	5,032	-	-	5,032	-
Transfers in	311,523	368,927	-	680,450	756,785
Transfers out	(7,720)	-	(565,995)	(573,715)	(1,017,018)
Total Other Financing Sources (Uses)	308,835	368,927	(565,995)	111,767	(260,233)
Net Change in Fund Balances	95,887	-	(699,053)	(603,166)	1,168,571
Fund Balances Beginning of Year	1,982,704	-	6,324,600	8,307,304	7,138,733
Fund Balances End of Year	$ 2,078,591	$ -	$ 5,625,547	$ 7,704,138	$ 8,307,304

City of Calhoun, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(With Comparative Totals at June 30, 2012)

	2013									2012
	Urban Development Action Grant	Home Investment Partnership	Confiscated Assets	West Calhoun Grant	Hotel/Motel Tax	School Tax	Recreation	Cherokee Mill Loft Apts.	Total Nonmajor Special Revenue Funds	Total Nonmajor Special Revenue Funds
Assets										
Cash	$ 803,233	$ -	$ 271,924	$ -	$ 414	$ 113,575	$ 41,429	$ 83	$ 1,230,658	$ 938,686
Receivables										
Property taxes	-	-	-	-	-	802,972	-	-	802,972	997,842
Other taxes	-	-	-	-	31,091	-	-	-	31,091	27,686
Interest	2,543	-	-	-	-	-	-	-	2,543	1,528
Loans	238,775	19,414	-	-	-	-	-	-	258,189	221,914
Loans- noncurrent	818,336	-	-	-	-	-	-	-	818,336	883,886
Collections for others	-	-	-	-	2,366	-	-	-	2,366	-
Interfund	-	-	-	-	-	-	2,188	-	2,188	52,458
Due from component unit	-	-	-	-	-	-	-	-	-	13,146
Prepaid items	-	-	-	-	-	-	6,266	-	6,266	6,343
Total Assets	$ 1,862,887	$ 19,414	$ 271,924	$ -	$ 33,871	$ 916,547	$ 49,883	$ 83	$ 3,154,609	$ 3,143,489
Liabilities, Deferred Inflows of Resources and Fund Balances										
Liabilities										
Accounts payable	$ 857	$ -	$ 80,102	$ -	$ -	$ 165,901	$ 8,453	$ -	$ 255,313	$ 94,665
Accrued expenditures	-	-	-	-	33,871	-	15,865	-	49,736	37,122
Due to component unit	-	-	-	-	-	126,923	-	-	126,923	160,180
Interfund payable	-	-	909	-	-	-	-	-	909	11,742
Total Liabilities	857	-	81,011	-	33,871	292,824	24,318	-	432,881	303,709
Deferred Inflows of Resources										
Unavailable revenue	-	19,414	-	-	-	623,723	-	-	643,137	857,076
Total Liabilities and Deferred Inflows of Resources	857	19,414	81,011	-	33,871	916,547	24,318	-	1,076,018	1,160,785
Fund Balances										
Nonspendable										
Prepaid items	-	-	-	-	-	-	6,266	-	6,266	6,343
Restricted for program purposes										
Housing and development	1,862,030	-	-	-	-	-	-	83	1,862,113	1,840,312
Public safety	-	-	190,913	-	-	-	-	-	190,913	103,380
Culture and recreation	-	-	-	-	-	-	19,299	-	19,299	32,669
Total Fund Balances	1,862,030	-	190,913	-	-	-	25,565	83	2,078,591	1,982,704
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,862,887	$ 19,414	$ 271,924	$ -	$ 33,871	$ 916,547	$ 49,883	$ 83	$ 3,154,609	$ 3,143,489

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, 2013
(With Comparative Totals For the Year Ended June 30, 2012)

	2013									2012
	Urban Development Action Grant	Home Investment Partnership	Confiscated Assets	West Calhoun Grant	Hotel/Motel Tax	School Tax	Recreation	Cherokee Mill Loft Apts.	Total Nonmajor Special Revenue Funds	Total Nonmajor Special Revenue Funds
Revenues										
Hotel/motel taxes	$ -	$ -	$ -	$ -	$ 319,694	$ -	$ -	$ -	$ 319,694	$ 279,561
Intergovernmental	-	-	-	-	-	-	369,576	-	369,576	369,955
Charges for services	-	-	-	-	-	-	237,350	-	237,350	223,302
Fines and forfeitures	-	-	218,206	-	-	-	-	-	218,206	46,625
Investment earnings	24,232	-	32	-	-	-	-	-	24,264	25,467
Miscellaneous	-	-	-	-	-	-	24,100	-	24,100	33,131
Total Revenues	24,232	-	218,238	-	319,694	-	631,026	-	1,193,190	978,041
Expenditures										
Current										
Public safety	-	-	128,017	-	-	-	-	-	128,017	56,463
Culture and recreation	-	-	-	-	-	-	948,609	-	948,609	909,090
Housing and economic development	2,514	-	-	-	319,694	-	-	7,304	329,512	290,200
Education	-	-	-	-	-	-	-	-	-	81,758
Total Expenditures	2,514	-	128,017	-	319,694	-	948,609	7,304	1,406,138	1,337,511
Excess (Deficiency) of Revenues Over (Under) Expenditures	21,718	-	90,221	-	-	-	(317,583)	(7,304)	(212,948)	(359,470)
Other Financing Sources (Uses)										
Sale of capital assets	-	-	5,032	-	-	-	-	-	5,032	-
Transfers in	-	-	-	-	-	-	304,136	7,387	311,523	328,416
Transfers out	-	-	(7,720)	-	-	-	-	-	(7,720)	-
Total Other Financing Sources (Uses)	-	-	(2,688)	-	-	-	304,136	7,387	308,835	328,416
Net Change in Fund Balances	21,718	-	87,533	-	-	-	(13,447)	83	95,887	(31,054)
Fund Balances Beginning of Year	1,840,312	-	103,380	-	-	-	39,012	-	1,982,704	2,013,758
Fund Balances End of Year	$ 1,862,030	$ -	$ 190,913	$ -	$ -	$ -	$ 25,565	$ 83	$ 2,078,591	$ 1,982,704

City of Calhoun, Georgia
Urban Development Action Grant Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ 803,233	$ 752,398
Receivables (net)		
Loans	238,775	202,500
Interest	2,543	1,528
Loans - noncurrent	818,336	883,886
Total Assets	$ 1,862,887	$ 1,840,312
Liabilities		
Accounts payable	$ 857	$ -
Fund Balances		
Restricted for housing	1,862,030	1,840,312
Total Liabilties and Fund Balances	$ 1,862,887	$ 1,840,312

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, 2013 and 2012

	2013	2012
Revenues		
Investment earnings	$ 24,232	$ 25,383
Expenditures		
Current		
Housing and economic development	2,514	2,500
Excess of Revenues Over Expenditures	21,718	22,883
Fund Balances Beginning of Year	1,840,312	1,817,429
Fund Balances End of Year	$ 1,862,030	$ 1,840,312

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, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	$ 23,500	$ 23,500	$ 24,232	$ 732	$ 25,383
Expenditures					
Current					
Housing and economic development	2,500	2,500	2,514	(14)	2,500
Excess of Revenues Over Expenditures	21,000	21,000	21,718	718	22,883
Other Financing Sources (Uses)					
Transfer to fund balance	(21,000)	(21,000)	-	21,000	-
Net Change in Fund Balances	$ -	$ -	21,718	$ 21,718	22,883
Fund Balances Beginning of Year			1,840,312		1,817,429
Fund Balances End of Year			$ 1,862,030		$ 1,840,312

City of Calhoun, Georgia
Home Investment Partnership Act Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Loans receivable	$ 19,414	$ 19,414
Deferred Inflows of Resources		
Unavailable revenue	$ 19,414	$ 19,414

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, 2013 and 2012

	2013	2012
Revenues		
Investment earnings	$ -	$ -
Grant revenue	-	-
Total Revenues	-	-
Expenditures		
Current		
Housing and economic development	-	-
(Deficiency) of Revenues (Under) Expenditures	-	-
Fund Balances Beginning of Year	-	-
Fund Balances End of Year	$ -	$ -

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, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	$ -	$ -	$ -	$ -	$ -
Grant revenue	-	-	-	-	-
Total Revenues	-	-	-	-	-
Expenditures					
Current					
Housing and economic development	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources					
Appropriation of fund balance	-	-	-	-	-
Net Change in Fund Balances	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Calhoun, Georgia
Confiscated Assets Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ 271,924	$ 185,304
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 80,102	$ 81,924
Interfund payable	909	-
Total Liabilities	81,011	81,924
Fund Balances		
Restricted for public safety - police	190,913	103,380
Total Liabilities and Fund Balances	$ 271,924	$ 185,304

City of Calhoun, Georgia
Confiscated Assets Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Fines and forfeitures	$ 218,206	$ 46,625
Intergovernmental grants	-	2,665
Investment earnings	32	84
Total Revenues	218,238	49,374
Expenditures		
Current		
Public safety	128,017	56,463
Excess (Deficiency) of Revenues Over (Under) Expenditures	90,221	(7,089)
Other Financing Sources (Uses)		
Sale of assets	5,032	-
Transfers out	(7,720)	-
Total Other Financing Sources (Uses)	(2,688)	-
Net Change in Fund Balances	87,533	(7,089)
Fund Balances Beginning of Year	103,380	110,469
Fund Balances End of Year	$ 190,913	$ 103,380

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, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Fines and forfeitures	$ 8,400	$ 129,309	$ 218,206	$ 88,897	$ 46,625
Intergovernmental grants	-	9,836	-	(9,836)	2,665
Investment earnings	100	100	32	(68)	84
Total Revenues	8,500	139,245	218,238	78,993	49,374
Expenditures					
Current					
Public safety	10,500	133,525	128,017	5,508	56,463
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,000)	5,720	90,221	84,501	(7,089)
Other Financing Sources (Uses)					
Sale of capital assets	2,000	2,000	5,032	3,032	-
Transfers out	-	(7,720)	(7,720)	-	-
Total Other Financing Sources (Uses)	2,000	(5,720)	(2,688)	3,032	-
Net Change in Fund Balances	$ -	$ -	87,533	$ 87,533	(7,089)
Fund Balances Beginning of Year			103,380		110,469
Fund Balances End of Year			$ 190,913		$ 103,380

City of Calhoun, Georgia
West Calhoun Grant Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ -	$ -
Fund Balances		
Restricted for housing and development	$ -	$ -

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, 2013 and 2012

	2013	2012
Revenues		
Intergovernmental	$ -	$ 5,346
Expenditures		
Current		
Housing and development	-	8,139
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(2,793)
Other Financing Sources (Uses)		
Transfers in	-	442
Net Change in Fund Balances	-	(2,351)
Fund Balances Beginning of Year	-	2,351
Fund Balances End of Year	$ -	$ -

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, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ -	$ -	$ -	$ -	$ 5,346
Expenditures					
Current					
Housing and development	-	-	-	-	8,139
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	(2,793)
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	442
Total Other Financing Sources (Uses)	-	-	-	-	442
Net Change in Fund Balances	$ -	$ -	-	$ -	(2,351)
Fund Balances Beginning of Year			-		2,351
Fund Balances End of Year			$ -		$ -

City of Calhoun, Georgia
Hotel/Motel Tax Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ 414	$ -
Collections for others	2,366	-
Hotel/motel taxes receivable	31,091	27,686
Total Assets	$ 33,871	$ 27,686
Liabilities		
Accrued expenditures	$ 33,871	$ 27,686

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, 2013 and 2012

	2013	2012
Revenues		
Hotel/motel taxes	$ 319,694	$ 279,561
Expenditures		
Current		
Housing and economic development	319,694	279,561
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, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Hotel/motel taxes	$ 275,000	$ 319,694	$ 319,694	$ -	$ 279,561
Expenditures					
Current					
Housing and economic development	275,000	319,694	319,694	-	279,561
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, 2013 and 2012

	2013	2012
Assets		
Cash	$ 113,575	$ -
Property taxes receivable	802,972	997,842
Due from component unit	-	13,146
Total Assets	$ 916,547	$ 1,010,988
Liabilities and Deferred Inflows of Resources		
Liabilities		
Accounts payable	$ 165,901	$ 1,404
Due to component unit	126,923	160,180
Interfund payable	-	11,742
Total Liabilities	292,824	173,326
Deferred Inflows of Resources		
Unavailable revenues	623,723	837,662
Total Liabilities and Deferred Inflows of Resources	$ 916,547	$ 1,010,988

City of Calhoun, Georgia
School Tax Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Property taxes	$ -	$ -
Expenditures		
Current		
Education	-	81,758
Excess of Revenues Over Expenditures	-	(81,758)
Fund Balances Beginning of Year	-	81,758
Fund Balances End of Year	$ -	$ -

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, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Property taxes	$ -	$ -	$ -	$ -	$ -
Expenditures					
Current					
Education	-	-	-	-	81,758
Excess of Revenues Over Expenditures	$ -	$ -	-	$ -	(81,758)
Fund Balances Beginning of Year			-		81,758
Fund Balances End of Year			$ -		$ -

City of Calhoun, Georgia
Recreation Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ 41,429	$ 984
Interfund	2,188	52,458
Prepaid items	6,266	6,343
Total Assets	$ 49,883	$ 59,785
Liabilities and Fund Balances (Deficits)		
Liabilities		
Accounts payable	$ 8,453	$ 11,337
Accrued expenditures	15,865	9,436
Total Liabilities	24,318	20,773
Fund Balances		
Nonspendable		
Prepaid items	6,266	6,343
Restricted		
Culture and recreation	19,299	32,669
Total Fund Balances	25,565	39,012
Total Liabilities and Fund Balances	$ 49,883	$ 59,785

City of Calhoun, Georgia
Recreation Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Intergovernmental	$ 369,576	$ 361,944
Charges for services	237,350	223,302
Miscellaneous	24,100	33,131
Total Revenues	631,026	618,377
Expenditures		
Current		
Culture and recreation	948,609	909,090
(Deficiency) of Revenues (Under) Expenditures	(317,583)	(290,713)
Other Financing Sources		
Transfers in	304,136	327,974
Net Change in Fund Balances	(13,447)	37,261
Fund Balances Beginning of Year	39,012	1,751
Fund Balances End of Year	$ 25,565	$ 39,012

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, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 369,576	$ 369,576	$ 369,576	$ -	$ 361,944
Charges for services	194,900	195,100	237,350	42,250	223,302
Miscellaneous	15,350	17,100	24,100	7,000	33,131
Total Revenues	579,826	581,776	631,026	49,250	618,377
Expenditures					
Current					
Culture and recreation	982,220	995,425	948,609	46,816	909,090
Excess (Deficiency) of Revenues Over (Under) Expenditures	(402,394)	(413,649)	(317,583)	96,066	(290,713)
Other Financing Sources					
Transfers in	402,394	413,649	304,136	(109,513)	327,974
Net Change in Fund Balances	$ -	$ -	(13,447)	$ (13,447)	37,261
Fund Balances Beginning of Year			39,012		1,751
Fund Balances End of Year			$ 25,565		$ 39,012

City of Calhoun, Georgia
Cherokee Mill Loft Apts.
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ 83	$ -
Liabilities and Fund Balances		
Fund Balances		
Restricted for housing and economic development	$ 83	$ -
Total Liabilities and Fund Balances	$ 83	$ -

City of Calhoun, Georgia
Cherokee Mill Loft Apts.
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Intergovernmental grants	$ -	$ -
Expenditures		
Current		
Housing and economic development	7,304	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,304)	-
Other Financing Sources (Uses)		
Transfers in	7,387	-
Net Change in Fund Balances	83	-
Fund Balances Beginning of Year	-	-
Fund Balances End of Year	$ 83	$ -

City of Calhoun, Georgia
Cherokee Mill Loft Apts.
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental grants	$ -	$ 500,000	$ -	$ (500,000)	$ -
Expenditures					
Current					
Housing and economic development	-	500,000	7,304	492,696	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(7,304)	(7,304)	-
Other Financing Sources (Uses)					
Transfers in	-	-	7,387	7,387	
Net Change in Fund Balances	$ -	$ -	83	$ 83	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ 83		$ -

City of Calhoun, Georgia
Revenue Bonds Debt Service Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ -	$ -
Fund Balances		
Restricted for debt service	$ -	$ -

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, 2013 and 2012

	2013	2012
Revenues		
Investment earnings	$ -	$ -
Expenditures		
Debt Service		
Principal retirement	292,300	281,800
Interest and fiscal charges	76,627	88,578
Total Expenditures	368,927	370,378
Excess (Deficiency) of Revenues Over (Under) Expenditures	(368,927)	(370,378)
Other Financing Sources		
Transfers in	368,927	370,369
Net Change in Fund Balances	-	(9)
Fund Balances Beginning of Year	-	9
Fund Balances End of Year	$ -	$ -

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, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	$ -	$ -	$ -	$ -	$ -
Expenditures					
Debt Service					
Principal	281,800	281,800	292,300	-	281,800
Interest and fiscal charges	88,569	88,578	76,627	-	88,578
Total Expenditures	370,369	370,378	368,927	-	370,378
Excess (Deficiency) of Revenues Over (Under) Expenditures	(370,369)	(370,378)	(368,927)	-	(370,378)
Other Financing Sources					
Transfers in	370,369	370,378	368,927	-	370,369
Net Change in Fund Balances	$ -	$ -	-	$ -	(9)
Fund Balances Beginning of Year			-		9
Fund Balances End of Year			$ -		$ -

City of Calhoun, Georgia
Nonmajor Capital Project Funds
Combining Balance Sheet
June 30, 2013
(With Comparative Totals at June 30, 2012)

	2013				2012
	2005 SPLOST	School SPLOST	2011 SPLOST	Total Nonmajor Capital Projects Funds	Total Nonmajor Capital Projects Funds
Assets					
Cash	$ 5,170,303	$ -	$ 769,926	$ 5,940,229	$ 6,275,766
Receivables:					
Intergovernmental	-	-	232,485	232,485	146,989
Interfund	-	-	-	-	66,813
Total Assets	$ 5,170,303	$ -	$ 1,002,411	$ 6,172,714	$ 6,489,568
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities and Deferred Inflows of Resources					
Accounts payable	$ -	$ -	$ 26,278	$ 26,278	$ -
Interfund payable	176,680	-	10,761	187,441	164,968
Total Liabilities	176,680	-	37,039	213,719	164,968
Deferred Inflows of Resources					
Unavailable revenue	-	-	333,448	333,448	-
Total Liabilities and Deferred Inflows of Resources	176,680	-	370,487	547,167	164,968
Fund Balances					
Restricted for capital projects	4,993,623	-	631,924	5,625,547	6,324,600
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 5,170,303	$ -	$ 1,002,411	$ 6,172,714	$ 6,489,568

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, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	2005 SPLOST	School SPLOST	2011 SPLOST	Total Nonmajor Capital Projects Funds	Total Nonmajor Capital Projects Funds
Revenues					
Intergovernmental	$ -	$ -	$ 1,113,576	$ 1,113,576	$ 2,448,663
Investment earnings	16,773	33	80	16,886	16,894
Total Revenues	16,773	33	1,113,656	1,130,462	2,465,557
Expenditures					
Capital Outlay					
Public safety	877,797	-	69,414	947,211	187,750
Public works	-	-	44,165	44,165	-
Culture and recreation	-	-	272,144	272,144	61,155
Education	-	-	-	-	58,000
Total Expenditures	877,797	-	385,723	1,263,520	306,905
Excess (Deficiency) of Revenues Over (Under) Expenditures	(861,024)	33	727,933	(133,058)	2,158,652
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	58,000
Transfers out	(298,891)	(18,448)	(248,656)	(565,995)	(1,017,018)
Total Other Financing Sources (Uses)	(298,891)	(18,448)	(248,656)	(565,995)	(959,018)
Net Change in Fund Balances	(1,159,915)	(18,415)	479,277	(699,053)	1,199,634
Fund Balances Beginning of Year	6,153,538	18,415	152,647	6,324,600	5,124,966
Fund Balances End of Year	$ 4,993,623	$ -	$ 631,924	$ 5,625,547	$ 6,324,600

City of Calhoun, Georgia
2005 SPLOST Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ 5,170,303	$ 6,257,351
Liabilities and Fund Balances		
Liabilities		
Interfund payable	$ 176,680	$ 103,813
Fund Balances		
Restricted for capital projects	4,993,623	6,153,538
Total Liabilities and Fund Balances	$ 5,170,303	$ 6,257,351

City of Calhoun, Georgia
2005 SPLOST Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Intergovernmental	$ -	$ 2,234,861
Investment earnings	16,773	15,642
Total Revenues	16,773	2,250,503
Expenditures		
Capital Outlay		
Public safety	877,797	187,750
Total Expenditures	877,797	187,750
Excess of Revenues Over Expenditures	(861,024)	2,062,753
Other Financing Sources (Uses)		
Transfers out	(298,891)	-
Total Other Financing Sources (Uses)	(298,891)	-
Net Change in Fund Balances	(1,159,915)	2,062,753
Fund Balances Beginning of Year	6,153,538	4,090,785
Fund Balances End of Year	$ 4,993,623	$ 6,153,538

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, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ -	$ -	$ -	$ -	$ 2,234,861
Investment earnings	16,000	16,000	16,773	773	15,642
Total Revenues	16,000	16,000	16,773	773	2,250,503
Expenditures					
Capital Outlay					
Public safety	1,225,000	1,225,000	877,797	(347,203)	187,750
Public works	814,000	515,109	-	(515,109)	-
Total Expenditures	2,039,000	1,740,109	877,797	(862,312)	187,750
Excess of Revenues Over (Under) Expenditures	(2,023,000)	(1,724,109)	(861,024)	863,085	2,062,753
Other Financing Sources and Uses					
Transfers in	2,023,000	2,023,000	-	(2,023,000)	-
Transfers out	-	(298,891)	(298,891)	-	-
Total Other Financing Sources and Uses	2,023,000	1,724,109	(298,891)	(2,023,000)	-
Net Change in Fund Balances	$ -	$ -	(1,159,915)	$ (1,159,915)	2,062,753
Fund Balances Beginning of Year			6,153,538		4,090,785
Fund Balances End of Year			$ 4,993,623		$ 6,153,538

City of Calhoun, Georgia
School SPLOST Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ -	$ 18,415
Fund Balances		
Restricted for capital projects	$ -	$ 18,415

City of Calhoun, Georgia
School SPLOST Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Investment earnings	$ 33	$ 1,252
Capital Outlay		
Education	-	58,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	33	(56,748)
Other Financing Sources(Uses)		
Transfer in	-	58,000
Transfer out	(18,448)	(1,017,018)
Total Other Financing Sources (Uses)	(18,448)	(959,018)
Net Change in Fund Balances	(18,415)	(1,015,766)
Fund Balances Beginning of Year	18,415	1,034,181
Fund Balances End of Year	$ -	$ 18,415

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, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	$ -	$ 34	$ 33	$ (1)	$ 1,252
Capital Outlay					
Education	-	-	-	-	58,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	34	33	(1)	(56,748)
Other Financing Sources (Uses)					
Transfer in	-	-	-	-	58,000
Transfer out	-	(18,448)	(18,448)	-	(1,017,018)
Appropriation of fund balance	-	18,414	-	(18,414)	-
Total Other Financing Sources (Uses)	-	(34)	(18,448)	(18,414)	(959,018)
Net Change in Fund Balances	$ -	$ -	(18,415)	$ (18,415)	(1,015,766)
Fund Balances Beginning of Year			18,415		1,034,181
Fund Balances End of Year			$ -		$ 18,415

City of Calhoun, Georgia
2011 SPLOST Fund
Comparative Balance Sheets
June 30, 2013 and 2012

	2013	2012
Assets		
Cash	$ 769,926	$ -
Receivables:		
Intergovernmental	232,485	146,989
Interfund	-	66,813
Total Assets	$ 1,002,411	$ 213,802
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities and Deferred Inflows of Resources		
Accounts payable	$ 26,278	$ -
Interfund payable	10,761	61,155
Total Liabilities	37,039	61,155
Deferred Inflows of Resources		
Unavailable revenue	333,448	-
Total Liabilities and Deferred Inflows of Resources	370,487	61,155
Fund Balances		
Restricted for capital projects	631,924	152,647
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,002,411	$ 213,802

City of Calhoun, Georgia
2011 SPLOST Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Revenues		
Intergovernmental	$ 1,113,576	$ 213,802
Investment earnings	80	-
Total Revenues	1,113,656	213,802
Expenditures		
Capital Outlay		
Public safety	69,414	-
Public works	44,165	-
Culture and recreation	272,144	61,155
Total Expenditures	385,723	61,155
Excess (Deficiency) of Revenues Over (Under) Expenditures	727,933	152,647
Other Financing Sources		
Transfers out	(248,656)	-
Net Change in Fund Balances	479,277	152,647
Fund Balances (Deficit) Beginning of Year	152,647	-
Fund Balances (Deficit) End of Year	$ 631,924	$ 152,647

City of Calhoun, Georgia
2011 SPLOST Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013
(With Comparative Actual Amounts For the Year Ended June 30, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 962,112	$ 962,112	$1,113,576	$ 151,464	$ 213,802
Investment earnings	-	-	80	80	-
Total Revenues	962,112	962,112	1,113,656	151,544	213,802
Expenditures					
Capital Outlay					
Public safety	72,550	72,550	69,414	(3,136)	-
Public works	194,738	194,738	44,165	(150,573)	-
Culture and recreation	580,000	580,000	272,144	(307,856)	61,155
Total Expenditures	847,288	847,288	385,723	(461,565)	61,155
Excess (Deficiency) of Revenues Over (Under) Expenditures	114,824	114,824	727,933	613,109	152,647
Other Financing Sources (Uses)					
Transfers out	(248,450)	(248,450)	(248,656)	(206)	-
Appropriation of fund balance	133,626	133,626	-	(133,626)	-
Total Other Financing Sources (Uses)	(114,824)	(114,824)	(248,656)	(133,832)	-
Net Change in Fund Balances	$ -	$ -	479,277	$ 479,277	152,647
Fund Balances Beginning of Year			152,647		-
Fund Balances End of Year			$ 631,924		$ 152,647

(This page was intentionally left blank.)

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 Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current assets		
Cash	$ 5,872,621	$ 6,674,189
Restricted assets		
Cash	979,498	872,243
Investments	9,680,087	7,875,035
Receivables		
Accounts	524,501	592,645
Accrued revenue	3,109,588	2,628,878
Intergovernmental	695,253	636,938
Interfund	22,796	2,307
Other	114,527	40,842
Advances	505,895	177,700
Deposits	49,098	45,574
Inventories	1,885,594	2,158,330
Prepaid items	19,926	17,356
Noncurrent assets		
Restricted assets		
Investments, noncurrent	9,564,442	8,245,602
Advances receivable	2,432,016	2,354,832
Capital assets		
Nondepreciable	758,484	580,384
Depreciable, net	14,331,991	14,295,087
Total Assets	50,546,317	47,197,942
Liabilities		
Current liabilities		
Accounts payable	2,941,019	2,762,081
Accrued payroll liabilities	64	97
Accrued expenses	41,089	19,930
Interfund payable	8,228	-
Compensated absences payable	16,885	15,653
Unearned revenue	20,394	-
Payable From Restricted Assets:		
Customer deposits	979,498	872,243
Long-term liabilities		
Compensated absences payable	31,359	29,071
Payable From Restricted Assets:		
Regulatory liability	10,473,365	8,682,440
Total Liabilities	14,511,901	12,381,515
Net Position		
Net investment in capital assets	15,090,475	14,875,471
Unrestricted	20,943,941	19,940,956
Total Net Position	$ 36,034,416	$ 34,816,427

City of Calhoun, Georgia
Electric System Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Position
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Charges for services	$ 35,583,995	$ 32,322,520
Miscellaneous	214,938	157,479
Total Operating Revenues	35,798,933	32,479,999
Operating Expenses		
Personal services	1,128,953	1,006,219
Contractual services	1,626,897	1,668,219
Supplies	28,592,454	27,314,660
Interfund allocations	451,887	440,032
Depreciation	798,400	755,639
Other	1,338	(120,428)
Total Operating Expenses	32,599,929	31,064,341
Operating Income	3,199,004	1,415,658
Non-Operating Revenues (Expenses)		
Investment earnings	112,089	212,531
Intergovernmental revenue	121,312	-
Interest expense	-	(775)
Total Non-Operating Revenues	233,401	211,756
Income Before Transfers	3,432,405	1,627,414
Capital contributions	29,988	258,301
Transfers in	33,258	30,068
Transfers out	(2,277,662)	(2,916,889)
Total Contributions and Transfers	(2,214,416)	(2,628,520)
Change in Net Position	1,217,989	(1,001,106)
Net Position Beginning of Year	34,816,427	35,817,533
Net Position End of Year	$ 36,034,416	$ 34,816,427

City of Calhoun, Georgia
Electric System Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012 *as restated*
Cash Flows from Operating Activities		
Cash received from customers	$ 33,833,584	$ 30,693,830
Cash received from interfund services provided	1,524,514	1,630,257
Cash payments for personal services	(1,125,466)	(992,376)
Cash payments for goods and services	(29,699,182)	(29,181,344)
Cash payments for interfund services used	(511,484)	(309,742)
Other cash (payments) receipts	(3,908)	120,785
Net Cash Provided by (Used in) Operating Activities	4,018,058	1,961,410
Cash Flows From Noncapital Financing Activities		
Payments for (reduction in) pension liability	-	(150,610)
Transfers in	33,258	30,068
Transfers out	(2,277,662)	(2,916,889)
Net Cash Provided by (Used in) Noncapital Financing Activities	(2,244,404)	(3,037,431)
Cash Flows from Capital and Related Financing Activities		
Payments for capital acquisitions	(983,416)	(505,578)
Intergovernmental revenues received	121,312	258,301
Advances to other funds	(862,644)	-
Payments received on advances	457,265	249,356
Net Cash Provided by (Used in) Capital and Related Financing Activities	(1,267,483)	2,079
Cash Flows from Investing Activities		
Investment earnings	112,089	212,531
(Purchase) Disposal of investments, net of regulatory liability	(1,312,573)	(786,405)
Interest rebated to customer accounts	-	(775)
Net Cash Provided by (Used in) Investing Activities	(1,200,484)	(574,649)
Net Increase (Decrease) in Cash	(694,313)	(1,648,591)
Cash Beginning of Year	7,546,432	9,195,023
Cash End of Year	$ 6,852,119	$ 7,546,432
Reconciliation of total cash and cash equivalents:		
Cash	$ 5,872,621	$ 6,674,189
Restricted assets-cash and cash equivalents	979,498	872,243
Total cash and cash equivalents	$ 6,852,119	$ 7,546,432

(continued)

City of Calhoun, Georgia
Electric System Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2013 and 2012

(continued)

	2013	2012 *as restated*
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 3,199,004	$ 1,415,658
Adjustments		
Depreciation	798,400	755,639
(Increase) Decrease in Assets		
Accounts receivable and accrued revenues	(486,251)	124,647
Intergovernmental receivable	(58,315)	(212,742)
Inventories	272,736	(338,058)
Interfund receivables	(20,489)	186,073
Deposits	(3,524)	(10,561)
Prepaid expenses	(2,570)	357
Increase (Decrease) in Liabilities		
Accounts payable and accrued liabilities	200,097	83,811
Accrued payroll liabilities	3,487	13,843
Deposits payable	107,255	(57,257)
Interfund payable	8,228	-
Net Cash Provided by (Used in) Operating Activities	$ 4,018,058	$ 1,961,410

City of Calhoun, Georgia
Water & Sewerage System Fund
Comparative Statements of Net Position
June 30, 2013 and 2012

	2013	2012 *as restated*
Assets and Deferred Outflows of Resources		
Current assets		
Cash	$ 1,150,621	$ 1,195,448
Restricted assets		
Cash	1,782,230	1,484,013
Receivables		
Accounts	827,002	803,315
Accrued revenue	981,638	1,081,782
Interfund	185,052	15,612
Interest		
Intergovernmental	-	88,631
Inventory	720,041	946,354
Prepaid items	96,499	58,041
Noncurrent assets		
Restricted assets		
Cash, noncurrent	725,155	596,076
Capital assets		
Nondepreciable	11,469,441	8,972,381
Depreciable, net	81,669,803	83,587,593
Total Assets	99,607,482	98,829,246
Deferred Outflows of Resources		
Deferred amount from debt refunding	140,682	193,324
Liabilities		
Current liabilities		
Accounts payable	647,132	444,944
Contractor bonds payable	38,728	38,705
Accrued payroll liabilities	104,614	51,096
Accrued interest	22,566	35,870
Compensated absences payable	40,867	39,054
Advances payable	31,371	24,877
Notes payable	1,775,153	1,661,139
Revenue bonds payable	1,405,000	2,125,000
Payable from Restricted Assets:		
Accrued interest payable	18,625	19,006
Customer deposits and interest	777,344	677,576
Long-Term liabilities		
Compensated absences payable	75,897	72,529
Pension liability	221,735	245,811
Notes payable (net of current portion)	7,364,065	11,689,612
Revenue bonds payable (net of current portion)	9,830,000	7,320,000
Advances payable (net of current portion)	334,199	371,755
Total Liabilities	22,687,296	24,816,974
Net Position		
Net investment in capital assets	72,905,708	69,957,547
Unrestricted	4,155,160	4,248,049
Total Net Position	$ 77,060,868	$ 74,205,596

City of Calhoun, Georgia
Water & Sewerage System Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Position
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012 *as restated*
Operating Revenues		
Charges for services	$ 14,713,066	$ 15,070,678
Miscellaneous	107,779	69,019
Total Operating Revenues	14,820,845	15,139,697
Operating Expenses		
Personal services	3,161,277	3,014,733
Contractual services	556,649	818,430
Supplies	2,796,481	2,745,358
Interfund allocations	1,744,369	1,736,692
Depreciation	3,010,866	2,973,956
Amortization	30,142	31,145
Other	37,484	1,748
Total Operating Expenses	11,337,268	11,322,062
Operating Income	3,483,577	3,817,635
Non-Operating Revenues (Expenses)		
Bond issuance charges	(59,015)	(100,908)
Interest and fiscal charges	(665,748)	(761,419)
Gain (loss) on disposition of capital assets	40,042	-
Intergovernmental revenue	219,721	-
Investment earnings	12,795	26,412
Total Non-Operating (Expenses)	(452,205)	(835,915)
Income Before Contributions and Transfers	3,031,372	2,981,720
Capital contributions	-	691,825
Transfers in	896,019	1,083,749
Transfers out	(1,072,119)	(1,186,640)
Total Contributions and Transfers	(176,100)	588,934
Change in Net Position	2,855,272	3,570,654
Net Position Beginning of Year	74,205,596	70,841,220
Prior period adjustment	-	(206,278)
Net Position End of Year	$ 77,060,868	$ 74,205,596

City of Calhoun, Georgia
Water & Sewerage System Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012 *as restated*
Cash Flows from Operating Activities		
Cash received from customers	$ 14,723,995	$ 15,324,253
Cash received from interfund services provided	361,706	422,499
Cash payments for personal services	(3,105,946)	(3,050,374)
Cash payments for goods and services	(1,653,280)	(2,134,747)
Cash payments for interfund services used	(3,223,616)	(3,283,570)
Other cash payments	(37,461)	(1,714)
Net Cash Provided by (Used in) Operating Activities	7,065,398	7,276,347
Cash Flows from Noncapital Financing Activities		
Payments for (reductions in) pension liability	(24,076)	59,708
Transfers in	896,019	1,083,749
Transfers out	(1,072,119)	(1,186,640)
Net Cash Provided by (Used in) Noncapital Financing Activities	(200,176)	(43,183)
Cash Flows from Capital and Related Financing Activities		
Capital grant	219,721	302,825
Proceeds from debt	541,909	381,754
Principal paid on advance	(31,062)	(99,562)
Interest paid on advances	(10,032)	-
Proceeds from issuance of bonds	6,645,000	6,525,000
Principal paid on revenue bonds	(4,855,000)	(3,465,000)
Interest paid on revenue bonds	(338,545)	(274,992)
Bond issuance charges	(59,015)	-
Principal paid on notes and capital leases	(4,753,442)	(6,853,478)
Interest paid on notes and capital leases	(312,123)	(493,339)
Payments for capital acquisitions and construction	(3,672,038)	(1,882,093)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(6,624,627)	(5,858,885)
Cash Flows from Investing Activities		
Investments earnings	12,795	26,412
Net Cash Provided by (Used in) Investing Activities	12,795	26,412
Net Increase (Decrease) in Cash	253,390	1,400,691
Cash Beginning of Year	2,679,461	1,278,770
Cash End of Year	$ 2,932,851	$ 2,679,461
Reconciliation of total cash:		
Cash	$ 1,150,621	$ 1,195,448
Current restricted assets-cash	1,782,230	1,484,013
Total cash	$ 2,932,851	$ 2,679,461

(continued)

City of Calhoun, Georgia
Water and Sewerage System Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2013 and 2012

(continued)

	2013	2012
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 3,483,577	$ 3,817,635
Adjustments		
Depreciation	3,010,866	2,973,956
Amortization	30,142	31,145
(Increase) Decrease in Assets		
Accounts receivable and accrued revenues	165,088	568,342
Inventories	226,313	(258,625)
Interfund receivables	(169,440)	(15,612)
Prepaid expenses	(38,458)	(2,684)
Increase (Decrease) in Liabilities		
Accounts payable and accrued liabilities	202,211	347,498
Accrued payroll liabilities	55,331	(35,641)
Deposits payable	99,768	5,558
Interfund payable	-	(188,380)
Unearned revenue	-	33,155
Net Cash Provided by (Used in) Operating Activities	$ 7,065,398	$ 7,276,347
Noncash Investing, Capital and Financing Activities		
Developer contributions - in kind	$ -	$ 389,000

(This page was intentionally left blank.)

NONMAJOR PROPRIETARY FUNDS
COMBINING AND INDIVIDUAL FUND STATEMENTS

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

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

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

Telecom Fund - provides communication and data services.

City of Calhoun, Georgia
Combining Statement of Net Position
Nonmajor Proprietary Funds
June 30, 2013
(With Comparative Totals at June 30, 2012)

	2013				2012
	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds	Total Nonmajor Enterprise Funds
Assets					
Current assets					
Cash	$ 887	$ 841,879	$ 13,902	$ 856,668	$ 897,237
Receivables					
Accounts	5,535	35,576	47,778	88,889	77,101
Accrued revenue	-	48,686	45,439	94,125	92,325
Interfund	2,188	337	11,871	14,396	12,859
Other	-	2,434	-	2,434	1,968
Inventory	-	249,254	-	249,254	232,579
Prepaid items	3,837	2,344	944	7,125	8,106
Noncurrent assets					
Capital assets					
Nondepreciable capital assets	696,138	-	314,435	1,010,573	1,206,725
Depreciable capital assets, net	1,244,133	1,372,413	156,240	2,772,786	2,343,828
Total Assets	1,952,718	2,552,923	590,609	5,096,250	4,872,728
Liabilities					
Current liabilities					
Accounts payable	11,523	2,637	38,498	52,658	33,998
Accrued payroll liabilities	15,715	22	-	15,737	66
Accrued expenses	15,234	9,000	920	25,154	46,694
Interfund payable	454,400	-	-	454,400	291,412
Post-closure care payable	-	-	23,558	23,558	23,096
Compensated absences payable	8,027	2,793	-	10,820	11,246
Unearned revenue	24,714	-	-	24,714	19,782
Advances payable	59,500	107,680	-	167,180	100,935
Long-term liabilities					
Compensated absences payable	14,908	5,188	-	20,096	20,884
Post-closure care payable (net of current portion)	-	-	48,539	48,539	72,097
Advances payable (net of current portion)	17,720	954,158	-	971,878	1,067,523
Total Liabilities	621,741	1,081,478	111,515	1,814,734	1,687,733
Net Position					
Investment in capital assets	1,940,271	1,372,413	470,675	3,783,359	3,550,553
Unrestricted (deficit)	(609,294)	99,032	8,419	(501,843)	(365,558)
Total Net Position	$ 1,330,977	$ 1,471,445	$ 479,094	$ 3,281,516	$ 3,184,995

City of Calhoun, Georgia
Combining Statement of Revenues,
Expenses and Changes in Fund Net Position
Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2013
(With Comparative Totals For the Year Ended June 30, 2012)

	2013				2012
	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds	Total Nonmajor Enterprise Funds
Operating Revenues					
Charges for services	$ 526,871	$ 991,022	$ 708,741	$ 2,226,634	$ 2,227,610
Miscellaneous	18,274	1,732	-	20,006	20,053
Total Operating Revenues	545,145	992,754	708,741	2,246,640	2,247,663
Operating Expenses					
Personal services	513,639	283,614	63,230	860,483	804,042
Contractual services	37,603	296,816	468,500	802,919	815,025
Supplies	201,336	57,536	33,796	292,668	316,239
Interfund allocations	24,981	53,080	77,618	155,679	158,754
Depreciation	128,964	84,797	9,432	223,193	297,534
Other	-	-	-	-	(47,133)
Total Operating Expenses	906,523	775,843	652,576	2,334,942	2,344,461
Operating Income (Loss)	(361,378)	216,911	56,165	(88,302)	(96,798)
Non-Operating Revenues (Expenses)					
Change in estimated landfill closure costs	-	-	(3,404)	(3,404)	(9,357)
Investment earnings	-	1,406	-	1,406	3,517
Intergovernmental revenue	-	84,020	-	84,020	84,109
Interest and fiscal charges	-	(11,278)	-	(11,278)	(18,461)
Intergovernmental expenses	-	(84,020)	-	(84,020)	(84,109)
Total Non-Operating Revenues (Expenses)	-	(9,872)	(3,404)	(13,276)	(24,301)
Income (Loss) Before Transfers	(361,378)	207,039	52,761	(101,578)	(121,099)
Transfers in	54,022	3,582	142,166	199,770	961
Transfers out	-	(1,671)	-	(1,671)	(647)
Total Transfers	54,022	1,911	142,166	198,099	314
Change in Net Position	(307,356)	208,950	194,927	96,521	(120,785)
Net Position Beginning of Year	1,638,333	1,262,495	284,167	3,184,995	3,305,780
Net Position End of Year	$ 1,330,977	$ 1,471,445	$ 479,094	$ 3,281,516	$ 3,184,995

City of Calhoun, Georgia
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2013
(With Comparative Totals For the Year Ended June 30, 2012)

	2013				2012
	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities					
Cash received from customers	$ 546,165	$ 680,027	$ 704,984	$ 1,931,176	$ 2,062,175
Cash received from interfund services provided	-	305,431	1,334	306,765	309,753
Other cash receipts	173,826	-	-	173,826	242,933
Cash payments for personal services	(497,887)	(284,909)	(63,230)	(846,026)	(802,428)
Cash payments for goods and services	(227,465)	(336,153)	(509,723)	(1,073,341)	(1,144,786)
Cash payments for interfund services used	(35,359)	(85,483)	(88,456)	(209,298)	(268,002)
Net Cash Provided by (Used in) Operating Activities	(40,720)	278,913	44,909	283,102	399,645
Cash Flows from Noncapital Financing Activities					
Payments for (reductions in) pension liability	-	-	-	-	(56,911)
Transfers in	54,022	3,582	142,166	199,770	961
Transfers out	-	(1,671)	-	(1,671)	(647)
Net Cash Provided by (Used in) Noncapital Financing Activities	54,022	1,911	142,166	198,099	(56,597)
Cash Flows from Capital and Related Financing Activities					
Principal paid on advance	-	(106,620)	-	(106,620)	(99,435)
Interest paid on advance	-	(11,278)	-	(11,278)	(18,461)
Payments for capital acquisition and construction	(90,056)	(211,160)	(154,782)	(455,998)	(207,695)
Proceeds from advances payable	77,220	-	-	77,220	-
Payments for landfill postclosure care	-	-	(26,500)	(26,500)	(32,000)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(12,836)	(329,058)	(181,282)	(523,176)	(357,591)
Cash Flows from Investing Activities					
Investment earnings	-	1,406	-	1,406	3,517
Net Increase (Decrease) in Cash	466	(46,828)	5,793	(40,569)	(11,026)
Cash Beginning of Year	421	888,707	8,109	897,237	908,263
Cash End of Year	$ 887	$ 841,879	$ 13,902	$ 856,668	$ 897,237

(continued)

City of Calhoun, Georgia
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2013
(With Comparative Totals For the Year Ended June 30, 2012)

(continued)

	2013				2012
	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)	$ (361,378)	$ 216,911	$ 56,165	$ (88,302)	$ (96,798)
Adjustments					
Depreciation	128,964	84,797	9,432	223,193	297,534
(Increase) Decrease in Assets					
Accounts receivable and accrued revenue	(3,911)	(7,160)	(2,983)	(14,054)	(5,138)
Inventory	-	(16,675)	-	(16,675)	(12,027)
Interfund receivable	(2,188)	91	560	(1,537)	45,861
Intergovernmental receivable	-	-	-	-	83,494
Prepaid expenses	(116)	(136)	1,233	981	1,515
Increase (Decrease) in Liabilities					
Accounts payable and accrued expenses	3,400	2,380	(8,660)	(2,880)	(87,119)
Accrued payroll liabilities	15,751	(1,295)	-	14,456	1,613
Interfund payable	173,826	-	(10,838)	162,988	171,210
Unearned revenue	4,932	-	-	4,932	(500)
Net Cash Provided by (Used in) Operating Activities	$ (40,720)	$ 278,913	$ 44,909	$ 283,102	$ 399,645

City of Calhoun, Georgia
Fields Ferry Golf Course Fund
Comparative Statements of Net Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current assets		
Cash	$ 887	$ 421
Accounts receivable	5,535	1,624
Interfund	2,188	-
Prepaid items	3,837	3,721
Noncurrent assets		
Capital assets		
Nondepreciable	696,138	751,138
Depreciable, net	1,244,133	1,228,040
Total Assets	1,952,718	1,984,944
Liabilities		
Current liabilities		
Accounts payable	11,523	16,700
Accrued payroll liabilities	15,715	22
Accrued expenses	15,234	6,657
Interfund payable	454,400	280,574
Compensated absences payable	8,027	8,007
Unearned revenue	24,714	19,782
Advances payable	59,500	-
Long-term liabilities		
Compensated absences payable	14,908	14,869
Advances payable (net of current portion)	17,720	-
Total Liabilities	621,741	346,611
Net Position		
Investment in capital assets	1,940,271	1,979,178
Unrestricted (deficit)	(609,294)	(340,845)
Total Net Position	$ 1,330,977	$ 1,638,333

City of Calhoun, Georgia
Fields Ferry Golf Course Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Position
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Charges for services		
Green fees	$ 327,316	$ 329,235
Cart fees	184,631	189,050
Range fees	14,924	15,858
Miscellaneous	18,274	18,214
Total Operating Revenues	545,145	552,357
Operating Expenses		
Maintenance		
Personal services	330,013	303,229
Contractual services	18,816	17,398
Supplies	160,977	150,826
Interfund allocations	12,044	13,797
Depreciation	17,091	19,598
Total Maintenance	538,941	504,848
Pro Shop		
Personal services	183,626	172,254
Contractual services	18,787	19,984
Supplies	40,359	40,923
Interfund allocations	12,937	15,072
Depreciation	111,873	186,759
Total Pro Shop	367,582	434,992
Total Operating Expenses	906,523	939,840
Operating (Loss)	(361,378)	(387,483)
Other Financing Sources and Uses		
Transfers in	54,022	97
Change in Net Position	(307,356)	(387,386)
Net Position Beginning of Year	1,638,333	2,025,719
Net Position End of Year	$ 1,330,977	$ 1,638,333

City of Calhoun, Georgia
Fields Ferry Golf Course Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Cash Flows from Operating Activities		
Cash received from customers	$ 546,165	$ 551,378
Cash received from other	173,826	242,933
Cash payments for personal services	(497,887)	(473,089)
Cash payments for goods and services	(227,465)	(229,087)
Cash payments for interfund services used	(35,359)	(37,211)
Net Cash Provided by (Used in) Operating Activities	(40,720)	54,924
Cash Flows from Noncapital Financing Activities		
Transfers in	54,022	97
Cash Flows from Capital and Related Financing Activities		
Payments for capital acquisitions	(90,056)	(55,000)
Proceeds from advances payable	77,220	-
Net Cash Provided by (Used in) Capital and Related Financing Activities	(12,836)	(55,000)
Net Increase (Decrease) in Cash	466	21
Cash Beginning of Year	421	400
Cash End of Year	$ 887	$ 421
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	$ (361,378)	$ (387,483)
Adjustments		
Depreciation	128,964	206,357
(Increase) Decrease in Assets		
Accounts receivable	(3,911)	(478)
Interfund receivable	(2,188)	-
Prepaid expenses	(116)	704
Increase (Decrease) in Liabilities		
Accounts payable	(5,177)	(973)
Accrued expenses	8,577	(8,029)
Accrued payroll liabilities	15,751	2,393
Interfund payable	173,826	242,933
Unearned revenue	4,932	(500)
Net Cash Provided by (Used in) Operating Activities	$ (40,720)	$ 54,924

City of Calhoun, Georgia
Telecommunications Fund
Comparative Statements of Net Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current assets		
Cash	$ 841,879	$ 888,707
Receivables		
Accounts	35,576	28,401
Accrued revenue	48,686	49,167
Interfund	337	428
Other	2,434	1,968
Inventory	249,254	232,579
Prepaid items	2,344	2,208
Noncurrent assets		
Capital assets		
Nondepreciable	-	141,152
Depreciable, net	1,372,413	1,104,898
Total Assets	2,552,923	2,449,508
Liabilities		
Current liabilities		
Accounts payable	2,637	5,031
Accrued payroll liabilities	22	44
Accrued expenses	9,000	4,226
Compensated absences payable	2,793	3,239
Advances payable	107,680	100,935
Long-term liabilities		
Compensated absences payable	5,188	6,015
Advances payable (net of current portion)	954,158	1,067,523
Total Liabilities	1,081,478	1,187,013
Net Position		
Investment in capital assets	1,372,413	1,246,050
Unrestricted	99,032	16,445
Total Net Position	$ 1,471,445	$ 1,262,495

City of Calhoun, Georgia
Telecommunications Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Position
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Charges for services	$ 991,022	$ 988,103
Miscellaneous	1,732	1,839
Total Operating Revenues	992,754	989,942
Operating Expenses		
Personal services	283,614	264,044
Contractual services	296,816	312,313
Supplies	57,536	102,354
Interfund allocations	53,080	55,749
Depreciation	84,797	90,344
Total Operating Expenses	775,843	824,804
Operating Income	216,911	165,138
Non-Operating Income (Expenses)		
Investment earnings	1,406	3,517
Intergovernmental revenue	84,020	84,109
Intergovernmental expenses	(84,020)	(84,109)
Interest and fiscal charges	(11,278)	(18,461)
Total Non-operating Income (Expenses)	(9,872)	(14,944)
Income Before Transfers (Out)	207,039	150,194
Transfers in	3,582	864
Transfers out	(1,671)	(647)
Total Transfers	1,911	217
Change in Net Position	208,950	150,411
Net Position Beginning of Year	1,262,495	1,112,084
Net Position End of Year	$ 1,471,445	$ 1,262,495

City of Calhoun, Georgia
Telecommunications Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Cash Flows from Operating Activities		
Cash received from customers	$ 680,027	$ 760,621
Cash received from interfund services provided	305,431	308,383
Cash payments for personal services	(284,909)	(264,824)
Cash payments for goods and services	(336,153)	(483,089)
Cash payments for interfund services used	(85,483)	(84,932)
Net Cash Provided by (Used in) Operating Activities	278,913	236,159
Cash Flows from Noncapital Financing Activities		
Transfers in	3,582	864
Transfers out	(1,671)	(647)
Net Cash Provided by (Used in) Noncapital Financing Activities	1,911	217
Cash Flows from Capital and Related Financing Activities		
Principal paid on advance	(106,620)	(99,435)
Interest paid on advance	(11,278)	(18,461)
Payments for capital acquisition and construction	(211,160)	(141,153)
Net Cash Flows Provided by (Used in) Capital and Related Financial Activities	(329,058)	(259,049)
Cash Flows from Investing Activities		
Investment earnings	1,406	3,517
Net Increase (Decrease) in Cash	(46,828)	(19,156)
Cash Beginning of Year	888,707	907,863
Cash End of Year	$ 841,879	$ 888,707

(continued)

City of Calhoun, Georgia
Telecommunications Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2013 and 2012

(continued)

	2013	2012
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 216,911	$ 165,138
Adjustments		
Depreciation	84,797	90,344
(Increase) Decrease in Assets		
Accounts receivable and accrued revenue	(7,160)	(4,553)
Inventory	(16,675)	(12,027)
Interfund receivable	91	(428)
Intergovernmental receivable	-	83,494
Prepaid expenses	(136)	121
Increase (Decrease) in Liabilities		
Accounts payable and accrued expenses	2,380	(85,150)
Accrued payroll liabilities	(1,295)	(780)
Net Cash Provided by (Used in) Operating Activities	$ 278,913	$ 236,159

City of Calhoun, Georgia
Solid Waste Fund
Comparative Statements of Net Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current assets		
Cash	$ 13,902	$ 8,109
Receivables		
Accounts	47,778	47,076
Accrued revenue	45,439	43,158
Interfund	11,871	12,431
Prepaid items	944	2,177
Noncurrent assets		
Capital assets		
Nondepreciable	314,435	314,435
Depreciable capital assets, net	156,240	10,890
Total Assets	590,609	438,276
Liabilities		
Current liabilities		
Accounts payable	38,498	12,267
Accrued expenses	920	35,811
Interfund payable	-	10,838
Post-closure care payable	23,558	23,096
Long-term liabilities		
Post-closure care payable	48,539	72,097
Total Liabilities	111,515	154,109
Net Position		
Investment in capital assets	470,675	325,325
Unrestricted (deficit)	8,419	(41,158)
Total Net Position	$ 479,094	$ 284,167

City of Calhoun, Georgia
Solid Waste Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Position
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Charges for services	$ 708,741	$ 705,364
Total Revenues	708,741	705,364
Operating Expenses		
Personal services	63,230	64,515
Contractual services	468,500	465,330
Supplies	33,796	22,136
Interfund allocations	77,618	74,136
Depreciation	9,432	833
Other	-	(47,133)
Total Operating Expenses	652,576	579,817
Operating Income (Loss)	56,165	125,547
Non-Operating Revenues (Expenses)		
Change in estimated landfill closure costs	(3,404)	(9,357)
Total Non-Operating Revenues	(3,404)	(9,357)
Income (Loss) Before Transfers	52,761	116,190
Transfers in	142,166	-
Change in Net Position	194,927	116,190
Net Position Beginning of Year	284,167	167,977
Net Position End of Year	$ 479,094	$ 284,167

City of Calhoun, Georgia
Solid Waste Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Cash Flows from Operating Activities		
Cash received from customers	$ 704,984	$ 750,176
Cash received from interfund services provided	1,334	1,370
Cash payments for personal services	(63,230)	(64,515)
Cash payments for goods and services	(509,723)	(432,610)
Cash payments for interfund services used	(88,456)	(145,859)
Net Cash Provided by (Used in) Operating Activities	44,909	108,562
Cash Flows from Noncapital Financing Activities		
Payments for (reductions in) pension liability	-	(56,911)
Transfers in	142,166	-
Net Cash Flows from Noncapital Financing Activities	142,166	(56,911)
Cash Flows from Capital and Related Financing Activities		
Payments for capital acquisitions	(154,782)	(11,542)
Payments for landfill postclosure care	(26,500)	(32,000)
Net Cash Flows Provided by (Used in) Capital and Related Financing Activities	(181,282)	(43,542)
Net Increase (Decrease) in Cash	5,793	8,109
Cash Beginning of Year	8,109	-
Cash End of Year	$ 13,902	$ 8,109
Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities		
Operating Income (Loss)	$ 56,165	$ 125,547
Adjustments		
Depreciation	9,432	833
(Increase) Decrease in Assets		
Accounts receivable and accrued revenue	(2,983)	(107)
Interfund receivable	560	46,289
Prepaid expenses	1,233	690
Increase (Decrease) in Liabilities		
Accounts payables and accrued expenses	(8,660)	7,033
Interfund payable	(10,838)	(71,723)
Net Cash Provided by (Used in) Operating Activities	$ 44,909	$ 108,562

(This page was intentionally left blank.)

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 Position
June 30, 2013 and 2012

	2013	2012
Assets		
Current assets		
Cash	$ 2,958,868	$ 3,123,628
Receivables		
Interfund	247,132	310,446
Other	374	-
Prepaid items	66,785	65,813
Noncurrent assets		
Capital assets		
Nondepreciable	26,977	26,977
Depreciable, net	1,320,619	1,346,079
Total Assets	4,620,755	4,872,943
Liabilities		
Current liabilities		
Accounts payable	10,106	8,397
Accrued payroll liabilities	62,805	30,414
Deferred revenue	237,600	277,200
Interfund payable	3,160,637	3,163,113
Advances payable	71,633	51,887
Compensated absences payable	20,640	22,196
Long-term liabilities		
Compensated absences payable	38,330	41,222
Advances payable (net of current portion)	824,882	915,555
Total Liabilities	4,426,633	4,509,984
Net Position		
Investment in capital assets	1,347,596	1,373,056
Unrestricted (deficit)	(1,153,474)	(1,010,097)
Total Net Position	$ 194,122	$ 362,959

City of Calhoun, Georgia
Utilities Administration Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Position
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Charges for services	$ 2,738,626	$ 2,447,484
Miscellaneous	41,445	42,684
Total Operating Revenues	2,780,071	2,490,168
Operating Expenses		
Personal services	2,089,727	1,904,369
Contractual services	377,223	354,949
Supplies	154,707	116,675
Interfund allocations	23,245	25,643
Depreciation	65,453	70,369
Total Operating Expenses	2,710,355	2,472,005
Operating Income	69,716	18,163
Non-Operating Expenses		
Investment earnings	544	1,297
Interest expense	(9,402)	(29,971)
Total Non-Operating (Expenses)	(8,858)	(28,674)
Income Before Transfers	60,858	(10,511)
Transfers in	-	224
Transfers out	(229,695)	(71,270)
Total Transfers	(229,695)	(71,046)
Change in Net Position	(168,837)	(81,557)
Net Position Beginning of Year	362,959	444,516
Net Position End of Year	$ 194,122	$ 362,959

City of Calhoun, Georgia
Utilities Administration Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2013 and 2012

	2013	2012
Cash Flows from Operating Activities		
Cash received from interfund services provided	$ 2,986,659	$ 2,479,224
Cash received from other	(143,648)	26,258
Cash payments for personal services	(2,061,784)	(1,919,221)
Cash payments for goods and services	(461,843)	(398,610)
Cash payments for interfund services used	(134,671)	(153,082)
Net Cash Provided by (Used in) Operating Activities	184,713	34,569
Cash Flows from Noncapital Financing Activities		
Transfers in	-	224
Transfers out	(229,695)	(71,270)
Total Cash Flows Provided by (Used in) Noncapital Financing Activities	(229,695)	(71,046)
Cash Flows from Capital and Related Financing Activities		
Payments for capital acquisition and construction	(39,993)	-
Principal paid on advance	(70,927)	(50,359)
Interest paid on advance	(9,402)	(29,971)
Total Cash Flows Provided by (Used in) Capital Financing Activities	(120,322)	(80,330)
Cash Flows from Investing Activities		
Investment earnings	544	1,297
Net Increase (Decrease) in Cash	(164,760)	(115,510)
Cash Beginning of Year	3,123,628	3,239,138
Cash End of Year	$ 2,958,868	$ 3,123,628
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 69,716	$ 18,163
Adjustments		
Depreciation	65,453	70,369
(Increase) Decrease in Assets		
Accounts receivable - other	(374)	430
Interfund receivables	63,314	14,884
Prepaid expenses	(972)	9,520
Increase (Decrease) in Liabilities		
Accounts payables and accrued expenses	(37,891)	(44,481)
Accrued payroll liabilities	27,943	(14,852)
Interfund payable	(2,476)	(19,464)
Net Cash Provided by (Used in) Operating Activities	$ 184,713	$ 34,569

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, 2013

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
Assets				
Cash	$ 21,200	$ 860,464	$ 863,447	$ 18,217
Liabilities				
Intergovernmental payable	$ 21,200	$ 860,464	$ 863,447	$ 18,217

City of Calhoun, Georgia
Statistical Section
(Unaudited)

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 similar 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, tables presenting government-wide information include ten years of data.

Exhibit I

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

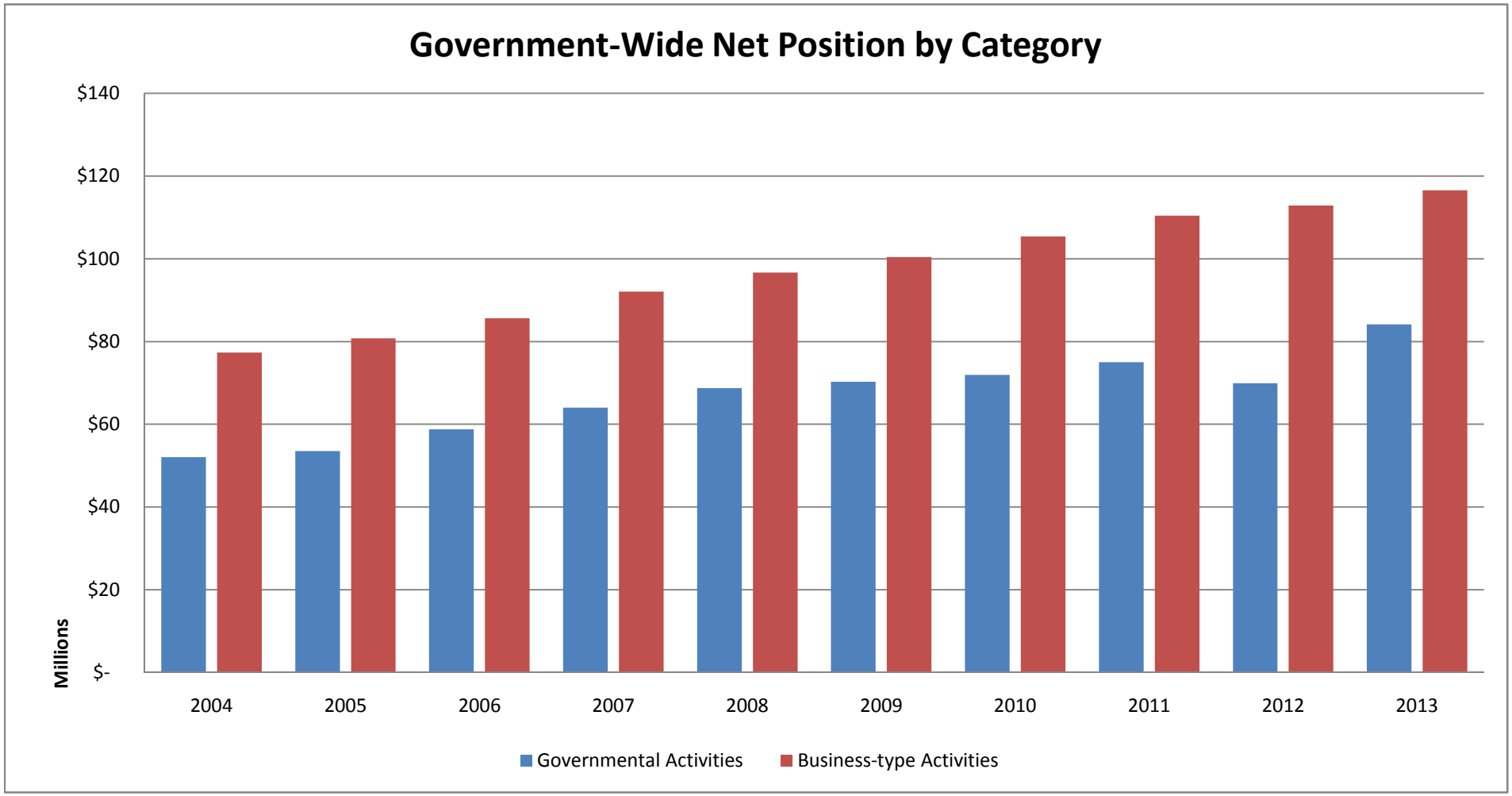
	Amounts									
	June 30, 2004	**June 30, 2005**	**June 30, 2006**	**June 30, 2007**	**June 30, 2008**	**June 30, 2009**	**June 30, 2010**	**June 30, 2011**	**June 30, 2012** *as restated*	**June 30, 2013**
Governmental Activities										
Net invested in capital assets	$ 42,837,851	$ 45,071,915	$ 48,576,577	$ 51,507,994	$ 53,918,878	$ 54,267,923	$ 53,654,505	$ 52,338,593	51,462,689	67,313,839
Restricted	3,604,957	2,937,541	3,321,689	4,061,264	4,475,779	6,667,786	8,688,195	15,431,931	19,122,020	9,229,059
Unrestricted	5,586,115	5,516,383	6,892,771	8,464,916	10,331,322	9,368,345	9,567,669	7,232,639	7,685,307	7,580,277
Subtotal Governmental Activities Net Position	52,028,923	53,525,839	58,791,037	64,034,174	68,725,979	70,304,054	71,910,369	75,003,163	78,270,016	84,123,175
Business-type Activities										
Net invested in capital assets	62,366,502	63,845,193	68,383,190	73,551,942	76,306,384	80,087,162	83,941,618	87,690,678	89,563,303	93,127,138
Restricted	120,210	193,720	121,239	-	2,426,382	-	-	-	-	-
Unrestricted	14,834,989	16,736,179	17,088,381	18,536,443	17,957,256	20,350,076	21,452,054	22,718,371	23,006,694	23,443,784
Subtotal Business-Type Activities Net Position	77,321,701	80,775,092	85,592,810	92,088,385	96,690,022	100,437,238	105,393,672	110,409,049	112,569,997	116,570,922
Primary Government										
Net invested in capital assets	105,204,353	108,917,108	116,959,767	125,059,936	130,225,262	134,355,085	137,278,601	140,029,271	141,025,992	160,440,977
Restricted	3,725,167	3,131,261	3,442,928	4,061,264	6,902,161	6,667,786	8,688,195	15,431,931	19,122,020	9,229,059
Unrestricted	20,421,104	22,252,562	23,981,152	27,001,359	28,288,578	29,718,421	31,337,245	29,951,010	30,691,981	31,024,061
Total Primary Government Net Position	$129,350,624	$ 134,300,931	$ 144,383,847	$ 156,122,559	$ 165,416,001	$ 170,741,292	$ 177,304,041	$ 185,412,212	$ 190,839,993	$ 200,694,097

	Percentage of Total									
	June 30, 2004	**June 30, 2005**	**June 30, 2006**	**June 30, 2007**	**June 30, 2008**	**June 30, 2009**	**June 30, 2010**	**June 30, 2011**	**June 30, 2012**	**June 30, 2013**
Governmental Activities										
Net invested in capital assets	82.3%	84.2%	82.6%	80.4%	78.5%	77.2%	74.6%	69.8%	65.8%	80.0%
Restricted	7.0%	5.5%	5.7%	6.3%	6.5%	9.5%	12.1%	20.6%	24.4%	11.0%
Unrestricted	10.7%	10.3%	11.7%	13.2%	15.0%	13.3%	13.3%	9.6%	9.8%	9.0%
Subtotal Governmental Activities Net Position	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Business-type Activities										
Net invested in capital assets	80.7%	79.0%	79.9%	79.9%	78.9%	79.7%	79.6%	79.4%	79.6%	79.9%
Restricted	0.1%	0.3%	0.1%	0.0%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Unrestricted	19.2%	20.7%	20.0%	20.1%	18.6%	20.3%	20.4%	20.6%	20.4%	20.1%
Subtotal Business-type Activities Net Position	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Primary Government										
Net invested in capital assets	81.3%	81.1%	81.0%	80.1%	78.7%	78.7%	77.4%	75.5%	73.9%	79.9%
Restricted	2.9%	2.3%	2.4%	2.6%	4.2%	3.9%	4.9%	8.3%	10.0%	4.6%
Unrestricted	15.8%	16.6%	16.6%	17.3%	17.1%	17.4%	17.7%	16.2%	16.1%	15.5%
Total Primary Government Net Position	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

[1] Accounting standards require that Net Position be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net Position 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 Position by Category
Last Ten Fiscal Years
(accrual basis of accounting)



City of Calhoun, Georgia
Changes in Net Position - Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30, 2013									
Source	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012** ***as restated***	**2013**
Expenses:										
General government	$ 724,573	$ 832,492	$ 653,112	$ 856,885	$ 740,757	$ 1,027,285	$ 913,704	$ 776,593	$ 810,234	$ 802,314
Judicial	205,219	220,446	300,437	333,732	362,286	368,035	369,108	370,600	373,132	452,375
Public safety	5,194,661	5,409,211	5,577,829	5,813,605	6,520,476	6,660,064	6,535,237	6,613,869	6,536,010	6,915,456
Public works	2,109,709	2,339,889	2,408,558	2,049,161	2,440,432	2,671,335	2,652,196	3,049,832	2,840,555	2,886,680
Health and welfare	43,819	44,192	53,820	52,705	55,875	57,673	63,526	58,247	53,383	61,103
Culture and recreation	930,482	968,147	1,109,401	1,286,790	1,830,845	1,623,602	1,589,819	1,696,938	1,633,489	1,640,601
Housing and economic development	979,164	716,010	713,760	780,430	1,040,290	1,033,443	953,607	970,940	941,496	925,367
Education	907,571	2,681,712	1,063,098	909,255	887,135	963,995	937,959	516,728	1,136,156	1,958,815
Interest and fiscal charges	921,762	889,719	828,672	786,380	708,843	716,362	677,260	523,229	1,871,332	1,669,843
Total Expenses	12,016,960	14,101,818	12,708,687	12,868,943	14,586,939	15,121,794	14,692,416	14,576,976	16,195,787	17,312,554
Program Revenues:										
Charges for services:										
General government	67,924	65,525	69,117	114,157	124,752	139,888	136,106	134,956	128,669	167,154
Public safety	863,975	817,269	1,074,297	1,063,990	1,026,933	794,988	856,148	920,826	1,021,023	1,119,975
Public works	8,150	21,313	23,520	39,559	23,093	25,710	17,094	16,111	14,955	1,685
Culture and recreation	169,613	164,760	167,617	177,231	176,613	160,558	159,990	215,276	223,302	237,350
Housing and economic development	129,730	187,595	124,697	201,835	154,646	136,787	98,116	76,305	78,006	70,671
Operating grants and contributions	2,928,646	2,676,043	3,045,332	3,204,758	1,234,401	3,567,012	3,858,010	3,700,825	4,525,283	5,165,209
Capital grants and contributions	6,548,214	2,857,095	3,896,151	2,296,511	3,670,024	717,406	361,368	2,444,463	2,628,092	5,551,820
Total Program Revenues	10,716,252	6,789,600	8,400,731	7,098,041	6,410,462	5,542,349	5,486,832	7,508,762	8,619,330	12,313,864
Net (Expense) Revenue	(1,300,708)	(7,312,218)	(4,307,956)	(5,770,902)	(8,176,477)	(9,579,445)	(9,205,584)	(7,068,214)	(7,576,457)	(4,998,690)
General Revenues and Transfers In:										
Taxes:										
Property	955,544	808,419	991,848	1,367,889	1,111,884	1,784,007	1,818,434	1,255,359	996,417	1,325,528
Sales	1,713,091	1,825,447	2,154,621	2,207,259	4,075,815	3,940,661	4,100,660	2,057,988	2,257,286	2,363,077
Business license and franchise taxes	2,432,617	2,445,189	2,658,643	2,732,003	2,821,431	2,653,235	2,599,128	2,819,216	2,879,471	2,866,079
Insurance premium	496,567	534,241	558,949	583,046	606,368	605,645	566,412	718,274	779,685	807,870
Gas marketers	499,670	218,759	158,725	116,389	94,575	89,812	88,840	69,149	54,460	92,039
Other	553,468	592,116	596,565	661,179	696,941	697,715	673,066	691,253	691,409	763,971
Unrestricted intergovernmental	48,162	54,411	63,781	68,679	60,384	62,496	33,636	29,732	28,913	30,590
Investment earnings	304,280	151,413	292,899	448,503	462,878	230,986	145,205	95,043	52,642	40,774
Miscellaneous	117,052	63,472	37,995	96,724	62,687	127,259	54,037	53,715	42,583	109,821
Transfers in	1,966,343	2,115,667	1,973,154	2,262,196	1,212,939	965,704	732,481	2,371,279	3,060,444	2,452,100
Total General Revenues and Transfers In	9,086,794	8,809,134	9,487,180	10,543,867	11,205,902	11,157,520	10,811,899	10,161,008	10,843,310	10,851,849
Change in Net Position	$ 7,786,086	$ 1,496,916	$ 5,179,224	$ 4,772,965	$ 3,029,425	$ 1,578,075	$ 1,606,315	$ 3,092,794	$ 3,266,853	$ 5,853,159

City of Calhoun, Georgia
Changes in Net Position - Governmental Activities - Percentage of Total
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30, 2013									
Source	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Expenses:										
General government	6.0%	5.9%	5.1%	6.7%	5.1%	6.8%	6.2%	5.3%	5.1%	4.6%
Judicial	1.7%	1.6%	2.4%	2.6%	2.5%	2.4%	2.5%	2.5%	2.3%	2.6%
Public safety	43.2%	38.4%	43.9%	45.2%	44.7%	44.0%	44.5%	45.4%	40.9%	39.9%
Public works	17.6%	16.6%	19.0%	15.9%	16.7%	17.7%	18.1%	20.9%	17.8%	16.7%
Health and welfare	0.4%	0.3%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.3%	0.4%
Culture and recreation	7.7%	6.9%	8.7%	10.0%	12.6%	10.7%	10.8%	11.6%	10.2%	9.5%
Housing and economic development	8.1%	5.1%	5.6%	6.1%	7.1%	6.8%	6.5%	6.7%	5.9%	5.3%
Education	7.6%	19.0%	8.4%	7.1%	6.1%	6.4%	6.4%	3.5%	5.7%	11.3%
Interest and fiscal charges	7.7%	6.3%	6.5%	6.1%	4.9%	4.7%	4.6%	3.6%	11.7%	9.6%
Total Expenses	100.0%	100.0%	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%	1.0%	0.8%	1.6%	1.9%	2.5%	2.5%	1.8%	1.5%	1.4%
Public safety	8.1%	12.0%	12.8%	15.0%	16.0%	14.3%	15.6%	12.3%	11.8%	9.1%
Public works	0.1%	0.3%	0.3%	0.6%	0.4%	0.5%	0.3%	0.2%	0.2%	0.0%
Culture and recreation	1.6%	2.4%	2.0%	2.5%	2.8%	2.9%	2.9%	2.9%	2.6%	1.9%
Housing and economic development	1.2%	2.8%	1.5%	2.8%	2.4%	2.5%	1.8%	1.0%	0.9%	0.6%
Operating grants and contributions	27.3%	39.4%	36.3%	45.1%	19.3%	64.4%	70.3%	49.3%	52.5%	41.9%
Capital grants and contributions	61.1%	42.1%	46.3%	32.4%	57.3%	12.9%	6.6%	32.6%	30.5%	45.1%
Total Program Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
General Revenues and Transfers In:										
Taxes:										
Property	10.5%	9.2%	10.5%	13.0%	9.9%	16.0%	16.8%	12.4%	9.2%	12.2%
Sales	18.9%	20.7%	22.7%	20.9%	36.5%	35.4%	38.0%	20.4%	20.9%	21.8%
Business license and franchise taxes	26.8%	27.8%	28.0%	25.9%	25.2%	23.8%	24.0%	27.7%	26.6%	26.4%
Insurance premium	5.5%	6.1%	5.9%	5.5%	5.4%	5.4%	5.2%	7.1%	7.2%	7.4%
Gas marketers	5.5%	2.5%	1.7%	1.1%	0.8%	0.8%	0.8%	0.7%	0.5%	0.8%
Other	6.1%	6.7%	6.3%	6.3%	6.2%	6.3%	6.2%	6.8%	6.4%	7.0%
Unrestricted intergovernmental	0.5%	0.6%	0.7%	0.7%	0.5%	0.6%	0.3%	0.3%	0.3%	0.3%
Investment earnings	3.3%	1.7%	3.1%	4.3%	4.1%	2.1%	1.3%	0.9%	0.5%	0.4%
Miscellaneous	1.3%	0.7%	0.4%	0.9%	0.6%	1.1%	0.5%	0.5%	0.4%	1.0%
Transfers in	21.6%	24.0%	20.7%	21.5%	10.7%	8.6%	6.7%	23.2%	28.1%	22.7%
Total General Revenues and Transfers In	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data Source:

The percentages are calculated from the information at Exhibit II.

Exhibit IV

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

Fiscal Year Ended June 30,	Property	Local Option Sales	Business License and Franchise	Insurance Premium	Gas Marketers	Other[1]	Total
	Amounts						
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
2011	1,255,359	2,057,988	2,819,216	718,274	69,149	691,253	7,611,239
2012	996,417	2,257,286	2,879,471	779,685	54,460	691,409	7,658,728
2013	1,325,528	2,363,077	2,866,079	807,870	92,039	763,971	8,218,564
% Change From 2004-2013	38.7%	37.9%	17.8%	62.7%	-81.6%	38.0%	23.6%
	Percentage of Total						
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%	100.0%
2011	16.5%	27.0%	37.0%	9.4%	0.9%	9.1%	100.0%
2012	13.0%	29.5%	37.6%	10.2%	0.7%	9.0%	100.0%
2013	16.1%	28.8%	34.9%	9.8%	1.1%	9.3%	100.0%

Notes:

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

City of Calhoun, Georgia
Changes in Net Position - Business-type Activities
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended June 30, 2013									
Source	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012** ***as restated***	**2013**
Expenses:										
Electric system	$ 21,319,448	$ 22,540,426	$ 25,441,726	$ 24,140,215	$ 24,022,988	$ 21,109,534	$ 22,037,788	$ 26,478,078	$ 31,075,351	$ 32,655,400
Water and sewerage system	10,714,833	11,278,166	12,393,869	13,465,985	14,243,150	13,489,650	12,611,049	11,880,631	12,228,646	11,987,691
Fields Ferry golf course	1,181,059	1,153,574	1,138,067	1,140,348	1,124,018	1,109,778	1,055,421	1,004,562	939,840	906,523
Telecommunications	651,075	576,736	645,065	711,990	702,866	796,054	748,676	911,041	927,374	871,141
Solid waste	886,979	850,943	1,002,433	992,069	801,965	751,610	783,757	746,211	589,174	655,980
Total Expenses	34,753,394	36,399,845	40,621,160	40,450,607	40,894,987	37,256,626	37,236,691	41,020,523	45,760,385	47,076,735
Program Revenues:										
Charges for services:										
Electric system	24,545,373	24,182,335	27,607,811	26,460,667	27,249,318	24,485,503	25,043,967	29,853,546	32,322,520	35,583,995
Water and sewerage system	13,647,944	13,790,525	14,931,786	17,151,316	15,595,960	14,080,039	14,807,017	14,440,652	15,070,678	14,713,066
Fields Ferry golf course	882,605	836,799	841,132	931,627	947,832	815,499	752,590	728,464	534,143	526,871
Telecommunications	702,469	717,008	813,975	833,147	901,719	955,306	943,803	949,524	988,103	991,022
Solid waste	445,174	487,415	725,930	768,936	450,665	447,411	687,647	692,077	705,364	708,741
Operating grants and contributions	-	-	-	-	-	-	-	123,040	342,410	84,020
Capital grants and contributions	1,226,802	1,495,935	1,747,936	2,662,406	409,519	332,915	64,200	900,000	691,825	371,021
Total Program Revenues	41,450,367	41,510,017	46,668,570	48,808,099	45,555,013	41,116,673	42,299,224	47,687,303	50,655,043	52,978,736
Net (Expense) Revenue	6,696,973	5,110,172	6,047,410	8,357,492	4,660,026	3,860,047	5,062,533	6,666,780	4,894,658	5,902,001
General Revenues and Net Transfers :										
Investment earnings	178,202	231,464	407,941	592,810	705,127	550,438	308,070	309,784	243,757	126,834
Miscellaneous	143,440	437,527	423,012	320,181	449,423	302,435	318,312	410,092	289,235	424,210
Net transfers	(1,966,343)	(2,115,667)	(1,973,154)	(2,262,196)	(1,212,939)	(965,704)	(732,481)	(2,371,279)	(3,060,444)	(2,452,100)
Total General Revenues and Transfers	(1,644,701)	(1,446,676)	(1,142,201)	(1,349,205)	(58,389)	(112,831)	(106,099)	(1,651,403)	(2,527,452)	(1,901,056)
Change in Net Position	$ 5,052,272	$ 3,663,496	$ 4,905,209	$ 7,008,287	$ 4,601,637	$ 3,747,216	$ 4,956,434	$ 5,015,377	$ 2,367,206	$ 4,000,945

Exhibit VI

City of Calhoun, Georgia
Changes in Net Position - Business-type Activities - Percentage of Total
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended June 30, 2013									
Source	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Expenses:										
Electric system	61.3%	61.9%	62.6%	59.8%	58.8%	56.8%	59.3%	64.5%	68.0%	69.3%
Water and sewerage system	30.8%	31.0%	30.5%	33.3%	34.8%	36.2%	33.9%	29.0%	26.6%	25.5%
Fields ferry golf course	3.4%	3.2%	2.8%	2.8%	2.7%	3.0%	2.8%	2.4%	2.1%	1.9%
Telecommunications	1.9%	1.6%	1.6%	1.8%	1.7%	2.1%	2.0%	2.2%	2.0%	1.9%
Solid waste	2.6%	2.3%	2.5%	2.4%	1.9%	1.9%	2.0%	1.8%	1.3%	1.4%
Total Expenses	100.0%	100.0%	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%	58.3%	59.2%	54.1%	59.7%	59.5%	59.1%	62.6%	63.8%	67.1%
Water and sewerage system	32.9%	33.2%	32.0%	35.1%	34.2%	34.2%	35.0%	30.3%	29.8%	27.8%
Fields ferry golf course	2.1%	2.0%	1.8%	1.9%	2.1%	2.0%	1.8%	1.5%	1.1%	1.0%
Telecommunications	1.7%	1.7%	1.7%	1.7%	2.0%	2.3%	2.2%	2.0%	2.0%	1.9%
Solid waste	1.1%	1.2%	1.6%	1.6%	1.0%	1.1%	1.6%	1.5%	1.4%	1.3%
Operating grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.7%	0.2%
Capital grants and contributions	3.0%	3.6%	3.7%	5.6%	1.0%	0.9%	0.3%	1.9%	1.4%	0.7%
Total Program Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data Source:

The percentages are calculated from the information at Exhibit V.

Exhibit VII

City of Calhoun, Georgia
Changes in Net Position - Total
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended June 30, 2013									
Source	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012** ***as restated***	**2013**
Expenses:										
Governmental activities[1]	$ 12,016,960	$ 14,101,818	$ 12,708,687	$ 12,868,943	$ 14,586,939	$ 15,121,794	$ 14,692,416	$ 14,576,976	$ 16,195,787	$ 17,312,554
Business-type activities[2]	34,753,394	36,399,845	40,621,160	40,450,607	40,894,987	37,256,626	37,236,691	41,020,523	45,760,385	47,076,735
Total Expenses	46,770,354	50,501,663	53,329,847	53,319,550	55,481,926	52,378,420	51,929,107	55,597,499	61,956,172	64,389,289
Program Revenues										
Governmental activities[1]	10,716,252	6,789,600	8,400,731	7,098,041	6,410,462	5,542,349	5,486,832	7,508,762	8,619,330	12,313,864
Business-type activities[2]	41,450,367	41,510,017	46,668,570	48,808,099	45,555,013	41,116,673	42,299,224	47,687,303	50,655,043	52,978,736
Total Program Revenues	52,166,619	48,299,617	55,069,301	55,906,140	51,965,475	46,659,022	47,786,056	55,196,065	59,274,373	65,292,600
Net (Expense) Revenue	5,396,265	(2,202,046)	1,739,454	2,586,590	(3,516,451)	(5,719,398)	(4,143,051)	(401,434)	(2,681,799)	903,311
General Revenues and Transfers:										
Governmental activities[1]	9,086,794	8,809,134	9,487,180	10,543,867	11,205,902	11,157,520	10,811,899	10,161,008	10,843,310	10,851,849
Business-type activities[2]	(1,644,701)	(1,446,676)	(1,142,201)	(1,349,205)	(58,389)	(112,831)	(106,099)	(1,651,403)	(2,527,452)	(1,901,056)
Total General Revenues and Transfers	7,442,093	7,362,458	8,344,979	9,194,662	11,147,513	11,044,689	10,705,800	8,509,605	8,315,858	8,950,793
Change in Net Position	$ 12,838,358	$ 5,160,412	$ 10,084,433	$ 11,781,252	$ 7,631,062	$ 5,325,291	$ 6,562,749	$ 8,108,171	$ 5,634,059	$ 9,854,104

Data Source:

[1] Exhibit II.

[2] Exhibit V.

Exhibit VIII

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Reserved	$ 151,322	$ 284,676	$ 200,841	$ 172,825	$ 130,383	$ 393,709	$ 509,437	$ -	$ -	$ -
Unreserved	6,935,822	6,961,232	7,910,115	8,878,944	8,256,074	6,863,088	5,934,113	-	-	-
Nonspendable	-	-	-	-	-	-	-	465,476	401,073	368,452
Committed	-	-	-	-	-	-	-	4,000,757	3,959,964	1,048,544
Unassigned	-	-	-	-	-	-	-	2,348,480	3,409,176	6,294,679
Subtotal General Fund	7,087,144	7,245,908	8,110,956	9,051,769	8,386,457	7,256,797	6,443,550	6,814,713	7,770,213	7,711,675
General Fund Percentage Change	1.6%	2.2%	11.9%	11.6%	-7.4%	-13.5%	-11.2%	5.8%	14.0%	-0.8%
All Other Governmental Funds										
Reserved[1]	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	(20,415)	(27,456)	5,313	28,026	23,051	(20,804)	(1,385)	-	-	-
Capital Projects Funds	(262,403)	(474,744)	(119,531)	(119,589)	2,350,758	2,487,585	3,197,082	-	-	-
Nonspendable	-	-	-	-	-	-	-	55,232	6,343	6,266
Restricted	-	-	-	-	-	-	-	34,663,373	30,122,295	17,842,243
Unassigned										
Special Revenue Funds	-	-	-	-	-	-	-	(4,390)	-	-
Capital Projects Funds	-	-	-	-	-	-	-	-	-	
Subtotal All Other Governmental Funds	3,735,973	2,136,277	3,070,341	3,653,773	6,609,442	8,499,474	10,860,336	34,714,215	30,128,638	17,848,509
Total Governmental Funds										
Reserved	4,170,113	2,923,153	3,385,400	3,918,161	4,366,016	6,426,402	8,174,076	-	-	-
Unreserved	6,653,004	6,459,032	7,795,897	8,787,381	10,629,883	9,329,869	9,129,810	-	-	-
Nonspendable	-	-	-	-	-	-	-	520,708	407,416	374,718
Restricted	-	-	-	-	-	-	-	34,663,373	30,122,295	17,842,243
Committed	-	-	-	-	-	-	-	4,000,757	3,959,964	1,048,544
Unassigned										
General Fund	-	-	-	-	-	-	-	2,348,480	3,409,176	6,294,679
Special Revenue Funds	-	-	-	-	-	-	-	(4,390)	-	-
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
	$ 10,823,117	$ 9,382,185	$ 11,181,297	$ 12,705,542	$ 14,995,899	$ 15,756,271	$ 17,303,886	$ 41,528,928	$ 37,898,851	$ 25,560,184
All Governmental Funds Percentage Change	-58.7%	-13.3%	19.2%	13.6%	18.0%	5.1%	9.8%	140.0%	-8.7%	-32.6%

Notes:

[1] The City issued $21,000,000 in general obligation bonds for the school in FY 2011 and $12,000,000 in FY 2012 that primarily was the cause for the large increase in fund balance in those years, due to unspent bond proceeds.

City of Calhoun, Georgia

General Governmental Revenues by Source (Unaudited) [1]

Last Ten Fiscal Years

(modified accrual basis of accounting)

Source	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues:										
Taxes	$ 6,603,583	$ 6,579,058	$ 7,281,831	$ 7,474,872	$ 7,698,581	$ 7,404,954	$ 7,256,952	$ 7,715,262	$ 7,841,840	$ 8,450,448
Intergovernmental	4,741,557	4,123,355	5,130,474	4,931,359	6,688,782	6,242,934	6,388,360	6,107,358	7,122,576	6,035,392
Licenses and permits	185,223	241,404	192,627	298,341	258,454	262,284	219,490	201,293	200,394	220,735
Charges for services	2,187,676	2,218,450	288,820	383,276	406,544	391,946	375,453	404,449	414,540	459,274
Fines and forfeitures	696,023	780,862	870,448	893,024	767,025	594,969	588,606	556,013	655,469	717,800
Contributions and donations	5,093	3,622	347,775	44,390	1,929	28,138	1,393	783	-	381,032
Investment earnings	304,280	151,413	292,899	448,503	462,878	230,986	145,205	94,878	101,001	63,295
Miscellaneous	132,202	89,787	62,963	51,839	71,977	38,330	35,097	48,782	39,422	29,994
Total Revenues	$14,855,637	$14,187,951	$14,467,837	$14,525,604	$16,356,170	$15,194,541	$15,010,556	$15,128,818	$16,375,242	$ 16,357,970
% change from prior year	2.0%	-4.5%	2.0%	0.4%	12.6%	-7.1%	-1.2%	0.8%	8.2%	-0.1%
Taxes	44.5%	46.4%	50.3%	51.5%	47.1%	48.7%	48.3%	51.0%	47.9%	51.7%
Intergovernmental	31.9%	29.1%	35.5%	33.9%	40.9%	41.1%	42.6%	40.4%	43.5%	36.9%
Licenses and permits	1.2%	1.7%	1.3%	2.1%	1.6%	1.7%	1.5%	1.3%	1.2%	1.3%
Fines and forfeitures	14.7%	15.6%	2.0%	2.6%	2.5%	2.6%	2.5%	2.7%	2.5%	2.8%
Charges for services	4.7%	5.5%	6.0%	6.1%	4.7%	3.9%	3.9%	3.7%	4.0%	4.4%
Contributions and donations	0.0%	0.0%	2.4%	0.3%	0.0%	0.2%	0.0%	0.0%	0.0%	2.3%
Investment earnings	2.0%	1.1%	2.0%	3.1%	2.8%	1.5%	1.0%	0.6%	0.6%	0.4%
Miscellaneous	1.0%	0.6%	0.5%	0.4%	0.4%	0.3%	0.2%	0.3%	0.2%	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.

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
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
2011	1,315	2,102	2,944	718	69	567	7,715
2012	1,180	2,257	2,880	780	54	691	7,842
2013	1,557	2,363	2,866	808	92	764	8,450
% Change From 2004-2013	71.5%	37.9%	17.8%	62.6%	-81.6%	37.9%	28.0%

Fiscal Year Ended June 30,	Percentage of Total Property	Local Option Sales	Business License and Franchise	Insurance Premium	Gas Marketers	Other[2]	Total
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%
2011	17.0%	27.2%	38.2%	9.3%	0.9%	7.3%	100.0%
2012	15.0%	28.8%	36.7%	9.9%	0.7%	8.8%	100.0%
2013	18.4%	28.0%	33.9%	9.6%	1.1%	9.0%	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	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenditures:										
Current:										
General government[2]	$ 2,558,450	$ 2,719,269	$ 616,511	$ 847,374	$ 1,126,658	$ 1,004,306	$ 897,578	$ 927,518	$ 821,051	$ 852,445
Judicial	206,840	220,424	299,345	333,892	360,207	400,454	363,530	364,090	367,148	447,648
Public safety	5,078,134	5,190,075	5,524,642	6,467,129	7,357,039	7,046,335	6,263,391	6,259,795	6,273,075	7,634,758
Public works	1,720,516	1,878,830	1,810,968	1,497,415	1,408,513	1,888,208	1,770,722	1,763,779	2,001,412	2,623,342
Health and welfare	43,559	45,037	53,820	52,567	55,905	58,254	63,698	58,678	53,469	61,103
Culture and recreation	762,312	766,077	872,095	1,365,314	2,122,797	1,279,260	1,181,283	1,315,642	1,212,754	1,274,917
Housing and economic development	972,734	715,135	729,760	786,511	1,064,702	1,020,584	939,055	974,467	884,600	915,059
Education	112,294	104,360	115,002	140,057	97,775	133,712	112,978	99,103	81,758	-
Total Current	11,454,839	11,639,207	10,022,143	11,490,259	13,593,596	12,831,113	11,592,235	11,763,072	11,695,267	13,809,272
% Change From Prior Year	4.5%	1.6%	-13.9%	14.6%	18.3%	-5.6%	-9.7%	1.5%	-0.6%	18.1%
Capital Outlay	18,304,185	3,298,608	2,038,891	1,702,369	1,706,004	1,375,312	897,516	410,053	8,902,937	18,216,169
% Change From Prior Year	325.5%	-82.0%	-38.2%	-16.5%	0.2%	-19.4%	-34.7%	-54.3%	2071.2%	104.6%
Debt Service										
Principal[3]	1,466,990	1,912,233	1,884,403	2,033,809	1,731,681	979,602	1,068,637	1,146,243	1,098,439	10,339,080
Interest and fees	957,679	894,502	836,140	795,824	744,110	710,875	676,517	823,716	1,375,080	1,795,083
Total Debt Service	2,424,669	2,806,735	2,720,543	2,829,633	2,475,791	1,690,477	1,745,154	1,969,959	2,473,519	12,134,163
% Change From Prior Year	82.6%	15.8%	-3.1%	4.0%	-12.5%	-31.7%	3.2%	12.9%	25.6%	390.6%
Total Expenditures	32,183,693	17,744,550	14,781,577	16,022,261	17,775,391	15,896,902	14,234,905	14,143,084	23,071,723	44,159,604
Debt Service as a % of Noncapital Expenditures	17.5%	19.4%	21.3%	19.8%	15.4%	11.6%	13.1%	14.3%	17.5%	46.8%

Notes:

[1] Includes all governmental fund types.

[2] In fiscal year 2006, the City established a 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.

[3] In fiscal year 2013 the 2002 School bonds and the majority of the 2003 School bonds were paid off, causing a large amount of principal payments in that year.

Exhibit XII

City of Calhoun, Georgia

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

Last Ten Fiscal Years

(modified accrual basis of accounting)

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenditures:										
Current:										
General government[2]	$ 2,558,450	$ 2,719,269	$ 616,511	$ 847,374	$ 1,126,658	$ 1,004,306	$ 897,578	$ 927,518	$ 821,051	$ 852,445
Judicial	206,840	220,424	299,345	333,892	360,207	400,454	363,530	364,090	367,148	447,648
Public safety	5,078,134	5,190,075	5,524,642	6,467,129	7,357,039	7,046,335	6,263,391	6,259,795	6,273,075	7,634,758
Public works	1,720,516	1,878,830	1,810,968	1,497,415	1,408,513	1,888,208	1,770,722	1,763,779	2,001,412	2,623,342
Health and welfare	43,559	45,037	53,820	52,567	55,905	58,254	63,698	58,678	53,469	61,103
Culture and recreation	762,312	766,077	872,095	1,365,314	2,122,797	1,279,260	1,181,283	1,315,642	1,212,754	1,274,917
Housing and economic development	972,734	715,135	729,760	786,511	1,064,702	1,020,584	939,055	974,467	884,600	915,059
Education	112,294	104,360	115,002	140,057	97,775	133,712	112,978	99,103	81,758	-
Total Current	$11,454,839	$11,639,207	$10,022,143	$11,490,259	$13,593,596	$12,831,113	$11,592,235	$11,763,072	$ 11,695,267	$13,809,272
Current:										
General government	22.3%	23.4%	6.2%	7.4%	8.3%	7.8%	7.7%	7.9%	7.0%	6.2%
Judicial	1.8%	1.9%	3.0%	2.9%	2.6%	3.1%	3.1%	3.1%	3.1%	3.2%
Public safety	44.3%	44.6%	55.1%	56.3%	54.1%	54.9%	54.0%	53.2%	53.6%	55.4%
Public works	15.0%	16.1%	18.1%	13.0%	10.4%	14.7%	15.3%	15.0%	17.1%	19.0%
Health and welfare	0.4%	0.4%	0.5%	0.5%	0.4%	0.5%	0.5%	0.5%	0.5%	0.4%
Culture and recreation	6.7%	6.6%	8.7%	11.9%	15.6%	10.0%	10.2%	11.2%	10.4%	9.2%
Housing and economic development	8.5%	6.1%	7.3%	6.8%	7.8%	8.0%	8.1%	8.3%	7.6%	6.6%
Education	1.0%	0.9%	1.1%	1.2%	0.7%	1.0%	1.0%	0.8%	0.7%	0.0%
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 a 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)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total Revenues - Exhibit IX	$ 14,855,637	$ 14,187,951	$ 14,467,837	$ 14,525,604	$ 16,356,170	$ 15,194,541	$ 15,010,556	$ 15,128,818	$ 16,375,242	$ 16,357,970
Total Expenditures - Exhibit XI	32,183,693	17,744,550	14,781,577	16,022,261	17,775,391	15,896,902	14,234,905	14,143,084	23,071,723	44,159,604
Excess (Deficiency) of Revenues Over (Under) Expenditures	(17,328,056)	(3,556,599)	(313,740)	(1,496,657)	(1,419,221)	(702,361)	775,651	985,734	(6,696,481)	(27,801,634)
Other Financing Sources (Uses)										
Sale of capital assets	2,709	-	29,421	104,706	15,966	8,561	39,482	15,029	5,960	75,028
General obligation bonds issued	-	-	-	-	-	-	-	21,000,000	-	12,000,000
Premium on debt issuance	-	-	-	-	-	-	-	(147,000)	-	924,239
Inception of capital lease	-	-	-	696,540	694,872	392,733	-	-	-	
Insurance reimbursement	-	-	-	-	-	95,735	-	-	-	11,600
Transfers in	3,029,234	3,215,586	3,173,399	3,744,120	3,991,525	3,446,361	3,351,073	3,721,872	4,812,524	3,859,103
Transfers out	(1,062,891)	(1,099,919)	(1,043,580)	(1,481,924)	(2,655,165)	(2,480,657)	(2,618,591)	(1,350,593)	(1,752,080)	(1,407,003)
Total Other Financing Sources (Uses)	1,969,052	2,115,667	2,159,240	3,063,442	2,047,198	1,462,733	771,964	23,239,308	3,066,404	15,462,967
Net Change in Fund Balances	$ (15,359,004)	$ (1,440,932)	$ 1,845,500	$ 1,566,785	$ 627,977	$ 760,372	$ 1,547,615	$ 24,225,042	$ (3,630,077)	$ (12,338,667)

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
2004	24,646,575	3.9%	21,289,397	4.8%	3,409,493	11.1%
2005	24,310,378	-1.4%	22,446,977	5.4%	3,357,178	-1.5%
2006	27,861,141	14.6%	25,440,839	13.3%	1,863,401	-44.5%
2007	26,580,505	-4.6%	24,156,151	-5.0%	2,420,302	29.9%
2008	27,326,985	2.8%	24,002,025	-0.6%	2,424,354	0.2%
2009	24,681,008	-9.7%	21,119,945	-12.0%	3,324,960	37.1%
2010	25,215,582	2.2%	22,076,039	4.5%	3,139,543	-5.6%
2011	30,040,225	19.1%	26,459,962	19.9%	3,580,263	14.0%
2012	32,479,999	8.1%	31,064,341	17.4%	1,415,658	-60.5%
2013	35,798,933	10.2%	32,599,929	4.9%	3,199,004	126.0%

Notes:

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

Data Source:

[2] Exhibit XV.

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Operating Revenues	$ 24,646,575	$ 24,310,378	$ 27,861,141	$ 26,580,505	$ 27,326,985	$ 24,681,008	$ 25,215,582	$ 30,040,225	$ 32,479,999	$ 35,798,933
Operating Expenses:										
Personal services	763,755	943,172	1,038,029	1,105,318	1,146,427	1,096,791	1,006,135	967,652	1,006,219	1,128,953
Contractual services	1,486,416	1,432,173	1,562,421	1,456,984	1,380,497	1,183,674	1,162,688	1,173,411	1,668,219	1,626,897
Supplies[1]	18,007,024	18,975,129	21,593,127	20,324,752	20,182,804	17,590,090	18,648,009	23,239,828	27,314,660	28,592,454
Interfund allocations	339,033	356,075	498,617	521,867	570,844	519,203	521,220	438,620	440,032	451,887
Depreciation	643,272	674,416	674,492	684,543	697,996	695,734	688,541	710,700	755,639	798,400
Other	49,897	66,012	74,153	62,687	23,457	34,453	49,446	(70,249)	(120,428)	1,338
Total Operating Expenses	21,289,397	22,446,977	25,440,839	24,156,151	24,002,025	21,119,945	22,076,039	26,459,962	31,064,341	32,599,929
Operating Income	$ 3,357,178	$ 1,863,401	$ 2,420,302	$ 2,424,354	$ 3,324,960	$ 3,561,063	$ 3,139,543	$ 3,580,263	$ 1,415,658	$ 3,199,004
Operating Revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Operating Expenses:										
Personal services	4%	4%	4%	5%	5%	5%	5%	4%	3%	3%
Contractual services	6%	6%	6%	6%	6%	6%	6%	4%	6%	6%
Supplies	85%	85%	85%	84%	84%	84%	84%	87%	88%	88%
Interfund allocation	2%	2%	2%	2%	2%	2%	2%	2%	1%	1%
Depreciation	3%	3%	3%	3%	3%	3%	3%	3%	2%	2%
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	13.6%	7.7%	8.7%	9.1%	12.2%	14.4%	12.5%	11.9%	4.4%	8.9%

Notes:

[1] Includes purchase of electric power.

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]				
2004	$ 763,755	$ 1,486,416	$ 18,007,024	$ 339,033	$ 643,272	$ 49,897	$ 21,289,397
2005	943,172	1,432,173	18,975,129	356,075	674,416	66,012	22,446,977
2006	1,038,029	1,562,421	21,593,127	498,617	674,492	74,153	25,440,839
2007	1,105,318	1,456,984	20,324,752	521,867	684,543	62,687	24,156,151
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
2011	967,652	1,173,411	23,239,828	438,620	710,700	(70,249)	26,459,962
2012	1,006,219	1,668,219	27,314,660	440,032	755,639	(120,428)	31,064,341
2013	1,128,953	1,626,897	28,592,454	451,887	798,400	1,338	32,599,929
*[1]	$ 1,020,245	$ 1,413,338	$ 21,446,788	$ 465,740	$ 702,373	$ 17,077	$ 25,065,561
**[2]	47.8%	9.5%	58.8%	33.3%	24.1%	-97.3%	53.1%
			Annual Percentage Change				
2004	-13.1%	2.9%	5.9%	2.3%	4.4%	11.1%	4.8%
2005	23.5%	-3.6%	5.4%	5.0%	4.8%	32.3%	5.4%
2006	10.1%	9.1%	13.8%	40.0%	0.0%	12.3%	13.3%
2007	6.5%	-6.7%	-5.9%	4.7%	1.5%	-15.5%	-5.0%
2008	3.7%	-5.2%	-0.7%	9.4%	2.0%	-62.6%	-0.6%
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%
2011	-3.8%	0.9%	24.6%	-15.8%	3.2%	-242.1%	19.9%
2012	4.0%	42.2%	17.5%	0.3%	6.3%	71.4%	17.4%
2013	12.2%	-2.5%	4.7%	2.7%	5.7%	-101.1%	4.9%

Notes:

[1] Dollar average for ten years.

[2] Percentage change in dollars over ten years.

Data Source:

[3] Exhibit XV

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
2004	$ 13,670,149	11.9%	$ 9,720,374	-3.7%	$ 3,949,775	85.8%
2005	14,079,939	3.0%	10,294,353	5.9%	3,785,586	-4.2%
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%
2011	14,517,194	-2.3%	10,861,450	-7.6%	3,655,744	17.7%
2012	15,139,697	4.3%	11,322,062	4.2%	3,817,635	4.4%
2013	14,820,845	-2.1%	11,337,268	0.1%	3,483,577	-8.8%

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Operating Revenues	$ 13,670,149	$ 14,079,939	$ 15,083,280	$ 17,194,748	$ 15,696,326	$ 14,116,193	$ 14,861,077	$ 14,517,194	$ 15,139,697	$ 14,820,845
Operating Expenses:										
Personal services	2,342,125	2,552,855	2,450,265	2,785,028	3,378,521	3,447,022	3,148,766	2,909,540	3,014,733	3,161,277
Contractual services	1,099,696	939,863	904,876	1,035,051	1,161,630	862,234	731,109	701,888	818,430	556,649
Supplies	2,521,971	2,765,109	3,905,414	3,994,499	3,202,920	3,110,982	2,900,582	2,448,581	2,745,358	2,796,481
Interfold allocation	1,359,436	1,494,691	1,393,487	1,928,868	2,162,340	2,157,579	2,046,007	1,778,690	1,736,692	1,744,369
Depreciation	2,230,813	2,339,466	2,355,636	2,540,759	3,368,301	2,750,835	2,838,336	2,942,074	2,973,956	3,010,866
Amortization	112,459	108,477	104,106	92,845	93,163	89,651	82,457	74,766	53,833	30,142
Other	53,874	93,892	111,513	8,976	4,662	2,837	7,337	5,911	1,748	37,484
Total Operating Expenses	9,720,374	10,294,353	11,225,297	12,386,026	13,371,537	12,421,140	11,754,594	10,861,450	11,344,750	11,337,268
Operating Income	$ 3,949,775	$ 3,785,586	$ 3,857,983	$ 4,808,722	$ 2,324,789	$ 1,695,053	$ 3,106,483	$ 3,655,744	$ 3,794,947	$ 3,483,577
Operating Revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Operating Expenses:										
Personal services	24%	25%	22%	22%	25%	28%	27%	27%	27%	28%
Contractual services	11%	9%	8%	8%	9%	7%	6%	6%	7%	5%
Supplies	26%	26%	35%	32%	24%	25%	25%	23%	24%	25%
Interfund allocation	14%	15%	12%	16%	16%	17%	17%	16%	15%	15%
Depreciation	23%	23%	21%	21%	25%	22%	24%	27%	27%	27%
Amortization	1%	1%	1%	1%	1%	1%	1%	1%	0%	0%
Other	1%	1%	1%	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	28.9%	26.9%	25.6%	28.0%	14.8%	12.0%	20.9%	25.2%	25.1%	23.5%

Data Source:

[1] Applicable years' comprehensive annual financial report.

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[3]							
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
2011	2,909,540	701,888	2,448,581	1,778,690	2,942,074	74,766	5,911	10,861,450
2012	3,014,733	818,430	2,745,358	1,736,692	2,973,956	53,833	1,748	11,344,750
2013	3,161,277	556,649	2,796,481	1,744,369	3,010,866	30,142	37,484	11,337,268
*[1]	$ 2,892,095	$ 917,197	$ 3,066,157	$ 1,784,199	$ 2,704,464	$ 90,195	$ 32,306	$ 11,486,613
**[2]	28.7%	-25.6%	8.9%	27.8%	33.3%	-52.1%	-96.8%	16.7%
	Annual Percentage Change							
2004	6.8%	-15.5%	-15.4%	1.2%	5.8%	-5.4%	14.4%	-3.7%
2005	9.0%	-14.5%	9.6%	9.9%	4.9%	-3.5%	74.3%	5.9%
2006	-4.0%	-3.7%	41.2%	-6.8%	0.7%	-4.0%	18.8%	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%
2011	-7.6%	-4.0%	-15.6%	-13.1%	3.7%	-9.3%	-19.4%	-7.6%
2012	3.6%	16.6%	12.1%	-2.4%	1.1%	-28.0%	-70.4%	4.4%
2013	4.9%	-32.0%	1.9%	0.4%	1.2%	-44.0%	2044.4%	-0.1%

Notes:

[1] Dollar average for ten years.

[2] Percentage change in dollars over ten years.

Data Source:

[3] Exhibit XVIII

Exhibit XX

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)*											
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%
2011	206,865	329,964	234,597	4,545	1,444	4,007	35,220	20,936	795,706	15.456	1,989,265	-4.0%
2012	173,589	324,327	204,160	3,377	1,006	4,468	27,677	24,069	714,536	17.603	1,786,340	-10.2%
2013	174,704	338,876	205,646	2,550	1,180	4,824	29,436	30,090	727,126	19.742	1,798,065	0.7%
% Change From 2004-2013	49.27%	107.53%	-1.83%	165.35%	187.80%	-9.08%	9.88%	-1.80%	47.60%	21.49%	46.84%	
	Percentage of Total Assessed Valuation											
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%			
2011	25.3%	40.4%	28.7%	0.6%	0.2%	0.5%	4.3%	2.6%	97.4%			
2012	23.5%	43.9%	27.6%	0.5%	0.1%	0.6%	3.7%	3.3%	96.7%			
2013	23.1%	44.8%	27.2%	0.3%	0.2%	0.6%	3.9%	4.0%	96.0%			

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.

Exhibit XXI

City of Calhoun, Georgia

Direct and Overlapping Property Tax Rates [1]

Last Ten Fiscal Years

	Direct			Overlapping Rates[2,3]					
					Gordon County				
Fiscal Year Ended June 30,	City of Calhoun	City of Calhoun Schools[5]	Total Direct Rate	State of Georgia[4]	Operating	Roads	Recreation	Total	Total City Rate[6]
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
2011	1.591	13.865	15.456	0.250	8.910	-	-	8.910	24.616
2012	1.591	16.012	17.603	0.250	9.800	-	-	9.800	27.653
2013	1.980	17.762	19.742	0.250	9.800	-	-	9.800	29.792
% Change From 2004-2013	28.6%	20.7%	21.5%	0.0%	76.9%	0.0%	0.0%	76.9%	35.2%

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:

[6] 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, 2013				Fiscal Year Ended June 30, 2004			
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	$ 81,419	1	11.2%	Aladdin (Mohawk) Industries	$ 56,629	1	11.6%
Shaw Industries Group, Inc.	28,707	2	3.9%	Shaw Industries	31,998	2	6.6%
Kobelco	27,574	5	3.8%	Mannington	17,226	3	3.5%
Engineered Floors, LLC	27,414	3	3.8%	Kobelco Construction	10,956	4	2.2%
Fieldturf USA	13,544	4	1.9%	CAF Extrusion	9,738	5	2.2%
Mannington	13,199	6	1.8%	Calhoun Outlets	8,989	6	2.0%
Faus	12,158	7	1.7%	Springs Industries	8,805	7	1.8%
Apache Mills, Inc.	7,912	8	1.1%	Kerry, Inc	5,640	8	1.8%
Nourison Industries	7,056	9	1.0%	Royal Rubber Manufacturing Co.	3,915	9	1.2%
Kerry, Inc	5,015	10	0.7%	Constantine Dyeing, LLC	3,693	10	0.8%
Total Principal Taxpayers	223,998		30.8%	**Total Principal Taxpayers**	157,589		32.3%
All Other Taxpayers	503,784		69.2%	**All Other Taxpayers**	330,189		67.7%
Total	$ 727,782		100.00%	**Total**	$ 487,778		100.00%

Data Source:
[1] City Tax Records

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
2004	7,940	7,550	95.09%	373	7,923	99.79%	17	0.21%
2005	8,353	8,059	96.48%	267	8,326	99.68%	27	0.32%
2006	8,548	8,320	97.33%	216	8,536	99.86%	12	0.14%
2007	9,484	9,246	97.49%	223	9,469	99.84%	15	0.16%
2008	10,323	9,940	96.29%	279	10,219	98.99%	104	1.01%
2009	11,670	10,430	89.37%	1,110	11,540	98.89%	130	1.11%
2010	11,911	10,939	91.84%	794	11,733	98.51%	178	1.49%
2011	11,377	10,631	93.44%	498	11,129	97.82%	248	2.18%
2012	12,012	11,341	94.41%	312	11,653	97.01%	359	2.99%
2013	13,623	13,057	95.85%	-	13,057	95.85%	566	4.15%

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 [1] Georgia	Total
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%
2011	1.00%	1.00%	1.00%	4.00%	7.00%
2012	1.00%	1.00%	1.00%	4.00%	7.00%
2013	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 are 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 current special purpose local option sales tax was approved effective April 1, 2012 and expires March 31, 2018.

[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, 2012 and expired June 30, 2017.

Data Source :

[1] Georgia Department of 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[2]	% Change
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	308,844,230	-7.7%	3,021,126	-8.8%	1,502,199	-15.2%
2010	301,476,976	-2.4%	3,087,921	2.2%	1,582,014	5.3%
2011	375,614,834	24.6%	2,969,329	-3.8%	1,361,467	-13.9%
2012	410,945,400	9.4%	2,851,906	-4.0%	1,302,302	-4.3%
2013	430,659,656	4.8%	2,662,934	-6.6%	1,202,521	-7.7%

Notes:

[2] Amount expressed in thousands of gallons

Data Source:

[1] City's utility consumption/billing reports

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

	2004	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*	*2011*	*2012*	*2013*
Residential:										
Summer Rates:										
Base Charge	$ 7.8800	$ 7.8800	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000
First 650 kWh	0.0718	0.0718	-	-	-	-	-	-	-	-
Next 350 kWh	0.0718	0.0718	-	-	-	-	-	-	-	-
Over 1000 kWh	0.0718	0.0718	-	-	-	-	-	-	-	-
Transmission/kWh	-	-	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050
Generation/kWh	-	-	0.0640	0.0640	0.0640	0.0640	0.0640	0.0640	0.0640	0.0640
Energy Charge	-	-	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150
Winter Rates:										
Base Charge	-	-	-	-	-	-	-	-	-	-
First 650 kWh	0.0718	0.0718								
Next 350 kWh	0.0718	0.0718	-	-	-	-	-	-	-	-
Over 1000 kWh	0.0718	0.0718	-	-	-	-	-	-	-	-
Small Power Non-demand										
Base Charge	16.520	16.520	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000
First 25 kWh	-	-	-	-	-	-	-	-	-	-
Next 2975 kWh	0.1198	0.1198	-	-	-	-	-	-	-	-
Next 7000 kWh	0.1155	0.1155	-	-	-	-	-	-	-	-
All over 10000 kWh	0.10234	0.10234	-	-	-	-	-	-	-	-
Transmission/kWh	-	-	0.0050	0.0050	0.0050	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	0.1100	0.1100	0.1100
Over 3,000/kWh	-	-	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Energy Charge	-	-	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100
Small Power										
Base charge	16.5200	16.5200	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000
First 25 kWh:										
Next 2975 kWh	0.1179	0.1179	-	-	-	-	-	-	-	-
Next 7000 kWh	0.1136	0.1136	-	-	-	-	-	-	-	-
First 200HUD	-	-	0.1060	0.1060	0.1060	0.1060	0.1060	0.1060	0.1060	0.1060
Next 200 HUD	-	-	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440
Over400 HUD	-	-	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Medium Power										
Base charge	18.10000	18.10000	60.00000	60.00000	60.00000	60.00000	60.00000	60.00000	60.00000	60.00000
First 200 HUD										
first 3,000 kWh	0.1169	0.1169	-	-	-	-	-	-	-	-
next 7,000	0.1085	0.1085	-	-	-	-	-	-	-	-

(continued)

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

(continued)

	2004	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*	*2011*	*2012*	*2013*
next 190,000	0.1009	0.1009	-	-	-	-	-	-	-	-
Over 200,000	0.0821	0.0821	-	-	-	-	-	-	-	-
Next 200 HUD	0.0309	0.0309	-	-	-	-	-	-	-	-
Next 200 HUD	0.0279	0.0279	-	-	-	-	-	-	-	-
Over 600 HUD	0.0268	0.0268	-	-	-	-	-	-	-	-
Transmission&Demand/kWh			2.50000	2.50000	2.50000	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	0.1000	0.1000	0.1000
Next 200 HUD	-	-	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900
Next 200 HUD	-	-	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440
Over 600 HUD	-	-	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Large Power:										
Base Charge	18.10000	18.10000	100.00000	100.00000	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000
First 200 X kWh:										
First 3000 kWh	0.11990	0.11990	-	-	-	-	-	-	-	-
Next 7000 kWh	0.11050	0.11050	-	-	-	-	-	-	-	-
Next 190000 kWh	0.09690	0.09690	-	-	-	-	-	-	-	-
Over 200000 kWh	0.08120	0.08120	-	-	-	-	-	-	-	-
Next 200 X kWh	0.03020	0.03020	-	-	-	-	-	-	-	-
Next 200 X kWh	0.02960	0.02960	-	-	-	-	-	-	-	-
Over 600 X kWh	0.01620	0.01620	-	-	-	-	-	-	-	-
Transmission&Demand/kWh					3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
Generation Charges										
First 200 HUD	-	-	0.08800	0.08800	0.0880	0.0880	0.0880	0.0880	0.0880	0.0880
First 100,000 kWh			0.07800	0.07800	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780
Over 100,000	-	-	0.04400	0.04400	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440
Next 200 HUD	-	-	0.04000	0.04000	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Over 600 HUD	-	-	0.03750	0.03750	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375
Extra Large Power	-	-	-	-	-	-	-	-	-	-
Base Charge	148.37000	148.37000	148.37000	-	-	-	-	-	-	-
First 200 HUD	0.07950	0.07950	0.07950	-	-	-	-	-	-	-
Next 200 HUD	0.02860	0.02860	0.02860	-	-	-	-	-	-	-
Next 200 HUD	0.02720	0.02720	0.02720	-	-	-	-	-	-	-
Over 600 HUD	0.02490	0.02490	0.02490	-	-	-	-	-	-	-

(continued)

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

(continued)

	2004	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*	*2011*	*2012*	*2013*
Large Industrial IND										
Customer Charge	155.00000	155.00000	500.00000	500.00000	500.0000	500.0000	500.0000	500.0000	500.0000	500.0000
Transmission Demand/kWh	1.50000	1.50000	1.50000	1.50000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
First 200 HUD										
First 160,000 kWh	0.09820	0.09820	0.09000	0.09000	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900
Over 160,000	0.06370	0.06370	0.07000	0.07000	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Next 300 HUD	0.02550	0.02550	0.04200	0.04200	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420
Over 500 HUD	0.02060	0.02060	0.03750	0.03750	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375

Data Source:

[1] City's utility billing department.

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

	2004	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*	*2011*	*2012*	*2013*
Inside city limits:										
Minimum charges:										
1st 2,000 gallons:										
3/4" x 1"	$ 8.50	$ 9.00	$ 9.00	$ 9.00	-	-	-	-	-	-
2" residential	15.00	n/a	n/a	n/a	-	-	-	-	-	-
2" residential/commercial	n/a	86.50	86.50	86.50	-	-	-	-	-	-
2" commercial/industrial	45.00	n/a	n/a	n/a	-	-	-	-	-	-
2" irrigation	n/a	20.00	20.00	20.00	-	-	-	-	-	-
4" commercial/industrial	346.00	346.00	346.00	346.00	-	-	-	-	-	-
6" commercial/industrial	691.00	691.00	691.00	691.00	-	-	-	-	-	-
8" commercial/industrial	1,211.00	1,211.00	1,211.00	1,211.00	-	-	-	-	-	-
Per 1,000 gallons thereafter:										
3/4" x 1"	1.03	1.22	1.41	1.60	-	-	-	-	-	-
2" residential	1.03	n/a	n/a	n/a	-	-	-	-	-	-
2" residential/commercial	n/a	1.22	1.41	1.60	-	-	-	-	-	-
2" commercial/industrial	1.03	n/a	n/a	n/a	-	-	-	-	-	-
2" irrigation	n/a	1.22	1.41	1.60	-	-	-	-	-	-
4" commercial/industrial	1.03	1.16	1.29	1.42	-	-	-	-	-	-
6" commercial/industrial	1.03	1.16	1.29	1.42	-	-	-	-	-	-
8" commercial/industrial	1.03	1.16	1.29	1.42	-	-	-	-	-	-
Minimum Charges:										
0 Gallons										
3/4" x 1" (residential)	-	-	-	-	$ 9.00	$ 5.91	$ 7.00	$ 7.21	$ 7.72	$ 8.26
2" commercial/residential	-	-	-	-	86.50	86.50	99.02	102.00	109.14	116.78
2" irrigation	-	-	-	-	20.00	20.00	22.89	23.58	25.23	27.00
4" industrial	-	-	-	-	346.00	346.00	363.30	374.20	400.39	428.42
6" industrial	-	-	-	-	691.00	691.00	725.55	747.32	799.63	855.60
8" industrial	-	-	-	-	1,211.00	1,211.00	1,271.55	1,309.70	1,401.38	1,499.48
Per 1,000 gallons thereafter:										
3/4" x 1" (residential)	-	-	-	-	1.64	1.70	1.78	1.83	1.96	2.10
2" commercial/residential	-	-	-	-	1.64	1.70	1.78	1.83	1.96	2.10
2" irrigation	-	-	-	-	1.64	1.70	1.78	1.83	1.96	2.10
4" industrial	-	-	-	-	1.46	1.51	1.58	1.63	1.74	1.86
6" industrial	-	-	-	-	1.46	1.51	1.58	1.63	1.74	1.86
8" industrial	-	-	-	-	1.46	1.51	1.58	1.63	1.74	1.86
10,001 - 30,000										
3/4" x 1" (residential)	-	-	-	-	2.64	2.70	2.83	2.91	3.11	3.33
2" residential	-	-	-	-	n/a	n/a	2.83	2.91	3.11	3.33

(continued)

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

(continued)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
2" commercial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
2" irrigation	-	-	-	-	2.64	2.70	2.83	2.91	3.11	3.33
4" commercial/industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
6" commercial/industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
8" commercial/industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
30,001 - 50,000 gallons										
3/4" x 1" (residential)	-	-	-	-	3.64	3.70	3.88	4.00	4.28	4.57
2" residential	-	-	-	-	n/a	n/a	3.88	4.88	4.28	4.57
2" commercial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
2" irrigation	-	-	-	-	3.64	3.70	3.88	4.00	4.28	4.57
4" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
6" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
8" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
above 50,000 gallons										
3/4" x 1" (residential)	-	-	-	-	10.00	10.35	4.88	5.03	5.38	5.75
2" residential	-	-	-	-	n/a	n/a	4.88	5.03	5.38	5.75
2" commercial					n/a	n/a	n/a	n/a	n/a	n/a
2" irrigation	-	-	-	-	10.00	10.35	4.88	5.03	5.38	5.75
4" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
6" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
8" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
Outside city limits:										
Minimum charge										
3/4" x 1"	11.50	12.00	12.00	12.00	-	-	-	-	-	-
2" residential	21.00	n/a	n/a	n/a	-	-	-	-	-	-
2" residential/commercial	n/a	173.00	132.50	132.50	-	-	-	-	-	-
2" commercial/industrial	69.00	n/a	n/a	n/a	-	-	-	-	-	-
2" irrigation	n/a	30.00	30.00	30.00	-	-	-	-	-	-
4" commercial/industrial	531.00	531.00	531.00	531.00	-	-	-	-	-	-
6" commercial/industrial	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	-	-	-	-	-	-
Per 1,000 gallons thereafter:										
3/4" x 1"	1.66	1.91	2.04	2.17	-	-	-	-	-	-
2" irrigation	n/a	1.91	2.04	2.17	-	-	-	-	-	-
4" industrial	1.66	1.82	1.82	1.95	-	-	-	-	-	-
6" industrial	1.66	1.82	1.82	1.95	-	-	-	-	-	-
8"industrial	1.66	1.82	1.82	1.95	-	-	-	-	-	-
Minimum Charges:										
0 Gallons										

(continued)

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

(continued)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
3/4" x 1" (residential)	-	-	-	-	12.00	7.80	9.00	9.27	9.92	10.61
2" residential	-	-	-	-	132.50	132.50	151.67	156.22	167.15	178.85
2" commercial/industrial	-	-	-	-	132.50	132.50	151.67	156.22	167.15	178.85
2" irrigation	-	-	-	-	30.00	30.00	34.34	37.37	39.98	42.72
4" industrial	-	-	-	-	531.00	531.00	557.55	574.28	614.48	657.49
6" industrial	-	-	-	-	1,051.00	1,051.00	1,103.55	1,136.66	1,216.23	1,301.37
8" industrial	-	-	-	-	1,871.00	1,871.00	1,964.55	2,023.49	2,165.13	2,316.69
Per 1,000 gallons thereafter:										
3/4" x 1" (residential)	-	-	-	-	2.23	2.31	2.42	2.49	2.66	2.85
2" residential	-	-	-	-	2.23	2.31	2.42	2.49	2.66	2.85
2" commercial/industrial	-	-	-	-	n/a	n/a	n/a	n/a	2.66	2.85
2" irrigation	-	-	-	-	2.23	2.31	2.42	2.49	2.66	2.85
4" industrial	-	-	-	-	2.00	2.07	2.17	2.24	2.40	2.57
6" industrial	-	-	-	-	2.00	2.07	2.17	2.24	2.40	2.57
8" industrial	-	-	-	-	2.00	2.07	2.17	2.24	2.40	2.57
10,001 - 30,000										
3/4" x 1" (residential)	-	-	-	-	3.23	3.31	3.47	3.57	3.82	4.09
2" residential	-	-	-	-	n/a	n/a	3.47	3.57	3.82	4.09
2" commercial/industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
2" irrigation	-	-	-	-	3.23	3.31	3.47	3.57	3.82	4.09
4" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
6" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
8" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
30,001 - 50,000 gallons										
3/4" x 1" (residential)	-	-	-	-	4.23	4.31	4.52	4.66	4.99	5.34
2" residential	-	-	-	-	n/a	n/a	4.52	4.66	4.99	5.34
2" commercial/industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
2" irrigation	-	-	-	-	4.23	4.31	4.52	4.66	4.99	5.34
4" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
6" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
8" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
above 50,000 gallons										
3/4" x 1" (residential)	-	-	-	-	12.00	12.42	5.52	5.69	6.09	6.52
2" residential	-	-	-	-	n/a	n/a	5.52	5.69	6.09	6.52
2" commercial/industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
2" irrigation	-	-	-	-	12.00	12.42	5.52	5.69	6.09	6.52
4" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
6" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
8" industrial	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a

Data Source:

[1] City's utility billing department.

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

	2004	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*	*2011*	*2012*	*2013*
Inside city limits:										
Minimum charges:										
1st 2,000 gallons:										
3/4" x 1"	$ 7.00	$ 7.00	$ 7.00	$ 7.00	-	-	-	-	-	-
2"	12.00	65.00	65.00	65.00	-	-	-	-	-	-
4"	277.00	260.00	260.00	260.00	-	-	-	-	-	-
6"	553.00	518.00	518.00	518.00	-	-	-	-	-	-
8"	969.00	908.00	908.00	908.00	-	-	-	-	-	-
Per 1,000 gallons thereafter:										
3/4" x 1"	1.75	2.07	2.39	2.71	-	-	-	-	-	-
2"	1.75	2.07	2.39	2.71	-	-	-	-	-	-
4"	1.75	1.87	1.99	2.11	-	-	-	-	-	-
6"	1.75	1.87	1.99	2.11	-	-	-	-	-	-
8"	1.75	1.87	1.99	2.11	-	-	-	-	-	-
Existing county customers										
Minimum charge										
3/4" x 1"	7.00	7.00	7.00	7.00	-	-	-	-	-	-
2"	12.00	65.00	65.00	65.00	-	-	-	-	-	-
4"	277.00	260.00	260.00	260.00	-	-	-	-	-	-
6"	553.00	518.00	518.00	518.00	-	-	-	-	-	-
8"	969.00	908.00	908.00	908.00	-	-	-	-	-	-
Per 1,000 gallons thereafter:										
3/4" x 1"	3.50	3.50	4.00	4.00	-	-	-	-	-	-
2"	3.50	3.50	4.00	4.00	-	-	-	-	-	-
4"	3.50	3.50	4.00	4.00	-	-	-	-	-	-
6"	3.50	3.50	4.00	4.00	-	-	-	-	-	-
8"	3.50	3.50	4.00	4.00	-	-	-	-	-	-
Minimum charge:										
3/4" x 1"	-	-	-	-	$ 7.00	$ 1.30	$ 2.30	$ 2.41	$ 2.53	$ 2.66
2"	-	-	-	-	65.00	65.00	74.40	78.12	82.03	86.13
4"	-	-	-	-	260.00	260.00	286.00	300.30	315.32	331.09
6"	-	-	-	-	518.00	518.00	569.80	598.29	628.20	659.61
8"	-	-	-	-	908.00	908.00	998.80	1,048.74	1,101.18	1,156.24
Per 1,000 gallons thereafter:										
3/4" x 1"	-	-	-	-	2.87	2.97	3.27	3.43	3.60	3.78
2"	-	-	-	-	2.87	2.97	3.27	3.43	3.60	3.78
4"	-	-	-	-	2.23	2.31	2.54	2.67	2.80	2.94

(continued)

City of Calhoun, Georgia

Sewer Service Rates [1]

Last Ten Fiscal Years

(continued)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
6"	-	-	-	-	2.23	2.31	2.54	2.67	2.80	2.94
8"	-	-	-	-	2.23	2.31	2.54	2.67	2.80	2.94
Outside city limits:										
Minimum charge										
3/4" x 1"	9.00	9.00	7.00	7.00	-	-	-	-	-	-
2" residential/commercial	16.50	130.00	65.00	65.00	-	-	-	-	-	-
4" industrial	425.00	398.00	260.00	260.00	-	-	-	-		-
6" industrial	840.00	788.00	518.00	518.00	-	-	-	-	-	-
8" industrial	1,497.00	1,403.00	908.00	908.00	-	-	-	-	-	-
Per 1,000 gallons thereafter:										
3/4" x 1"	4.60	4.60	4.00	4.00	-	-	-	-	-	-
2" residential/commercial	4.60	4.60	4.00	4.00	-	-	-	-	-	-
4" industrial	4.60	4.60	4.00	4.00	-	-	-	-	-	-
6" industrial	4.60	4.60	4.00	4.00	-	-	-	-	-	-
8" industrial	4.60	4.60	4.00	4.00	-	-	-	-	-	-
Minimum charge:										
3/4" x 1"	-	-	-	-	$ 7.00	$ 1.30	$ 2.30	$ 2.41	$ 2.53	$ 2.66
2" residential/commercial	-	-	-	-	65.00	65.00	139.12	146.08	153.38	161.05
4" industrial	-	-	-	-	260.00	260.00	557.55	585.43	614.70	645.43
6" industrial	-	-	-	-	518.00	518.00	1,103.55	1,158.73	1,216.67	1,221.43
8" industrial	-	-	-	-	908.00	908.00	1,964.55	2,062.78	2,165.92	2,274.22
Per 1,000 gallons thereafter:										
3/4" x 1"	-	-	-	-	4.24	3.92	4.31	4.53	4.76	5.00
2" residential/commercial	-	-	-	-	4.24	3.92	4.31	4.53	4.76	5.00
4" industrial	-	-	-	-	4.24	3.92	4.31	4.53	4.76	5.00
6" industrial	-	-	-	-	4.24	3.92	4.31	4.53	4.76	5.00
8" industrial	-	-	-	-	4.24	3.92	4.31	4.53	4.76	5.00

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
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	4,966	-0.1%	18,911	0.2%	6,163	0.8%	30,040	0.3%
2011	5,036	1.4%	18,796	-0.6%	6,530	6.0%	30,362	1.1%
2012	5,014	-0.4%	18,870	0.4%	6,547	0.3%	30,431	0.2%
2013	5,030	0.3%	18,978	0.6%	6,574	0.4%	30,582	0.5%

Data Source:

[1] City's utility consumption/billing reports.

Exhibit XXX

City of Calhoun, Georgia
Ten Largest Customers - Electric Service
Fiscal Years 2004 and 2013

	Fiscal Year 2013					Fiscal Year 2004			
Rank	**Customer**	**Consumption kWh**	**Amount**	**%**	**Rank**	**Customer**	**Consumption kWh**	**Amount**	**%**
1	Engineered Floors, LLC	120,955,439	$ 8,203,707	23.9%	1	Shaw Industries	86,088,731	$ 4,209,759	17.5%
2	Shaw Industries	100,526,560	7,268,358	21.1%	2	Mohawk	81,779,787	3,977,330	16.5%
3	Mohawk	34,088,780	2,571,269	7.5%	3	Calhoun Utilities	16,122,889	943,420	3.9%
4	Calhoun Utilities	12,770,636	1,064,988	3.1%	4	Kobelco Const.	5,781,073	458,987	1.9%
5	Apache Mills, Inc.	9,728,500	899,394	2.6%	5	Caltex (Beaulieu)	5,035,520	444,887	1.8%
6	Gordon Hospital	9,913,140	782,467	2.3%	6	Wal-Mart Stores, Inc.	7,084,661	424,785	1.8%
7	Liberty Tire Recycling	8,238,240	704,558	2.0%	7	Kerry Group	6,760,870	384,382	1.6%
8	Calhoun City Schools	5,627,975	638,344	5.5%	8	Milliken & Company	5,779,200	383,183	1.6%
9	Super Wal-Mart	4,759,200	384,210	1.1%	9	Gordon Hospital	6,236,549	383,181	1.6%
10	The Dixie Group	3,487,200	322,797	0.9%	10	Calhoun City Schools	2,663,319	237,198	1.0%
	Total Ten Largest Customers	310,095,670	22,840,092	68.0%		**Total Ten Largest Customers**	223,332,599	11,847,112	49.1%
	All Other Customers	120,580,419	11,550,200	33.6%		**All Other Customers**	144,783,581	12,276,087	50.9%
	Total	430,676,089	$ 34,390,292	101.6%		**Total**	368,116,180	$ 24,123,199	100.0%

Data Source:

[1] City's utility consumption/billing reports.

Exhibit XXXI

City of Calhoun, Georgia

Ratios of Total Debt Outstanding by Type [1,2]

Last Ten Fiscal Years

	Governmental Activities			Business-type Activities						
June 30,	Recreation Authority Revenue Bonds	School General Obligation Bonds	Capital Leases	Revenue Bonds	GEFA/SRF and MEAG Loans	Capital Leases	Total	Percentage of Personal Income	Estimated Population [3]	Per Capita
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
2011	2,233,900	32,320,000	649,312	6,385,000	19,216,825	-	60,805,037	15.81%	15,650	3,885
2012	1,952,100	31,685,000	467,673	9,445,000	13,350,751	-	56,900,524	14.79%	15,773	3,607
2013	1,659,800	33,800,000	305,893	11,235,000	9,139,218	-	56,139,911	14.60%	15,812	3,550

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 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]
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
2011	32,320,000	7,319,269	25,000,731	1.257%	15,650	1,597
2012	31,685,000	10,129,701	21,555,299	1.207%	15,773	1,367
2013	33,800,000	2,668,962	31,131,038	1.731%	15,812	1,969

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, 2013

Governmental Unit:	Debt Outstanding	Estimated Percentage Applicable[2]	Estimated Share of Overlapping Debt
Debt Repaid With Property Taxes			
Overlapping Governments' Debt[1]			
City Recreation Authority[3]	$ 1,659,800	100.0%	$ 1,659,800
City Direct Debt	34,895,627	100.0%	34,895,627
Total Direct and Overlapping Debt			$ 36,555,427

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.

Exhibit XXXIV

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Assessed Value[1]	$ 492,631	$ 509,883	$ 551,513	$ 602,829	$ 675,820	$ 809,763	$ 828,569	$ 795,706	$ 714,536	$ 727,126
Legal Debt Margin										
Debt limit (10% of assessed value)[2]	$ 49,263	$ 50,988	$ 55,151	$ 60,283	$ 67,582	$ 80,976	$ 82,857	$ 79,571	$ 71,454	$ 72,713
Debt applicable to limit:										
General obligation bonds	18,955	17,485	15,885	14,200	12,885	12,415	11,895	32,320	31,685	33,800
Less: Amount reserved for repayment of general obligation debt	2,232	2,396	2,844	3,373	2,188	3,970	5,619	7,319	10,130	2,669
Total debt applicable to limit	16,723	15,089	13,041	10,827	10,697	8,445	6,276	25,001	21,555	31,131
Legal debt margin	$ 32,540	$ 35,899	$ 42,110	$ 49,456	$ 56,885	$ 72,531	$ 76,581	$ 54,570	$ 49,899	$ 41,582
As a percentage of debt limit	66.05%	70.41%	76.35%	82.04%	84.17%	89.57%	92.43%	68.58%	69.83%	57.19%

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
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
2011	14,564	7,845	6,719	1,730	280	2,010	3.34
2012	15,166	8,317	6,849	1,880	259	2,139	3.20
2013	15,053	8,296	6,757	2,270	339	2,609	2.59

Notes:

[1] Includes the operating revenues inclusive of interest and other nonoperating revenues, excluding gain on disposition of assets.

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

[3] Includes the 2003, 2008, 2011 and 2012 water and sewerage revenue bonds. Only the amount of regular principal payments have been included. Payments to retire the debt through proceeds from the issuance of new bonds were not included as they would skew the coverage calculation.

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
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
2011	14,623	7,845	6,778	1,821	666	2,487	2.73
2012	15,166	8,317	6,849	922	480	1,402	4.89
2013	15,053	8,296	6,757	729	312	1,041	6.49

Notes:

[1] Water and sewer operating revenues inclusive of interest and other nonoperating revenue, excluding any gain on disposition of assets.

[2] Water and sewer direct operating expenses exclusive of depreciation, amortization and 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[1]			Median Age[3]	City School Enrollment[2]	Unemployment Rates[4]		
			Gordon County	United States	County as a % of U.S.			City	State of Georgia	United States
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%
2011	15,650	1,441,738	27,185	41,353	66%	37.5	3,531	12.4%	10.2%	9.6%
2012	15,773	1,467,371	31,050	41,560	75%	36.8	3,342	11.8%	9.6%	8.5%
2013	15,812	1,483,183	29,529	40,661	73%	35.3	3,692	10.2%	8.8%	7.9%

Data Sources:

[1] US Census 2012/http://quickfacts.census.gov/qfd/states

[2] City of Calhoun School System 2013 obtained from Georgia Department of Education. / City Board of Education Financial Director

[3] Demographics - http://www.georgia-demographics.com/

[4] Georgia Department of Labor - Unemployment Insurance Statistics Region 1 Northwest GA 2013

Exhibit XXXVIII

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

	2013				2004		
Employer	**Number of Employees**	**Rank**	**Percentage of Total City Employment**	**Employer**	**Number of Employees**	**Rank**	**Percentage of Total City Employment**
Mohawk Industries, Inc.	1,900	1	8.1%	Mohawk Industries, Inc. (Aladdin)	4,000	1	15.9%
Shaw Industries	1,374	2	5.9%	Shaw Industries	1,498	2	5.9%
Gordon County Schools	863	3	3.7%	Gordon County Schools	985	3	3.9%
Gordon Hospital	780	4	3.3%	Gordon Hospital	600	4	2.4%
Mannington Carpets	667	5	2.9%	Mannington Carpets	592	5	2.3%
Engineer Flooring	650	6	2.8%	Calhoun City Schools	400	6	1.6%
Calhoun City Schools	378	7	1.6%	Springs Industries	398	7	1.6%
Gordon County Government	369	8	1.6%	Gordon County Gov't	341	8	1.3%
City of Calhoun Government	345	9	1.5%	Beaulieu Group	336	9	1.3%
Apache Mills	300	10	1.3%	City of Calhoun Gov't	325	10	1.3%
Total Principal Employers	7,626		32.6%	**Total Principal Employers**	9,475		37.4%
Other Employers	15,748		67.4%	**Other Employers**[2]	15,891		62.6%
Total Employers[1]	23,374		100.0%	**Total Employers**	25,366		100.0%

Data Source:

Gordon County Chamber of Commerce and MEAG Annual Report.

[1] Estimated by Gordon County Chamber of Commerce.

[2] Estimated by management.

Exhibit XXXIX

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

Function/program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Mayor and City Council	5	5	5	5	5	5	5	5	5	5
Administration	3	3	5	3	2	2	1	2	2	2
Tax Administration	1	1	1	1	1	1	1	1	1	1
Business License	-	-	-	-	-	-	2	1	1	1
Human Resources	1	1	1	1	1	2	2	2	2	2
Finance	7	7	8	8	5	6	4	4	-	-
Purchasing	-	-	-	-	-	-	-	-	-	-
	17	17	20	18	14	16	15	15	11	11
Judicial										
Court Services	4	4	4	4	3	3	3	3	3	3
Probation	-	1	1	2	2	2	2	2	2	2
	4	5	5	6	5	5	5	5	5	5
Public Safety										
Police	50	51	52	52	52	49	49	49	49	49
Fire	39	39	38	40	40	38	38	39	39	39
Animal Control	1	1	1	1	1	1	1	1	1	1
	90	91	91	93	93	88	88	89	89	89
Public Works										
Administration	-	-	1	1	1	1	1	1	1	1
Streets and highways	18	18	16	18	18	16	16	16	17	15
City Maintenance	7	7	7	7	6	6	6	6	6	7
Cemetery	4	4	4	4	2	4	3	3	3	3
	29	29	28	30	27	27	26	26	27	26
Health and Welfare										
Senior Citizens Activities	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Recreation Department	20	19	17	14	8	14	14	15	15	13
Library	8	8	9	8	4	9	9	9	9	9
	28	27	26	22	12	23	23	24	24	22
Housing and Economic Development										
Mainstreet Program	1	1	1	1	1	1	1	1	1	1
Airport	3	3	3	4	2	4	4	4	2	3
Inspections/ Community Dev.	3	3	3	3	6	5	4	4	4	3
	7	7	7	8	9	10	9	9	7	7
Utilities Administration										
Administration	3	3	4	4	5	5	5	4	2	2
Utilities Finance	-	-	-	-	-	5	5	4	8	9
GIS	-	-	-	-	-	2	2	2	2	2
Billing	2	2	2	2	2	3	3	2	2	3
Customer Service	3	3	3	3	4	4	2	4	4	3
Tellers	2	2	2	3	3	3	2	4	3	4
Meter Reading	6	6	6	6	7	6	5	4	4	4
Engineering	4	4	5	6	6	6	6	6	6	6
Purchasing	2	2	2	2	2	2	2	2	2	2
Work Order	-	-	-	-	-	-	-	-	1	1
	22	22	24	26	29	36	32	32	34	36
Electric System	19	19	19	19	18	17	17	15	15	17
Water and Sewer System										
Wastewater Treatment	12	10	11	11	10	9	9	9	10	10
Sewer Construction	12	18	12	13	13	12	12	11	11	11
Maintenance Crew	6	7	10	9	11	10	10	10	10	10
Water Treatment	8	8	8	8	8	8	7	7	8	9
Water Construction	19	25	24	27	27	24	22	22	22	22
	57	68	65	68	69	63	60	59	61	62
Fields Ferry Golf Course										
Pro Shop	14	13	10	9	3	9	9	9	9	5
Maintenance	10	10	10	10	9	8	8	8	7	7
	24	23	20	19	12	17	17	17	16	12
Telecommunications	4	4	4	4	5	4	4	4	4	4
Solid Waste	6	6	6	5	3	3	3	3	2	2
Total	308	319	316	319	297	310	300	299	296	294
Percentage Change From Prior Year	1.3%	3.6%	-0.8%	0.9%	-6.9%	4.4%	-3.2%	-0.3%	-1.2%	-1%

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

Exhibit XXXX

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

Function/program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Physical arrests	N/A	N/A	N/A	N/A	1,743	535	1,572	1,439	1,456	1,363
Parking violations	N/A	N/A	N/A	N/A	456	N/A	882	966	490	417
Traffic violations	10,831	7,709	7,732	7,007	7,557	5,055	6,042	7,093	7,714	6,354
Fire										
Emergency responses[1]	800	630	697	707	792	740	894	1,492	1,920	1,839
Inspections	530	327	438	669	797	674	1,013	2,215	1,827	1,320
Library										
Volumes in collection	66,766	72,667	72,000	80,483	86,623	87,500	90,839	98,167	91,129	90,522
Total volumes borrowed	76,366	78,003	103,704	124,000	128,199	131,185	141,757	129,169	127,178	118,395
Computer usage	N/A	N/A	N/A	N/A	N/A	N/A	N/A	24,137	21,127	16,662

Notes:
N/A Not available in some categories

Data Sources:
Various City departments.

[1] The emergency responses changed in 2011 for the 911 response protocol. Instead of only running fire calls or an eminent threat of death they now respond to all emergency calls regardless of type of danger.

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

Utility Service	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Electric Service:										
Coincident peak (kW)	68,570	66,929	66,082	65,462	66,536	56,758	60,838	74,830	74,252	72,437
Reserves (kW)	10,286	10,039	9,912	9,819	8,867	6,418	9,126	11,125	10,022	10,192
Total requirements (kW)	78,856	76,968	75,994	75,281	75,403	63,176	69,964	85,955	84,274	82,629
Southeastern Power Administration (kW)	7,660	7,660	7,660	7,660	7,660	7,660	7,660	7,437	7,437	7,437
MEAG projects 1, 2, 3 & 4 (kW)	47,200	47,200	47,200	47,200	47,200	47,200	47,200	45,453	45,453	46,736
MEAG combined cycle (kW)	15,630	15,630	15,630	15,630	15,630	15,630	15,630	15,497	15,497	15,497
Calhoun Simple Cycle	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Inter-participant Transfer(IPT) College Park	-	-	-	-	-	-	-	4,855	4,855	4,855
Total resources (kW)	90,490	90,490	90,490	90,490	90,490	70,490	70,490	93,242	93,242	94,525
Excess capacity (deficit) (kW)	11,634	13,522	14,496	15,209	15,087	7,314	526	7,287	8,968	11,896
Per cent reserve of capacity[1]	12.9%	14.9%	16.0%	16.8%	16.7%	10.4%	0.7%	7.8%	9.6%	12.6%
Water Service:										
Daily average consumption	9,534,000	9,551,000	9,554,000	9,952,000	9,176,000	10,661,191	10,236,000	9,842,082	10,560,000	9,360,000
Maximum daily capacity of wells (in gallons)	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000
Maximum daily capacity of plant (in gallons)	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	23,800,000	23,800,000	23,800,000	23,800,000
Elevated storage capacity (gallons)	-	-	-	-	-	-				
Reservoir storage capacity (gallons)	20,600,000	24,600,000	24,600,000	24,600,000	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)	7,468,000	7,418,000	6,901,000	5,431,000	5,277,000	6,525,833	5,688,000	6,062,000	5,613,000	5,374,000
Unused capacity	8,532,000	8,582,000	9,099,000	10,569,000	10,723,000	9,474,167	10,312,000	10,312,000	10,387,000	10,387,000
Percentage of capacity used	0.466750	0.463625	0.431313	0.339438	0.329813	0.407865	0.355500	0.378875	0.350813	0.335875

Data Source:
Applicable Department

[1] Our reserve is not purchased, but provided by a 20 mw generator that the City owns.
Reporting of this resource is now shown in statistical data & reflects
a 5 mw sale of excess to the City of Acworth.

Exhibit XXXXII

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

Function/program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Electric Service:										
Miles of line	179	180	182	185	222	227	234	242	242	245
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	622	624	628	640	640	720	770	819	819	826
Number of wells	4	4	4	4	4	4	4	4	4	4
Number of treatment plants	2	2	2	2	2	2	2	2	2	2
Number of elevated tanks	-	-	-	-	-	-	-	-	-	-
Number of reservoirs	12	12	12	12	15	15	15	15	15	15
Sewer Service:										
Miles of sanitary sewers	110	111	113	118	120	137	134	136	136	136
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of lift stations	5	6	6	6	9	9	9	9	9	9

Data Source:
Various Departments

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

Function/program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Stations	2	2	2	2	2	2	2	2	3	3
Patrol units	24	24	24	24	27	32	33	33	33	33
Fire stations	3	3	3	3	3	3	3	3	3	3
Streets and highways										
Streets (miles)	94	95	97	98	99	99	99	99	99	100
Street Lights	868	878	882	918	973	973	979	979	1,451	1,488
Parks and recreation										
Acreage	342	342	342	342	342	342	342	342	342	342
Water										
Water mains (miles)	622	624	628	640	640	720	770	819	819	826
Fire hydrants	700	733	743	742	741	900	775	771	771	771
Storage capacity (thousands of gallons)	21,550	23,500	23,500	24,600	24,600	24,600	24,600	24,600	24,600	24,600
Wastewater										
Sanitary sewers (miles)	110	111	113	118	119	137	134	136	136	136
Treatment capacity (thousands of gallons)	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Storm sewers (miles)	30	30	30	30	30	30	30	30	30	30

Data Source:
Various City Departments.

R.M. DOBBS & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 423
CALHOUN, GEORGIA 30703-0423
706-629-4511

JERRY L. CLEMENTS, C.P.A.
LOUISE McGOWAN, C.P.A.
JUDY M. FAGAN, C.P.A.
JAN C. GOBLE, C.P.A.
MITZI B. POWELL, C.P.A.

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
AND
GEORGIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the 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, 2013, and the related notes to the financial statements, which collectively comprise City of Calhoun, Georgia's basic financial statements, and have issued our report thereon dated December 31, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Calhoun, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Calhoun, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Calhoun, Georgia's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

R M. Dobbs & Company

Calhoun, Georgia
December 31, 2013

R.M. DOBBS & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 423
CALHOUN, GEORGIA 30703-0423
706-629-4511

JERRY L. CLEMENTS, C.P.A.
LOUISE McGOWAN, C.P.A.
JUDY M. FAGAN, C.P.A.
JAN C. GOBLE, C.P.A.
MITZI B. POWELL, C.P.A.

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
AND
GEORGIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

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

Report on Compliance for Each Major Federal Program

We have audited City of Calhoun, Georgia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of City of Calhoun, Georgia's major federal programs for the year ended June 30, 2013. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

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

Opinion on Each Major Federal Program

In our opinion, City of Calhoun, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of City of Calhoun, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City of Calhoun, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City of 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

R. M. Dobbs & Company

Calhoun, Georgia
December 31, 2013

CITY OF CALHOUN, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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				
Urban Development Action Grant	14.221	10-64-586000530		$ 1,862,858
Calhoun Housing Authority	15.226	Ga. Projects		
Payment in Lieu of Taxes		11900199M		
		Contract A-3103		30,590
Total U. S. Department of Housing and Urban Development				1,893,448
U.S. Environmental Protection Agency				
Georgia Environmental Protection Division/				
Georgia Environmental Facilities Authority				
Capitalized Grant for Drinking Water State Revolving Loan Fund				
ARRA Federal Money Loan	66.468	DW 10-007	$ 1,600,000	177,175
U.S. Department of Justice				
Bureau of Justice Assistance				
Bulletproof Vest Partnership Program	16.607	1121-0235	$ 4,920	4,920
Office of Community Oriented Policing Services				
ARRA COPS Hiring Recovery Program	16.710	2009RKWX0281	$ 299,478	23,037
Total U. S. Department of Justice				27,957
U.S. Department of Homeland Security				
Georgia Emergency Management Agency				
Domestic Preparedness State Homeland Grant Program	97.067	2008-GE-T8-0017	$ 90,000	29,275
U.S. Department of Transportation				
Federal Highway Administration				
Highway Planning & Construction	20.205	P.I. 0010876	$ 93,863	85,678
				$ 2,213,533

CITY OF CALHOUN, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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 loans

From prior years outstanding:

CW SRF #91-006	$ 37,793
CW SRF #99-001	2,186,088
DW SRF #00-026	3,878,577
CW SRF #02-002	1,788,261
DW SRF#09-022	-
DW SRF#10-007	1,248,500

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, 2013

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, 2013

	RLF Reports	Adjustments	Financial
Total Assets	$ 1,862,887	$ -	$ 1,862,887
Total Liabilities and Fund Balance	$ 1,862,887	$ -	$ 1,862,887
Net Revenues (Expenditures)	$ 21,718	$ -	$ 21,718

CITY OF CALHOUN, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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 were disclosed during the audit of the financial statements.

3. No instances of noncompliance material to the financial statements of the City of Calhoun, Georgia which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

4. No significant deficiencies in internal control over major federal award programs were disclosed during the audit.

5. The auditor's report on compliance for the major federal award programs for the City of Calhoun expresses an unqualified opinion on all 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 program tested as the major program is the Urban Development Action Grant (CFDA #14.221).

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

9. The City of Calhoun, Georgia was determined to be a low-risk auditee.

FINDINGS – FINANCIAL STATEMENTS AUDIT

None reported

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None reported

R.M. DOBBS & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 423
CALHOUN, GEORGIA 30703-0423
706-629-4511

JERRY L. CLEMENTS, C.P.A.
LOUISE McGOWAN, C.P.A.
JUDY M. FAGAN, C.P.A.
JAN C. GOBLE, C.P.A.
MITZI B. POWELL, C.P.A.

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
AND
GEORGIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

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, 2013. 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, 2013, 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 31, 2013

CITY OF CALHOUN, GEORGIA
PROJECT COST SCHEDULE FOR PROJECTS CONSTRUCTED
WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
FROM INCEPTION THROUGH JUNE 30, 2013 (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**
2011 SPLOST								
Peters Street	$ 2,000,000	$ 2,000,000	$ -	$ 2,000,000	$ -	$ -	$ -	0.0%
Public Safety - Police vehicle fleet	650,000	650,000	-	650,000	-	200,990	200,990	30.9%
Public Safety - Police & Fire communications upgrades	100,000	100,000	-	100,000	-	63,058	63,058	63.1%
Library upgrades	400,000	400,000	-	400,000	900	66,552	67,452	16.9%
Recreation Improvements	2,500,000	2,500,000	-	2,500,000	60,255	202,284	262,539	10.5%
Public Works	850,000	850,000	-	850,000	-	101,495	101,495	11.9%
Utility fleet and service equipment	700,000	700,000	-	700,000	-	-	-	0.0%
Utility system upgrades	2,421,049	2,421,049	-	2,421,049	-	-	-	0.0%
	$ 9,621,049	$ 9,621,049	$ -	$ 9,621,049	$ 61,155	$ 634,379	$ 695,534	

Project	**Referendum Authorized Amounts**	**Original Estimated Cost**	**Additional Projects, Additions & Revisions**	**Revised 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	$ -	$ 4,734,297	$ 4,200,622	$ -	$ 4,200,622	88.7%
Waste Treatment Plant Improvement	4,000,000	4,000,000	-	4,000,000	16,054	-	16,054	0.4%
4th Fire Station & Equipment	1,500,000	1,500,000	-	1,500,000	187,750	877,797	1,065,547	71.0%
Overage - Water & Sewer	-	-	298,891	298,891	-	298,891	298,891	100.0%
	$ 10,234,297	$ 10,234,297	$ 298,891	$ 10,533,188	$ 4,404,426	$ 1,176,688	$ 5,581,114	

Note - Transfers out of the 2011 SPLOST in the amount of $248,656 were comprised of $54,022 which were included in Recreation above as they were repayments on a loan recorded in the Golf Enterprise fund. $194,634 of the amount was for repayments on a long-term advance to the General fund for a new police fleet and they have been fleet and they have been included, along with interest, on the police fleet line above. Transfers out in the amount of $298,891 were included in the 2005 SPLOST above as

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, 2013

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.