City of Calhoun, Georgia

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2014

Prepared by:

Department of Finance

City of Calhoun, Georgia
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2014

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(Unaudited)

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City of Calhoun, Georgia

Site of New Echota in the Land of the Cherokee

December 29, 2014

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, 2014, 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 unmodified ("clean") opinion of the City of Calhoun's financial statements for the fiscal year ended June 30, 2014. 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 will be completed in fiscal year 2015 with the assistance of additional funding from GEFA.

The Water and Waste Water Department 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 owns and operates a fiber optic network to provide City government network and commercial internet and point-to-point Ethernet services. Research continues on new technologies that will increase efficiency, reduce cost and increase customer satisfaction. As a result, additional services may be offered and service areas expanded.

Started in 2007, the Geographic Information System (GIS) department has developed one of the state's best GIS systems. All utility services have converted from paper and CAD drawings to electronic versions which are available online to operations personnel in the field and the public. Data from many other City departments, such as police and fire, is collected to visually represent services, trends and make information available during emergencies.

The City of Calhoun Electric fund performed work on major projects for fiscal year 2014 of approximately $813,000 that included construction at the new high school and hospital expansion, 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.

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 Class 3** rating for property and casualty insurance purposes. The department has a training center located at Station #2 off Richardson Road and Executive Parkway. 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 a Chief of Training to coordinate the department training and use of the site. These two additions have had a direct impact of lowering the ISO rating for property and casualty insurance purposes for the City of Calhoun. The Fire Department has purchased property on Mauldin Road for the proposed 4th fire station as recommended in the last ISO review.

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. The Fire Department hosts GSAR (Georgia Search And Rescue) Task Force 6, which is one of the State of Georgia sponsored Search and Rescue Teams. The department annually receives grant funding from State and Federal sources to maintain Task Force 6. 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 2014 included paving on Adair St., Telfair St., one way on Hicks St., S. King St., Laurel Creek Rd. and Fred Hurley Rd. These were paved through a joint agreement with Gordon County. The State LMIG Program contractor paved Sequoyah Terrace, Victory Dr., Windsor Dr., Ivy Ln., Calhoun Ave. and Laurel Place. City SPLOST funds completed E. May St. with new sidewalks, curb, gutter, paving and streetlights installed.

Most of the engineering work and design has been completed by the Yeager Company on the Transportation Enhancement Grant Project, Streetscape Phase IV that included design and engineering from Hicks Street south to Piedmont Street at Wall Street. Engineering and design is near completion on the first phase of the Peters S. project that starts at Gordon Hills Shopping Center and runs through the proposed roundabout at E. May Street.

New equipment purchases were made available with SPLOST funds.

Recreation:
Recreation programming saw additional growth by adding new programs and an increase in participation for 2014. On-line registration was implemented along with the department being able to accept debit/credit card registrations. The swimming pool had a new filtration system installed in the winter 2014.

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 2014. 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.

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, 2013. 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

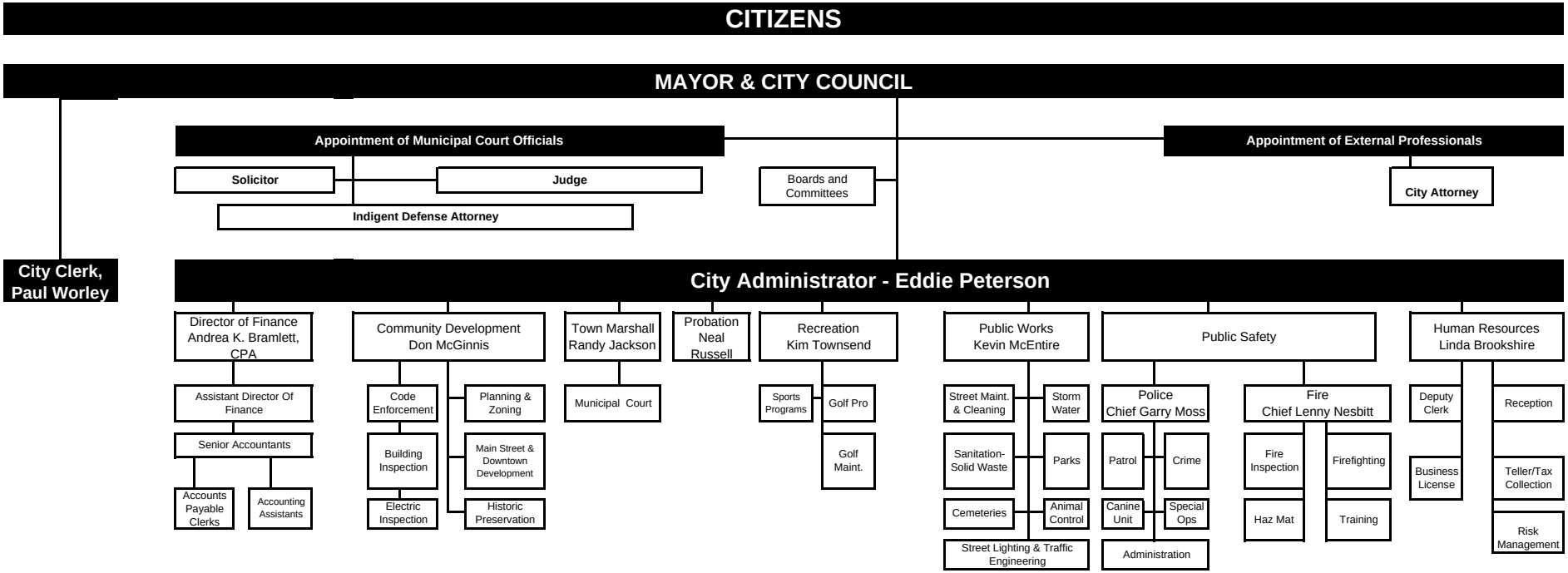
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

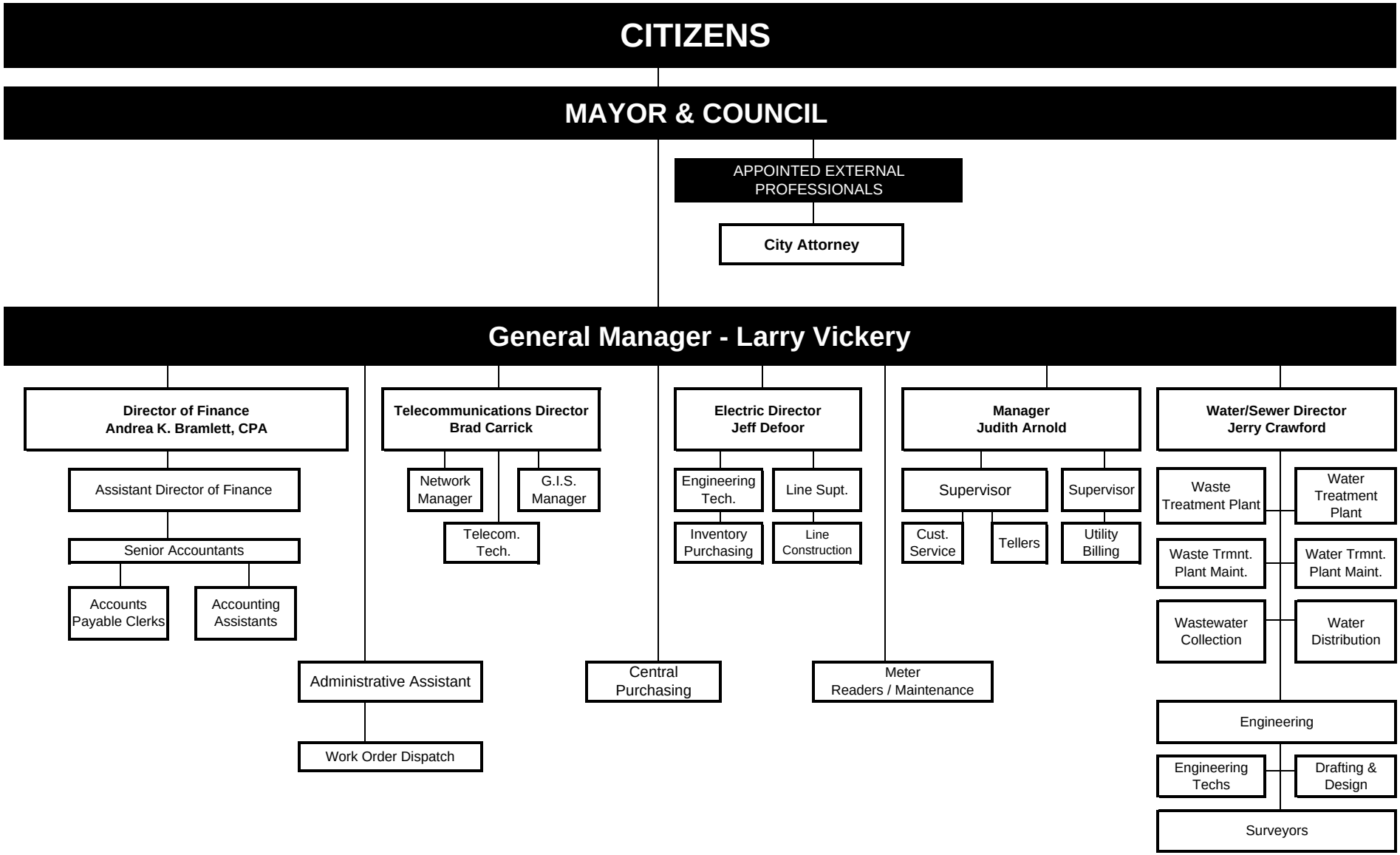
June 30, 2013

Executive Director/CEO

CITY OF CALHOUN, GEORGIA
FISCAL 2014-2015 GOVERNMENTAL ORGANIZATIONAL CHART



CALHOUN UTILITIES
FISCAL 2014 - 2015 ORGANIZATIONAL CHART



City of Calhoun, Georgia
Officials, Management and Appointed Professionals
July 1, 2014

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 Defense Attorney ..... Rebecca B. Parris
City Attorney ..... George Govignon

R.M. DOBBS & COMPANY

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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, 2014, 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, 2014, 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 12-19 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 29, 2014, 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. Dobby & Company

Calhoun, Georgia
December 29, 2014

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, 2014. 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 $216,565,260 (net position) for the fiscal year reported.
- Total net position is comprised of the following:
  (1) Net investment in capital assets of $168,195,054 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 $12,131,969 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
  (3) Unrestricted net position of $36,238,237 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 $21,087,266 this year. This compares to the prior year ending fund balance of $25,560,184 showing a decrease of $4,472,918 during the current year. Unassigned and committed fund balance of $8,548,588 for fiscal year 2014 shows a $1,205,365 increase from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $4,541.672 or 38% 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. The budgetary comparison statement for the general fund is included in the basic financial statements also.

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 year end is $216,565,260. The following table provides a summary of the City's net position:

Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets						
Current assets	$ 19,987,906	$ 26,656,652	$ 38,536,661	$ 32,813,246	$ 58,524,567	$ 59,469,898
Other assets	1,571,936	1,078,891	11,434,318	10,289,597	13,006,254	11,368,488
Capital assets	108,421,300	94,626,093	114,841,073	113,360,674	223,262,373	207,986,767
Total assets	129,981,142	122,361,636	164,812,052	156,463,517	294,793,194	278,825,153
Deferred Outflow of Resources						
Deferred bond refunding	-	-	120,343	140,682	120,343	140,682
Liabilities						
Current liabilities	(540,737)	1,249,900	14,391,263	11,929,891	13,850,526	13,179,791
Long-term liabilities	35,494,550	36,635,699	28,983,787	28,103,386	64,478,337	64,739,085
Total liabilities	34,953,813	37,885,599	43,375,050	40,033,277	78,328,863	77,918,876
Deferred Inflows of Resources						
Unavailable Revenues	19,414	352,862	-	-	19,414	352,862
Net position						
Net investment in capital assets	73,836,731	67,313,839	94,358,323	93,127,138	168,195,054	160,440,977
Restricted	12,131,969	9,229,059	-	-	12,131,969	9,229,059
Unrestricted	9,039,215	7,580,277	27,199,022	23,443,784	36,238,237	31,024,061
Total net position	$ 95,007,915	$ 84,123,175	$ 121,557,345	$ 116,570,922	$ 216,565,260	$ 200,694,097

The City reported positive balances in net position for both governmental and business-type activities. Net position increased $10,884,740 for governmental activities and by $4,986,423 for business-type activities.

Approximately 78% of the governmental activities' net position are invested in capital assets at June 30, 2014 as compared to 80% at June 30, 2013. The City uses these capital assets to provide services to its citizens. With business-type activities, the City has invested 78% of its net position in capital assets in this fiscal year as compared to 80% in fiscal year 2013. 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	
	2014	2013	2014	2013	2014	2013
Revenues						
Program						
Charges for services and fines	$ 1,658,089	$ 1,596,835	$ 55,918,889	$ 52,523,695	$ 57,576,978	$ 54,120,530
Operating grants	5,041,478	5,165,209	81,246	84,020	5,122,724	5,249,229
Capital grants	9,868,682	5,551,820	-	371,021	9,868,682	5,922,841
General						
Taxes	8,925,501	8,218,564	-	-	8,925,501	8,218,564
Other	279,781	181,185	697,800	551,044	977,581	732,229
Total revenues	25,773,531	20,713,613	56,697,935	53,529,780	82,471,466	74,243,393
Program expenses						
General government	856,056	802,314	-	-	856,056	802,314
Judicial	521,890	452,375	-	-	521,890	452,375
Public safety	7,114,339	6,915,456	-	-	7,114,339	6,915,456
Public works	3,001,429	2,886,680	-	-	3,001,429	2,886,680
Health and welfare	63,915	61,103	-	-	63,915	61,103
Culture and recreation	1,617,603	1,640,601	-	-	1,617,603	1,640,601
Housing and economic devlopment	982,464	925,367	-	-	982,464	925,367
Education	1,472,938	1,958,815	-	-	1,472,938	1,958,815
Interest	1,570,566	1,669,843	-	-	1,570,566	1,669,843
Electric	-	-	34,051,138	32,655,400	34,051,138	32,655,400
Water and sewer	-	-	12,922,661	11,987,691	12,922,661	11,987,691
Golf course	-	-	831,997	906,523	831,997	906,523
Telecommunications	-	-	914,958	871,141	914,958	871,141
Solid waste	-	-	678,349	655,980	678,349	655,980
Total expenses	17,201,200	17,312,554	49,399,103	47,076,735	66,600,303	64,389,289
Excess	8,572,331	3,401,059	7,298,832	6,453,045	15,871,163	9,854,104
Transfers	2,312,409	2,452,100	(2,312,409)	(2,452,100)	-	-
Change in net position	10,884,740	5,853,159	4,986,423	4,000,945	15,871,163	9,854,104
Net position beginning of year	84,123,175	78,270,016	116,570,922	112,569,977	200,694,097	190,839,993
Ending net position	$ 95,007,915	$ 84,123,175	$ 121,557,345	$ 116,570,922	$ 216,565,260	$ 200,694,097

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 11% of the City's total governmental revenues, as compared to 14% in the prior year. Sales taxes provided 9% of total governmental revenues versus 11% in fiscal year 2013. 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 7% and 6% of total revenues, respectively. Total General Fund revenues remain essentially consistent with the prior year, with only a 1% increase.

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	
	2014	2013	2014	2013
General government	$ 856,056	$ 802,314	$ 688,452	$ 624,367
Judicial	521,890	452,375	521,890	452,375
Public safety	7,114,339	6,915,456	5,758,409	5,232,288
Public works	3,001,429	2,886,680	1,395,932	1,970,162
Health and welfare	63,915	61,103	63,915	61,103
Culture and recreation	1,617,603	1,640,601	162,151	532,779
Housing and economic development	982,464	925,367	188,528	770,740
Education	1,472,938	1,958,815	(9,716,892)	(6,314,967)
Interest	1,570,566	1,669,843	1,570,566	1,669,843
Total	$ 17,201,200	$ 17,312,554	$ 632,951	$ 4,998,690

Public safety expenses make up 41% of the governmental activities expenses. This compares to 40% in fiscal year 2013. The public works function is the second largest cost, making up 17% of governmental activities expenses, which is the same as the prior year.

Approximately 19% of gross program costs for public safety functions were recovered from public safety revenues, primarily fines and forfeitures. This compares to 24% 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 $9.7 million dollar net revenue. It is anticipated that once the debt is paid, education will have a net loss because of depreciation expense.

BUSINESS-TYPE ACTIVITIES
Revenues vs. Costs

The operating revenues for all enterprise funds, including the internal service fund, were $3,611,660 or 7% more than 2013 and total operating expenses were $2,630,250 or 5%, more than fiscal year 2013. Within the total business-type activities of the City, these activities reported $7,645,405 in operating income compared to operating income of $6,663,995 in the prior year, or an increase of 15%. After transfers in and out between other funds and other non-operating items, these funds reported a net change in net position of $4,986,423 compared to a net change in net position of $4,000,945 in 2013.

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

	Amount Change	%
Water and sewerage fund	$ (511,434)	(15%)
Electric system fund	1,224,792	38%
Field Ferry Golf Course fund	108,496	30%
Telecommunications fund	29,430	14%
Solid waste fund	(6,393)	(11%)

Water and Sewerage Fund – One of the major funds is the water and sewerage fund. The operating revenues increased 5% and operating expenses increased a little over 10%, resulting in a decrease in operating income from 2013 of approximately 15%.

Contractual Services increased $294,440 or 53%. The City had some additional maintenance costs and a decrease from the prior year in contractual costs that were capitalized.

Supplies increased $564,005, which represented 20%. This represents increased electricity costs, replacement of some pumps that did not qualify as fixed assets, other small equipment purchases, and repairs and maintenance costs.

Interfund Allocations increased $251,976 or 14% due to the Internal Service fund not being able to offer any reimbursement of unspent costs in the current year as they have in some prior years.

Electric Fund - The other major enterprise fund is the electric system fund. The charges for services for this fund have increased 7% or $2,572,078 over fiscal year 2013.

Supplies have increased by $1,496,609 or 5% from the prior year. This is due to the increased amount of power that must be purchased to satisfy demand.

Investment earnings increased by $108,626, which represented 97%.

Transfers out during fiscal year 2014 decreased by $393,689, which represents 17%.

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 $21,087,266. Of this year-end total, $4,532,672 is unassigned indicating availability for continuing City service requirements. There is $4,015,916 committed for working capital and contingencies. Legally restricted fund balances for program purposes are $2,611,200, restricted for capital projects is $5,467,387 and $4,114,093 was restricted for debt service. Amounts equal to prepaid assets of $345,998 are nonspendable for current expenditures.

The total ending fund balances of governmental funds show a decrease of $4,472,918 or 17% from the prior year. This decrease is due to the $7 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 increased by $1,176,737 in fiscal year 2014.

General fund revenue increased $118,749 or 1% from the prior year.

Total general fund expenditures decreased $764,535 when compared to the prior year, which represented 6%. Public Safety was the majority of this, with a decrease of $676,884 or 9%. This was primarily due to the purchase of a new police fleet in the prior year. Public works had a decrease of $189,568 or 7% due primarily to work done on the Streetscape III project in the prior year.

The general fund's unassigned and committed ending fund balance represents the equivalent of 72% of annual expenditures, as compared to 58% at June 30, 2013.

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 all bond proceeds have been expended. To be consistent, this was shown as a major fund again in 2014 since this year will close out all activity.

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 is zero since all bond proceeds have been expended or are in payables at year end.

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 and the 2003, School Bonds were paid off prematurely during fiscal years 2013 and 2014, 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 $206,093 more than the final budget and 102% of final budgeted revenues was met. Budget amendments increased General Fund revenues by $203,927 and accounted for additional licenses and permits, intergovernmental revenue and miscellaneous other items.

The City spent 96% of the final authorized budgeted expenditures. General government expenditures actual was $553,418 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 $211,457 were primarily to budget for capital expenditures, increased inmate costs and some repairs and maintenance work.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2014, the depreciable capital assets for governmental activities were 31% depreciated, while being 34% depreciated at fiscal 2013. For the City's business-type activities, 43% of the asset values were depreciated at June 30, 2014 versus 42% at June 30, 2013. 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, compensated absences, 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 does 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.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Calhoun, Georgia
Statement of Net Position
June 30, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Calhoun School District
Assets				
Current assets				
Cash	$ 14,871,873	$ 11,804,805	$ 26,676,678	$ 15,876,854
Restricted assets				
Cash	-	2,990,695	2,990,695	-
Investments	-	13,092,157	13,092,157	-
Receivables				
Property taxes	790,318	-	790,318	-
Franchise taxes	136,698	-	136,698	-
Other taxes	121,680	-	121,680	-
Accounts	21,750	1,751,892	1,773,642	-
Accrued revenue	-	4,361,246	4,361,246	-
Other	-	40,381	40,381	-
Fines	1,427,499	-	1,427,499	-
Intergovernmental	1,465,683	1,099,844	2,565,527	4,645,303
Deposits	-	46,495	46,495	-
Interest	1,518	-	1,518	-
Collections for others	4,127	-	4,127	-
Loans	312,865	-	312,865	-
Due from component unit	487,897	-	487,897	-
Due from primary government	-	-	-	798,042
Inventory	-	3,195,119	3,195,119	55,084
Prepaid items	345,998	154,027	500,025	-
Total Current Assets	19,987,906	38,536,661	58,524,567	21,375,283
Noncurrent assets				
Restricted assets				
Cash	-	772,020	772,020	-
Investments	-	10,662,298	10,662,298	-
Loans	1,571,936	-	1,571,936	-
Capital assets				
Nondepreciable	17,852,328	13,349,435	31,201,763	-
Depreciable, net	90,568,972	101,491,638	192,060,610	7,999,732
Noncurrent Assets	109,993,236	126,275,391	236,268,627	7,999,732
Total Assets	129,981,142	164,812,052	294,793,194	29,375,015
Deferred Outlfows of Resources				
Deferred bond refunding	-	120,343	120,343	-
Liabilities				
Current liabilities				
Accounts payable	275,267	3,502,033	3,777,300	478,863
Contractor bonds payable	-	38,468	38,468	2,999,965
Accrued payroll liabilities	677	202,911	203,588	3,402,502
Accrued expenses	364,140	76,130	440,270	-
Compensated absences payable	75,259	90,431	165,690	10,677
Claims payable	6,324	-	6,324	-
Internal balances	(3,022,111)	3,022,111	-	-
Due to component unit	798,042	-	798,042	-
Due to primary government	-	-	-	487,897
Accrued interest payable	527,777	22,456	550,233	-
Unearned revenue	-	204,786	204,786	-
Post-closure care payable	-	24,029	24,029	-
Notes payable	-	3,911,834	3,911,834	-
Revenue bonds payable	316,700	1,425,000	1,741,700	-
Capital leases payable	117,188	-	117,188	-
Payable from restricted assets	-	1,871,074	1,871,074	-
Total Current Liabilities	(540,737)	14,391,263	13,850,526	7,379,904
Long-term liabilities (net of current portion)				
Compensated absences payable	225,777	167,941	393,718	148,042
Claims payable	61,855	-	61,855	-
Post-closure care payable	-	24,510	24,510	-
General obligation bonds payable	33,726,512	-	33,726,512	-
Revenue bonds payable	1,035,800	8,405,000	9,440,800	-
Notes payable	-	6,861,259	6,861,259	-
Capital leases payable	21,028	-	21,028	-
Pension liability payable	423,578	195,617	619,195	-
Payable from restricted noncurrent assets	-	13,329,460	13,329,460	-
Total Long-term Liabilities	35,494,550	28,983,787	64,478,337	148,042
Total Liabilities	34,953,813	43,375,050	78,328,863	7,527,946
Deferred Inflows of Resources				
Unavailable revenues	19,414	-	19,414	-
Net Position				
Net investment in capital assets	73,836,731	94,358,323	168,195,054	4,999,767
Restricted for				
Debt service	4,114,093	-	4,114,093	-
Capital projects	4,834,728	-	4,834,728	-
Program purposes				
Education	565,774	-	565,774	506,984
Housing and development	2,387,190	-	2,387,190	-
Public safety	151,554	-	151,554	-
Culture and recreation	78,630	-	78,630	
Unrestricted	9,039,215	27,199,022	36,238,237	16,340,318
Total Net Position	$ 95,007,915	$ 121,557,345	$ 216,565,260	$ 21,847,069

See accompanying notes to the basic financial statement

City of Calhoun, Georgia
Statement of Activities
For the Fiscal Year Ended June 30, 2014

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	$ 856,056	$ 167,604	$ -	$ -	$ (688,452)	$ -	$ (688,452)	$ -
Judicial	521,890	-	-	-	(521,890)	-	(521,890)	-
Public safety	7,114,339	1,020,594	73,797	261,539	(5,758,409)	-	(5,758,409)	-
Public works	3,001,429	22,355	129,010	1,454,132	(1,395,932)	-	(1,395,932)	-
Health and welfare	63,915	-	-	-	(63,915)	-	(63,915)	-
Culture and recreation	1,617,603	226,206	523,008	706,238	(162,151)	-	(162,151)	-
Housing and economic dev.	982,464	221,330	572,606	-	(188,528)	-	(188,528)	-
Education	1,472,938	-	3,743,057	7,446,773	9,716,892	-	9,716,892	-
Interest	1,570,566	-	-	-	(1,570,566)	-	(1,570,566)	-
Total Governmental Activities	17,201,200	1,658,089	5,041,478	9,868,682	(632,951)	-	(632,951)	-
Business-Type Activities								
Electric system	34,051,138	38,156,073	-	-	-	4,104,935	4,104,935	-
Water and sewerage system	12,922,661	15,423,818	-	-	-	2,501,157	2,501,157	-
Fields ferry golf course	831,997	563,899	-	-	-	(268,098)	(268,098)	-
Telecommunications	914,958	1,059,358	81,246	-	-	225,646	225,646	-
Solid waste	678,349	715,741	-	-	-	37,392	37,392	-
Total Business-Type Activities	49,399,103	55,918,889	81,246	-	-	6,601,032	6,601,032	-
Total - Primary Government	$ 66,600,303	$ 57,576,978	$ 5,122,724	$ 9,868,682	(632,951)	6,601,032	5,968,081	-
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			1,724,301	-	1,724,301	12,463,445
		Sales taxes			2,420,660	-	2,420,660	2,901,241
		Franchise taxes			2,952,147	-	2,952,147	-
		Insurance premium taxes			807,289	-	807,289	-
		Gas marketers taxes			88,301	-	88,301	-
		Other taxes			932,803	-	932,803	-
		Unrestricted intergovernmental			34,624	-	34,624	-
		Gain on sale of capital assets			106,970	30,808	137,778	-
		Investment earnings			105,565	198,415	303,980	12,139
		Miscellaneous			32,622	468,577	501,199	13,554
		Total General Revenues			9,205,282	697,800	9,903,082	15,390,379
		Transfers			2,312,409	(2,312,409)	-	-
		Total General Revenues and Transfers			11,517,691	(1,614,609)	9,903,082	15,390,379
		Change in Net Position			10,884,740	4,986,423	15,871,163	4,507,684
		Net Position Beginning of Year			84,123,175	116,570,922	200,694,097	14,862,611
		Net Position End of Year			$ 95,007,915	$ 121,557,345	$ 216,565,260	$ 19,370,295

See accompanying notes to the basic financial statements

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FUND FINANCIAL STATEMENTS

City of Calhoun, Georgia
Balance Sheet
Governmental Funds
June 30, 2014
(With Comparative Totals at June 30, 2013)

	2014						2013
	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	$ 4,272,053	$ 3,630,776	$ -	$ 632,659	$ 6,336,385	$ 14,871,873	$ 22,349,684
Receivables							
Property taxes	73,715	-	-	-	716,603	790,318	866,897
Franchise taxes	136,698	-	-	-	-	136,698	115,033
Other taxes	36,525	-	-	-	85,155	121,680	64,430
Accounts	21,750	-	-	-	-	21,750	54,552
Fines	1,427,499	-	-	-	-	1,427,499	1,199,511
Intergovernmental	1,185,974	-	-	-	279,709	1,465,683	1,367,960
Interest	-	-	-	-	1,518	1,518	2,543
Collections for others	-	-	-	-	4,127	4,127	2,366
Interfund	3,723,416	-	-	-	10,671	3,734,087	3,616,445
Loans	-	-	-	-	312,865	312,865	258,189
Loans- noncurrent	-	-	-	-	1,571,936	1,571,936	818,336
Component unit	4,580	483,317	-	-	-	487,897	261,324
Prepaid items	330,824	-	-	-	15,174	345,998	374,718
Total Assets	$ 11,213,034	$ 4,114,093	$ -	$ 632,659	$ 9,334,143	$ 25,293,929	$ 31,351,988
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	$ 63,990	$ -	$ -	$ -	$ 211,277	$ 275,267	$ 372,727
Accrued payroll liabilities	677	-	-	-	-	677	2,236
Accrued expenditures	268,194	-	-	-	95,946	364,140	302,649
Due to component unit	-	-	-	632,659	165,383	798,042	1,894,687
Interfund payable	219,329	-	-	-	191,588	410,917	462,556
Advances payable	301,059	-	-	-	-	301,059	536,768
Total Liabilities	853,249	-	-	632,659	664,194	2,150,102	3,571,623
Deferred Inflows of Resources							
Unavailable revenue	1,471,373	-	-	-	585,188	2,056,561	2,220,181
Total Liabilities and Deferred Inflows of Resources	2,324,622	-	-	632,659	1,249,382	4,206,663	5,791,804
Fund Balances							
Nonspendable							
Prepaid items	330,824	-	-	-	15,174	345,998	374,718
Restricted							
Debt service	-	4,114,093	-	-	-	4,114,093	2,668,962
Capital projects	-	-	-	-	5,467,387	5,467,387	13,100,956
Program purposes							
Housing and development	-	-	-	-	2,387,190	2,387,190	1,862,113
Public safety	-	-	-	-	151,554	151,554	190,913
Culture and recreation	-	-	-	-	72,456	72,456	19,299
Committed							
Working capital/contingencies, *as restated*	4,015,916	-	-	-	-	4,015,916	4,048,759
Unassigned, reported in							
General fund, *as restated*	4,541,672	-	-	-	-	4,541,672	3,294,464
Special revenue funds	-	-	-	-	(9,000)	(9,000)	-
Total Fund Balances	8,888,412	4,114,093	-	-	8,084,761	21,087,266	25,560,184
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 11,213,034	$ 4,114,093	$ -	$ 632,659	$ 9,334,143	$ 25,293,929	$ 31,351,988

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, 2014

Total Governmental Fund Balances			$ 21,087,266
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	$ 148,284,183		
Less accumulated depreciation	(39,862,883)		108,421,300
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
Property taxes	628,742		
Cemetery lot sales	15,177		
Fines	1,393,228		2,037,147
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	(48,314)		
Interfund payables	48,314		-
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	(35,079,012)		
Capital leases	(138,216)		
Pension	(423,578)		
Claims	(68,179)		
Compensated absences	(301,036)		
Accrued interest	(527,777)		(36,537,798)
Net Position Of Governmental Activities			$ 95,007,915

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, 2014
(With Comparative Totals For the Year Ended June 30, 2013)

	2014						2013
	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	$ 1,769,078	$ -	$ -	$ -	$ -	$ 1,769,078	$ 1,557,412
Sales	2,420,660	-	-	-	-	2,420,660	2,363,077
Other	4,308,695	-	-	-	471,845	4,780,540	4,529,959
Intergovernmental	531,127	3,737,639	-	-	3,211,880	7,480,646	6,035,392
Licenses and permits	372,340	-	-	-	-	372,340	220,735
Charges for services	245,192	-	-	-	226,206	471,398	459,274
Fines and forfeitures	575,739	-	-	-	24,007	599,746	717,800
Contributions	309	-	-	-	-	309	381,032
Investment earnings	3,658	3,772	-	1,646	39,297	48,373	63,295
Miscellaneous	3,947	-	-	-	28,675	32,622	29,994
Total Revenues	10,230,745	3,741,411	-	1,646	4,001,910	17,975,712	16,357,970
Expenditures							
Current							
General government	872,008	-	-	-	-	872,008	852,445
Judicial	531,784	-	-	-	-	531,784	447,648
Public safety	6,829,857	-	-	-	60,997	6,890,854	7,634,758
Public works	2,433,774	-	-	-	-	2,433,774	2,623,342
Health and welfare	63,113	-	-	-	-	63,113	61,103
Culture and recreation	286,744	-	-	-	930,777	1,217,521	1,274,917
Housing and economic development	621,319	-	-	-	356,834	978,153	915,059
Capital Outlay	-	-	-	7,477,055	1,607,093	9,084,148	18,216,169
Debt Service							
Principal retirement	167,676	800,000	-	-	307,300	1,274,976	10,339,080
Interest and fiscal charges	8,237	1,496,280	-	-	64,156	1,568,673	1,596,305
Bond issuance costs	-	-	-	-	-	-	198,778
Total Expenditures	11,814,512	2,296,280	-	7,477,055	3,327,157	24,915,004	44,159,604
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,583,767)	1,445,131	-	(7,475,409)	674,753	(6,939,292)	(27,801,634)
Other Financing Sources (Uses)							
Sale of capital assets	141,023	-	-	-	8,302	149,325	75,028
Insurance reimbursement	4,640	-	-	-	-	4,640	11,600
Issuance of debt	-	-	-	-	-	-	12,000,000
Premium on bond issuance	-	-	-	-	-	-	924,239
Transfers in	3,286,544	-	-	-	1,219,918	4,506,462	3,859,103
Transfers out	(671,703)	-	-	-	(1,522,350)	(2,194,053)	(1,407,003)
Total Other Financing Sources (Uses)	2,760,504	-	-	-	(294,130)	2,466,374	15,462,967
Net Change in Fund Balances	1,176,737	1,445,131	-	(7,475,409)	380,623	(4,472,918)	(12,338,667)
Fund Balances Beginning of Year	7,711,675	2,668,962	-	7,475,409	7,704,138	25,560,184	37,898,851
Fund Balances End of Year	$ 8,888,412	$ 4,114,093	$ -	$ -	$ 8,084,761	$ 21,087,266	$ 25,560,184

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, 2014

Net Changes In Fund Balances - Total Governmental Funds			$ (4,472,918)
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	$ (3,069,974)	
	Capital outlay	9,465,401	6,395,427
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.			7,446,773
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.			(46,995)
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 @ 6/30/14	628,742	
	Deferred @ 6/30/13	(673,517)	(44,775)
	Cemetery lot sales:		
	Deferred @ 6/30/14	15,177	
	Deferred @ 6/30/13	(15,177)	-
	Fines:		
	Deferred @ 6/30/14	1,393,228	
	Deferred @ 6/30/13	(1,178,623)	214,605
Elimination of transfers between governmental funds, including net effect of transfers recorded for capital assets moved between governmental and enterprise funds.			
	Transfers in	(1,534,533)	
	Transfers out	1,534,533	-
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of activities.			1,274,977
Amortization of bond premiums/discounts are reported on the government-wide statement of activities but not reported on the fund financial reporting level.			63,222
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 @ 6/30/14	(527,777)	
	Liability @ 6/30/13	536,908	9,131
	Compensated absences		
	Liability @ 6/30/14	(301,036)	
	Liability @ 6/30/13	287,030	(14,006)
	Claims		
	Liability @ 6/30/14	(68,179)	
	Liability @ 6/30/13	74,259	6,080
	Pension liability		
	Liability @ 6/30/14	(423,578)	
	Liability @ 6/30/13	476,797	53,219
Change In Net Position of Governmental Activities			$ 10,884,740

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, 2014

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Property taxes	$ 1,472,150	$ 1,472,150	$ 1,769,078	$ 296,928
Sales taxes	2,443,641	2,443,641	2,420,660	(22,981)
Other taxes	4,285,971	4,308,010	4,308,695	685
Intergovernmental	502,802	589,690	531,127	(58,563)
Licenses and permits	205,100	289,714	372,340	82,626
Charges for services	387,131	395,039	245,192	(149,847)
Fines and forfeitures	515,880	518,358	575,739	57,381
Contributions	-	-	309	309
Investment earnings	4,500	4,500	3,658	(842)
Miscellaneous	3,550	3,550	3,947	397
Total Revenues	9,820,725	10,024,652	10,230,745	206,093
Expenditures				
General government	1,169,435	1,169,435	872,008	297,427
Judicial	524,176	562,054	531,784	30,270
Public safety				
Police	3,737,608	3,745,606	3,683,470	62,136
Fire	3,289,007	3,322,300	3,322,300	-
Public works	2,395,743	2,520,255	2,433,774	86,481
Health and welfare	69,401	69,401	63,113	6,288
Culture and recreation	359,286	359,532	286,744	72,788
Housing and economic development	611,817	619,347	621,319	(1,972)
Total Expenditures	12,156,473	12,367,930	11,814,512	553,418
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,335,748)	(2,343,278)	(1,583,767)	759,511
Other Financing Sources (Uses)				
Sale of capital assets	102,500	102,500	141,023	38,523
Insurance reimbursement	-	-	4,640	4,640
Transfers in	3,003,978	3,011,508	3,286,544	275,036
Transfers out	(770,730)	(770,730)	(671,703)	99,027
Total Other Financing Sources (Uses)	2,335,748	2,343,278	2,760,504	417,226
Net Change in Fund Balances	$ -	$ -	1,176,737	$ 1,176,737
Fund Balances Beginning of Year			7,711,675	
Fund Balances End of Year			$ 8,888,412	

See accompanying notes to the basic financial statements.

City of Calhoun, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013	2014
	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	$ 6,777,027	$ 1,086,543	$ 1,001,138	$ 8,864,708	$ 7,879,910	$ 2,940,097
Restricted Assets						
Cash	1,021,028	1,969,667	-	2,990,695	2,761,728	-
Investments	13,092,157	-	-	13,092,157	9,680,087	-
Receivables						
Accounts	706,076	947,276	98,540	1,751,892	1,440,392	-
Accrued revenue	3,201,791	1,054,746	104,709	4,361,246	4,185,351	-
Intergovernmental	787,138	312,706	-	1,099,844	695,253	-
Interfund	33,098	114,349	1,227	148,674	222,244	215,037
Other	37,915	-	2,378	40,293	116,961	88
Advances	468,598	-	-	468,598	505,895	-
Deposits	46,495	-	-	46,495	49,098	-
Inventory	1,956,406	945,092	293,621	3,195,119	2,854,889	-
Prepaid items	16,212	50,856	7,813	74,881	123,550	79,146
Total Current Assets	28,143,941	6,481,235	1,509,426	36,134,602	30,515,358	3,234,368
Noncurrent assets						
Restricted assets						
Cash	-	772,020	-	772,020	725,155	-
Investments	10,662,298	-	-	10,662,298	9,564,442	-
Advances receivable	1,963,420	-	-	1,963,420	2,432,016	-
Capital Assets						
Nondepreciable	181,044	12,098,512	1,042,902	13,322,458	13,238,498	26,977
Depreciable, net	15,336,158	82,019,175	2,708,399	100,063,732	98,774,580	1,427,906
Total Noncurrent Assets	28,142,920	94,889,707	3,751,301	126,783,928	124,734,691	1,454,883
Total Assets	56,286,861	101,370,942	5,260,727	162,918,530	155,250,049	4,689,251
Deferred Outflows of Resources						
Deferred bond refunding	-	120,343	-	120,343	140,682	-
Liabilities						
Current liabilities						
Accounts payable	3,050,073	380,473	58,484	3,489,030	3,640,809	13,003
Contractor bonds payable	-	38,468	-	38,468	38,728	-
Accrued payroll liabilities	33	111,156	16,506	127,695	120,415	75,216
Accrued expenses	46,449	-	29,681	76,130	66,243	-
Accrued interest payable	-	22,456	-	22,456	22,566	-
Interfund payable	100	-	583,885	583,985	462,628	3,102,896
Post-closure care payable	-	-	24,029	24,029	23,558	-
Compensated absences payable	15,367	41,685	9,573	66,625	68,572	23,806
Unearned revenue	-	-	6,786	6,786	45,108	198,000
Advances payable	-	31,686	126,481	158,167	198,551	72,352
Notes payable	-	3,859,647	-	3,859,647	1,775,153	52,187
Revenue bonds payable	-	1,425,000	-	1,425,000	1,405,000	-
Payable From Restricted Assets:						
Accrued interest payable	-	16,327	-	16,327	18,625	-
Customer deposits and interest	1,021,028	833,719	-	1,854,747	1,756,842	-
Total Current Liabilities	4,133,050	6,760,617	855,425	11,749,092	9,642,798	3,537,460
Long-term liabilities						
Compensated absences payable	28,539	77,414	17,777	123,730	127,352	44,211
Pension liability	-	195,617	-	195,617	221,735	-
Post-closure care payable (net of current portion)	-	-	24,510	24,510	48,539	-
Notes payable (net of current portion)	-	6,861,259	-	6,861,259	7,364,065	-
Revenue bonds payable (net of current portion)	-	8,405,000	-	8,405,000	9,830,000	-
Advances payable (net of current portion)	-	302,513	845,397	1,147,910	1,306,077	752,530
Payable From Restricted Assets:						
Regulatory liability	13,329,460	-	-	13,329,460	10,473,365	-
Total Long-Term Liabilities	13,357,999	15,841,803	887,684	30,087,486	29,371,133	796,741
Total Liabilities	17,491,049	22,602,420	1,743,109	41,836,578	39,013,931	4,334,201
Net Position						
Net investment in capital assets	15,517,202	73,687,124	3,751,301	92,955,627	91,779,542	1,402,696
Unrestricted (deficit)	23,278,610	5,201,741	(233,683)	28,246,668	24,597,258	(1,047,646)
Total Net Position	$ 38,795,812	$ 78,888,865	$ 3,517,618	$ 121,202,295	$ 116,376,800	$ 355,050
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				355,050		
Net Position of Business-type Activities				$ 121,557,345		
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		$ (1,108)		$ -
		Interfund payables		-		1,108
				$ (1,108)		$ 1,108
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		$ (2,130,959)		$ -
		Advances payable		1,306,077		824,882
				$ (824,882)		$ 824,882

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, 2014
(With Comparative Totals For the Year Ended June 30, 2013)

	2014				2013 *as restated*	2014
	Business-type Activities - Enterprise Funds					Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds	Total	Total	Internal Service Fund
Operating Revenues						
Charges for services	$ 38,156,073	$ 15,423,818	$ 2,338,533	$ 55,918,424	$ 52,523,695	$ 2,871,148
Miscellaneous	307,052	85,580	34,133	426,765	342,723	41,812
Total Operating Revenues	38,463,125	15,509,398	2,372,666	56,345,189	52,866,418	2,912,960
Operating Expenses						
Personal services	1,097,801	3,193,727	809,549	5,101,077	5,150,713	2,052,749
Contractual services	1,560,906	851,089	827,505	3,239,500	2,986,465	411,993
Supplies	30,089,063	3,360,486	221,861	33,671,410	31,681,603	149,382
Interfund allocations	442,293	1,996,345	185,376	2,624,014	2,351,935	33,352
Depreciation	848,605	3,112,213	285,144	4,245,962	4,032,459	59,249
Amortization	-	20,340	-	20,340	31,480	-
Other	661	3,055	-	3,716	37,484	-
Total Operating Expenses	34,039,329	12,537,255	2,329,435	48,906,019	46,272,139	2,706,725
Operating Income (Loss)	4,423,796	2,972,143	43,231	7,439,170	6,594,279	206,235
Non-Operating Revenues (Expenses)						
Change in estimated landfill closure costs	-	-	(3,942)	(3,942)	(3,404)	-
Bond issuance charges	-	(39,541)	-	(39,541)	(59,015)	-
Interest and fiscal charges	-	(513,400)	(10,216)	(523,616)	(677,026)	(8,697)
Investment earnings	220,715	7,327	1,001	229,043	126,290	180
Intergovernmental revenue	-	-	81,246	81,246	84,020	-
Intergovernmental expenses	-	-	(81,246)	(81,246)	(84,020)	-
Gain (loss) on disposition of capital assets	-	-	-	-	40,042	-
Total Non-Operating Revenues (Expenses)	220,715	(545,614)	(13,157)	(338,056)	(573,113)	(8,517)
Income (Loss) Before Contributions and Transfers	4,644,511	2,426,529	30,074	7,101,114	6,021,166	197,718
Capital Contributions	-	-	-	-	371,021	-
Transfers in	858	484,775	206,028	691,661	1,129,047	2,810
Transfers out	(1,883,973)	(1,083,307)	-	(2,967,280)	(3,351,452)	(39,600)
Total Contributions and Transfers	(1,883,115)	(598,532)	206,028	(2,275,619)	(1,851,384)	(36,790)
Change in Net Position	2,761,396	1,827,997	236,102	4,825,495	4,169,782	160,928
Net Position Beginning of Year	36,034,416	77,060,868	3,281,516	116,376,800	112,207,018	194,122
Net Position End of Year	$ 38,795,812	$ 78,888,865	$ 3,517,618	$ 121,202,295	$ 116,376,800	$ 355,050

Reconciliation of the fund level operating statements to the government wide statement of activities.	
Change in net assets	$ 4,825,495
Internal service fund charges (credits) to enterprise funds, resulting in changes in operating expenses.	164,423
Miscellaneous revenue	41,812
Interest revenue	180
Interest expense	(8,697)
Transfers in	2,810
Transfers out	(39,600)
Change in Net position of business-type activities	$ 4,986,423

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, 2014
(With Comparative Totals For the Year Ended June 30, 2013)

	2014				2013 *as restated*	2014
	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	$ 36,578,229	$ 14,732,712	$ 2,031,136	$ 53,342,077	$ 50,488,755	$ -
Cash received from other	-	-	-	-	-	41,812
Cash received from interfund services provided	1,639,978	326,973	314,366	2,281,317	2,192,985	2,903,529
Other cash receipts	-	-	129,485	129,485	173,826	-
Cash payments for personal services	(1,102,170)	(3,186,367)	(812,346)	(5,100,883)	(5,077,438)	(2,031,291)
Cash payments for goods and services	(31,559,765)	(3,243,557)	(1,043,272)	(35,846,594)	(32,425,803)	(489,811)
Cash payments for interfund services used	(507,325)	(3,339,727)	(223,946)	(4,070,998)	(3,944,398)	(211,721)
Other cash payments	3,053	(3,315)	-	(262)	(41,369)	-
Payments for (reduction in) pension liability	-	(26,118)	-	(26,118)	(24,076)	-
Net Cash Provided by (Used in) Operating Activities	5,052,000	5,260,601	395,423	10,708,024	11,342,482	212,518
Cash Flows from Noncapital Financing Activities						
Intergovernmental revenues	-	-	81,246	81,246	-	-
Intergovernmental expense	-	-	(81,246)	(81,246)	-	-
Transfers in	858	484,775	206,028	691,661	1,129,047	2,810
Transfers out	(1,883,973)	(1,083,307)	-	(2,967,280)	(3,351,452)	(39,600)
Advances to other funds	-	-	-	-	(862,644)	-
Payments received on advances	505,893	-	-	505,893	457,265	-
Net Cash Provided by (Used in) Noncapital Financing Activities	(1,377,222)	(598,532)	206,028	(1,769,726)	(2,627,784)	(36,790)
Cash Flows from Capital and Related Financing Activities						
Proceeds from debt	-	2,107,871	-	2,107,871	541,909	52,187
Proceeds from issuance of bonds	-	-	-	-	6,645,000	-
Advances from other funds	-	-	-	-	77,220	-
Payments for landfill post-closure costs	-	-	(27,499)	(27,499)	(26,500)	-
Principal paid on revenue bonds	-	(1,405,000)	-	(1,405,000)	(4,855,000)	-
Interest paid on revenue bonds	-	(226,605)	-	(226,605)	(338,545)	-
Bond issuance charges	-	(39,541)	-	(39,541)	(59,015)	-
Principal paid on notes and leases	-	(526,183)	-	(526,183)	(4,753,442)	-
Interest paid on notes and leases	-	(283,257)	-	(283,257)	(312,123)	-
Payments for capital acquisitions and construction	(1,275,332)	(4,091,548)	(253,087)	(5,619,967)	(5,111,452)	(166,536)
Intergovernmental revenues	-	-	-	-	341,033	-
Principal paid on advance	-	(31,371)	(167,180)	(198,551)	(137,682)	(71,633)
Interest paid on advance	-	(3,538)	(10,216)	(13,754)	(21,310)	(8,697)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(1,275,332)	(4,499,172)	(457,982)	(6,232,486)	(8,009,907)	(194,679)
Cash Flows from Investing Activities						
Purchase of investments	(1,674,225)	-	-	(1,674,225)	(1,183,494)	-
Investment earnings	220,715	7,327	1,001	229,043	126,290	180
Net Cash Provided by (Used in) Investing Activities	(1,453,510)	7,327	1,001	(1,445,182)	(1,057,204)	180
Net Increase (Decrease) in Cash	945,936	170,224	144,470	1,260,630	(352,413)	(18,771)
Cash Beginning of Year, *as restated*	6,852,119	3,658,006	856,668	11,366,793	11,719,206	2,958,868
Cash End of Year	$ 7,798,055	$ 3,828,230	$ 1,001,138	$ 12,627,423	$ 11,366,793	$ 2,940,097

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, 2014
(With Comparative Totals For the Year Ended June 30, 2013)

(continued)

	2014				2013	2014
	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)	$ 4,423,796	$ 2,972,143	$ 43,231	$ 7,439,170	$ 6,594,279	$ 206,235
Adjustments						
Depreciation	848,605	3,112,213	285,144	4,245,962	4,032,459	59,249
Amortization	-	20,340	-	20,340	30,142	-
(Increase) Decrease in Assets						
Accounts receivable and accrued revenues	(197,166)	(506,088)	(20,179)	(723,433)	(335,217)	286
Inventories	(70,812)	(225,051)	(44,367)	(340,230)	482,374	-
Interfund receivables	(10,302)	70,703	13,169	73,570	(191,466)	32,095
Intergovernmental receivable	(91,885)	-	-	(91,885)	(58,315)	-
Deposits	2,603	-	-	2,603	(3,524)	-
Prepaid expenses	3,714	45,643	(688)	48,669	(40,047)	(12,361)
Increase (Decrease) in Liabilities						
Accounts payable and accrued liabilities	114,414	(266,919)	10,353	(142,152)	399,428	(36,703)
Pension liability	-	(26,118)	-	(26,118)	-	-
Accrued payroll liabilities	(4,369)	7,360	(2,797)	194	73,274	21,458
Deposits payable	41,530	56,375	-	97,905	207,023	-
Interfund payable	(8,128)	-	129,485	121,357	171,216	(57,741)
Unearned revenue	-	-	(17,928)	(17,928)	4,932	-
Net Cash Provided by (Used in) Operating Activities	$ 5,052,000	$ 5,260,601	$ 395,423	$ 10,708,024	$ 11,366,558	$ 212,518

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Comparative Statements of Fiduciary Net Position
Fiduciary Funds
June 30, 2014 and 2013

	Municipal Court Agency Fund		Cemetery Trust Fund	
	2014	**2013**	**2014**	**2013**
Assets				
Cash	$ 18,598	$ 18,217	$ 200,357	$ 169,707
Investments	-	-	922,763	920,143
Total Assets	$ 18,598	$ 18,217	$ 1,123,120	$ 1,089,850
Liabilities and Net Position				
Liabilities				
Due to others	$ 18,598	$ 18,217	$ -	$ -
Net Position				
Assets held in trust for cemetery perpetual care	-	-	1,123,120	1,089,850
Liabilities and Net Position	$ 18,598	$ 18,217	$ 1,123,120	$ 1,089,850

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, 2014 and 2013

	Pension Trust Fund		Cemetery Trust Fund	
	2014	**2013**	**2014**	**2013**
Additions				
Employer contributions	$ 97,456	$ 97,456	$ -	$ -
Cemetery lot sales- trust portion	-	-	33,500	25,350
Investment income	-	-	3,270	7,563
Total Additions	97,456	97,456	36,770	32,913
Deductions				
Benefits	97,456	97,456	-	-
Administrative expenses	-	-	3,500	4,121
Total Deductions	97,456	97,456	3,500	4,121
Change in Net Position	-	-	33,270	28,792
Net Position Beginning of Year	-	-	1,089,850	1,061,058
Net Position End of Year	$ -	$ -	$ 1,123,120	$ 1,089,850

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, 2014

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

Note 1 - Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The 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. It is shown as a major fund for the year ended June 30, 2014 for consistency.

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 assets and liabilities 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, 2014. The delinquent taxes receivable account represents past years of uncollected tax levies. The allowance for estimated uncollectibles is estimated at .72% of the tax digests for fiscal years ended June 30, 2008-2014, 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 position, 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 position, 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, 2014, 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 position 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 position and in the enterprise funds' statement of net position. 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. See Note 3-E for further information on capitalized infrastructure. 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. The expense resulting from the amortization of these assets is included with depreciation expense.

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 resolution of the City Council. A resolution is adopted by Council 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 2014 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, 2014, the carrying amount of the City's deposits, not including cash on hand, was $30,652,287 and the related bank balances totaled $29,517,357. All bank balances were covered by Federal Depository Insurance or by collateral held by the City's agent.

Cash on hand at June 30, 2014 was $6,061.

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, 2014, the City's investments included $23,754,455 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	$ 14,871,873	$ -
Proprietary Fund Type Statement of Net Position	11,804,805	-
Proprietary Fund Type Statement of Net Position - Restricted	3,762,715	23,754,455
Fiduciary Fund Type Statement of Net Position	218,955	-
Total	$ 30,658,348	$ 23,754,455

3-B. Receivables

Receivables at June 30, 2014, 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, 2014, the amount of allowance for uncollectibles was $908,485.

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 17, 2013. Property taxes were billed on September 29, 2013 and were payable on December 20, 2013. The lien date was July 25, 2014.

3-D. Restricted Assets

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

Cash		
Construction bonds	$	38,468
Utility deposits of customers		1,854,748
Water and sewerage debt service		1,869,499
Total Cash		3,762,715
Investments		
Electric Fund- Flexible Trust account- MEAG		13,092,157
Electric Fund- Generation Trust account- MEAG		10,662,298
Total Investments		23,754,455
Total Restricted Assets	$	27,517,170

3-E. Capital Assets

Capital asset activity for the year ended June 30, 2014, was as follows:

	Balance 6/30/2013	Additions	Deductions	Balance 6/30/2014
Governmental activities				
Capital assets not being depreciated				
Land	$ 16,650,622	$ -	$ -	$ 16,650,622
Construction in progress	4,618,295	883,821	4,300,410	1,201,706
Total capital assets not being depreciated	21,268,917	883,821	4,300,410	17,852,328
Depreciable capital assets				
Buildings	69,822,554	16,390,865	-	86,213,419
Improvements other than buildings	9,086,424	2,789,234	-	11,875,658
Machinery and equipment	7,466,079	565,947	540,127	7,491,899
Infrastructure	24,268,160	582,719	-	24,850,879
Total depreciable capital assets	110,643,217	20,328,765	540,127	130,431,855
Total capital assets	131,912,134	21,212,586	4,840,537	148,284,183
Accumulated depreciation				
Buildings	15,091,486	1,560,177	-	16,651,663
Improvements other than buildings	4,072,206	395,539	-	4,467,745
Machinery and equipment	5,439,332	431,248	493,132	5,377,448
Infrastructure	12,683,017	683,010	-	13,366,027
Total accumulated depreciation	37,286,041	3,069,974	493,132	39,862,883
Governmental activities capital assets, net	$ 94,626,093	$ 18,142,612	$ 4,347,405	$ 108,421,300

Governmental activities depreciation expense

General government	$ 17,679
Judicial	5,573
Public safety	347,898
Public works	825,288
Culture and recreation	394,846
Housing and development	5,752
Education	1,472,938
Total governmental activities depreciation expense	$ 3,069,974

Construction in progress for governmental activities at June 30, 2014 includes the following:

Project Description	Project Authorized	Expended to June 30, 2014	Future Financing
School expansion	$ 250,000	$ 231,476	$ 18,524
Streetscape phase IV	400,000	47,843	352,157
Peters Street	2,000,000	39,700	1,960,300
Library	1,035,000	882,687	152,313
Total	$ 3,685,000	$ 1,201,706	$ 2,483,294

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

	Balance 7/1/2013	Additions	Deductions	Balance 6/30/2014
Business-type activities				
Nondepreciable capital assets				
Land	$ 7,389,307	$ -	$ -	$ 7,389,307
Intangibles	46,424	-	-	46,424
Construction in progress	5,829,744	3,027,941	2,943,981	5,913,704
Total nondepreciable capital assets	13,265,475	3,027,941	2,943,981	13,349,435
Depreciable capital assets				
Buildings, plant and tanks	39,992,973	50,977	-	40,043,950
Improvements other than buildings	5,496,794	65,054	-	5,561,848
Machinery and equipment	22,677,965	1,155,204	57,331	23,775,838
Utility systems	104,886,816	4,564,688	-	109,451,504
Total depreciable assets	173,054,548	5,835,923	57,331	178,833,140
Total capital assets	186,320,023	8,863,864	3,001,312	192,182,575
Accumulated depreciation				
Buildings, plant and tanks	19,275,693	807,041	-	20,082,734
Improvements other than buildings	3,732,065	127,446	-	3,859,511
Machinery and equipment	13,756,586	1,213,907	57,331	14,913,162
Utility systems	36,195,005	2,291,090	-	38,486,095
Total accumulated depreciation	72,959,349	4,439,484	57,331	77,341,502
Business-type activities capital assets, net	$ 113,360,674	$ 4,424,380	$ 2,943,981	$ 114,841,073

Construction in progress for business-type activities at June 30, 2014 includes the following:

Project Description	Project Budget	Expended to June 30, 2014	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	4,183,537	3,746,044	437,493
Mauldin Rd. Water Plant Improvements	3,512,400	119,762	3,392,638
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	334,300	30,127	304,173
I75 @ Union Grove Rd.	33,120	32,329	791
Streetscape Phase IV	595,000	536	594,464
Calhoun High Electric	70,029	29,745	40,284
Lighting projects	66,090	51,660	14,430
Red Bud/I-75 Intersection	1,481,875	1,171,051	310,824
Screw pump	150,000	119,542	30,458
Bar screens	207,250	197,250	10,000
Two Clarifiers	360,000	350,761	9,239
Other	1,000	767	233
Total	$ 12,719,441	$ 5,913,704	$ 6,805,737

3-F. Interfund Balances and Transfers

Interfund Balances - Interfund balances at June 30, 2014, 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	$ -	$ 37,643	$ 100	$ 583,885	$ 3,101,788	$ 3,723,416
Nonmajor governmental funds	164	10,507	-	-	-	10,671
Water & sewerage system fund	3,005	111,344	-	-	-	114,349
Electric fund	1,004	32,094		-	-	33,098
Nonmajor enterprise funds	119	-	-	-	1,108	1,227
Internal service fund	215,037	-	-	-	-	215,037
Total	$ 219,329	$ 191,588	$ 100	$ 583,885	$ 3,102,896	$ 4,097,798

Long-term Balances - The electric system fund originally advanced the telecommunications fund resources to start this fund. As of June 30, 2014, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
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	113,194	4,702	117,896
2020-2023	399,326	7,374	406,700
	$ 954,158	$ 42,021	$ 996,179

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, 2014, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
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	32,977	1,932	34,909
2020-2024	172,557	4,627	177,184
	$ 334,199	$ 17,530	$ 351,729

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, 2014, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
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	75,301	5,029	80,330
2020-2024	387,995	13,655	401,650
2025	67,791	359	68,150
Total	$ 824,882	$ 46,568	$ 871,450

During fiscal year 2013, the electric system fund advanced the golf fund resources to install new greens and covers. As of June 30, 2014, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2015	$ 17,720	$ 32	$ 17,752

During fiscal year 2013, the electric system fund advanced the general fund resources to purchase a fleet of police cars. As of June 30, 2014, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2015	$ 238,079	$ 1,921	$ 240,000
2016	62,980	108	63,088
Total	$ 301,059	$ 2,029	$ 303,088

Changes in the City's long-term advances from the electric fund consisted of the following for the year ended June 30, 2014:

Advances to:	Outstanding 6/30/2013	Additions	Reductions	Outstanding 6/30/2014	Amounts Due in One Year
Telecommunications fund	$ 1,061,838	$ -	$ 107,680	$ 954,158	$ 108,761
Water and sewerage fund	365,570	-	31,371	334,199	31,686
Internal service fund	896,515	-	71,633	824,882	72,352
Golf fund	77,220	-	59,500	17,720	17,720
General fund	536,768	-	235,709	301,059	238,079
Total Advances	$ 2,937,911	$ -	$ 505,893	$ 2,432,018	$ 468,598

Interfund Transfers – The following interfund transfers were made in fiscal year 2014:

	Transfers out					
	General fund	Nonmajor governmental funds	Electric system fund	Water & sewerage fund	Internal service fund	Total
Transfers in						
General fund	$ 9,396	$ 305,219	$ 1,855,394	$ 1,076,935	$ 39,600	$ 3,286,544
Nonmajor governmental funds	661,161	558,757	-	-	-	1,219,918
Electric system	-	-	858	-	-	858
Water & sewerage	-	458,718	26,057	-	-	484,775
Nonmajor enterprise funds	-	199,656	-	6,372	-	206,028
Internal service fund	1,146	-	1,664	-	-	2,810
Total	$ 671,703	$ 1,522,350	$ 1,883,973	$ 1,083,307	$ 39,600	$ 5,200,933

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. 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 two 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, 2014 are as follows:

Fiscal Year	Principal	Interest	Total
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	$ 1,352,500	$ 115,592	$ 1,468,092

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, 2014 are as follows:

Fiscal Year	Principal	Interest	Total
2015	$ -	$ 1,482,675	$ 1,482,675
2016	-	1,482,675	1,482,675
2017	-	1,482,675	1,482,675
2018	-	1,482,675	1,482,675
2019	-	1,482,675	1,482,675
2020-2024	9,995,000	6,954,378	16,949,378
2025-2029	14,905,000	2,751,890	17,656,890
2030-2033	8,100,000	653,900	8,753,900
Total	$ 33,000,000	$ 17,773,543	$ 50,773,543

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, 2014 are as follows:

Fiscal Year	Principal	Interest	Total
2015	$ 117,188	$ 2,546	$ 119,734
2016	21,028	158	21,186
Total	$ 138,216	$ 2,704	$ 140,920

The assets acquired through these capital leases are as follows:

Asset	Governmental Activities
Machinery and equipment	$ 1,087,605
Less: accumulated depreciation	(569,400)
Total	$ 518,205

Expense resulting from amortization of these leases is included with depreciation expense.

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, 2014 are as follows:

Fiscal Year	Principal	Interest	Total
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
2019	290,000	8,321	298,321
2020-2022	140,000	2,709	142,709
Total	$ 4,010,000	$ 217,399	$ 4,227,399

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, 2014 are as follows:

Fiscal Year	Principal	Interest	Total
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	580,000	37,388	617,388
2020-2024	2,610,000	191,776	2,801,776
2025-2026	405,000	10,608	415,608
Total	$ 5,820,000	$ 655,772	$ 6,475,772

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

Fiscal Year	Principal	Interest	Total
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	870,000	45,709	915,709
2020-2024	2,750,000	194,485	2,944,485
2025-2026	405,000	10,608	415,608
	$ 9,830,000	$ 873,171	$ 10,703,171

Notes Payable-The City has obtained loans from the State Revolving Loan Fund for various water and sewer improvements, renovations and expansion and a note payable for a software upgrade. Interest of $30,581 has been capitalized, which represents the total amount of construction interest incurred during this period. Details of the various loans and note are as follows:

% Rate	Monthly Payment	Payments Began	Date of Obligation	Original Amount	Maturity Date	Balance 6/30/2013	Additions	Reductions	Balance 6/30/2014
State Revolving Loan Fund									
3.00%	19,215	1/1/2004	5/28/2002	3,259,841	8/1/2024	$ 2,186,087	$ -	$ 167,298	$ 2,018,789
3.00%	11,835	5/1/2009	2/6/2003	2,133,992	4/1/2029	1,788,261	-	89,574	1,698,687
3.00%	N/A	N/A	N/A	2,770,000	N/A	1,248,500	1,086,588	-	2,335,088
4.00%	19,018	11/1/1993	1/13/1992	3,140,186	8/1/2013	37,793	-	37,793	-
3.00%	86,322	6/1/2007	2/28/2007	5,178,828	3/1/2027	3,878,577	-	231,518	3,647,059
1.40%	N/A	N/A	N/A	N/A	N/A	-	359,960	-	359,960
1.21%	N/A	N/A	N/A	N/A	N/A	-	661,323	-	661,323
Note Payable									
0.00%	3,479	10/31/2013	9/30/2013	83,500	8/31/2015	-	83,500	31,313	52,187
TOTAL						$ 9,139,218	$ 2,191,371	$ 557,496	$ 10,773,093

The following shows the required debt service for future years for notes payable:

Fiscal Year	Principal	Interest	Total
2015	$ 3,911,834	$ 214,654	$ 4,126,488
2016	518,457	199,450	717,907
2017	534,371	183,535	717,906
2018	550,525	167,381	717,906
2019	567,250	150,656	717,906
2020-2024	3,105,441	484,090	3,589,531
2025-2029	1,585,215	89,710	1,674,925
	$ 10,773,093	$ 1,489,476	$ 12,262,569

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
2015	$ 24,029	$ 971	$ 25,000
2016	24,510	490	25,000
	$ 48,539	$ 1,461	$ 50,000

Changes in Long-term Debt - Changes in the City's long-term obligations consisted of the following for the year ended June 30, 2014:

Governmental Activities	Outstanding 6/30/2013	Additions	Reductions	Outstanding 6/30/2014	Amounts Due in One Year
Revenue bonds	$ 1,659,800	$ -	$ 307,300	$ 1,352,500	$ 316,700
General obligation school bonds	33,800,000	-	800,000	33,000,000	-
Capital leases	305,893	-	167,677	138,216	117,188
Claims	74,259	-	6,080	68,179	6,324
Compensated absences	287,030	301,036	287,030	301,036	75,259
Pension liability	476,797	-	53,219	423,578	-
Total Governmental Activities	$ 36,603,779	$ 301,036	$ 1,621,306	35,283,509	515,471
Plus Deferred Bond Related Items				726,512	-
Net Governmental Activities				$ 36,010,021	$ 515,471
Business-Type Activities					
Revenue bonds	$ 11,235,000	$ -	$ 1,405,000	$ 9,830,000	$ 1,425,000
Notes payable	9,139,218	2,191,371	557,496	10,773,093	3,911,834
Estimated landfill closure costs	72,097	-	23,558	48,539	24,029
Compensated absences	254,894	258,372	254,894	258,372	90,431
Pension liability	221,735	-	26,118	195,617	-
Total Business-Type Activities	$ 20,922,944	$ 2,449,743	$ 2,267,066	$ 21,105,621	$ 5,451,294

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. The General Fund is typically used to liquidate the net pension obligation of the governmental funds. The City has no other postemployment benefit obligation.

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 2014, the City's annual pension cost of $688,424 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
3/1/2009	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%
1/1/2013	6,556,534	7,664,617	85.54%	1,108,083	9,820,672	11.28%
1/1/2014	7,590,652	8,488,592	89.42%	897,940	10,145,965	8.85%

Schedule of Employer Contributions

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed	Annual Pension Cost	Percentage Contributed
1/1/2012	742,653	100%	731,077	100%
1/1/2013	713,034	100%	718,885	100%
1/1/2014	722,131	100%	688,424	100%

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

Retirees and beneficiaries receiving benefits	47
Terminated plan members entitled to, but not yet receiving benefits	43
Active plan members	263
Total	353

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, 2014
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
2014	$ 18,118	$ 97,456	538%	$ 619,195
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

The pension costs for fiscal year ended June 30, 2014 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, 2014 is as follows:

Net pension obligation, beginning of year	$ 698,533
Annual pension cost	
Annual required contribution (ARC)	(7,873)
Interest on net pension obligation	25,991
Pension costs	18,118
Adjustment to the ARC	-
Employer contributions	(97,456)
Increase (decrease) in net pension obligation	(79,338)
Net pension obligation, end of year	$ 619,195

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
6/30/2009	-	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	0.0%	656,015	-	-
6/30/2014	-	627,413	0.0%	627,413	-	-

The following are the actuarial assumptions used in this plan:

Actuarial valuation date	6/30/2014
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, 2014 is as follows:

Net Invetment in Captial Assets:	Governmental Activities	Business Type Activities
Cost of capital assets	$ 148,284,183	$ 192,182,575
Less accumulated depreciation	39,862,883	77,341,502
Book value	108,421,300	114,841,073
Less capital related debt, net of deferred refunding amounts, bond premiums and discounts	(35,217,228)	(20,482,750)
Add debt proceeds unspent at fiscal year end	632,659	-
Net investment in capital assets	$ 73,836,731	$ 94,358,323

3-K. Deficit Fund Balances

The deficit fund balance of the hotel/motel fund of $9,000 was the result of the requirement to classify fund balance as nonspendable for prepaid items. The deficit fund balance will be eliminated during the subsequent fiscal year as prepaid items are recognized.

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, 2014. 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 $30,572,907 net of off-system sales which reduced costs. Rebates of $989,339 are reflected in the net power purchases of $29,583,568.

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, 2014, the balance in this account was $6,767,426. The intermediate flexible operating trust account has a balance of $1,342,179 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, 2014, the balance in this account was $4,982,552 for a total of $13,092,157 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, 2014, was $3,644 and $8,108,146, 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, 2014 is $10,662,299. 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 $15,812 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, 2014, were $112,147. 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 2014 were $148,806. 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 an 8% Hotel/Motel tax in accordance with OCGA 48-13-51. Amounts levied in excess of 3% (62.5% of the taxes levied) are expended for the purpose of promoting tourism in accordance with OCGA 48-13-50 (b).

		Tax Rate	% of Receipts		Total
Lodging Tax Receipts					$ 471,845
Disbursements					
Gordon County Chamber of Commerce	Tourism	3.5%	43.8%	$ 205,645	
Gordon County Industrial Development Authority	Economic Development	2%	25%	117,511	
Downtown Development Authority	Economic Development	0.5%	6.3%	29,378	
Calhoun Recreation Department	Tourism	1%	12.5%	58,756	
City of Calhoun	Tourism	0.5%	6.3%	29,378	
City of Calhoun	Economic Development	0.5%	6.3%	29,377	
GMA Administration				1,800	(471,845)
		8%	100%		$ -

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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, 2014 and 2013

	2014	2013
Assets		
Cash	$ 4,272,053	$ 3,488,086
Receivables (net)		
Property taxes	73,715	63,925
Franchise taxes	136,698	115,033
Other taxes	36,525	33,339
Accounts	21,750	54,552
Fines	1,427,499	1,199,511
Intergovernmental		
Federal	-	3,895
State	1,064,231	1,009,687
County	76,639	58,730
Authorities	45,104	63,163
Interfund	3,723,416	3,614,257
Component unit	4,580	39,900
Prepaid items	330,824	368,452
Total Assets	$ 11,213,034	$ 10,112,530
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	$ 63,990	$ 91,136
Accrued payroll liabilities	677	2,236
Accrued expenditures	268,194	252,913
Interfund payable	219,329	274,206
Advances payable	301,059	536,768
Total Liabilities	853,249	1,157,259
Deferred Inflows of Resources		
Unavailable revenue	1,471,373	1,243,596
Total Liabilities and Deferred Inflows of Resources	2,324,622	2,400,855
Fund Balances		
Nonspendable		
Prepaid items	330,824	368,452
Committed		
Working capital/contingencies, *as restated*	4,015,916	4,048,759
Unassigned, *as restated*	4,541,672	3,294,464
Total Fund Balances	8,888,412	7,711,675
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 11,213,034	$ 10,112,530

City of Calhoun, Georgia
General Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Property taxes	$ 1,769,078	$ 1,557,412
Sales taxes	2,420,660	2,363,077
Other taxes	4,308,695	4,210,265
Intergovernmental	531,127	647,567
Licenses and permits	372,340	220,735
Charges for services	245,192	221,924
Fines and forfeitures	575,739	499,594
Contributions	309	381,032
Investment earnings	3,658	4,496
Miscellaneous	3,947	5,894
Total Revenues	10,230,745	10,111,996
Expenditures		
Current		
General government	872,008	852,445
Judicial	531,784	447,648
Public safety	6,829,857	7,506,741
Public works	2,433,774	2,623,342
Health and welfare	63,113	61,103
Culture and recreation	286,744	326,308
Housing and economic development	621,319	585,547
Debt Service		
Principal retirement	167,676	161,780
Interest and fiscal charges	8,237	14,133
Total Expenditures	11,814,512	12,579,047
(Deficiency) of Revenues (Under) Expenditures	(1,583,767)	(2,467,051)
Other Financing Sources (Uses)		
Sale of capital assets	141,023	69,996
Insurance reimbursement	4,640	11,600
Transfers in	3,286,544	3,160,205
Transfers out	(671,703)	(833,288)
Total Other Financing Sources	2,760,504	2,408,513
Net Change in Fund Balances	1,176,737	(58,538)
Fund Balances Beginning of Year	7,711,675	7,770,213
Fund Balances End of Year	$ 8,888,412	$ 7,711,675

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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 school complex completed in fiscal 2013, funded from a $21 million bond issuance.

2012 School Bond Capital Project Fund - records the construction of the new school complex , funded from a $12 million bond issuance.

City of Calhoun, Georgia
School Bond Debt Service Fund
Comparative Balance Sheets
June 30, 2014 and 2013

	2014	2013
Assets		
Cash	$ 3,630,776	$ 2,447,538
Due from component unit	483,317	221,424
Total Assets	$ 4,114,093	$ 2,668,962
Fund Balances		
Restricted for debt service	$ 4,114,093	$ 2,668,962

City of Calhoun, Georgia
School Bonds Debt Service Fund
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Intergovernmental	$ 3,737,639	$ 3,904,673
Investment earnings	3,772	6,685
Total Revenues	3,741,411	3,911,358
Expenditures		
Debt Service		
Principal retirement	800,000	9,885,000
Interest and fiscal charges	1,496,280	1,505,545
Total Expenditures	2,296,280	11,390,545
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,445,131	(7,479,187)
Other Financing Sources		
Transfers in	-	18,448
Net Change in Fund Balances	1,445,131	(7,460,739)
Fund Balances Beginning of Year	2,668,962	10,129,701
Fund Balances End of Year	$ 4,114,093	$ 2,668,962

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, 2014 and 2013
(With Comparative Totals at June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 3,841,464	$ 3,841,464	$ 3,737,639	$ (103,825)	$ 3,904,673
Investment earnings	1,000	1,000	3,772	2,772	6,685
Total Revenues	3,842,464	3,842,464	3,741,411	(101,053)	3,911,358
Expenditures					
Debt Service					
Principal	800,000	800,000	800,000	-	9,885,000
Interest	1,496,675	1,496,675	1,496,280	395	1,505,545
Total Expenditures	2,296,675	2,296,675	2,296,280	395	11,390,545
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,545,789	1,545,789	1,445,131	(100,658)	(7,479,187)
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	18,448
Transfer to fund balance	(1,545,789)	(1,545,789)	-	1,545,789	-
Total Other Financing Sources (Uses)	(1,545,789)	(1,545,789)	-	1,545,789	18,448
Net Change in Fund Balances	$ -	$ -	1,445,131	$ 1,445,131	(7,460,739)
Fund Balances Beginning of Year			2,668,962		10,129,701
Fund Balances End of Year			$ 4,114,093		$ 2,668,962

City of Calhoun, Georgia
2011 School Bonds Capital Project Fund
Comparative Balance Sheets
June 30, 2014 and 2013

	2014	2013
Assets		
Cash	$ -	$ -
Fund Balances		
Restricted for capital projects	$ -	$ -

City of Calhoun, Georgia
2011 School Bonds Capital Project Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Investment earnings	$ -	$ 4,424
Expenditures		
Capital Outlay		
Education	-	11,696,057
Net Change in Fund Balances	-	(11,691,633)
Fund Balances Beginning of Year	-	11,691,633
Fund Balances End of Year	$ -	$ -

City of Calhoun, Georgia
2012 School Bonds Capital Project Fund
Comparative Balance Sheets
June 30, 2014 and 2013

	2014	2013
Assets		
Cash	$ 632,659	$ 9,243,173
Liabilities and Fund Balances		
Liabilities		
Due to component unit	$ 632,659	$ 1,767,764
Fund Balances		
Restricted for capital projects	-	7,475,409
Total Liabilities and Fund Balances	$ 632,659	$ 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 Year Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Investment earnings	$ 1,646	$ 6,540
Expenditures		
Capital Outlay		
Education	7,477,055	5,256,592
Debt Service		
Bond issuance costs	-	198,778
Total Expenditures	7,477,055	5,455,370
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,475,409)	(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)	7,475,409
Fund Balances Beginning of Year	7,475,409	-
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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	Nonmajor Special Revenue Funds	Nonmajor Revenue Bonds Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds	Total Nonmajor Governmental Funds
Assets					
Cash	$ 856,914	$ -	$ 5,479,471	$ 6,336,385	$ 7,170,887
Receivables					
Property taxes	716,603	-	-	716,603	802,972
Other taxes	85,155	-	-	85,155	31,091
Intergovernmental	-	-	279,709	279,709	232,485
Interest	1,518	-	-	1,518	2,543
Loans	312,865	-	-	312,865	258,189
Loans- noncurrent	1,571,936	-	-	1,571,936	818,336
Collections for others	4,127	-	-	4,127	2,366
Interfund	10,671	-	-	10,671	2,188
Prepaid items	15,174	-	-	15,174	6,266
Total Assets	$ 3,574,963	$ -	$ 5,759,180	$ 9,334,143	$ 9,327,323
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	$ 83,464	$ -	$ 127,813	$ 211,277	$ 281,591
Accrued expenditures	95,946	-	-	95,946	49,736
Due to component unit	165,383	-	-	165,383	126,923
Interfund payable	27,608	-	163,980	191,588	188,350
Total Liabilities	372,401	-	291,793	664,194	646,600
Deferred Inflows of Resources					
Unavailable revenue	585,188	-	-	585,188	976,585
Total Liabilities and Deferred Inflows of Resources	957,589	-	291,793	1,249,382	1,623,185
Fund Balances					
Nonspendable					
Prepaid items	15,174	-	-	15,174	6,266
Restricted					
Capital projects	-	-	5,467,387	5,467,387	5,625,547
Program purposes					
Housing and development	2,387,190	-	-	2,387,190	1,862,113
Public safety	151,554	-	-	151,554	190,913
Culture and recreation	72,456	-	-	72,456	19,299
Unassigned (deficits), reported in					
Special revenue funds	(9,000)	-	-	(9,000)	-
Total Fund Balances	2,617,374	-	5,467,387	8,084,761	7,704,138
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 3,574,963	$ -	$ 5,759,180	$ 9,334,143	$ 9,327,323

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, 2014 and 2013
(With Comparative Totals For the Year Ended June 30, 2013)

	2014				2013
	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	$ 471,845	$ -	$ -	$ 471,845	$ 319,694
Intergovernmental	880,499	-	2,331,381	3,211,880	1,483,152
Charges for services	226,206	-	-	226,206	237,350
Fines and forfeitures	24,007	-	-	24,007	218,206
Investment earnings	27,660	-	11,637	39,297	41,150
Miscellaneous	28,675	-	-	28,675	24,100
Total Revenues	1,658,892	-	2,343,018	4,001,910	2,323,652
Expenditures					
Current					
Public safety	60,997	-	-	60,997	128,017
Culture and recreation	930,777	-	-	930,777	948,609
Housing and economic development	356,834	-	-	356,834	329,512
Capital Outlay	-	-	1,607,093	1,607,093	1,263,520
Debt Service					
Principal retirement	-	307,300	-	307,300	292,300
Interest and fiscal charges	-	64,156	-	64,156	76,627
Total Expenditures	1,348,608	371,456	1,607,093	3,327,157	3,038,585
Excess (Deficiency) of Revenues Over (Under) Expenditures	310,284	(371,456)	735,925	674,753	(714,933)
Other Financing Sources (Uses)					
Sale of capital assets	8,302	-	-	8,302	5,032
Transfers in	848,462	371,456	-	1,219,918	680,450
Transfers out	(628,265)	-	(894,085)	(1,522,350)	(573,715)
Total Other Financing Sources (Uses)	228,499	371,456	(894,085)	(294,130)	111,767
Net Change in Fund Balances	538,783	-	(158,160)	380,623	(603,166)
Fund Balances Beginning of Year	2,078,591	-	5,625,547	7,704,138	8,307,304
Fund Balances End of Year	$ 2,617,374	$ -	$ 5,467,387	$ 8,084,761	$ 7,704,138

City of Calhoun, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014
(With Comparative Totals at June 30, 2013)

	2014								2013
	Urban Development Action Grant	Home Investment Partnership	Confiscated Assets	Hotel/Motel Tax	School Tax	Recreation	Cherokee Mill Loft Apts.	Total Nonmajor Special Revenue Funds	Total Nonmajor Special Revenue Funds
Assets									
Cash	$ 520,285	$ -	$ 225,547	$ -	$ 15,831	$ 91,338	$ 3,913	$ 856,914	$ 1,230,658
Receivables									
Property taxes	-	-	-	-	716,603	-	-	716,603	802,972
Other taxes	-	-	-	85,155	-	-	-	85,155	31,091
Interest	1,518	-	-	-	-	-	-	1,518	2,543
Loans	293,451	19,414	-	-	-	-	-	312,865	258,189
Loans- noncurrent	1,571,936	-	-	-	-	-	-	1,571,936	818,336
Collections for others	-	-	-	4,127	-	-	-	4,127	2,366
Interfund	-	-	-	164	-	10,507	-	10,671	2,188
Prepaid items	-	-	-	9,000	-	6,174	-	15,174	6,266
Total Assets	$ 2,387,190	$ 19,414	$ 225,547	$ 98,446	$ 732,434	$ 108,019	$ 3,913	$ 3,574,963	$ 3,154,609
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities									
Accounts payable	$ -	$ -	$ 72,793	$ -	$ 1,277	$ 9,394	$ -	$ 83,464	$ 255,313
Accrued expenditures	-	-	-	72,038	-	19,995	3,913	95,946	49,736
Due to component unit	-	-	-	-	165,383	-	-	165,383	126,923
Interfund payable	-	-	1,200	26,408	-	-	-	27,608	909
Total Liabilities	-	-	73,993	98,446	166,660	29,389	3,913	372,401	432,881
Deferred Inflows of Resources									
Unavailable revenue	-	19,414	-	-	565,774	-	-	585,188	643,137
Total Liabilities and Deferred Inflows of Resources	-	19,414	73,993	98,446	732,434	29,389	3,913	957,589	1,076,018
Fund Balances									
Nonspendable									
Prepaid items	-	-	-	9,000	-	6,174	-	15,174	6,266
Restricted for program purposes									
Program purposes									
Housing and development	2,387,190	-	-	-	-	-	-	2,387,190	1,862,113
Public safety	-	-	151,554	-	-	-	-	151,554	190,913
Culture and recreation	-	-	-	-	-	72,456	-	72,456	19,299
Unassigned (deficits)	-	-	-	(9,000)	-	-	-	(9,000)	-
Total Fund Balances	2,387,190	-	151,554	-	-	78,630	-	2,617,374	2,078,591
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 2,387,190	$ 19,414	$ 225,547	$ 98,446	$ 732,434	$ 108,019	$ 3,913	$ 3,574,963	$ 3,154,609

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, 2014
(With Comparative Totals For the Year Ended June 30, 2013)

	2014								2013
	Urban Development Action Grant	Home Investment Partnership	Confiscated Assets	Hotel/Motel Tax	School Tax	Recreation	Cherokee Mill Loft Apts.	Total Nonmajor Special Revenue Funds	Total Nonmajor Special Revenue Funds
Revenues									
Hotel/motel taxes	$ -	$ -	$ -	$ 471,845	$ -	$ -	$ -	$ 471,845	$ 319,694
Intergovernmental	-	-	-	-	-	380,499	500,000	880,499	369,576
Charges for services	-	-	-	-	-	226,206	-	226,206	237,350
Fines and forfeitures	-	-	24,007	-	-	-	-	24,007	218,206
Investment earnings	27,660	-	-	-	-	-	-	27,660	24,264
Miscellaneous	-	-	-	-	-	28,675	-	28,675	24,100
Total Revenues	27,660	-	24,007	471,845	-	635,380	500,000	1,658,892	1,193,190
Expenditures									
Current									
Public safety	-	-	60,997	-	-	-	-	60,997	128,017
Culture and recreation	-	-	-	-	-	930,777	-	930,777	948,609
Housing and economic development	2,500	-	-	354,334	-	-	-	356,834	329,512
Total Expenditures	2,500	-	60,997	354,334	-	930,777	-	1,348,608	1,406,138
Excess (Deficiency) of Revenues Over (Under) Expenditures	25,160	-	(36,990)	117,511	-	(295,397)	500,000	310,284	(212,948)
Other Financing Sources (Uses)									
Sale of capital assets	-	-	8,302	-	-	-	-	8,302	5,032
Transfers in	500,000	-	-	-	-	348,462	-	848,462	311,523
Transfers out	-	-	(10,671)	(117,511)	-	-	(500,083)	(628,265)	(7,720)
Total Other Financing Sources (Uses)	500,000	-	(2,369)	(117,511)	-	348,462	(500,083)	228,499	308,835
Net Change in Fund Balances	525,160	-	(39,359)	-	-	53,065	(83)	538,783	95,887
Fund Balances Beginning of Year	1,862,030	-	190,913	-	-	25,565	83	2,078,591	1,982,704
Fund Balances End of Year	$ 2,387,190	$ -	$ 151,554	$ -	$ -	$ 78,630	$ -	$ 2,617,374	$ 2,078,591

City of Calhoun, Georgia
Urban Development Action Grant Fund
Comparative Balance Sheets
June 30, 2014 and 2013

	2014	2013
Assets		
Cash	$ 520,285	$ 803,233
Receivables (net)		
Loans	293,451	238,775
Interest	1,518	2,543
Loans - noncurrent	1,571,936	818,336
Total Assets	$ 2,387,190	$ 1,862,887
Liabilities		
Accounts payable	$ -	$ 857
Fund Balances		
Restricted for housing	2,387,190	1,862,030
Total Liabilties and Fund Balances	$ 2,387,190	$ 1,862,887

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, 2014 and 2013

	2014	2013
Revenues		
Investment earnings	$ 27,660	$ 24,232
Expenditures		
Current		
Housing and economic development	2,500	2,514
Excess of Revenues Over Expenditures	25,160	21,718
Other Financing Sources (Uses)		
Transfer in	500,000	-
Net Change in Fund Balances	525,160	21,718
Fund Balances Beginning of Year	1,862,030	1,840,312
Fund Balances End of Year	$ 2,387,190	$ 1,862,030

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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	$ 24,090	$ 24,090	$ 27,660	$ 3,570	$ 24,232
Expenditures					
Current					
Housing and economic development	2,600	2,600	2,500	100	2,514
Excess of Revenues Over Expenditures	21,490	21,490	25,160	3,670	21,718
Other Financing Sources (Uses)					
Transfer in	-	-	500,000	500,000	-
Transfer to fund balance	(21,490)	(21,490)	-	21,490	-
	(21,490)	(21,490)	500,000	521,490	-
Net Change in Fund Balances	$ -	$ -	525,160	$ 525,160	21,718
Fund Balances Beginning of Year			1,862,030		1,840,312
Fund Balances End of Year			$ 2,387,190		$ 1,862,030

City of Calhoun, Georgia
Home Investment Partnership Act Fund
Comparative Balance Sheets
June 30, 2014 and 2013

	2014	2013
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, 2014 and 2013

	2014	2013
Revenues		
Investment earnings	$ -	$ -
Expenditures		
Current		
Housing and economic development	-	-
Excess of Revenues Over 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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	$ -	$ -	$ -	$ -	$ -
Expenditures					
Current					
Housing and economic development	-	-	-	-	-
Excess of Revenues Over Expnditures	-	-	-	-	-
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, 2014 and 2013

	2014	2013
Assets		
Cash	$ 225,547	$ 271,924
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 72,793	$ 80,102
Interfund payable	1,200	909
Total Liabilities	73,993	81,011
Fund Balances		
Restricted for public safety - police	151,554	190,913
Total Liabilities and Fund Balances	$ 225,547	$ 271,924

City of Calhoun, Georgia
Confiscated Assets Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Fines and forfeitures	$ 24,007	$ 218,206
Investment earnings	-	32
Total Revenues	24,007	218,238
Expenditures		
Current		
Public safety	60,997	128,017
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36,990)	90,221
Other Financing Sources (Uses)		
Sale of assets	8,302	5,032
Transfers out	(10,671)	(7,720)
Total Other Financing Sources (Uses)	(2,369)	(2,688)
Net Change in Fund Balances	(39,359)	87,533
Fund Balances Beginning of Year	190,913	103,380
Fund Balances End of Year	$ 151,554	$ 190,913

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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Fines and forfeitures	$ 1,500	$ 24,007	$ 24,007	$ -	$ 218,206
Vendor's compensation	50	50	-	(50)	-
Investment earnings	50	50	-	(50)	32
Total Revenues	1,600	24,107	24,007	(100)	218,238
Expenditures					
Current					
Public safety	6,600	60,998	60,997	1	128,017
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,000)	(36,891)	(36,990)	(99)	90,221
Other Financing Sources (Uses)					
Sale of capital assets	5,000	8,302	8,302	-	5,032
Appropriation of fund balance	-	39,260	-	(39,260)	-
Transfers out	-	(10,671)	(10,671)	-	(7,720)
Total Other Financing Sources (Uses)	5,000	36,891	(2,369)	(39,260)	(2,688)
Net Change in Fund Balances	$ -	$ -	(39,359)	$ (39,359)	87,533
Fund Balances Beginning of Year			190,913		103,380
Fund Balances End of Year			$ 151,554		$ 190,913

City of Calhoun, Georgia
Hotel/Motel Tax Fund
Comparative Balance Sheets
June 30, 2014 and 2013

	2014	2013
Assets		
Cash	$ -	$ 414
Hotel/motel taxes receivable	85,155	31,091
Collections for others	4,127	2,366
Interfunds	164	-
Prepaid items	9,000	-
Total Assets	$ 98,446	$ 33,871
Liabilities and Fund Balances		
Liabilities		
Accrued expenditures	$ 72,038	$ 33,871
Interfunds	26,408	-
Total Liabilities	98,446	33,871
Fund Balances		
Nonspendable		
Prepaid items	9,000	-
Unassigned (deficits)	(9,000)	-
Total Fund Balances	-	-
Total Liabilities and Fund Balances	$ 98,446	$ 33,871

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, 2014 and 2013

	2014	2013
Revenues		
Hotel/motel taxes	$ 471,845	$ 319,694
Expenditures		
Current		
Housing and economic development	354,334	319,694
Excess of Revenues Over Expenditures	117,511	-
Other Financing Sources (Uses)		
Transfers out	(117,511)	-
Net Change in Fund Balances	-	-
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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Hotel/motel taxes	$ 452,000	$ 471,845	$ 471,845	$ -	$ 319,694
Expenditures					
Current					
Housing and economic development	452,000	471,845	354,334	117,511	319,694
Excess of Revenues Over Expenditures	-	-	117,511	117,511	-
Other Financing Sources (Uses)					
Transfers out	-	-	(117,511)	(117,511)	-
Net Change in Fund Balances	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Calhoun, Georgia
School Tax Fund
Comparative Balance Sheets
June 30, 2014 and 2013

	2014	2013
Assets		
Cash	$ 15,831	$ 113,575
Property taxes receivable	716,603	802,972
Total Assets	$ 732,434	$ 916,547
Liabilities and Deferred Inflows of Resources		
Liabilities		
Accounts payable	$ 1,277	$ 165,901
Due to component unit	165,383	126,923
Total Liabilities	166,660	292,824
Deferred Inflows of Resources		
Unavailable revenues	565,774	623,723
Total Liabilities and Deferred Inflows of Resources	$ 732,434	$ 916,547

City of Calhoun, Georgia
School Tax Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Property taxes	$ -	$ -
Expenditures		
Current		
Education	-	-
Excess of Revenues Over Expenditures	-	-
Fund Balances Beginning of Year	-	-
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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Property taxes	$ -	$ -	$ -	$ -	$ -
Expenditures					
Current					
Education	-	-	-	-	-
Excess of Revenues Over Expenditures	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Calhoun, Georgia
Recreation Fund
Comparative Balance Sheets
June 30, 2014 and 2013

	2014	2013
Assets		
Cash	$ 91,338	$ 41,429
Interfund	10,507	2,188
Prepaid items	6,174	6,266
Total Assets	$ 108,019	$ 49,883
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 9,394	$ 8,453
Accrued expenditures	19,995	15,865
Total Liabilities	29,389	24,318
Fund Balances		
Nonspendable		
Prepaid items	6,174	6,266
Restricted		
Culture and recreation	72,456	19,299
Total Fund Balances	78,630	25,565
Total Liabilities and Fund Balances	$ 108,019	$ 49,883

City of Calhoun, Georgia
Recreation Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Intergovernmental	$ 380,499	$ 369,576
Charges for services	226,206	237,350
Miscellaneous	28,675	24,100
Total Revenues	635,380	631,026
Expenditures		
Current		
Culture and recreation	930,777	948,609
(Deficiency) of Revenues (Under) Expenditures	(295,397)	(317,583)
Other Financing Sources		
Transfers in	348,462	304,136
Net Change in Fund Balances	53,065	(13,447)
Fund Balances Beginning of Year	25,565	39,012
Fund Balances End of Year	$ 78,630	$ 25,565

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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 380,663	$ 380,663	$ 380,499	$ (164)	$ 369,576
Charges for services	217,450	217,450	226,206	8,756	237,350
Miscellaneous	16,900	16,900	28,675	11,775	24,100
Total Revenues	615,013	615,013	635,380	20,367	631,026
Expenditures					
Current					
Culture and recreation	1,004,287	1,004,287	930,777	73,510	948,609
Excess (Deficiency) of Revenues Over (Under) Expenditures	(389,274)	(389,274)	(295,397)	93,877	(317,583)
Other Financing Sources					
Transfers in	389,274	389,274	348,462	(40,812)	304,136
Net Change in Fund Balances	$ -	$ -	53,065	53,065	(13,447)
Fund Balances Beginning of Year			25,565		39,012
Fund Balances End of Year			$ 78,630		$ 25,565

City of Calhoun, Georgia
Cherokee Mill Loft Apts.
Comparative Balance Sheets
June 30, 2014 and 2013

	2014	2013
Assets		
Cash	$ 3,913	$ 83
Liabilities and Fund Balances		
Liabilities		
Accrued expenditures	$ 3,913	$ -
Fund Balances		
Restricted for housing and economic development	-	83
Total Liabilities and Fund Balances	$ 3,913	$ 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, 2014 and 2013

	2014	2013
Revenues		
Intergovernmental grants	$ 500,000	$ -
Expenditures		
Current		
Housing and economic development	-	7,304
Excess (Deficiency) of Revenues Over (Under) Expenditures	500,000	(7,304)
Other Financing Sources (Uses)		
Transfers in	-	7,387
Transfers out	(500,083)	-
Net Change in Fund Balances	(83)	83
Fund Balances Beginning of Year	83	-
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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental grants	$ -	$ 500,000	$ 500,000	$ -	$ -
Expenditures					
Current					
Housing and economic development	-	-	-	-	7,304
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	500,000	500,000	(7,304)
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	7,387
Transfers out	-	(500,000)	(500,083)	(83)	
Net Change in Fund Balances	$ -	$ -	(83)	$ (83)	83
Fund Balances Beginning of Year			83		-
Fund Balances End of Year			$ -		$ 83

City of Calhoun, Georgia
Revenue Bonds Debt Service Fund
Comparative Balance Sheets
June 30, 2014 and 2013

	2014	2013
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, 2014 and 2013

	2014	2013
Revenues		
Investment earnings	$ -	$ -
Expenditures		
Debt Service		
Principal retirement	307,300	292,300
Interest and fiscal charges	64,156	76,627
Total Expenditures	371,456	368,927
Excess (Deficiency) of Revenues Over (Under) Expenditures	(371,456)	(368,927)
Other Financing Sources		
Transfers in	371,456	368,927
Net Change in Fund Balances	-	-
Fund Balances Beginning of Year	-	-
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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	$ -	$ -	$ -	$ -	$ -
Expenditures					
Debt Service					
Principal	307,300	307,300	307,300	-	292,300
Interest and fiscal charges	64,156	64,156	64,156	-	76,627
Total Expenditures	371,456	371,456	371,456	-	368,927
Excess (Deficiency) of Revenues Over (Under) Expenditures	(371,456)	(371,456)	(371,456)	-	(368,927)
Other Financing Sources					
Transfers in	371,456	371,456	371,456	-	368,927
Net Change in Fund Balances	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Calhoun, Georgia
Nonmajor Capital Project Funds
Combining Balance Sheet
June 30, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	2005 SPLOST	School SPLOST	2011 SPLOST	Total Nonmajor Capital Projects Funds	Total Nonmajor Capital Projects Funds
Assets					
Cash	$ 4,641,627	$ -	$ 837,844	$ 5,479,471	$ 5,940,229
Receivables:					
Intergovernmental	-	-	279,709	279,709	232,485
Total Assets	$ 4,641,627	$ -	$ 1,117,553	$ 5,759,180	$ 6,172,714
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities and Deferred Inflows of Resources					
Accounts payable	$ -	$ -	$ 127,813	$ 127,813	$ 26,278
Interfund payable	105,085	-	58,895	163,980	187,441
Total Liabilities	105,085	-	186,708	291,793	213,719
Deferred Inflows of Resources					
Unavailable revenue	-	-	-	-	333,448
Total Liabilities and Deferred Inflows of Resources	105,085	-	186,708	291,793	547,167
Fund Balances					
Restricted for capital projects	4,536,542	-	930,845	5,467,387	5,625,547
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 4,641,627	$ -	$ 1,117,553	$ 5,759,180	$ 6,172,714

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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	2005 SPLOST	School SPLOST	2011 SPLOST	Total Nonmajor Capital Projects Funds	Total Nonmajor Capital Projects Funds
Revenues					
Intergovernmental	$ -	$ -	$ 2,331,381	$ 2,331,381	$ 1,113,576
Investment earnings	11,382	-	255	11,637	16,886
Total Revenues	11,382	-	2,331,636	2,343,018	1,130,462
Expenditures					
Capital Outlay					
Public safety	9,745	-	35,602	45,347	947,211
Public works	-	-	715,616	715,616	44,165
Culture and recreation	-	-	846,130	846,130	272,144
Total Expenditures	9,745	-	1,597,348	1,607,093	1,263,520
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,637	-	734,288	735,925	(133,058)
Other Financing Sources (Uses)					
Transfers out	(458,718)	-	(435,367)	(894,085)	(565,995)
Total Other Financing Sources (Uses)	(458,718)	-	(435,367)	(894,085)	(565,995)
Net Change in Fund Balances	(457,081)	-	298,921	(158,160)	(699,053)
Fund Balances Beginning of Year	4,993,623	-	631,924	5,625,547	6,324,600
Fund Balances End of Year	$ 4,536,542	$ -	$ 930,845	$ 5,467,387	$ 5,625,547

City of Calhoun, Georgia
2005 SPLOST Fund
Comparative Balance Sheets
June 30, 2014 and 2013

	2014	2013
Assets		
Cash	$ 4,641,627	$ 5,170,303
Liabilities and Fund Balances		
Liabilities		
Interfund payable	$ 105,085	$ 176,680
Fund Balances		
Restricted for capital projects	4,536,542	4,993,623
Total Liabilities and Fund Balances	$ 4,641,627	$ 5,170,303

City of Calhoun, Georgia
2005 SPLOST Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Investment earnings	$ 11,382	$ 16,773
Total Revenues	11,382	16,773
Expenditures		
Capital Outlay		
Public safety	9,745	877,797
Total Expenditures	9,745	877,797
Excess of Revenues Over Expenditures	1,637	(861,024)
Other Financing Sources (Uses)		
Transfers out	(458,718)	(298,891)
Total Other Financing Sources (Uses)	(458,718)	(298,891)
Net Change in Fund Balances	(457,081)	(1,159,915)
Fund Balances Beginning of Year	4,993,623	6,153,538
Fund Balances End of Year	$ 4,536,542	$ 4,993,623

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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	$ 10,000	$ 11,382	$ 11,382	$ -	$ 16,773
Total Revenues	10,000	11,382	11,382	-	16,773
Expenditures					
Capital Outlay					
Public safety	-	9,745	9,745	-	877,797
Total Expenditures	-	9,745	9,745	-	877,797
Excess of Revenues Over (Under) Expenditures	10,000	1,637	1,637	-	(861,024)
Other Financing Sources and Uses					
Transfers out	-	(458,718)	(458,718)	-	(298,891)
Appropriations of fund balance	-	467,081	-	(467,081)	
Additions to fund balance	(10,000)	(10,000)	-	10,000	-
Total Other Financing Sources and Uses	(10,000)	(1,637)	(458,718)	(457,081)	(298,891)
Net Change in Fund Balances	$ -	$ -	(457,081)	$ (457,081)	(1,159,915)
Fund Balances Beginning of Year			4,993,623		6,153,538
Fund Balances End of Year			$ 4,536,542		$ 4,993,623

City of Calhoun, Georgia
School SPLOST Fund
Comparative Balance Sheets
June 30, 2014 and 2013

	2014	2013
Assets		
Cash	$ -	$ -
Fund Balances		
Restricted for capital projects	$ -	$ -

City of Calhoun, Georgia
School SPLOST Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Investment earnings	$ -	$ 33
Capital Outlay		
Education	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	33
Other Financing Sources(Uses)		
Transfer in	-	-
Transfer out	-	(18,448)
Total Other Financing Sources (Uses)	-	(18,448)
Net Change in Fund Balances	-	(18,415)
Fund Balances Beginning of Year	-	18,415
Fund Balances End of Year	$ -	$ -

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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	$ -	$ -	$ -	$ -	$ 33
Capital Outlay					
Education	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	33
Other Financing Sources (Uses)					
Transfer out	-	-	-	-	(18,448)
Net Change in Fund Balances	$ -	$ -	-	$ -	(18,415)
Fund Balances Beginning of Year			-		18,415
Fund Balances End of Year			$ -		$ -

City of Calhoun, Georgia
2011 SPLOST Fund
Comparative Balance Sheets
June 30, 2014 and 2013

	2014	2013
Assets		
Cash	$ 837,844	$ 769,926
Receivables:		
Intergovernmental	279,709	232,485
Total Assets	$ 1,117,553	$ 1,002,411
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities and Deferred Inflows of Resources		
Accounts payable	$ 127,813	$ 26,278
Interfund payable	58,895	10,761
Total Liabilities	186,708	37,039
Deferred Inflows of Resources		
Unavailable revenue	-	333,448
Total Liabilities and Deferred Inflows of Resources	186,708	370,487
Fund Balances		
Restricted for capital projects	930,845	631,924
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,117,553	$ 1,002,411

City of Calhoun, Georgia
2011 SPLOST Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Revenues		
Intergovernmental	$ 2,331,381	$ 1,113,576
Investment earnings	255	80
Total Revenues	2,331,636	1,113,656
Expenditures		
Capital Outlay		
Public safety	35,602	69,414
Public works	715,616	44,165
Culture and recreation	846,130	272,144
Total Expenditures	1,597,348	385,723
Excess (Deficiency) of Revenues Over (Under) Expenditures	734,288	727,933
Other Financing Sources		
Transfers out	(435,367)	(248,656)
Net Change in Fund Balances	298,921	479,277
Fund Balances Beginning of Year	631,924	152,647
Fund Balances End of Year	$ 930,845	$ 631,924

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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 1,763,856	$ 2,331,381	$ 2,331,381	$ -	$ 1,113,576
Investment earnings	-	-	255	255	80
Total Revenues	1,763,856	2,331,381	2,331,636	255	1,113,656
Expenditures					
Capital Outlay					
Public safety	-	35,602	35,602	-	69,414
Public works	485,000	715,616	715,616	-	44,165
Culture and recreation	340,000	846,130	846,130	-	272,144
Total Expenditures	825,000	1,597,348	1,597,348	-	385,723
Excess (Deficiency) of Revenues Over (Under) Expenditures	938,856	734,033	734,288	255	727,933
Other Financing Sources (Uses)					
Transfers out	(465,000)	(465,000)	(435,367)	29,633	(248,656)
Transfer to fund balance	(473,856)	(269,033)	-	269,033	-
Total Other Financing Sources (Uses)	(938,856)	(734,033)	(435,367)	298,666	(248,656)
Net Change in Fund Balances	$ -	$ -	298,921	$ 298,921	479,277
Fund Balances Beginning of Year			631,924		152,647
Fund Balances End of Year			$ 930,845		$ 631,924

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, 2014 and 2013

	2014	as restated
Assets		
Current assets		
Cash	$ 6,777,027	$ 5,872,621
Restricted assets		
Cash	1,021,028	979,498
Investments	13,092,157	9,680,087
Receivables		
Accounts	706,076	524,501
Accrued revenue	3,201,791	3,109,588
Intergovernmental	787,138	695,253
Interfund	33,098	22,796
Other	37,915	114,527
Advances	468,598	505,895
Deposits	46,495	49,098
Inventory	1,956,406	1,885,594
Prepaid items	16,212	19,926
Total Current Assets	28,143,941	23,459,384
Noncurrent assets		
Restricted assets		
Investments, noncurrent	10,662,298	9,564,442
Advances receivable	1,963,420	2,432,016
Capital assets		
Nondepreciable	181,044	758,484
Depreciable, net	15,336,158	14,331,991
Total Noncurrent Assets	28,142,920	27,086,933
Total Assets	56,286,861	50,546,317
Liabilities		
Current liabilities		
Accounts payable	3,050,073	2,941,019
Accrued payroll liabilities	33	64
Accrued expenses	46,449	41,089
Interfund payable	100	8,228
Compensated absences payable	15,367	16,885
Unearned revenue	-	20,394
Payable From Restricted Assets:		
Customer deposits	1,021,028	979,498
Total Current Liabilities	4,133,050	4,007,177
Long-term liabilities		
Compensated absences payable	28,539	31,359
Payable From Restricted Assets:		
Regulatory liability	13,329,460	10,473,365
Total Long-term Liabilities	13,357,999	10,504,724
Total Liabilities	17,491,049	14,511,901
Net Position		
Net investment in capital assets	15,517,202	15,090,475
Unrestricted	23,278,610	20,943,941
Total Net Position	$ 38,795,812	$ 36,034,416

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, 2014 and 2013

	2014	2013 *as restated*
Operating Revenues		
Charges for services	$ 38,156,073	$ 35,583,995
Miscellaneous	307,052	214,938
Total Operating Revenues	38,463,125	35,798,933
Operating Expenses		
Personal services	1,097,801	1,128,953
Contractual services	1,560,906	1,626,897
Supplies	30,089,063	28,592,454
Interfund allocations	442,293	451,887
Depreciation	848,605	798,400
Other	661	1,338
Total Operating Expenses	34,039,329	32,599,929
Operating Income	4,423,796	3,199,004
Non-Operating Revenues (Expenses)		
Investment earnings	220,715	112,089
Income Before Transfers	4,644,511	3,311,093
Capital contributions	-	151,300
Transfers in	858	33,258
Transfers out	(1,883,973)	(2,277,662)
Total Contributions and Transfers	(1,883,115)	(2,093,104)
Change in Net Position	2,761,396	1,217,989
Net Position Beginning of Year	36,034,416	34,816,427
Net Position End of Year	$ 38,795,812	$ 36,034,416

City of Calhoun, Georgia
Electric System Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013 *as restated*
Cash Flows from Operating Activities		
Cash received from customers	$ 36,578,229	$ 33,833,584
Cash received from interfund services provided	1,639,978	1,524,514
Cash payments for personal services	(1,102,170)	(1,125,466)
Cash payments for goods and services	(31,559,765)	(29,699,182)
Cash payments for interfund services used	(507,325)	(511,484)
Other cash (payments) receipts	3,053	(3,908)
Net Cash Provided by (Used in) Operating Activities	5,052,000	4,018,058
Cash Flows From Noncapital Financing Activities		
Transfers in	858	33,258
Transfers out	(1,883,973)	(2,277,662)
Advances to other funds	-	(862,644)
Payments received on advances	505,893	457,265
Net Cash Provided by (Used in) Noncapital Financing Activities	(1,377,222)	(2,649,783)
Cash Flows from Capital and Related Financing Activities		
Payments for capital acquisitions	(1,275,332)	(983,416)
Intergovernmental revenues received	-	121,312
Net Cash Provided by (Used in) Capital and Related Financing Activities	(1,275,332)	(862,104)
Cash Flows from Investing Activities		
Investment earnings	220,715	112,089
(Purchase) Disposal of investments, net of regulatory liability	(1,674,225)	(1,312,573)
Net Cash Provided by (Used in) Investing Activities	(1,453,510)	(1,200,484)
Net Increase (Decrease) in Cash	945,936	(694,313)
Cash Beginning of Year	6,852,119	7,546,432
Cash End of Year	$ 7,798,055	$ 6,852,119
Reconciliation of total cash and cash equivalents:		
Cash	$ 6,777,027	$ 5,872,621
Restricted assets-cash and cash equivalents	1,021,028	979,498
Total cash and cash equivalents	$ 7,798,055	$ 6,852,119

(continued)

City of Calhoun, Georgia
Electric System Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2014 and 2013

(continued)

	2014	2013
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 4,423,796	$ 3,199,004
Adjustments		
Depreciation	848,605	798,400
(Increase) Decrease in Assets		
Accounts receivable and accrued revenues	(197,166)	(486,251)
Intergovernmental receivable	(91,885)	(58,315)
Inventories	(70,812)	272,736
Interfund receivables	(10,302)	(20,489)
Deposits	2,603	(3,524)
Prepaid expenses	3,714	(2,570)
Increase (Decrease) in Liabilities		
Accounts payable and accrued liabilities	114,414	200,097
Accrued payroll liabilities	(4,369)	3,487
Deposits payable	41,530	107,255
Interfund payable	(8,128)	8,228
Net Cash Provided by (Used in) Operating Activities	$ 5,052,000	$ 4,018,058

City of Calhoun, Georgia
Water & Sewerage System Fund
Comparative Statements of Net Position
June 30, 2014 and 2013

	2014	2013 *as restated*
Assets		
Current assets		
Cash	$ 1,086,543	$ 1,150,621
Restricted assets		
Cash	1,969,667	1,782,230
Receivables		
Accounts	947,276	827,002
Accrued revenue	1,054,746	981,638
Intergovernmental	312,706	-
Interfund	114,349	185,052
Inventory	945,092	720,041
Prepaid items	50,856	96,499
Total Current Assets	6,481,235	5,743,083
Noncurrent assets		
Restricted assets		
Cash, noncurrent	772,020	725,155
Capital assets		
Nondepreciable	12,098,512	11,469,441
Depreciable, net	82,019,175	81,669,803
Total Noncurrent Assets	94,889,707	93,864,399
Total Assets	101,370,942	99,607,482
Deferred Outflows of Resources		
Deferred amount from debt refunding	120,343	140,682
Liabilities		
Current liabilities		
Accounts payable	380,473	647,132
Contractor bonds payable	38,468	38,728
Accrued payroll liabilities	111,156	104,614
Accrued interest	22,456	22,566
Compensated absences payable	41,685	40,867
Advances payable	31,686	31,371
Notes payable	3,859,647	1,775,153
Revenue bonds payable	1,425,000	1,405,000
Payable from Restricted Assets:		
Accrued interest payable	16,327	18,625
Customer deposits and interest	833,719	777,344
Total Current Liabilities	6,760,617	4,861,400
Long-Term liabilities		
Compensated absences payable	77,414	75,897
Pension liability	195,617	221,735
Notes payable (net of current portion)	6,861,259	7,364,065
Revenue bonds payable (net of current portion)	8,405,000	9,830,000
Advances payable (net of current portion)	302,513	334,199
Total Long-Term Liabilities	15,841,803	17,825,896
Total Liabilities	22,602,420	22,687,296
Net Position		
Net investment in capital assets	73,687,124	72,905,708
Unrestricted	5,201,741	4,155,160
Total Net Position	$ 78,888,865	$ 77,060,868

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, 2014 and 2013

	2014	2013 *as restated*
Operating Revenues		
Charges for services	$ 15,423,818	$ 14,713,066
Miscellaneous	85,580	107,779
Total Operating Revenues	15,509,398	14,820,845
Operating Expenses		
Personal services	3,193,727	3,161,277
Contractual services	851,089	556,649
Supplies	3,360,486	2,796,481
Interfund allocations	1,996,345	1,744,369
Depreciation	3,112,213	3,010,866
Amortization	20,340	30,142
Other	3,055	37,484
Total Operating Expenses	12,537,255	11,337,268
Operating Income	2,972,143	3,483,577
Non-Operating Revenues (Expenses)		
Bond issuance charges	(39,541)	(59,015)
Interest and fiscal charges	(513,400)	(665,748)
Investment earnings	7,327	12,795
Gain (loss) on disposition of capital assets	-	40,042
Total Non-Operating (Expenses)	(545,614)	(671,926)
Income Before Contributions and Transfers	2,426,529	2,811,651
Capital contributions	-	219,721
Transfers in	484,775	896,019
Transfers out	(1,083,307)	(1,072,119)
Total Contributions and Transfers	(598,532)	43,621
Change in Net Position	1,827,997	2,855,272
Net Position Beginning of Year	77,060,868	74,205,596
Net Position End of Year	$ 78,888,865	$ 77,060,868

City of Calhoun, Georgia
Water & Sewerage System Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013 *as restated*
Cash Flows from Operating Activities		
Cash received from customers	$ 14,732,712	$ 14,723,995
Cash received from interfund services provided	326,973	361,706
Cash payments for personal services	(3,186,367)	(3,105,946)
Cash payments for goods and services	(3,243,557)	(1,653,280)
Cash payments for interfund services used	(3,339,727)	(3,223,616)
Other cash payments	(3,315)	(37,461)
Payments for (reductions in) pension liability	(26,118)	(24,076)
Net Cash Provided by (Used in) Operating Activities	5,260,601	7,041,322
Cash Flows from Noncapital Financing Activities		
Transfers in	484,775	896,019
Transfers out	(1,083,307)	(1,072,119)
Net Cash Provided by (Used in) Noncapital Financing Activities	(598,532)	(176,100)
Cash Flows from Capital and Related Financing Activities		
Capital grant	-	219,721
Proceeds from debt	2,107,871	541,909
Principal paid on advance	(31,371)	(31,062)
Interest paid on advances	(3,538)	(10,032)
Proceeds from issuance of bonds	-	6,645,000
Principal paid on revenue bonds	(1,405,000)	(4,855,000)
Interest paid on revenue bonds	(226,605)	(338,545)
Bond issuance charges	(39,541)	(59,015)
Principal paid on notes and capital leases	(526,183)	(4,753,442)
Interest paid on notes and capital leases	(283,257)	(312,123)
Payments for capital acquisitions and construction	(4,091,548)	(3,672,038)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(4,499,172)	(6,624,627)
Cash Flows from Investing Activities		
Investments earnings	7,327	12,795
(Purchase)Disposal of investments	-	129,079
Net Cash Provided by (Used in) Investing Activities	7,327	141,874
Net Increase (Decrease) in Cash	170,224	382,469
Cash Beginning of Year	3,658,006	3,275,537
Cash End of Year	$ 3,828,230	$ 3,658,006
Reconciliation of total cash:		
Cash	$ 1,086,543	$ 1,150,621
Current restricted assets-cash	1,969,667	1,782,230
Noncurrent restricted assets-cash	772,020	725,155
Total cash	$ 3,828,230	$ 3,658,006

(continued)

City of Calhoun, Georgia
Water and Sewerage System Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2014 and 2013

(continued)

	2014	2013
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 2,972,143	$ 3,483,577
Adjustments		
Depreciation	3,112,213	3,010,866
Amortization	20,340	30,142
(Increase) Decrease in Assets		
Accounts receivable and accrued revenues	(506,088)	165,088
Inventories	(225,051)	226,313
Interfund receivables	70,703	(169,440)
Prepaid expenses	45,643	(38,458)
Increase (Decrease) in Liabilities		
Accounts payable and accrued liabilities	(266,919)	202,211
Pension liability	(26,118)	(24,076)
Accrued payroll liabilities	7,360	55,331
Deposits payable	56,375	99,768
Net Cash Provided by (Used in) Operating Activities	$ 5,260,601	$ 7,041,322

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NONMAJOR PROPRIETARY FUNDS
COMBINING AND INDIVIDUAL FUND STATEMENTS

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

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, 2014
(With Comparative Totals at June 30, 2013)

	2014				2013
	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds	Total Nonmajor Enterprise Funds
Assets					
Current assets					
Cash	$ 382	$ 941,528	$ 59,228	$ 1,001,138	$ 856,668
Receivables					
Accounts	2,504	45,675	50,361	98,540	88,889
Accrued revenue	-	60,497	44,212	104,709	94,125
Interfund	-	119	1,108	1,227	14,396
Other	-	2,378	-	2,378	2,434
Inventory	-	293,621	-	293,621	249,254
Prepaid items	3,972	2,164	1,677	7,813	7,125
Total Current Assets	6,858	1,345,982	156,586	1,509,426	1,312,891
Noncurrent assets					
Capital assets					
Nondepreciable capital assets	696,138	32,329	314,435	1,042,902	1,010,573
Depreciable capital assets, net	1,251,787	1,314,104	142,508	2,708,399	2,772,786
Total Noncurrent Assets	1,947,925	1,346,433	456,943	3,751,301	3,783,359
Total Assets	1,954,783	2,692,415	613,529	5,260,727	5,096,250
Liabilities					
Current liabilities					
Accounts payable	14,460	5,006	39,018	58,484	52,658
Accrued payroll liabilities	16,478	28	-	16,506	15,737
Accrued expenses	18,943	9,690	1,048	29,681	25,154
Interfund payable	583,885	-	-	583,885	454,400
Post-closure care payable	-	-	24,029	24,029	23,558
Compensated absences payable	6,566	3,007	-	9,573	10,820
Unearned revenue	6,786	-	-	6,786	24,714
Advances payable	17,720	108,761	-	126,481	167,180
Total Current Liabilities	664,838	126,492	64,095	855,425	774,221
Long-term liabilities					
Compensated absences payable	12,194	5,583	-	17,777	20,096
Post-closure care payable (net of current portion)	-	-	24,510	24,510	48,539
Advances payable (net of current portion)	-	845,397	-	845,397	971,878
Total Long-Term Liabilities	12,194	850,980	24,510	887,684	1,040,513
Total Liabilities	677,032	977,472	88,605	1,743,109	1,814,734
Net Position					
Investment in capital assets	1,947,925	1,346,433	456,943	3,751,301	3,783,359
Unrestricted (deficit)	(670,174)	368,510	67,981	(233,683)	(501,843)
Total Net Position	$ 1,277,751	$ 1,714,943	$ 524,924	$ 3,517,618	$ 3,281,516

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, 2014
(With Comparative Totals For the Year Ended June 30, 2013)

	2014				2013
	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds	Total Nonmajor Enterprise Funds
Operating Revenues					
Charges for services	$ 563,899	$ 1,058,893	$ 715,741	$ 2,338,533	$ 2,226,634
Miscellaneous	15,216	10,479	8,438	34,133	20,006
Total Operating Revenues	579,115	1,069,372	724,179	2,372,666	2,246,640
Operating Expenses					
Personal services	478,257	265,242	66,050	809,549	860,483
Contractual services	34,324	306,746	486,435	827,505	802,919
Supplies	161,108	41,389	19,364	221,861	292,668
Interfund allocations	25,804	70,745	88,827	185,376	155,679
Depreciation	132,504	138,909	13,731	285,144	223,193
Other	-	-	-	-	-
Total Operating Expenses	831,997	823,031	674,407	2,329,435	2,334,942
Operating Income (Loss)	(252,882)	246,341	49,772	43,231	(88,302)
Non-Operating Revenues (Expenses)					
Change in estimated landfill closure costs	-	-	(3,942)	(3,942)	(3,404)
Investment earnings	-	1,001	-	1,001	1,406
Intergovernmental revenue	-	81,246	-	81,246	84,020
Interest and fiscal charges	-	(10,216)	-	(10,216)	(11,278)
Intergovernmental expenses	-	(81,246)	-	(81,246)	(84,020)
Total Non-Operating Revenues (Expenses)	-	(9,215)	(3,942)	(13,157)	(13,276)
Income (Loss) Before Transfers	(252,882)	237,126	45,830	30,074	(101,578)
Transfers in	199,656	6,372	-	206,028	199,770
Transfers out	-	-	-	-	(1,671)
Total Transfers	199,656	6,372	-	206,028	198,099
Change in Net Position	(53,226)	243,498	45,830	236,102	96,521
Net Position Beginning of Year	1,330,977	1,471,445	479,094	3,281,516	3,184,995
Net Position End of Year	$ 1,277,751	$ 1,714,943	$ 524,924	$ 3,517,618	$ 3,281,516

City of Calhoun, Georgia
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2014
(With Comparative Totals For the Year Ended June 30, 2013)

	2014				2013
	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities					
Cash received from customers	$ 564,218	$ 734,666	$ 732,252	$ 2,031,136	$ 1,931,176
Cash received from interfund services provided	-	313,032	1,334	314,366	306,765
Other cash receipts	129,485	-	-	129,485	173,826
Cash payments for personal services	(481,669)	(264,627)	(66,050)	(812,346)	(846,026)
Cash payments for goods and services	(181,125)	(356,263)	(505,884)	(1,043,272)	(1,073,341)
Cash payments for interfund services used	(31,412)	(103,707)	(88,827)	(223,946)	(209,298)
Net Cash Provided by (Used in) Operating Activities	(503)	323,101	72,825	395,423	283,102
Cash Flows from Noncapital Financing Activities					
Intergovernmental revenues	-	81,246	-	81,246	-
Intergovernmental expense	-	(81,246)	-	(81,246)	-
Transfers in	199,656	6,372	-	206,028	199,770
Transfers out	-	-	-	-	(1,671)
Net Cash Provided by (Used in) Noncapital Financing Activities	199,656	6,372	-	206,028	198,099
Cash Flows from Capital and Related Financing Activities					
Principal paid on advance	(59,500)	(107,680)	-	(167,180)	(106,620)
Interest paid on advance	-	(10,216)	-	(10,216)	(11,278)
Payments for capital acquisition and construction	(140,158)	(112,929)	-	(253,087)	(455,998)
Proceeds from advances payable	-	-	-	-	77,220
Payments for landfill postclosure care	-	-	(27,499)	(27,499)	(26,500)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(199,658)	(230,825)	(27,499)	(457,982)	(523,176)
Cash Flows from Investing Activities					
Investment earnings	-	1,001	-	1,001	1,406
Net Increase (Decrease) in Cash	(505)	99,649	45,326	144,470	(40,569)
Cash Beginning of Year	887	841,879	13,902	856,668	897,237
Cash End of Year	$ 382	$ 941,528	$ 59,228	$ 1,001,138	$ 856,668

(continued)

City of Calhoun, Georgia
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2014
(With Comparative Totals For the Year Ended June 30, 2013)

(continued)

	2014				2013
	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)	$ (252,882)	$ 246,341	$ 49,772	$ 43,231	$ (88,302)
Adjustments					
Depreciation	132,504	138,909	13,731	285,144	223,193
(Increase) Decrease in Assets					
Accounts receivable and accrued revenue	3,031	(21,854)	(1,356)	(20,179)	(14,054)
Inventory	-	(44,367)	-	(44,367)	(16,675)
Interfund receivable	2,188	218	10,763	13,169	(1,537)
Prepaid expenses	(135)	180	(733)	(688)	981
Increase (Decrease) in Liabilities					
Accounts payable and accrued expenses	6,646	3,059	648	10,353	(2,880)
Accrued payroll liabilities	(3,412)	615	-	(2,797)	14,456
Interfund payable	129,485	-	-	129,485	162,988
Unearned revenue	(17,928)	-	-	(17,928)	4,932
Net Cash Provided by (Used in) Operating Activities	$ (503)	$ 323,101	$ 72,825	$ 395,423	$ 283,102

City of Calhoun, Georgia
Fields Ferry Golf Course Fund
Comparative Statements of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
Current assets		
Cash	$ 382	$ 887
Accounts receivable	2,504	5,535
Interfund	-	2,188
Prepaid items	3,972	3,837
Total Current Assets	6,858	12,447
Noncurrent assets		
Capital assets		
Nondepreciable	696,138	696,138
Depreciable, net	1,251,787	1,244,133
Total Noncurrent Assets	1,947,925	1,940,271
Total Assets	1,954,783	1,952,718
Liabilities		
Current liabilities		
Accounts payable	14,460	11,523
Accrued payroll liabilities	16,478	15,715
Accrued expenses	18,943	15,234
Interfund payable	583,885	454,400
Compensated absences payable	6,566	8,027
Unearned revenue	6,786	24,714
Advances payable	17,720	59,500
Total Current Liabilities	664,838	589,113
Long-term liabilities		
Compensated absences payable	12,194	14,908
Advances payable (net of current portion)	-	17,720
Total Long-term Liabilities	12,194	32,628
Total Liabilities	677,032	621,741
Net Position		
Investment in capital assets	1,947,925	1,940,271
Unrestricted (deficit)	(670,174)	(609,294)
Total Net Position	$ 1,277,751	$ 1,330,977

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, 2014 and 2013

	2014	2013
Operating Revenues		
Charges for services		
Green fees	$ 334,871	$ 327,316
Cart fees	209,660	184,631
Range fees	19,368	14,924
Miscellaneous	15,216	18,274
Total Operating Revenues	579,115	545,145
Operating Expenses		
Maintenance		
Personal services	314,510	330,013
Contractual services	15,308	18,816
Supplies	140,421	160,977
Interfund allocations	13,378	12,044
Depreciation	24,736	17,091
Total Maintenance	508,353	538,941
Pro Shop		
Personal services	163,747	183,626
Contractual services	19,016	18,787
Supplies	20,687	40,359
Interfund allocations	12,426	12,937
Depreciation	107,768	111,873
Total Pro Shop	323,644	367,582
Total Operating Expenses	831,997	906,523
Operating (Loss)	(252,882)	(361,378)
Other Financing Sources and Uses		
Transfers in	199,656	54,022
Change in Net Position	(53,226)	(307,356)
Net Position Beginning of Year	1,330,977	1,638,333
Net Position End of Year	$ 1,277,751	$ 1,330,977

City of Calhoun, Georgia
Fields Ferry Golf Course Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Cash Flows from Operating Activities		
Cash received from customers	$ 564,218	$ 546,165
Cash received from other	129,485	173,826
Cash payments for personal services	(481,669)	(497,887)
Cash payments for goods and services	(181,125)	(227,465)
Cash payments for interfund services used	(31,412)	(35,359)
Net Cash Provided by (Used in) Operating Activities	(503)	(40,720)
Cash Flows from Noncapital Financing Activities		
Transfers in	199,656	54,022
Cash Flows from Capital and Related Financing Activities		
Payments for capital acquisitions	(140,158)	(90,056)
Proceeds from advances payable	-	77,220
Principal paid on advance	(59,500)	-
Net Cash Provided by (Used in) Capital and Related Financing Activities	(199,658)	(12,836)
Net Increase (Decrease) in Cash	(505)	466
Cash Beginning of Year	887	421
Cash End of Year	$ 382	$ 887
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	$ (252,882)	$ (361,378)
Adjustments		
Depreciation	132,504	128,964
(Increase) Decrease in Assets		
Accounts receivable	3,031	(3,911)
Interfund receivable	2,188	(2,188)
Prepaid expenses	(135)	(116)
Increase (Decrease) in Liabilities		
Accounts payable	2,937	(5,177)
Accrued expenses	3,709	8,577
Accrued payroll liabilities	(3,412)	15,751
Interfund payable	129,485	173,826
Unearned revenue	(17,928)	4,932
Net Cash Provided by (Used in) Operating Activities	$ (503)	$ (40,720)

City of Calhoun, Georgia
Telecommunications Fund
Comparative Statements of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
Current assets		
Cash	$ 941,528	$ 841,879
Receivables		
Accounts	45,675	35,576
Accrued revenue	60,497	48,686
Interfund	119	337
Other	2,378	2,434
Inventory	293,621	249,254
Prepaid items	2,164	2,344
Total Current Assets	1,345,982	1,180,510
Noncurrent assets		
Capital assets		
Nondepreciable	32,329	-
Depreciable, net	1,314,104	1,372,413
Total Noncurrent Assets	1,346,433	1,372,413
Total Assets	2,692,415	2,552,923
Liabilities		
Current liabilities		
Accounts payable	5,006	2,637
Accrued payroll liabilities	28	22
Accrued expenses	9,690	9,000
Compensated absences payable	3,007	2,793
Advances payable	108,761	107,680
Total Current Liabilities	126,492	122,132
Long-term liabilities		
Compensated absences payable	5,583	5,188
Advances payable (net of current portion)	845,397	954,158
Total Long-Term Liabilities	850,980	959,346
Total Liabilities	977,472	1,081,478
Net Position		
Investment in capital assets	1,346,433	1,372,413
Unrestricted	368,510	99,032
Total Net Position	$ 1,714,943	$ 1,471,445

City of Calhoun, Georgia
Telecommunications Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Position
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Operating Revenues		
Charges for services	$ 1,058,893	$ 991,022
Miscellaneous	10,479	1,732
Total Operating Revenues	1,069,372	992,754
Operating Expenses		
Personal services	265,242	283,614
Contractual services	306,746	296,816
Supplies	41,389	57,536
Interfund allocations	70,745	53,080
Depreciation	138,909	84,797
Total Operating Expenses	823,031	775,843
Operating Income	246,341	216,911
Non-Operating Income (Expenses)		
Investment earnings	1,001	1,406
Intergovernmental revenue	81,246	84,020
Intergovernmental expenses	(81,246)	(84,020)
Interest and fiscal charges	(10,216)	(11,278)
Total Non-operating Income (Expenses)	(9,215)	(9,872)
Income Before Transfers (Out)	237,126	207,039
Transfers in	6,372	3,582
Transfers out	-	(1,671)
Total Transfers	6,372	1,911
Change in Net Position	243,498	208,950
Net Position Beginning of Year	1,471,445	1,262,495
Net Position End of Year	$ 1,714,943	$ 1,471,445

City of Calhoun, Georgia
Telecommunications Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Cash Flows from Operating Activities		
Cash received from customers	$ 734,666	$ 680,027
Cash received from interfund services provided	313,032	305,431
Cash payments for personal services	(264,627)	(284,909)
Cash payments for goods and services	(356,263)	(336,153)
Cash payments for interfund services used	(103,707)	(85,483)
Net Cash Provided by (Used in) Operating Activities	323,101	278,913
Cash Flows from Noncapital Financing Activities		
Intergovernmental revenues	81,246	84,020
Intergovernmental expense	(81,246)	(84,020)
Transfers in	6,372	3,582
Transfers out	-	(1,671)
Net Cash Provided by (Used in) Noncapital Financing Activities	6,372	1,911
Cash Flows from Capital and Related Financing Activities		
Principal paid on advance	(107,680)	(106,620)
Interest paid on advance	(10,216)	(11,278)
Payments for capital acquisition and construction	(112,929)	(211,160)
Net Cash Flows Provided by (Used in) Capital and Related Financial Activities	(230,825)	(329,058)
Cash Flows from Investing Activities		
Investment earnings	1,001	1,406
Net Increase (Decrease) in Cash	99,649	(46,828)
Cash Beginning of Year	841,879	888,707
Cash End of Year	$ 941,528	$ 841,879

(continued)

City of Calhoun, Georgia
Telecommunications Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2014 and 2013

(continued)

	2014	2013
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 246,341	$ 216,911
Adjustments		
Depreciation	138,909	84,797
(Increase) Decrease in Assets		
Accounts receivable and accrued revenue	(21,854)	(7,160)
Inventory	(44,367)	(16,675)
Interfund receivable	218	91
Prepaid expenses	180	(136)
Increase (Decrease) in Liabilities		
Accounts payable and accrued expenses	3,059	2,380
Accrued payroll liabilities	615	(1,295)
Net Cash Provided by (Used in) Operating Activities	$ 323,101	$ 278,913

City of Calhoun, Georgia
Solid Waste Fund
Comparative Statements of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
Current assets		
Cash	$ 59,228	$ 13,902
Receivables		
Accounts	50,361	47,778
Accrued revenue	44,212	45,439
Interfund	1,108	11,871
Prepaid items	1,677	944
Total Current Assets	156,586	119,934
Noncurrent assets		
Capital assets		
Nondepreciable	314,435	314,435
Depreciable capital assets, net	142,508	156,240
Total Noncurrent Assets	456,943	470,675
Total Assets	613,529	590,609
Liabilities		
Current liabilities		
Accounts payable	39,018	38,498
Accrued expenses	1,048	920
Post-closure care payable	24,029	23,558
Total Current Liabilities	64,095	62,976
Long-term liabilities		
Post-closure care payable	24,510	48,539
Total Liabilities	88,605	111,515
Net Position		
Investment in capital assets	456,943	470,675
Unrestricted (deficit)	67,981	8,419
Total Net Position	$ 524,924	$ 479,094

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, 2014 and 2013

	2014	2013
Operating Revenues		
Charges for services	$ 715,741	$ 708,741
Miscellaneous	8,438	-
Total Revenues	724,179	708,741
Operating Expenses		
Personal services	66,050	63,230
Contractual services	486,435	468,500
Supplies	19,364	33,796
Interfund allocations	88,827	77,618
Depreciation	13,731	9,432
Total Operating Expenses	674,407	652,576
Operating Income (Loss)	49,772	56,165
Non-Operating Revenues (Expenses)		
Change in estimated landfill closure costs	(3,942)	(3,404)
Total Non-Operating Revenues	(3,942)	(3,404)
Income (Loss) Before Transfers	45,830	52,761
Transfers in	-	142,166
Change in Net Position	45,830	194,927
Net Position Beginning of Year	479,094	284,167
Net Position End of Year	$ 524,924	$ 479,094

City of Calhoun, Georgia
Solid Waste Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Cash Flows from Operating Activities		
Cash received from customers	$ 732,252	$ 704,984
Cash received from interfund services provided	1,334	1,334
Cash payments for personal services	(66,050)	(63,230)
Cash payments for goods and services	(505,884)	(509,723)
Cash payments for interfund services used	(88,827)	(88,456)
Net Cash Provided by (Used in) Operating Activities	72,825	44,909
Cash Flows from Noncapital Financing Activities		
Transfers in	-	142,166
Net Cash Flows from Noncapital Financing Activities	-	142,166
Cash Flows from Capital and Related Financing Activities		
Payments for capital acquisitions	-	(154,782)
Payments for landfill postclosure care	(27,499)	(26,500)
Net Cash Flows Provided by (Used in) Capital and Related Financing Activities	(27,499)	(181,282)
Net Increase (Decrease) in Cash	45,326	5,793
Cash Beginning of Year	13,902	8,109
Cash End of Year	$ 59,228	$ 13,902
Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities		
Operating Income (Loss)	$ 49,772	$ 125,547
Adjustments		
Depreciation	13,731	833
(Increase) Decrease in Assets		
Accounts receivable and accrued revenue	(1,356)	(107)
Interfund receivable	10,763	46,289
Prepaid expenses	(733)	690
Increase (Decrease) in Liabilities		
Accounts payables and accrued expenses	648	7,033
Interfund payable	-	(71,723)
Net Cash Provided by (Used in) Operating Activities	$ 72,825	$ 108,562

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INTERNAL SERVICE FUND
INDIVIDUAL FUND STATEMENTS

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

City of Calhoun, Georgia
Utilities Administration Fund
Comparative Statements of Net Position
June 30, 2014 and 2013

	2014	2013
Assets		
Current assets		
Cash	$ 2,940,097	$ 2,958,868
Receivables		
Interfund	215,037	247,132
Other	88	374
Prepaid items	79,146	66,785
Total Current Assets	3,234,368	3,273,159
Noncurrent assets		
Capital assets		
Nondepreciable	26,977	26,977
Depreciable, net	1,427,906	1,320,619
Total Noncurrent Assets	1,454,883	1,347,596
Total Assets	4,689,251	4,620,755
Liabilities		
Current liabilities		
Accounts payable	13,003	10,106
Accrued payroll liabilities	75,216	62,805
Deferred revenue	198,000	237,600
Interfund payable	3,102,896	3,160,637
Advances payable	72,352	71,633
Compensated absences payable	23,806	20,640
Notes payable	52,187	-
Total Current Liabilities	3,537,460	3,563,421
Long-term liabilities		
Compensated absences payable	44,211	38,330
Advances payable (net of current portion)	752,530	824,882
Total Long-term Liabilities	796,741	863,212
Total Liabilities	4,334,201	4,426,633
Net Position		
Investment in capital assets, net of related debt	1,402,696	1,347,596
Unrestricted (deficit)	(1,047,646)	(1,153,474)
Total Net Position	$ 355,050	$ 194,122

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, 2014 and 2013

	2014	2013
Operating Revenues		
Charges for services	$ 2,871,148	$ 2,738,626
Miscellaneous	41,812	41,445
Total Operating Revenues	2,912,960	2,780,071
Operating Expenses		
Personal services	2,052,749	2,089,727
Contractual services	411,993	377,223
Supplies	149,382	154,707
Interfund allocations	33,352	23,245
Depreciation	59,249	65,453
Total Operating Expenses	2,706,725	2,710,355
Operating Income	206,235	69,716
Non-Operating Expenses		
Investment earnings	180	544
Interest expense	(8,697)	(9,402)
Total Non-Operating (Expenses)	(8,517)	(8,858)
Income Before Transfers	197,718	60,858
Transfers in	2,810	-
Transfers out	(39,600)	(229,695)
Total Transfers	(36,790)	(229,695)
Change in Net Position	160,928	(168,837)
Net Position Beginning of Year	194,122	362,959
Net Position End of Year	$ 355,050	$ 194,122

City of Calhoun, Georgia
Utilities Administration Fund
Comparative Statements of Cash Flows
For the Fiscal Years Ended June 30, 2014 and 2013

	2014	2013
Cash Flows from Operating Activities		
Cash received from interfund services provided	$ 2,903,529	$ 2,986,659
Cash received from other	41,812	(143,648)
Cash payments for personal services	(2,031,291)	(2,061,784)
Cash payments for goods and services	(489,811)	(461,843)
Cash payments for interfund services used	(211,721)	(134,671)
Net Cash Provided by (Used in) Operating Activities	212,518	184,713
Cash Flows from Noncapital Financing Activities		
Transfers in	2,810	-
Transfers out	(39,600)	(229,695)
Total Cash Flows Provided by (Used in) Noncapital Financing Activities	(36,790)	(229,695)
Cash Flows from Capital and Related Financing Activities		
Payments for capital acquisition and construction	(166,536)	(39,993)
Proceeds from notes payable	52,187	-
Principal paid on advance	(71,633)	(70,927)
Interest paid on advance	(8,697)	(9,402)
Total Cash Flows Provided by (Used in) Capital Financing Activities	(194,679)	(120,322)
Cash Flows from Investing Activities		
Investment earnings	180	544
Net Increase (Decrease) in Cash	(18,771)	(164,760)
Cash Beginning of Year	2,958,868	3,123,628
Cash End of Year	$ 2,940,097	$ 2,958,868
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$ 206,235	$ 69,716
Adjustments		
Depreciation	59,249	65,453
(Increase) Decrease in Assets		
Accounts receivable - other	286	(374)
Interfund receivables	32,095	63,314
Prepaid expenses	(12,361)	(972)
Increase (Decrease) in Liabilities		
Accounts payables and accrued expenses	(36,703)	(37,891)
Accrued payroll liabilities	21,458	27,943
Interfund payable	(57,741)	(2,476)
Net Cash Provided by (Used in) Operating Activities	$ 212,518	$ 184,713

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, 2014

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
Assets				
Cash	$ 18,217	$ 861,456	$ 861,075	$ 18,598
Liabilities				
Intergovernmental payable	$ 18,217	$ 861,456	$ 861,075	$ 18,598

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 - X
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	XI - XIX
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	XX - XXV
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	XXVI - XXVII
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	XXVIII - XXXII
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, 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**	**June 30, 2014**
Governmental Activities										
Net investment in capital assets	$ 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	73,836,731
Restricted	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	12,131,969
Unrestricted	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	9,039,215
Subtotal Governmental Activities Net Position	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	95,007,915
Business-type Activities										
Net investment in capital assets	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	94,358,323
Restricted	193,720	121,239	-	2,426,382	-	-	-	-	-	-
Unrestricted	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	27,199,022
Subtotal Business-Type Activities Net Position	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	121,557,345
Primary Government										
Net investment in capital assets	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	168,195,054
Restricted	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	12,131,969
Unrestricted	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	36,238,237
Total Primary Government Net Position	$ 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	$ 216,565,260

Notes:

[1] Accounting standards require that Net Position be reported in three components in the financial statements: net investment in capital assets; 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
Changes in Net Position - Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
Source	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Expenses:										
General government	$ 832,492	$ 653,112	$ 856,885	$ 740,757	$ 1,027,285	$ 913,704	$ 776,593	$ 810,234	$ 802,314	$ 856,056
Judicial	220,446	300,437	333,732	362,286	368,035	369,108	370,600	373,132	452,375	521,890
Public safety	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	7,114,339
Public works	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	3,001,429
Health and welfare	44,192	53,820	52,705	55,875	57,673	63,526	58,247	53,383	61,103	63,915
Culture and recreation	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	1,617,603
Housing and economic development	716,010	713,760	780,430	1,040,290	1,033,443	953,607	970,940	941,496	925,367	982,464
Education	2,681,712	1,063,098	909,255	887,135	963,995	937,959	516,728	1,136,156	1,958,815	1,472,938
Interest and fiscal charges	889,719	828,672	786,380	708,843	716,362	677,260	523,229	1,871,332	1,669,843	1,570,566
Total Expenses	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	17,201,200
Program Revenues:										
Charges for services:										
General government	65,525	69,117	114,157	124,752	139,888	136,106	134,956	128,669	167,154	167,604
Public safety	817,269	1,074,297	1,063,990	1,026,933	794,988	856,148	920,826	1,021,023	1,119,975	1,020,594
Public works	21,313	23,520	39,559	23,093	25,710	17,094	16,111	14,955	1,685	22,355
Culture and recreation	164,760	167,617	177,231	176,613	160,558	159,990	215,276	223,302	237,350	226,206
Housing and economic development	187,595	124,697	201,835	154,646	136,787	98,116	76,305	78,006	70,671	221,330
Operating grants and contributions	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	5,041,478
Capital grants and contributions	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	9,868,682
Total Program Revenues	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	16,568,249
Net (Expense) Revenue	(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)	(632,951)
General Revenues and Transfers In:										
Taxes:										
Property	808,419	991,848	1,367,889	1,111,884	1,784,007	1,818,434	1,255,359	996,417	1,325,528	1,724,301
Sales	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	2,420,660
Business license and franchise taxes	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	2,952,147
Insurance premium	534,241	558,949	583,046	606,368	605,645	566,412	718,274	779,685	807,870	807,289
Gas marketers	218,759	158,725	116,389	94,575	89,812	88,840	69,149	54,460	92,039	88,301
Other	592,116	596,565	661,179	696,941	697,715	673,066	691,253	691,409	763,971	932,803
Unrestricted intergovernmental	54,411	63,781	68,679	60,384	62,496	33,636	29,732	28,913	30,590	34,624
Investment earnings	151,413	292,899	448,503	462,878	230,986	145,205	95,043	52,642	40,774	105,565
Miscellaneous	63,472	37,995	96,724	62,687	127,259	54,037	53,715	42,583	109,821	139,592
Transfers in	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	2,312,409
Total General Revenues and Transfers In	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	11,517,691
Change in Net Position	$ 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	$ 10,884,740

Exhibit III

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

Fiscal Year Ended June 30,	Amounts						
	Property	Local Option Sales	Business License and Franchise	Insurance Premium	Gas Marketers	Other[1]	Total
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
2014	1,724,301	2,420,660	2,952,147	807,289	88,301	932,803	8,925,501
% Change From 2005-2014	113.3%	32.6%	20.7%	51.1%	-59.6%	57.5%	38.9%

Fiscal Year Ended June 30,	Percentage of Total						
	Property	Local Option Sales	Business License and Franchise	Insurance Premium	Gas Marketers	Other[1]	Total
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%
2014	19.3%	27.1%	33.1%	9.0%	1.0%	10.5%	100.0%

Notes:

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

Exhibit IV

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,									
Source	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Expenses:										
Electric system	$ 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	$ 34,051,138
Water and sewerage system	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	12,922,661
Fields Ferry golf course	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	831,997
Telecommunications	576,736	645,065	711,990	702,866	796,054	748,676	911,041	927,374	871,141	914,958
Solid waste	850,943	1,002,433	992,069	801,965	751,610	783,757	746,211	589,174	655,980	678,349
Total Expenses	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	49,399,103
Program Revenues:										
Charges for services:										
Electric system	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	38,156,073
Water and sewerage system	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	15,423,818
Fields Ferry golf course	836,799	841,132	931,627	947,832	815,499	752,590	728,464	534,143	526,871	563,899
Telecommunications	717,008	813,975	833,147	901,719	955,306	943,803	949,524	988,103	991,022	1,059,358
Solid waste	487,415	725,930	768,936	450,665	447,411	687,647	692,077	705,364	708,741	715,741
Operating grants and contributions	-	-	-	-	-	-	123,040	342,410	84,020	81,246
Capital grants and contributions	1,495,935	1,747,936	2,662,406	409,519	332,915	64,200	900,000	691,825	371,021	-
Total Program Revenues	41,510,017	46,668,570	48,808,099	45,555,013	41,116,673	42,299,224	47,687,303	50,655,043	52,978,736	56,000,135
Net (Expense) Revenue	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	6,601,032
General Revenues and Net Transfers :										
Investment earnings	231,464	407,941	592,810	705,127	550,438	308,070	309,784	243,757	126,834	198,415
Miscellaneous	437,527	423,012	320,181	449,423	302,435	318,312	410,092	289,235	424,210	499,385
Net transfers	(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)	(2,312,409)
Total General Revenues and Transfers	(1,446,676)	(1,142,201)	(1,349,205)	(58,389)	(112,831)	(106,099)	(1,651,403)	(2,527,452)	(1,901,056)	(1,614,609)
Change in Net Position	$ 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	$ 4,986,423

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

	For the Fiscal Year Ended June 30,									
Source	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Expenses:										
Governmental activities[1]	$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	$ 17,201,200
Business-type activities[2]	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	49,399,103
Total Expenses	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	66,600,303
Program Revenues										
Governmental activities[1]	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	16,568,249
Business-type activities[2]	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	56,000,135
Total Program Revenues	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	72,568,384
Net (Expense) Revenue	(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	5,968,081
General Revenues and Transfers:										
Governmental activities[1]	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	11,517,691
Business-type activities[2]	(1,446,676)	(1,142,201)	(1,349,205)	(58,389)	(112,831)	(106,099)	(1,651,403)	(2,527,452)	(1,901,056)	(1,614,609)
Total General Revenues and Transfers	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	9,903,082
Change in Net Position	$ 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	$ 15,871,163

Data Source:

[1] Exhibit II.

[2] Exhibit IV.

Exhibit VI

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Reserved	$ 284,676	$ 200,841	$ 172,825	$ 130,383	$ 393,709	$ 509,437	$ -	$ -	$ -	$ -
Unreserved	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	330,824
Committed	-	-	-	-	-	-	4,000,757	3,959,964	1,048,544	4,015,916
Unassigned	-	-	-	-	-	-	2,348,480	3,409,176	6,294,679	4,541,672
Subtotal General Fund	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	8,888,412
General Fund Percentage Change	2.2%	11.9%	11.6%	-7.4%	-13.5%	-11.2%	5.8%	14.0%	-0.8%	15.3%
All Other Governmental Funds										
Reserved[1]	2,638,477	3,184,559	3,745,336	4,235,633	6,032,693	7,664,639	-	-	-	-
Unreserved										
Special Revenue Funds	(27,456)	5,313	28,026	23,051	(20,804)	(1,385)	-	-	-	-
Capital Projects Funds	(474,744)	(119,531)	(119,589)	2,350,758	2,487,585	3,197,082	-	-	-	-
Nonspendable	-	-	-	-	-	-	55,232	6,343	6,266	15,174
Restricted	-	-	-	-	-	-	34,663,373	30,122,295	17,842,243	12,183,680
Unassigned										
Special Revenue Funds	-	-	-	-	-	-	(4,390)	-	-	-
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Subtotal All Other Governmental Funds	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	12,198,854
Total Governmental Funds										
Reserved	2,923,153	3,385,400	3,918,161	4,366,016	6,426,402	8,174,076	-	-	-	-
Unreserved	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	345,998
Restricted	-	-	-	-	-	-	34,663,373	30,122,295	17,842,243	12,192,680
Committed	-	-	-	-	-	-	4,000,757	3,959,964	1,048,544	4,015,916
Unassigned										
General Fund	-	-	-	-	-	-	2,348,480	3,409,176	6,294,679	4,541,672
Special Revenue Funds	-	-	-	-	-	-	(4,390)	-	-	(9,000)
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
	$ 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	$ 21,087,266
All Governmental Funds Percentage Change	-13.3%	19.2%	13.6%	18.0%	5.1%	9.8%	140.0%	-8.7%	-32.6%	-17.5%

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. In FY13, the majority of those funds had been spent, lowering the fund balance substantially, and by FY14, the balance of the funds were expended.

[2] GASB 54 was not applied retroactively to years prior to fiscal year 2011.

City of Calhoun, Georgia

General Governmental Revenues by Source (Unaudited) [1]

Last Ten Fiscal Years

(modified accrual basis of accounting)

Source	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Taxes	$ 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	$ 8,970,278
Intergovernmental	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	7,480,646
Licenses and permits	241,404	192,627	298,341	258,454	262,284	219,490	201,293	200,394	220,735	372,340
Charges for services	2,218,450	288,820	383,276	406,544	391,946	375,453	404,449	414,540	459,274	471,398
Fines and forfeitures	780,862	870,448	893,024	767,025	594,969	588,606	556,013	655,469	717,800	599,746
Contributions and donations	3,622	347,775	44,390	1,929	28,138	1,393	783	-	381,032	309
Investment earnings	151,413	292,899	448,503	462,878	230,986	145,205	94,878	101,001	63,295	48,373
Miscellaneous	89,787	62,963	51,839	71,977	38,330	35,097	48,782	39,422	29,994	32,622
Total Revenues	$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	$ 17,975,712
% change from prior year	-4.5%	2.0%	0.4%	12.6%	-7.1%	-1.2%	0.8%	8.2%	-0.1%	9.9%
Taxes	46.4%	50.3%	51.5%	47.1%	48.7%	48.3%	51.0%	47.9%	51.7%	49.9%
Intergovernmental	29.1%	35.5%	33.9%	40.9%	41.1%	42.6%	40.4%	43.5%	36.9%	41.6%
Licenses and permits	1.7%	1.3%	2.1%	1.6%	1.7%	1.5%	1.3%	1.2%	1.3%	2.1%
Fines and forfeitures	15.6%	2.0%	2.6%	2.5%	2.6%	2.5%	2.7%	2.5%	2.8%	2.6%
Charges for services	5.5%	6.0%	6.1%	4.7%	3.9%	3.9%	3.7%	4.0%	4.4%	3.3%
Contributions and donations	0.0%	2.4%	0.3%	0.0%	0.2%	0.0%	0.0%	0.0%	2.3%	0.0%
Investment earnings	1.1%	2.0%	3.1%	2.8%	1.5%	1.0%	0.6%	0.6%	0.4%	0.3%
Miscellaneous	0.6%	0.5%	0.4%	0.4%	0.3%	0.2%	0.3%	0.2%	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 VIII

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
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
2014	1,769	2,421	2,952	807	88	933	8,970
% Change From 2005-2014	83.7%	32.7%	20.7%	51.1%	-59.8%	57.6%	36.3%

Fiscal Year Ended June 30,	Percentage of Total Property	Local Option Sales	Business License and Franchise	Insurance Premium	Gas Marketers	Other[2]	Total
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%
2014	19.7%	27.0%	32.9%	9.0%	1.0%	10.4%	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.

Exhibit IX

City of Calhoun, Georgia
General Governmental Expenditures by Function (Unaudited) [1]
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
Function	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Expenditures:										
Current:										
General government[2]	$ 2,719,269	$ 616,511	$ 847,374	$ 1,126,658	$ 1,004,306	$ 897,578	$ 927,518	$ 821,051	$ 852,445	$ 872,008
Judicial	220,424	299,345	333,892	360,207	400,454	363,530	364,090	367,148	447,648	531,784
Public safety	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	6,890,854
Public works	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	2,433,774
Health and welfare	45,037	53,820	52,567	55,905	58,254	63,698	58,678	53,469	61,103	63,113
Culture and recreation	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	1,217,521
Housing and economic development	715,135	729,760	786,511	1,064,702	1,020,584	939,055	974,467	884,600	915,059	978,153
Education	104,360	115,002	140,057	97,775	133,712	112,978	99,103	81,758	-	-
Total Current	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	12,987,207
% Change From Prior Year	1.6%	-13.9%	14.6%	18.3%	-5.6%	-9.7%	1.5%	-0.6%	18.1%	-6.0%
Capital Outlay	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	9,084,148
% Change From Prior Year	-82.0%	-38.2%	-16.5%	0.2%	-19.4%	-34.7%	-54.3%	2071.2%	104.6%	-50.1%
Debt Service										
Principal[3]	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	1,274,976
Interest and fees	894,502	836,140	795,824	744,110	710,875	676,517	823,716	1,375,080	1,795,083	1,568,673
Total Debt Service	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	2,843,649
% Change From Prior Year	15.8%	-3.1%	4.0%	-12.5%	-31.7%	3.2%	12.9%	25.6%	390.6%	-76.6%
Total Expenditures	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	24,915,004
Debt Service as a % of Noncapital Expenditures	19.4%	21.3%	19.8%	15.4%	11.6%	13.1%	14.3%	17.5%	46.8%	18.0%

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.

[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 X

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

	For the Fiscal Year Ended June 30,									
	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Total Revenues - Exhibit IX	$ 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	$ 17,975,712
Total Expenditures - Exhibit XI	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	24,915,004
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,556,599)	(313,740)	(1,496,657)	(1,419,221)	(702,361)	775,651	985,734	(6,696,481)	(27,801,634)	(6,939,292)
Other Financing Sources (Uses)										
Sale of capital assets	-	29,421	104,706	15,966	8,561	39,482	15,029	5,960	75,028	149,325
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	4,640
Transfers in	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	4,506,462
Transfers out	(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)	(2,194,053)
Total Other Financing Sources (Uses)	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	2,466,374
Net Change in Fund Balances	$ (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)	$ (4,472,918)

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)*											
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	714,535	17.603	1,786,338	-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%
2014	176,063	226,201	332,175	2,673	1,171	4,963	30,959	31,281	742,924	19.793	1,836,098	2.1%
% Change From 2005-2014	34.29%	33.52%	59.18%	182.56%	121.78%	-2.30%	15.97%	-3.95%	45.70%	20.32%	44.23%	
	Percentage of Total Assessed Valuation											
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%			
2014	22.7%	29.2%	42.9%	0.3%	0.2%	0.6%	4.0%	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 XII

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]
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	8.919	-	-	8.919	24.625
2012	1.591	16.012	17.603	0.250	9.800	-	-	9.800	27.653
2013	1.980	17.762	19.742	0.200	9.800	-	-	9.800	29.742
2014	1.980	17.813	19.793	0.150	9.800	-	-	9.800	29.743
% Change From 2005-2014	32.0%	19.2%	20.3%	-40.0%	29.5%			29.5%	22.6%

Notes:

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

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

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

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

[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 XIII

City of Calhoun, Georgia
Franchise Tax Revenue
Last Ten Fiscal Years

Fiscal Year	Revenue Base	Total Direct Tax *Rate* [1]	Franchise Tax Revenue[2]	Annual Percentage Change
2005	40,293,452	4.11%	1,656,625	1.8%
2006	44,432,670	4.11%	1,826,086	10.2%
2007	45,102,495	4.11%	1,853,605	1.5%
2008	47,805,513	4.13%	1,974,068	6.5%
2009	43,168,888	4.14%	1,788,165	-9.4%
2010	43,080,467	4.14%	1,782,104	-0.3%
2011	47,376,503	4.12%	1,954,013	9.6%
2012	49,065,272	4.12%	2,022,131	3.5%
2013	49,208,913	4.12%	2,025,527	0.2%
2014	50,735,999	4.12%	2,090,206	3.2%
% Change From 2005-2014	25.92%	0.20%	26.17%	

Notes:

1 This is an average of rates for different providers.

[2] Per tax collections of the City of Calhoun.

Exhibit XIV

City of Calhoun, Georgia
Direct and Overlapping Franchise Tax Rates
Last Ten Fiscal Years

	Direct			Overlapping Rates[2]		
Fiscal Year Ended June 30,	**City of Calhoun**	**City of Calhoun Schools[4]**	**Total Direct Rate**	**State of Georgia[3]**	**Gordon County[5]**	**Total City Rate**
2005	4.111	-	4.111	-	5.000	9.111
2006	4.110	-	4.110	-	5.000	9.110
2007	4.110	-	4.110	-	5.000	9.110
2008	4.129	-	4.129	-	5.000	9.129
2009	4.142	-	4.142	-	5.000	9.142
2010	4.137	-	4.137	-	5.000	9.137
2011	4.124	-	4.124	-	5.000	9.124
2012	4.121	-	4.121	-	5.000	9.121
2013	4.116	-	4.116	-	5.000	9.116
2014	4.120	-	4.120	-	5.000	9.120
% Change From 2005-2014	0.2%	0.0%	0.2%	0.0%	0.0%	0.1%

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] The State of Georgia does not levy a franchise tax. These funds are payable to the county or municipality.

[4] The City of Calhoun levies all taxes for the Calhoun City Schools, a discretely presented component unit. No franchise taxes are levied.

Data Source:

[5] Gordon County Finance Department.

Exhibit XV

City of Calhoun, Georgia
Principal Franchise Taxpayers [1]
Current Year and Nine Years Ago

	Fiscal Year Ended June 30, 2014				Fiscal Year Ended June 30, 2005			
Principal Taxpayer	**Franchise Taxes paid**	**Rank**	**Percentage of Total Franchise Taxes paid**	**Principal Taxpayer**	**Franchise Taxes paid**	**Rank**	**Percentage of Total Franchise Taxes paid**
Calhoun Utilities	$ 1,624,333	1	77.7%	Calhoun Utiltiies	$ 1,312,492	1	79.2%
Georgia Power	180,651	2	8.6%	Comcast	134,609	2	8.1%
Comcast	118,304	5	5.7%	Georgia Power	132,768	3	8.0%
AGL Resources	85,047	3	4.1%	AGL Resources	76,755	4	4.6%
AT&T/Bellsouth	77,222	4	3.7%	n/a	-	5	4.6%
Birch Telecom	3,300	6	0.2%	n/a	-	6	0.0%
Parker Fibernet	1,346	7	0.1%	n/a	-	7	0.0%
Global Connection, Inc.	3	8	0.0%	n/a	-	8	0.0%
Total Principal Taxpayers	2,090,206		100.0%	**Total Principal Taxpayers**	1,656,624		100.0%
All Other Taxpayers	-		0.0%	**All Other Taxpayers**	-		0.0%
Total	$ 2,090,206		100.00%	**Total**	$ 1,656,625		100.00%

Data Source:
[1] City financial records

Exhibit XVI

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

	Fiscal Year Ended June 30, 2014				Fiscal Year Ended June 30, 2005		
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	$ 89,964	1	12.0%	Aladdin (Mohawk) Industries	$ 54,835	1	9.8%
Engineered Floors, LLC	32,152	2	4.3%	Shaw Industries	25,892	2	4.6%
Kobelco	31,273	3	4.2%	Mannington	18,350	3	3.3%
Shaw Industries Group, Inc.	29,140	4	3.9%	Kobelco Construction	13,908	4	2.5%
Mannington	22,110	5	3.0%	Calhoun Outlets	6,875	5	2.5%
Fieldturf USA	11,665	6	1.6%	Springs Industries	6,123	6	1.2%
Faus	10,080	7	1.4%	CAF Extrusion	6,100	7	1.1%
Apache Mills, Inc.	8,578	8	1.2%	Kerry, Inc	5,857	8	1.1%
Nourison Industries	7,795	9	1.0%	DMK Holdings, LLC	3,807	9	1.0%
Walmart	5,773	10	0.8%	Constantine Dyeing, LLC	3,760	10	0.7%
Total Principal Taxpayers	248,530		33.4%	**Total Principal Taxpayers**	145,507		26.0%
All Other Taxpayers	494,716		66.6%	**All Other Taxpayers**	414,407		74.0%
Total	$ 743,246		100.00%	**Total**	$ 559,914		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
2005	$ 8,353	$ 8,059	96.48%	$ 267	$ 8,326	99.68%	$ 27	0.32%
2006	$ 8,548	$ 8,320	97.33%	$ 215	$ 8,535	99.85%	$ 13	0.15%
2007	$ 9,484	$ 9,246	97.49%	$ 223	$ 9,469	99.84%	$ 15	0.16%
2008	$ 10,323	$ 9,940	96.29%	$ 306	$ 10,246	99.25%	$ 77	0.75%
2009	$ 11,670	$ 10,430	89.37%	$ 1,139	$ 11,569	99.13%	$ 101	0.87%
2010	$ 11,911	$ 10,939	91.84%	$ 834	$ 11,773	98.84%	$ 138	1.16%
2011	$ 11,377	$ 10,631	93.44%	$ 602	$ 11,233	98.73%	$ 144	1.27%
2012	$ 12,012	$ 11,341	94.41%	$ 489	$ 11,830	98.48%	$ 182	1.52%
2013	$ 13,623	$ 13,057	95.85%	$ 292	$ 13,349	97.99%	$ 274	2.01%
2014	$ 14,217	$ 13,798	97.05%	$ -	$ 13,798	97.05%	$ 419	2.95%

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 XVIII

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
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%
2014	440,540,822	2.3%	2,687,543	0.9%	1,184,644	-1.5%

Notes:

[2] Amount expressed in thousands of gallons

Data Source:

[1] City's utility consumption/billing reports

Exhibit XIX

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Residential:										
Summer Rates:										
Base Charge	$ 7.8800	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000
First 650 kWh	0.0718	-	-	-	-	-	-	-	-	-
Next 350 kWh	0.0718	-	-	-	-	-	-	-	-	-
Over 1000 kWh	0.0718	-	-	-	-	-	-	-	-	-
Transmission/kWh	-	0.0050	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	0.0640
Energy Charge	-	0.0150	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									
Next 350 kWh	0.0718	-	-	-	-	-	-	-	-	-
Over 1000 kWh	0.0718	-	-	-	-	-	-	-	-	-
Small Power Non-demand										
Base Charge	16.520	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000
First 25 kWh	-	-	-	-	-	-	-	-	-	-
Next 2975 kWh	0.1198	-	-	-	-	-	-	-	-	-
Next 7000 kWh	0.1155	-	-	-	-	-	-	-	-	-
All over 10000 kWh	0.10234	-	-	-	-	-	-	-	-	-
Transmission/kWh	-	0.0050	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	0.1100
Over 3,000/kWh	-	0.1000	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	0.0100
Small Power										
Base charge	16.5200	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000
First 25 kWh:										
Next 2975 kWh	0.1179	-	-	-	-	-	-	-	-	-
Next 7000 kWh	0.1136	-	-	-	-	-	-	-	-	-
First 200HUD	-	0.1060	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	0.0440
Over400 HUD	-	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Medium Power										
Base charge	18.10000	60.00000	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	-	-	-	-	-	-	-	-	-
next 7,000	0.1085	-	-	-	-	-	-	-	-	-

(continued)

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

(continued)

	2005	*2006*	*2007*	*2008*	*2009*	*2010*	*2011*	*2012*	*2013*	*2014*
next 190,000	0.1009	-	-	-	-	-	-	-	-	-
Over 200,000	0.0821	-	-	-	-	-	-	-	-	-
Next 200 HUD	0.0309	-	-	-	-	-	-	-	-	-
Next 200 HUD	0.0279	-	-	-	-	-	-	-	-	-
Over 600 HUD	0.0268	-	-	-	-	-	-	-	-	-
Transmission&Demand/kWh		2.50000	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	0.1000
Next 200 HUD	-	0.0900	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	0.0440
Over 600 HUD	-	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Large Power:										
Base Charge	18.10000	100.00000	100.00000	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000
First 200 X kWh:										
First 3000 kWh	0.11990	-	-	-	-	-	-	-	-	-
Next 7000 kWh	0.11050	-	-	-	-	-	-	-	-	-
Next 190000 kWh	0.09690	-	-	-	-	-	-	-	-	-
Over 200000 kWh	0.08120	-	-	-	-	-	-	-	-	-
Next 200 X kWh	0.03020	-	-	-	-	-	-	-	-	-
Next 200 X kWh	0.02960	-	-	-	-	-	-	-	-	-
Over 600 X kWh	0.01620	-	-	-	-	-	-	-	-	-
Transmission&Demand/kWh				3.0000	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	0.0880
First 100,000 kWh		0.07800	0.07800	0.0780	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	0.0440
Next 200 HUD	-	0.04000	0.04000	0.0400	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	0.0375
Extra Large Power	-	-	-	-	-	-	-	-	-	-
Base Charge	148.37000	148.37000	-	-	-	-	-	-	-	-
First 200 HUD	0.07950	0.07950	-	-	-	-	-	-	-	-
Next 200 HUD	0.02860	0.02860	-	-	-	-	-	-	-	-
Next 200 HUD	0.02720	0.02720	-	-	-	-	-	-	-	-
Over 600 HUD	0.02490	0.02490	-	-	-	-	-	-	-	-

(continued)

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

(continued)

	2005	*2006*	*2007*	*2008*	*2009*	*2010*	*2011*	*2012*	*2013*	*2014*
Large Industrial IND										
Customer Charge	155.00000	500.00000	500.00000	500.0000	500.0000	500.0000	500.0000	500.0000	500.0000	500.0000
Transmission Demand/kWh	1.50000	1.50000	1.50000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
First 200 HUD										
First 160,000 kWh	0.09820	0.09000	0.09000	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900
Over 160,000	0.06370	0.07000	0.07000	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Next 300 HUD	0.02550	0.04200	0.04200	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420
Over 500 HUD	0.02060	0.03750	0.03750	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375

Data Source:

[1] City's utility billing department.

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	Notes Payable	Capital Leases	Total	Percentage of Personal Income	Estimated Population [3]	Per Capita
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
2014	1,352,500	33,000,000	138,216	9,830,000	10,773,093	-	55,093,809	14.32%	15,899	3,465

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 XXVI

Exhibit XXI

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]
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
2014	33,000,000	4,114,093	28,885,907	1.573%	15,899	1,817

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 XXVI

Exhibit XXII

City of Calhoun, Georgia
Direct and Overlapping Debt
June 30, 2014

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]	$ 1,352,500	100.0%	$ 1,352,500
City Direct Debt	33,138,216	100.0%	33,138,216
Total Direct and Overlapping Debt			$ 34,490,716

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 XXIII

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Assessed Value[1]	$ 509,883	$ 551,513	$ 602,829	$ 675,820	$ 809,763	$ 828,569	$ 795,706	$ 714,536	$ 727,126	$ 742,924
Legal Debt Margin										
Debt limit (10% of assessed value)[2]	$ 50,988	$ 55,151	$ 60,283	$ 67,582	$ 80,976	$ 82,857	$ 79,571	$ 71,454	$ 72,713	$ 74,292
Debt applicable to limit:										
General obligation bonds	17,485	15,885	14,200	12,885	12,415	11,895	32,320	31,685	33,800	33,000
Less: Amount reserved for repayment of general obligation debt	2,396	2,844	3,373	2,188	3,970	5,619	7,319	10,130	2,669	4,114
Total debt applicable to limit	15,089	13,041	10,827	10,697	8,445	6,276	25,001	21,555	31,131	28,886
Legal debt margin	$ 35,899	$ 42,110	$ 49,456	$ 56,885	$ 72,531	$ 76,581	$ 54,570	$ 49,899	$ 41,582	$ 45,406
As a percentage of debt limit	70.41%	76.35%	82.04%	84.17%	89.57%	92.43%	68.58%	69.83%	57.19%	61.12%

Notes:

[1] Exhibit XI

[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 XXIV

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
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
2014	15,517	9,405	6,112	1,405	227	1,632	3.75

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, 2014	Revenues[1]	Less Operating Expenses[2]	Net Available Revenues	Principal[3]	Interest	Total	Times Coverage
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	14,564	7,845	6,719	1,821	666	2,487	2.70
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
2014	15,517	9,405	6,112	526	282	808	7.56

Notes:

[1] Water and sewer operating revenues inclusiveof interest amd 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 prinicipal payments have been included. Payments to retire debt through proceeds from bonds were not included as they would skew the coverage calculation.

Exhibit XXVI

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
2005	13,666	1,285,711	25,007	29,874	84%	33.9	3,096	4.9%	5.6%	5.1%
2006	14,015	1,336,761	25,192	30,446	83%	34.0	3,234	4.4%	4.7%	4.6%
2007	14,379	1,400,809	25,740	30,114	85%	34.0	3,247	4.6%	4.6%	4.7%
2008	14,753	1,459,503	25,828	29,173	89%	34.0	3,288	6.5%	5.6%	5.5%
2009	14,807	1,419,678	25,978	28,812	90%	34.4	3,361	13.5%	10.1%	9.5%
2010	14,955	1,415,787	26,393	28,374	93%	34.4	3,423	12.6%	9.6%	9.3%
2011	15,650	1,503,261	27,185	28,538	95%	37.5	3,531	12.4%	10.2%	9.6%
2012	15,773	1,598,019	31,050	28,692	108%	36.8	3,342	11.8%	9.6%	8.5%
2013	15,812	1,554,171	29,529	28,829	102%	35.3	3,692	10.2%	8.8%	7.9%
2014	15,899	1,618,698	25,028	28,155	89%	36.9	3,862	8.5%	7.4%	6.1%

Data Sources:

[1] https://www.census.gov

[2] Gordon County trend analysis

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

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

Exhibit XXVII

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

	2014				2005		
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	8.3%	Mohawk Industries, Inc. (Aladdin)	3,000	1	12.5%
Shaw Industries	1,370	2	6.0%	Shaw Industries	1,750	2	7.2%
Gordon County Schools	832	3	3.6%	Gordon County Schools	985	3	4.1%
Gordon Hospital	780	4	3.4%	Gordon Hospital	600	4	2.5%
Mannington Carpets	700	5	3.1%	Mannington Carpets	592	5	2.4%
Engineer Flooring	620	6	2.7%	Calhoun City Schools	417	6	1.7%
Apache Mills	425	7	1.9%	Springs Industries	398	7	1.6%
Calhoun City Schools	398	8	1.7%	Gordon County Government	341	9	1.4%
Gordon County Government	371	9	1.6%	Beaulieu Group	386	8	1.6%
City of Calhoun Government	353	10	1.5%	City of Calhoun Government	321	10	1.3%
Total Principal Employers	7,749		33.8%	**Total Principal Employers**	8,790		36.2%
Other Employers	15,181		66.2%	**Other Employers**[2]	15,472		63.8%
Total Employers[1]	22,930		100.0%	**Total Employers**	24,262		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 XXVIII

City of Calhoun, Georgia

Full-time Equivalent Employees by Function [1]

Last Ten Fiscal Years

Function/program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Mayor and City Council	5	5	5	5	5	5	5	5	5	5
Administration	3	5	3	2	2	1	2	2	2	2
Tax Administration	1	1	1	1	1	1	1	1	1	1
Business License	-	-	-	-	-	2	1	1	1	1
Human Resources	1	1	1	1	2	2	2	2	2	2
Finance	7	8	8	5	6	4	4	-	-	-
	17	20	18	14	16	15	15	11	11	11
Judicial										
Court Services	4	4	4	3	3	3	3	3	3	3
Probation	1	1	2	2	2	2	2	2	2	2
	5	5	6	5	5	5	5	5	5	5
Public Safety										
Police	51	52	52	52	49	49	49	49	49	49
Fire	39	38	40	40	38	38	39	39	39	39
Animal Control	1	1	1	1	1	1	1	1	1	2
	91	91	93	93	88	88	89	89	89	90
Public Works										
Administration	-	1	1	1	1	1	1	1	1	1
Streets and highways	18	16	18	18	16	16	16	17	15	15
City Maintenance	7	7	7	6	6	6	6	6	7	7
Cemetery	4	4	4	2	4	3	3	3	3	3
	29	28	30	27	27	26	26	27	26	26
Health and Welfare										
Senior Citizens Activities	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Recreation Department	19	17	14	8	14	14	15	15	13	13
Library	8	9	8	4	9	9	9	9	9	9
	27	26	22	12	23	23	24	24	22	22
Housing and Economic Development										
Mainstreet Program	1	1	1	1	1	1	1	1	1	1
Airport	3	3	4	2	4	4	4	2	3	3
Inspections/ Community Dev.	3	3	3	6	5	4	4	4	3	3
	7	7	8	9	10	9	9	7	7	7
Utilities Administration										
Administration	3	4	4	5	5	5	4	2	2	2
Utilities Finance	-	-	-	-	5	5	4	8	9	9
GIS	-	-	-	-	2	2	2	2	2	2
Billing	2	2	2	2	3	3	2	2	3	3
Customer Service	3	3	3	4	4	2	4	4	3	4
Tellers	2	2	3	3	3	2	4	3	4	5
Meter Reading	6	6	6	7	6	5	4	4	4	4
Engineering	4	5	6	6	6	6	6	6	6	6
Purchasing	2	2	2	2	2	2	2	2	2	2
Work Order	-	-	-	-	-	-	-	1	1	1
	22	24	26	29	36	32	32	34	36	38
Electric System	19	19	19	18	17	17	15	15	17	17
Water and Sewer System										
Wastewater Treatment	10	11	11	10	9	9	9	10	10	10
Sewer Construction	18	12	13	13	12	12	11	11	11	11
Maintenance Crew	7	10	9	11	10	10	10	10	10	7
Water Treatment	8	8	8	8	8	7	7	8	9	9
Water Construction	25	24	27	27	24	22	22	22	22	19
	68	65	68	69	63	60	59	61	62	56
Fields Ferry Golf Course										
Pro Shop	13	10	9	3	9	9	9	9	5	4
Maintenance	10	10	10	9	8	8	8	7	7	5
	23	20	19	12	17	17	17	16	12	9
Telecommunications	4	4	4	5	4	4	4	4	4	4
Solid Waste	6	6	5	3	3	3	3	2	2	2
Total	319	316	319	297	310	300	299	296	294	288
Percentage Change From Prior Year	3.6%	-0.8%	0.9%	-6.9%	4.4%	-3.2%	-0.3%	-1.2%	-1%	-2%

Data Source:

[1] City of Calhoun, Human Resource Department

Exhibit XXIX

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

Function/program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014 [2]
Police										
Physical arrests	N/A	N/A	N/A	1,743	535	1,572	1,439	1,456	1,363	1,255
Parking violations	N/A	N/A	N/A	456	N/A	882	966	490	417	-
Traffic violations	7,709	7,732	7,007	7,557	5,055	6,042	7,093	7,714	6,354	5,462
Fire										
Emergency responses[1]	630	697	707	792	740	894	1,492	1,920	1,839	1,951
Inspections	327	438	669	797	674	1,013	2,215	1,827	1,320	1,261
Library										
Volumes in collection	72,667	72,000	80,483	86,623	87,500	90,839	98,167	91,129	90,522	86,925
Total volumes borrowed	78,003	103,704	124,000	128,199	131,185	141,757	129,169	127,178	118,395	102,503
Computer usage	N/A	N/A	N/A	N/A	N/A	N/A	24,137	21,127	16,662	13,122

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.

[2] There were no parking violations due to limited parking in downtown while the County copletes the new parking deck.

Exhibit XXX

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

Utility Service	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Electric Service:										
Coincident peak (kW)	66,929	66,082	65,462	66,536	56,758	60,838	74,830	74,252	72,437	76,121
Reserves (kW)	10,039	9,912	9,819	8,867	6,418	9,126	11,125	10,022	10,192	9,293
Total requirements (kW)	76,968	75,994	75,281	75,403	63,176	69,964	85,955	84,274	82,629	85,414
Southeastern Power Administration (kW)	7,660	7,660	7,660	7,660	7,660	7,660	7,437	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	45,453	45,453	46,736	46,842
MEAG combined cycle (kW)	15,630	15,630	15,630	15,630	15,630	15,630	15,497	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	4,855
Total resources (kW)	90,490	90,490	90,490	90,490	70,490	70,490	93,242	93,242	94,525	94,631
Excess capacity (deficit) (kW)	13,522	14,496	15,209	15,087	7,314	526	7,287	8,968	11,896	9,216
Per cent reserve of capacity [1]	14.9%	16.0%	16.8%	16.7%	10.4%	0.7%	7.8%	9.6%	12.6%	9.7%
Water Service:										
Daily average consumption	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	9,791,666
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	23,800,000	23,800,000	23,800,000	23,800,000	23,800,000
Elevated storage capacity (gallons)	-	-	-	-	-					
Reservoir storage capacity (gallons)	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	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)	7,418,000	6,901,000	5,431,000	5,277,000	6,525,833	5,688,000	6,062,000	5,613,000	5,374,000	5,948,000
Unused capacity	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	10,052,000
Percentage of capacity used	0.463625	0.431313	0.339438	0.329813	0.407865	0.355500	0.378875	0.350813	0.335875	0.371750

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 XXXI

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

Function/program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Electric Service:										
Miles of line	180	182	185	222	227	234	242	242	245	246
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	624	628	640	640	720	770	819	819	826	830
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	15	15	15	15	15	15	15
Sewer Service:										
Miles of sanitary sewers	111	113	118	120	137	134	136	136	136	136
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of lift stations	6	6	6	9	9	9	9	9	9	9

Data Source:
Various Departments

Exhibit XXXII

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

Function/program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Stations	2	2	2	2	2	2	2	3	3	4
Patrol units	24	24	24	27	32	33	33	33	33	34
Fire stations	3	3	3	3	3	3	3	3	3	4
Streets and highways										
Streets (miles)	95	97	98	99	99	99	99	99	100	103
Street Lights	878	882	918	973	973	979	979	1,451	1,488	1,525
Parks and recreation										
Acreage	342	342	342	342	342	342	342	342	342	342
Water										
Water mains (miles)	624	628	640	640	720	770	819	819	826	830
Fire hydrants	733	743	742	741	900	775	771	771	771	780
Storage capacity (thousands of gallons)	23,500	23,500	24,600	24,600	24,600	24,600	24,600	24,600	24,600	24,600
Wastewater										
Sanitary sewers (miles)	111	113	118	119	137	134	136	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	31

Data Source:
Various City Departments.

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

To the 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, 2014, 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 29, 2014.

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 29, 2014

R.M. DOBBS & COMPANY

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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
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, 2014. 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, 2014.

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 29, 2014

CITY OF CALHOUN, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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				
Passed Through Georgia Department of Community Affairs				
Urban Development Action Grant	14.221	10-64-586000530		$ 2,388,172
Passed Through Georgia Department of Community Affairs				
Community Development Block Grant - Redevelopment				
CDBG-State-Administered Small Cities Program Cluster	14.228	11rd-x-064-2-5438	$ 500,000	500,000
				2,888,172
Calhoun Housing Authority	15.226	Ga. Projects		
Payment in Lieu of Taxes		11900199M		
		Contract A-3103		34,625
Total U. S. Department of Housing and Urban Development				2,922,797
U.S. Department of Homeland Security				
Georgia Emergency Management Agency				
Domestic Preparedness State Homeland Grant Program	97.067	2010-SS-T0-0034	$ 100,000	6,050
		2011-SS-T0-0034	$ 20,000	12,598
		2012-SS-T0-0034	$ 50,000	42,922
				61,570
U.S. Department of Transportation				
Federal Highway Administration				
Highway Planning & Construction	20.205	P.I. 0010876	$ 86,430	78,890
				$ 3,063,257

CITY OF CALHOUN, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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	$ -
CW SRF #99-001	2,018,789
DW SRF #00-026	3,647,059
CW SRF #02-002	1,698,687
DW SRF#10-007	2,335,088
CW SFR#13-001	359,960
DW SRF#13-003	661,323

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, 2014

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, 2014

	RLF Reports	Adjustments	Financial
Total Assets	$ 1,887,190	$ 500,000	$ 2,387,190
Total Liabilities and Fund Balance	$ 1,887,190	$ 500,000	$ 2,387,190
Net Revenues (Expenditures)	$ 25,160	$ 500,000	$ 525,160

CITY OF CALHOUN, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified 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 major federal award programs for the City of Calhoun expresses an unmodified 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 programs tested as major programs are: Urban Development Action Grant (CFDA #14.221), and Community Development Block Grant (CFDA # 14.228).

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

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying Project Cost Schedules for projects constructed with Special Sales Tax Proceeds for the City of Calhoun, Georgia as of June 30, 2014. 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, 2014, in conformity with accounting principles generally accepted in the United States of America.

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

R. M. Dobbs & Company

Calhoun, Georgia
December 29, 2014

CITY OF CALHOUN, GEORGIA
PROJECT COST SCHEDULE FOR PROJECTS CONSTRUCTED
WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
FROM INCEPTION THROUGH JUNE 30, 2014 (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 % of Completion Referendum Authorized Amounts
2011 SPLOST								
Peters Street	$ 2,000,000	$ 2,000,000	$ -	$ 2,000,000	$ -	$ 39,700	$ 39,700	2.0%
Public Safety - Police vehicle fleet	650,000	650,000	-	650,000	200,990	240,000	440,990	67.8%
Public Safety - Police & Fire communications upgrades	100,000	100,000	-	100,000	63,058	31,313	94,371	94.4%
Library upgrades	400,000	400,000	750,000	1,150,000	67,452	819,588	887,040	77.1%
Recreation Improvements	2,500,000	2,500,000	-	2,500,000	262,539	226,198	488,737	19.5%
Public Works	850,000	850,000	-	850,000	101,495	675,916	777,411	91.5%
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	$ 750,000	$ 10,371,049	$ 695,534	$ 2,032,715	$ 2,728,249	

Project	Referendum Authorized Amounts	Original Estimated Cost	Additional Projects, Additions & Revisions	Revised Estimated Cost	Prior Years' Expenditures	Current Year	Cumulative Total	Estimated % of Completion Referendum Authorized Amounts
2005 SPLOST								
Water/Sewer System Improvements	$ 4,734,297	$ 4,734,297	$ -	$ 4,734,297	$ 4,200,622	$ 135,433	$ 4,336,055	91.6%
Waste Treatment Plant Improvements	4,000,000	4,000,000	-	4,000,000	16,054	323,285	339,339	8.5%
4th Fire Station & Equipment	1,500,000	1,500,000	-	1,500,000	1,065,547	9,745	1,075,292	71.7%
Overage - Water & Sewer	-	-	298,891	298,891	298,891	-	298,891	100.0%
	$ 10,234,297	$ 10,234,297	$ 298,891	$ 10,533,188	$ 5,581,114	$ 468,463	$ 6,049,577	

Note - Transfers out of the 2011 SPLOST in the amount of $435,367 were comprised of capital assets purchased for the Golf Enterprise fund of $140,157 and $59,500 of repayments on a loan recorded in the Golf Enterprise fund. Both of these amounts were included in Recreation above. $235,710 of the amount transferred out was for repayments on a long-term advance to the General fund for a new police fleet and they have been included, along with interest, on the police fleet line above. Transfers were made out of the 2005 SPLOST for capital improvements in Enterprise funds in the amount of $458,718. $135,433 of these were included above in Water/Sewer System Improvements and the balance of $323,285 was included in Waste Treatment Plant Improvements.

The Library budget is amended to include County and state MMR funding.

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, 2014

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.