City of Calhoun, Georgia

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2015

Prepared by:

Department of Finance

City of Calhoun, Georgia
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2015

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City of Calhoun, Georgia

Site of New Echota in the Land of the Cherokee

December 31, 2015

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, 2015, 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, 2015. 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 12 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 was 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. To date, King Street sewer improvements, water and sewer improvements at Red Bud/I-75, 2" galvanized line replacements on water lines and a major renovation to the Mauldin Road Water Plant have utilized this financing.

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 2015 of approximately $840,000 that included construction at the new high school and hospital expansion, construction on lighting at an interstate ramp and various other 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 2019. 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 two of our officers are sworn as Federal Agents and are being provided with vehicles 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 through 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 and occasionally receives funding for the Hazardous Materials team in which the County jointly participates. 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 2015 included paving and milling with City funds on selection portions of Experiment Station Rd. The roads that were paved through a joint agreement with Gordon County included Ebco Dr., S. Line St., Victor St., Carter St., Pine Lane, Louise Ave., Richardson Rd., Cherokee Dr., N. Industrial Blvd., Cherry St., Normandy Lane, Derby Lane, Melea Lane, Roberts St. and Jackson St. The State LMIG Program contractor paved all of Meadowbrook Subdivision, the North end of College St., Vogel St. and Sherwood Dr.

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 Street 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 2015. The park master plan for the 58 acre park expansion was completed and approved by City Council. Phase I of the park expansion was approved to begin development in calendar year 2015 with a tentative completion date of April 2017. All programs continue to increase and additional weeks were added to Adventure Camp during the summer. Facility improvements were also made to the Recreation Center.

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 2015. 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.

Economic Conditions Affecting the City

The City continues to feel the effects of the economic downturn. With the downturn in the housing market, the City was given the opportunity to stabilize growth by improving development standards. 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. A large hotel chain completed construction of one of its premier facilities in the City of Calhoun and the Hotel/Motel collections have had a definite increase. 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.

***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, 2014. 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 their diligent work on this year's CAFR. We would also like to acknowledge the interest and support of the Mayor and Council in the financial affairs of the City of Calhoun.

Respectfully Submitted,



Eddie Peterson
City Administrator



Larry Vickery
General Manager

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Calhoun

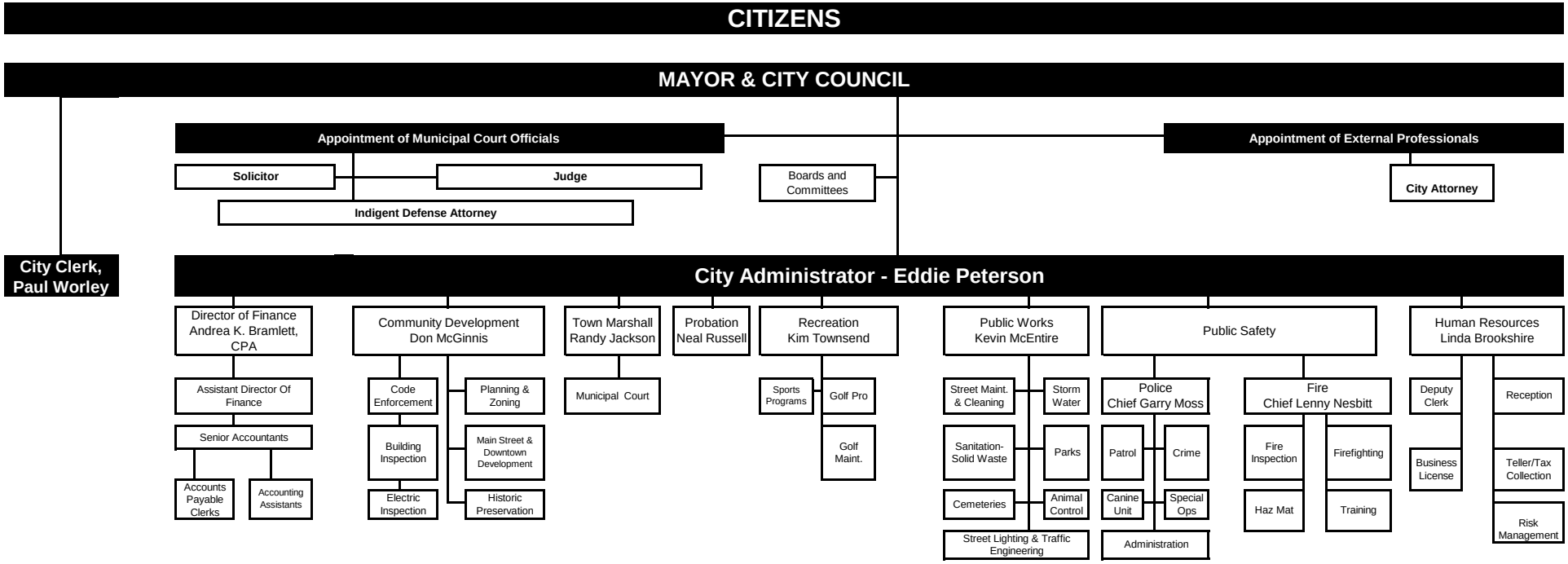
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

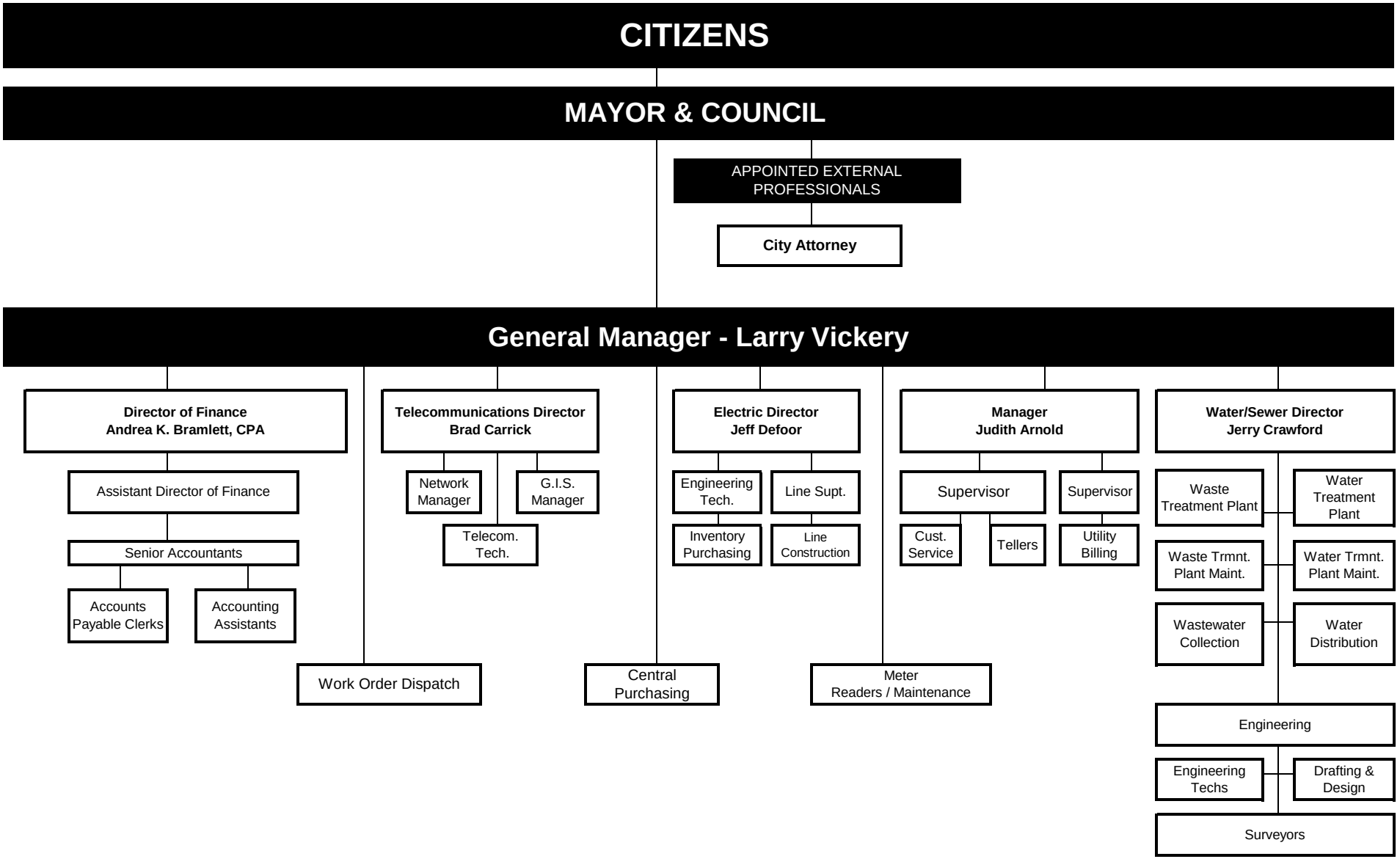
June 30, 2014

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
June 30, 2015

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 Roberts
Recreation Director ..... Kim Townsend
Golf Professional ..... Eric Stewart
Superintendent of Golf Maintenance ..... Harold Franklin
City Clerk ..... Paul Worley

Appointed Officials and Management Related to Calhoun Utilities:

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

Appointed Professionals

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

R.M. DOBBS & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS
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CALHOUN, GEORGIA 30703-0423
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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 the City of Calhoun, Georgia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City of Calhoun, Georgia'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, 2015, 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 31, 2015, 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 the City of Calhoun, Georgia's internal control over financial reporting and compliance.

R. M. Dobbs & Company

Calhoun, Georgia
December 31, 2015

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, 2015. 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 $225,557,630 (net position) for the fiscal year reported.
- Total net position is comprised of the following:
  (1) Net investment in capital assets of $170,441,140 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 $15,182,825 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
  (3) Unrestricted net position of $39,933,665 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 $23,864,605 this year. This compares to the prior year ending fund balance of $21,087,266 showing an increase of $2,777,339 during the current year. Unassigned and committed fund balance of $8,810,312 for fiscal year 2015 shows a $261,724 increase from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $4,800,246 or 38% of total general fund expenditures.
- Overall, the City continues to maintain a strong financial position, as the economy starts to recover.

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 $225,557,630. The following table provides a summary of the City's net position:

	Governmental Activities		Business-type Activities		Total	
	2015	2014 *as restated*	2015	2014 *as restated*	2015	2014 *as restated*
Assets						
Current assets	$ 21,308,016	$ 19,781,227	$ 38,272,600	$ 38,536,661	$ 59,580,616	$ 58,317,888
Other assets	4,203,929	1,571,936	17,277,527	11,434,318	21,481,456	13,006,254
Capital assets	110,377,485	108,421,300	117,049,084	114,841,073	227,426,569	223,262,373
Total assets	135,889,430	129,774,463	172,599,211	164,812,052	308,488,641	294,586,515
Deferred Outflows of Resources	273,024	270,138	348,815	366,523	621,839	636,661
Liabilities						
Current liabilities	1,315,463	(540,737)	12,949,735	14,391,263	14,265,198	13,850,526
Long-term liabilities	35,936,972	36,713,788	32,888,516	30,094,897	68,825,488	66,808,685
Total liabilities	37,252,435	36,173,051	45,838,251	44,486,160	83,090,686	80,659,211
Deferred Inflows of Resources	251,060	19,414	211,104	-	462,164	19,414
Net position						
Net investment in capital assets	75,629,332	73,836,731	94,811,808	94,358,323	170,441,140	168,195,054
Restricted	15,182,825	12,131,969	-	-	15,182,825	12,131,969
Unrestricted	7,846,802	7,883,436	32,086,863	26,334,092	39,933,665	34,217,528
Total net position	$ 98,658,959	$ 93,852,136	$ 126,898,671	$ 120,692,415	$ 225,557,630	$ 214,544,551

The City reported positive balances in net position for both governmental and business-type activities. Net position increased $4,806,823 for governmental activities and by $6,206,256 for business-type activities.

Approximately 77% of the governmental activities' net position are invested in capital assets at June 30, 2015 as compared to 79% at June 30, 2014. The City uses these capital assets to provide services to its citizens. With business-type activities, the City has invested 75% of its net position in capital assets in this fiscal year as compared to 78% in fiscal year 2014. 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	
	2015	2014 *as restated*	2015	2014 *as restated*	2015	2014 *as restated*
Revenues						
Program						
Charges for services and fines	$ 776,387	$ 1,451,410	$ 58,251,754	$ 55,918,889	$ 59,028,141	$ 57,370,299
Operating grants	4,657,363	5,041,478	359,465	81,246	5,016,828	5,122,724
Capital grants	6,171,787	9,868,682	9,571	-	6,181,358	9,868,682
General						
Taxes	9,110,683	8,925,501	-	-	9,110,683	8,925,501
Other	166,860	279,781	536,866	697,800	703,726	977,581
Total revenues	20,883,080	25,566,852	59,157,656	56,697,935	80,040,736	82,264,787
Program expenses						
General government	1,181,829	910,295	-	-	1,181,829	910,295
Judicial	516,959	553,636	-	-	516,959	553,636
Public safety	7,250,790	7,728,025	-	-	7,250,790	7,728,025
Public works	3,199,338	3,145,644	-	-	3,199,338	3,145,644
Health and welfare	61,348	67,362	-	-	61,348	67,362
Culture and recreation	1,674,895	1,680,368	-	-	1,674,895	1,680,368
Housing and economic devlopment	1,092,843	1,021,466	-	-	1,092,843	1,021,466
Education	2,031,197	1,472,938	-	-	2,031,197	1,472,938
Interest	1,547,478	1,570,566	-	-	1,547,478	1,570,566
Electric	-	-	34,977,948	34,244,876	34,977,948	34,244,876
Water and sewer	-	-	12,874,952	13,499,523	12,874,952	13,499,523
Golf course	-	-	893,286	891,316	893,286	891,316
Telecommunications	-	-	992,405	949,969	992,405	949,969
Solid waste	-	-	732,389	678,349	732,389	678,349
Total expenses	18,556,677	18,150,300	50,470,980	50,264,033	69,027,657	68,414,333
Excess	2,326,403	7,416,552	8,686,676	6,433,902	11,013,079	13,850,454
Transfers	2,480,420	2,312,409	(2,480,420)	(2,312,409)	-	-
Change in net position	4,806,823	9,728,961	6,206,256	4,121,493	11,013,079	13,850,454
Net position beginning of year	93,852,136	84,123,175	120,692,415	116,570,922	214,544,551	200,694,097
Ending net position	$ 98,658,959	$ 93,852,136	$ 126,898,671	$ 120,692,415	$ 225,557,630	$ 214,544,551

GOVERNMENTAL REVENUES

The City is heavily reliant on business and franchise taxes and local option sales taxes to support governmental operations. Business license and franchise taxes provided 14% of the City's total governmental revenues, as compared to 11% in the prior year. Sales taxes provided 12% of total governmental revenues versus 9% in fiscal year 2014. This includes SPLOST revenues for business-type activities that is included in revenue in the governmental funds and then transferred out to the utility funds for approved projects. Property taxes and charges for services and fines are also important revenue sources (excluding grants and contributions) providing 7% and 4% 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	
	2015	2014	2015	2014
General government	$ 1,181,829	910,295	$ 1,005,933	$ 742,691
Judicial	516,959	553,636	516,959	553,636
Public safety	7,250,790	7,728,025	6,423,400	6,372,095
Public works	3,199,338	3,145,644	1,931,967	1,540,147
Health and welfare	61,348	67,362	61,348	67,362
Culture and recreation	1,674,895	1,680,368	345,565	224,916
Housing and economic development	1,092,843	1,021,466	901,840	227,530
Education	2,031,197	1,472,938	(5,783,350)	(9,716,892)
Interest	1,547,478	1,570,566	1,547,478	1,570,566
Total	$ 18,556,677	$ 18,150,300	$ 6,951,140	$ 1,582,051

Public safety expenses make up 39% of the governmental activities expenses. This compares to 43% in fiscal year 2014. 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 11% of gross program costs for public safety functions were recovered from public safety revenues, primarily fines and forfeitures. This compares to 33% 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 $5.8 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 $2,451,707 or 4% more than 2014 and total operating expenses were $1,422,314 or 3%, more than fiscal year 2014. Within the total business-type activities of the City, these activities reported $8,674,798 in operating income compared to operating income of $7,645,405 in the prior year, or an increase of 14%. After transfers in and out between other funds and other non-operating items, these funds reported a net change in net position of $6,206,256 compared to a net change in net position of $4,986,423 in 2014.

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

	Amount Change	%
Water and sewerage fund	$ 689,144	23%
Electric system fund	311,114	7%
Field Ferry Golf Course fund	(114,322)	(45%)
Telecommunications fund	(14,019)	(6%)
Solid waste fund	(5,876)	(12%)

Water and Sewerage Fund – One of the major funds is the water and sewerage fund. The operating revenues increased 6% and operating expenses increased a little over 1%, resulting in an increase in operating income from 2014 of approximately 24%. The revenues increased primarily due to a rate increase in both water and sewer rates as well as some additional consumption over the prior year.

Electric Fund - The other major enterprise fund is the electric system fund. The charges for services for this fund have remain constant from fiscal 2014 to the current year.

Interfund allocations to the Utility internal service fund have increased by $164,197.

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 $23,864,605. Of this year-end total, $4,794,396 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 $2,642,114, restricted for capital projects is $5,622,309 and $6,445,867 was restricted for debt service. Amounts equal to prepaid assets of $344,003 are nonspendable for current expenditures.

The total ending fund balances of governmental funds show an increase of $2,777,339 or 13% from the prior 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 $259,621 in fiscal year 2015.

General fund revenue increased $134,976 or 1% from the prior year and total general fund expenditures increased $826,831 when compared to the prior year, which represented 7%.

General government increased $297,249, primarily due to an intergovernmental agreement to provide lighting at Exit 312 through the Electric department. Public Works increased $343,011 due to three streets donated during the year and asphalt purchased for an upcoming project. Public Safety increased $223,356, which was primarily various small increases within the police department.

The general fund's unassigned and committed ending fund balance represents the equivalent of 70% of annual expenditures, as compared to 72% at June 30, 2014.

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 $77,355 less than the final budget and 99% of final budgeted revenues were met. Budget amendments increased General Fund revenues by $61,465 and accounted for additional sales tax and grants.

The City spent 98% of the final authorized budgeted expenditures. General government expenditures actual was $295,146 less than budget primarily due to projects that were postponed. The budget amendments to increase the General Fund $251,364 were primarily to budget for a lighting project with the electric department.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2015, the depreciable capital assets for governmental activities were 32% depreciated, while being 31% depreciated at fiscal 2014. For the City's business-type activities, 44% of the asset values were depreciated at June 30, 2015 versus 43% at June 30, 2014. 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. A large hotel chain completed construction of one of its premier facilities in the City of Calhoun and the Hotel/Motel collections have had a definite increase. 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, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Calhoun School District
Assets				
Current assets				
Cash	$ 17,242,877	$ 8,102,688	$ 25,345,565	$ 11,780,373
Restricted assets				
Cash	-	3,207,403	3,207,403	-
Investments	-	15,826,098	15,826,098	-
Receivables				
Property taxes	642,116	-	642,116	-
Franchise taxes	153,662	-	153,662	-
Other taxes	161,622	-	161,622	-
Accounts	9,776	1,628,273	1,638,049	-
Accrued revenue	-	4,510,425	4,510,425	-
Other	-	60,218	60,218	-
Fines	784,925	-	784,925	-
Intergovernmental	1,355,244	1,242,258	2,597,502	4,827,691
Deposits	-	39,356	39,356	-
Interest	3,162	-	3,162	-
Loans	353,517	-	353,517	-
Due from component unit	257,112	-	257,112	-
Due from primary government	-	-	-	116,644
Inventory	-	3,405,571	3,405,571	41,205
Prepaid items	344,003	250,310	594,313	-
Total Current Assets	21,308,016	38,272,600	59,580,616	16,765,913
Noncurrent assets				
Investments	2,964,091	4,936,992	7,901,083	-
Restricted assets				
Cash	-	790,106	790,106	-
Investments	-	11,550,429	11,550,429	-
Loans	1,239,838	-	1,239,838	-
Capital assets				
Nondepreciable	16,930,085	10,823,967	27,754,052	-
Depreciable, net	93,447,400	106,225,117	199,672,517	7,594,626
Noncurrent Assets	114,581,414	134,326,611	248,908,025	7,594,626
Total Assets	135,889,430	172,599,211	308,488,641	24,360,539
Deferred Outlfows of Resources				
Deferred bond refunding	-	100,004	100,004	-
Pension related	273,024	248,811	521,835	4,850,068
Total Deferred Outflows of Resources	273,024	348,815	621,839	4,850,068
Liabilities				
Current liabilities				
Accounts payable	322,869	3,313,640	3,636,509	193,093
Contractor bonds payable	-	38,468	38,468	335,304
Accrued payroll liabilities	1,394	224,059	225,453	3,500,051
Accrued expenses	424,740	83,828	508,568	-
Compensated absences payable	75,974	94,165	170,139	
Claims payable	6,094	-	6,094	-
Internal balances	(556,040)	556,040	-	-
Intergovernmental payable	46,579	91,411	137,990	-
Due to component unit	116,644	-	116,644	-
Due to primary government	-	-	-	257,112
Accrued interest payable	525,581	25,479	551,060	-
Unearned revenue	-	180,243	180,243	-
Post-closure care payable	-	24,010	24,010	-
Notes payable	-	4,923,147	4,923,147	-
Revenue bonds payable	330,600	1,450,000	1,780,600	-
Capital leases payable	21,028	-	21,028	-
Payable from restricted assets	-	1,945,245	1,945,245	-
Total Current Liabilities	1,315,463	12,949,735	14,265,198	4,285,560
Long-term liabilities (net of current portion)				
Compensated absences payable	227,923	173,735	401,658	137,054
Claims payable	67,827	-	67,827	-
Post-closure care payable	-	25,500	25,500	-
General obligation bonds payable	33,691,325	-	33,691,325	-
Revenue bonds payable	705,200	6,955,000	7,660,200	-
Notes payable	-	9,009,133	9,009,133	-
Net pension liability payable	1,244,697	1,042,394	2,287,091	20,674,008
Payable from restricted noncurrent assets	-	15,682,754	15,682,754	-
Total Long-term Liabilities	35,936,972	32,888,516	68,825,488	20,811,062
Total Liabilities	37,252,435	45,838,251	83,090,686	25,096,622
Deferred Inflows of Resources				
Deferred revenues	19,414	-	19,414	-
Pension related	231,646	211,104	442,750	7,207,398
Total Deferred Inflows of Resources	251,060	211,104	462,164	7,207,398
Net Position				
Net investment in capital assets	75,629,332	94,811,808	170,441,140	7,259,322
Restricted for				
Debt service	6,445,867	-	6,445,867	-
Capital projects	5,622,309	-	5,622,309	-
Program purposes				
Education	466,253	-	466,253	837,646
Housing and development	2,410,395	-	2,410,395	-
Public safety	154,044	-	154,044	-
Culture and recreation	83,957	-	83,957	-
Unrestricted	7,846,802	32,086,863	39,933,665	(11,190,381)
Total Net Position	$ 98,658,959	$ 126,898,671	$ 225,557,630	$ (3,093,413)

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Statement of Activities
For the Fiscal Year Ended June 30, 2015

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	$ 1,181,829	$ 175,896	$ -	$ -	$ (1,005,933)	$ -	$ (1,005,933)	$ -
Judicial	516,959	-	-	-	(516,959)	-	(516,959)	-
Public safety	7,250,790	245,577	106,483	475,330	(6,423,400)	-	(6,423,400)	-
Public works	3,199,338	(121)	124,269	1,143,223	(1,931,967)	-	(1,931,967)	-
Health and welfare	61,348	-	-	-	(61,348)	-	(61,348)	-
Culture and recreation	1,674,895	241,220	532,874	555,236	(345,565)	-	(345,565)	-
Housing and economic dev.	1,092,843	113,815	77,188	-	(901,840)	-	(901,840)	-
Education	2,031,197	-	3,816,549	3,997,998	5,783,350	-	5,783,350	-
Interest	1,547,478	-	-	-	(1,547,478)	-	(1,547,478)	-
Total Governmental Activities	18,556,677	776,387	4,657,363	6,171,787	(6,951,140)	-	(6,951,140)	-
Business-Type Activities								
Electric system	34,977,948	39,534,351	265,987	-	-	4,822,390	4,822,390	-
Water and sewerage system	12,874,952	16,338,197	-	9,571	-	3,472,816	3,472,816	-
Fields ferry golf course	893,286	512,221	-	-	-	(381,065)	(381,065)	-
Telecommunications	992,405	1,119,205	93,478	-	-	220,278	220,278	-
Solid waste	732,389	747,780	-	-	-	15,391	15,391	-
Total Business-Type Activities	50,470,980	58,251,754	359,465	9,571	-	8,149,810	8,149,810	-
Total - Primary Government	$ 69,027,657	$ 59,028,141	$ 5,016,828	$ 6,181,358	(6,951,140)	8,149,810	1,198,670	-
Component Unit								
Calhoun School District	$ 41,474,955	$ 1,374,996	$ 23,009,694	$ 50,000	-	-	-	(17,040,265)
General Revenues								
Property taxes levied for general government purposes					1,549,711	-	1,549,711	12,551,463
Sales taxes					2,494,441	-	2,494,441	2,878,697
Franchise taxes					3,006,179	-	3,006,179	-
Insurance premium taxes					882,703	-	882,703	-
Gas marketers taxes					92,159	-	92,159	-
Other taxes					1,085,490	-	1,085,490	-
Unrestricted intergovernmental					31,763	-	31,763	-
Gain on sale of capital assets and insurance recoveries					29,462	17,037	46,499	-
Investment earnings					79,132	224,959	304,091	4,945
Miscellaneous					26,503	294,870	321,373	-
Total General Revenues					9,277,543	536,866	9,814,409	15,435,105
Transfers					2,480,420	(2,480,420)	-	-
Total General Revenues and Transfers					11,757,963	(1,943,554)	9,814,409	15,435,105
Change in Net Position					4,806,823	6,206,256	11,013,079	(1,605,160)
Net Position Beginning of Year					95,007,915	121,557,345	216,565,260	21,847,069
Prior Period Adjustment					(1,155,779)	(864,930)	(2,020,709)	(23,335,322)
Net Position End of Year					$ 98,658,959	$ 126,898,671	$ 225,557,630	$ (3,093,413)

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, 2015

	General	School Bonds Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash	$ 4,417,859	$ 6,200,140	$ 6,624,878	$ 17,242,877
Investments- noncurrent	2,964,091	-	-	2,964,091
Receivables				
Property taxes	56,336	-	585,780	642,116
Franchise taxes	153,662	-	-	153,662
Other taxes	38,441	-	123,181	161,622
Accounts	6,286	-	3,490	9,776
Fines	784,925	-	-	784,925
Intergovernmental	1,208,256	-	146,988	1,355,244
Interest	-	-	3,162	3,162
Interfund	1,234,081	-	45,769	1,279,850
Loans	-	-	353,517	353,517
Loans- noncurrent	-	-	1,239,838	1,239,838
Component unit	11,385	245,727	-	257,112
Prepaid items	331,871	-	12,132	344,003
Total Assets	$ 11,207,193	$ 6,445,867	$ 9,138,735	$ 26,791,795
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	$ 238,916	$ -	$ 83,953	$ 322,869
Accrued payroll liabilities	1,394	-	-	1,394
Accrued expenditures	309,339	-	115,401	424,740
Intergovernmental payable	45,710		869	46,579
Due to component unit	-	-	116,644	116,644
Interfund payable	595,334	-	65,496	660,830
Advances payable	62,980	-	-	62,980
Total Liabilities	1,253,673	-	382,363	1,636,036
	.			
Deferred Inflows of Resources				
Unavailable revenue	805,487	-	485,667	1,291,154
Total Liabilities and Deferred Inflows of Resources	2,059,160	-	868,030	2,927,190
Fund Balances				
Nonspendable				
Prepaid items	331,871	-	12,132	344,003
Restricted				
Debt service	-	6,445,867	-	6,445,867
Capital projects	-	-	5,622,309	5,622,309
Program purposes				
Housing and development	-	-	2,410,395	2,410,395
Public safety	-	-	154,044	154,044
Culture and recreation	-	-	77,675	77,675
Committed				
Working capital/contingencies	4,015,916	-	-	4,015,916
Unassigned, reported in				
General fund	4,800,246	-	-	4,800,246
Special revenue funds	-	-	(5,850)	(5,850)
Total Fund Balances	9,148,033	6,445,867	8,270,705	23,864,605
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 11,207,193	$ 6,445,867	$ 9,138,735	$ 26,791,795

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, 2015

Total Governmental Fund Balances			$ 23,864,605
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	$ 153,790,439	
	Less accumulated depreciation	(43,412,954)	110,377,485
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
	Property taxes	517,394	
	Fines	754,346	
	Deferred outflow pension related	273,024	1,544,764
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	(66,524)	
	Interfund payables	66,524	-
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	(34,727,125)	
	Capital leases	(21,028)	
	Net pension liability	(1,244,697)	
	Claims	(73,921)	
	Compensated absences	(303,897)	
	Accrued interest	(525,581)	
	Deferred inflow pension related	(231,646)	(37,127,895)
Net Position Of Governmental Activities			$ 98,658,959

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, 2015

	General	School Bonds Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Taxes				
Property	$ 1,661,059	$ -	$ -	$ 1,661,059
Sales	2,494,441	-	-	2,494,441
Other	4,440,426	-	626,105	5,066,531
Intergovernmental	480,495	3,808,598	2,225,066	6,514,159
Licenses and permits	276,113	-	-	276,113
Charges for services	217,748	-	241,220	458,968
Fines and forfeitures	451,739	-	36,947	488,686
Contributions	331,734	-	-	331,734
Investment earnings	7,215	7,951	34,776	49,942
Miscellaneous	4,751	-	21,752	26,503
Total Revenues	10,365,721	3,816,549	3,185,866	17,368,136
Expenditures				
Current				
General government	1,169,257	-	-	1,169,257
Judicial	517,576	-	-	517,576
Public safety	7,053,213	-	31,026	7,084,239
Public works	2,776,785	-	-	2,776,785
Health and welfare	61,880	-	-	61,880
Culture and recreation	298,997	-	1,009,905	1,308,902
Housing and economic development	643,900	-	472,079	1,115,979
Capital Outlay	-	-	1,093,524	1,093,524
Debt Service				
Principal retirement	117,188	-	316,700	433,888
Interest and fiscal charges	2,547	1,484,775	51,327	1,538,649
Total Expenditures	12,641,343	1,484,775	2,974,561	17,100,679
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,275,622)	2,331,774	211,305	267,457
Other Financing Sources (Uses)				
Sale of capital assets	18,309	-	-	18,309
Insurance reimbursement	11,153	-	-	11,153
Transfers in	3,362,474	-	777,739	4,140,213
Transfers out	(856,693)	-	(803,100)	(1,659,793)
Total Other Financing Sources (Uses)	2,535,243	-	(25,361)	2,509,882
Net Change in Fund Balances	259,621	2,331,774	185,944	2,777,339
Fund Balances Beginning of Year	8,888,412	4,114,093	8,084,761	21,087,266
Fund Balances End of Year	$ 9,148,033	$ 6,445,867	$ 8,270,705	$ 23,864,605

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, 2015

Net Changes In Fund Balances - Total Governmental Funds		$ 2,777,339
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	$ (3,665,944)	
Capital outlay	1,624,131	(2,041,813)
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.		3,997,998
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 @ 6/30/15	517,394	
Deferred @ 6/30/14	(628,742)	(111,348)
Cemetery lot sales:		
Deferred @ 6/30/15	-	
Deferred @ 6/30/14	(15,177)	(15,177)
Fines:		
Deferred @ 6/30/15	754,346	
Deferred @ 6/30/14, *as restated*	(1,186,549)	(432,203)
Elimination of transfers between governmental funds, including net effect of transfers recorded for capital assets moved between governmental and enterprise funds.		
Transfers in	(1,097,513)	
Transfers out	1,097,513	-
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.		433,888
Amortization of bond premiums/discounts are reported on the government-wide statement of activities but not reported on the fund financial reporting level.		35,187
Pension expense represents the change in net pension liability from the beginning of the year to the end of the year on the statement of activities, but is measured by the amount actually paid in the governmental funds. This is the amount by which pension contributions paid in the current period exceeded the change in net pension liability and pension related deferrals.		169,359
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 @ 6/30/15	(525,581)	
Liability @ 6/30/14	527,777	2,196
Compensated absences		
Liability @ 6/30/15	(303,897)	
Liability @ 6/30/14	301,036	(2,861)
Claims		
Liability @ 6/30/15	(73,921)	
Liability @ 6/30/14	68,179	(5,742)
Change In Net Position of Governmental Activities		$ 4,806,823

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Property taxes	$ 1,823,468	$ 1,823,468	$ 1,661,059	$ (162,409)
Sales taxes	2,382,979	2,428,444	2,494,441	65,997
Other taxes	4,269,061	4,269,061	4,440,426	171,365
Intergovernmental	908,560	924,560	480,495	(444,065)
Licenses and permits	234,518	234,518	276,113	41,595
Charges for services	229,075	229,075	217,748	(11,327)
Fines and forfeitures	527,800	527,800	451,739	(76,061)
Contributions	-	-	331,734	331,734
Investment earnings	3,000	3,000	7,215	4,215
Miscellaneous	3,150	3,150	4,751	1,601
Total Revenues	10,381,611	10,443,076	10,365,721	(77,355)
Expenditures				
General administration				
Mayor and council	225,428	147,196	139,261	7,935
Elections	100	250	244	6
City administrator	522,425	757,889	757,889	-
Tax administration	76,875	76,875	69,498	7,377
General teller	56,561	56,561	54,696	1,865
Human resources	144,046	144,046	143,452	594
Risk management	4,900	4,900	4,217	683
Judicial				-
Municipal court	295,707	302,932	302,932	-
Probation	136,723	140,629	140,629	-
Custody of prisoners	80,500	80,500	74,015	6,485
Public safety				-
Police	3,963,566	4,026,053	3,928,771	97,282
Fire	3,229,086	3,246,477	3,244,177	2,300
Public works				-
Animal control	167,061	131,886	131,727	159
Highways and streets	2,564,768	2,575,804	2,470,311	105,493
Cemetery	168,714	177,067	170,162	6,905
Parks beautification	4,900	4,900	4,585	315
Health and welfare related	66,938	66,938	61,880	5,058
Culture and recreation				-
Auditorium	715	715	105	610
Depot	20,798	22,070	22,070	-
Community center	6,857	9,618	9,618	-
Library	319,283	319,283	267,204	52,079
Housing and economic development				-
Regularatory inspections and enforcement	286,828	292,698	292,698	-
Downtown development	116,245	124,637	124,637	-
Airport	226,101	226,565	226,565	-
Total Expenditures	12,685,125	12,936,489	12,641,343	295,146
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,303,514)	(2,493,413)	(2,275,622)	217,791
Other Financing Sources (Uses)				
Sale of capital assets	12,500	12,500	18,309	5,809
Insurance reimbursement	-	-	11,153	11,153
Transfers in	3,156,663	3,362,474	3,362,474	-
Transfers out	(865,649)	(881,561)	(856,693)	24,868
Total Other Financing Sources (Uses)	2,303,514	2,493,413	2,535,243	41,830
Net Change in Fund Balance	$ -	$ -	259,621	$ 259,621
Fund Balance Beginning of Year			8,888,412	
Fund Balance End of Year			$ 9,148,033	

See accompanying notes to the basic financial statements.

City of Calhoun, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-type Activities - Enterprise Funds				Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds	Total	Internal Service Fund
Assets					
Current assets					
Cash	$ 4,768,141	$ 1,789,810	$ 1,008,319	$ 7,566,270	$ 536,418
Restricted Assets					
Cash	1,074,164	2,133,239	-	3,207,403	-
Investments	15,826,098	-	-	15,826,098	-
Receivables					
Accounts	747,762	777,644	102,867	1,628,273	-
Accrued revenue	3,278,301	1,123,714	108,410	4,510,425	-
Intergovernmental	803,940	438,318	-	1,242,258	-
Interfund	430,422	-	62,690	493,112	163,884
Other	58,021	-	2,197	60,218	-
Advances	305,411	-	-	305,411	-
Deposits	39,356	-	-	39,356	-
Inventory	2,036,566	1,062,708	306,297	3,405,571	-
Prepaid items	69,697	84,702	11,518	165,917	84,393
Total Current Assets	29,437,879	7,410,135	1,602,298	38,450,312	784,695
Noncurrent assets					
Investments	3,702,043	1,124,580	110,369	4,936,992	-
Restricted assets					
Cash	-	790,106	-	790,106	-
Investments	11,550,429	-	-	11,550,429	-
Advances receivable	2,042,110	-	-	2,042,110	-
Capital Assets					
Nondepreciable	511,254	9,275,163	1,010,573	10,796,990	26,977
Depreciable, net	14,942,040	87,360,082	2,533,425	104,835,547	1,389,570
Total Noncurrent Assets	32,747,876	98,549,931	3,654,367	134,952,174	1,416,547
Total Assets	62,185,755	105,960,066	5,256,665	173,402,486	2,201,242
Deferred Outflows of Resources					
Deferred bond refunding	-	100,004	-	100,004	-
Pension related	42,895	106,715	27,135	176,745	72,066
Total Deferred Outflows of Resources	42,895	206,719	27,135	276,749	72,066
Liabilities					
Current liabilities					
Accounts payable	2,890,833	369,570	47,908	3,308,311	5,329
Contractor bonds payable	-	38,468	-	38,468	-
Accrued payroll liabilities	23	125,113	20,076	145,212	78,847
Accrued expenses	46,954	-	36,874	83,828	-
Accrued interest payable	-	25,479	-	25,479	-
Intergovernmental payable	80,292	9,267	1,750	91,309	102
Interfund payable	461	1,381	809,201	811,043	464,973
Post-closure care payable	-	-	24,010	24,010	-
Compensated absences payable	14,886	43,854	10,040	68,780	25,385
Unearned revenue	18,533	-	3,310	21,843	158,400
Advances payable	-	59,500	109,853	169,353	73,078
Notes payable	-	4,912,710	-	4,912,710	10,437
Revenue bonds payable	-	1,450,000	-	1,450,000	-
Payable From Restricted Assets:					
Accrued interest payable	-	4,970	-	4,970	-
Customer deposits and interest	1,074,164	866,111	-	1,940,275	-
Total Current Liabilities	4,126,146	7,906,423	1,063,022	13,095,591	816,551
Long-term liabilities					
Compensated absences payable	26,504	81,443	18,645	126,592	47,143
Net pension liability	143,694	566,387	90,901	800,982	241,412
Post-closure care payable (net of current portion)	-	-	25,500	25,500	-
Notes payable (net of current portion)	-	9,009,133	-	9,009,133	-
Revenue bonds payable (net of current portion)	-	6,955,000	-	6,955,000	-
Advances payable (net of current portion)	-	627,114	735,544	1,362,658	679,452
Payable From Restricted Assets:					
Regulatory liability	15,682,754	-	-	15,682,754	-
Total Long-Term Liabilities	15,852,952	17,239,077	870,590	33,962,619	968,007
Total Liabilities	19,979,098	25,145,500	1,933,612	47,058,210	1,784,558
Deferred Inflows of Resources					
Pension related	36,394	90,542	23,023	149,959	61,145
Net Position					
Net investment in capital assets	15,453,294	74,408,406	3,543,998	93,405,698	1,406,110
Unrestricted (deficit)	26,759,864	6,522,337	(216,833)	33,065,368	(978,505)
Total Net Position	$ 42,213,158	$ 80,930,743	$ 3,327,165	$ 126,471,066	$ 427,605
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				427,605	
Net Position of Business-type Activities				$ 126,898,671	
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	$ (62,690)	$ -
			Interfund payables	-	62,690
				$ (62,690)	$ 62,690
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	$ (2,284,541)	$ -
			Advances payable	1,532,011	752,530
				$ (752,530)	$ 752,530

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, 2015

	Business-type Activities - Enterprise Funds				Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds	Total	Internal Service Fund
Operating Revenues					
Charges for services	$ 39,534,351	$ 16,338,197	$ 2,379,206	$ 58,251,754	$ 3,163,232
Miscellaneous	184,643	53,221	16,876	254,740	40,130
Total Operating Revenues	39,718,994	16,391,418	2,396,082	58,506,494	3,203,362
Operating Expenses					
Personal services	1,180,075	3,317,094	860,033	5,357,202	2,137,267
Contractual services	1,636,509	874,887	846,305	3,357,701	432,353
Supplies	30,614,097	3,162,792	267,742	34,044,631	134,723
Interfund allocations	608,245	2,093,803	199,223	2,901,271	45,136
Depreciation	943,395	3,259,693	299,991	4,503,079	84,296
Amortization	-	20,845	50	20,895	-
Other	1,763	1,017	13,724	16,504	-
Total Operating Expenses	34,984,084	12,730,131	2,487,068	50,201,283	2,833,775
Operating Income (Loss)	4,734,910	3,661,287	(90,986)	8,305,211	369,587
Non-Operating Revenues (Expenses)					
Change in estimated landfill closure costs	-	-	(28,471)	(28,471)	-
Bond issuance charges	-	(51,114)	-	(51,114)	-
Interest and fiscal charges	-	(409,050)	(9,135)	(418,185)	(7,978)
Investment earnings	217,426	7,192	341	224,959	-
Intergovernmental revenue	265,987	9,571	93,478	369,036	-
Intergovernmental expenses	-	-	(93,406)	(93,406)	-
Gain (loss) on disposition of capital assets	22,127	(5,090)	-	17,037	-
Total Non-Operating Revenues (Expenses)	505,540	(448,491)	(37,193)	19,856	(7,978)
Income (Loss) Before Contributions and Transfers	5,240,450	3,212,796	(128,179)	8,325,067	361,609
Transfers in	203,679	353,408	32,056	589,143	1,064
Transfers out	(1,877,670)	(1,153,357)	-	(3,031,027)	(39,600)
Total Contributions and Transfers	(1,673,991)	(799,949)	32,056	(2,441,884)	(38,536)
Change in Net Position	3,566,459	2,412,847	(96,123)	5,883,183	323,073
Net Position Beginning of Year	38,795,812	78,888,865	3,517,618	121,202,295	355,050
Prior period adjustment	(149,113)	(370,969)	(94,330)	(614,412)	(250,518)
Net Position End of Year	$ 42,213,158	$ 80,930,743	$ 3,327,165	$ 126,471,066	$ 427,605

Reconciliation of the fund level operating statements to the government wide statement of activities.	
Change in net position	$ 5,883,183
Internal service fund charges (credits) to enterprise funds, resulting in changes in operating expenses.	329,457
Miscellaneous revenue	40,130
Interest expense	(7,978)
Transfers in	1,064
Transfers out	(39,600)
Change in Net position of business-type activities	$ 6,206,256

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, 2015

	Business-type Activities - Enterprise Funds				Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds	Total	Internal Service Fund
Cash Flows from Operating Activities					
Cash received from customers	$ 38,032,685	$ 16,170,452	$ 2,016,856	$ 56,219,993	$ -
Cash received from other	-	-	-	-	40,130
Cash received from interfund services provided	1,610,013	228,410	306,321	2,144,744	3,214,473
Other cash receipts	-	-	225,261	225,261	-
Cash payments for personal services	(1,194,521)	(3,317,340)	(862,669)	(5,374,530)	(2,149,152)
Cash payments for goods and services	(32,362,945)	(2,872,912)	(1,107,581)	(36,343,438)	(505,113)
Cash payments for interfund services used	(1,051,472)	(3,305,205)	(239,113)	(4,595,790)	(2,797,441)
Other cash payments	(55,248)	8,250	-	(46,998)	-
Net Cash Provided by (Used in) Operating Activities	4,978,512	6,911,655	339,075	12,229,242	(2,197,103)
Cash Flows from Noncapital Financing Activities					
Intergovernmental revenues	-	-	93,478	93,478	-
Intergovernmental expense	-	-	(91,656)	(91,656)	-
Transfers in	145,224	24,519	32,056	201,799	1,064
Transfers out	(1,877,670)	(1,153,357)	-	(3,031,027)	(39,600)
Advances to other funds	(384,101)	-	-	(384,101)	-
Payments received on advances	468,598	-	-	468,598	-
Net Cash Provided by (Used in) Noncapital Financing Activities	(1,647,949)	(1,128,838)	33,878	(2,742,909)	(38,536)
Cash Flows from Capital and Related Financing Activities					
Transfers in- SPLOST	58,455	328,889	-	387,344	-
Proceeds from debt	-	3,704,187	-	3,704,187	(41,750)
Proceeds from sale of capital assets	22,127	-	-	22,127	-
Advances from other funds	-	384,101	-	384,101	-
Payments for landfill post-closure costs	-	-	(27,500)	(27,500)	-
Principal paid on revenue bonds	-	(1,425,000)	-	(1,425,000)	-
Interest paid on revenue bonds	-	(198,650)	-	(198,650)	-
Bond issuance charges	-	(51,114)	-	(51,114)	-
Principal paid on notes and leases	-	(503,250)	-	(503,250)	-
Interest paid on notes and leases	-	(207,177)	-	(207,177)	-
Payments for capital acquisitions and construction	(879,487)	(5,787,152)	(92,628)	(6,759,267)	(45,960)
Intergovernmental revenues	265,987	9,571	-	275,558	-
Principal paid on advance	-	(31,686)	(126,481)	(158,167)	(72,352)
Interest paid on advance	-	(3,223)	(9,135)	(12,358)	(7,978)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(532,918)	(3,780,504)	(255,744)	(4,569,166)	(168,040)
Cash Flows from Investing Activities					
Purchase of investments	(4,970,821)	(1,124,580)	(110,369)	(6,205,770)	-
Investment earnings	217,426	7,192	341	224,959	-
Net Cash Provided by (Used in) Investing Activities	(4,753,395)	(1,117,388)	(110,028)	(5,980,811)	-
Net Increase (Decrease) in Cash	(1,955,750)	884,925	7,181	(1,063,644)	(2,403,679)
Cash Beginning of Year	7,798,055	3,828,230	1,001,138	12,627,423	2,940,097
Cash End of Year	$ 5,842,305	$ 4,713,155	$ 1,008,319	$ 11,563,779	$ 536,418

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, 2015

(continued)

	Business-type Activities - Enterprise Funds				Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds	Total	Internal Service Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating Income (Loss)	$ 4,734,910	$ 3,661,287	$ (90,986)	$ 8,305,211	$ 369,587
Adjustments					
Depreciation	943,395	3,259,693	299,991	4,503,079	84,296
Amortization	-	20,845	50	20,895	-
(Increase) Decrease in Assets					
Accounts receivable and accrued revenues	(138,302)	(24,948)	(7,847)	(171,097)	88
Inventories	(80,160)	(117,616)	(12,676)	(210,452)	-
Interfund receivables	(397,324)	114,349	(61,463)	(344,438)	51,153
Intergovernmental receivable	(16,802)	-	-	(16,802)	-
Deposits	7,139	-	-	7,139	-
Prepaid expenses	(53,485)	(33,846)	(3,705)	(91,036)	(5,247)
Deferred outflows pension related	(42,895)	(106,715)	(27,135)	(176,745)	(72,065)
Increase (Decrease) in Liabilities					
Accounts payable and accrued liabilities	(140,202)	(1,636)	(3,383)	(145,221)	(47,274)
Net pension liability	(5,419)	(199)	(3,429)	(9,047)	(9,106)
Accrued payroll liabilities	(2,526)	16,126	4,905	18,505	8,142
Intergovernmental payable	80,292	-	-	80,292	102
Deposits payable	53,136	32,392	-	85,528	-
Interfund payable	361	1,381	225,206	226,948	(2,637,923)
Unearned revenue	-	-	(3,476)	(3,476)	-
Deferred inflows pension related	36,394	90,542	23,023	149,959	61,144
Net Cash Provided by (Used in) Operating Activities	$ 4,978,512	$ 6,911,655	$ 339,075	$ 12,229,242	$ (2,197,103)
Noncash Investing, Capital and Financing Activities					
The net appreciation in the value of investments that are not cash equivalents and are reported at fair value.	$ 5,243	$ 1,593	$ 156	$ 6,992	$ -

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2015

	Municipal Court Agency Fund	Cemetery Trust Fund
Assets		
Cash	$ 12,855	$ 806,581
Investments	-	342,639
Total Assets	$ 12,855	$ 1,149,220
Liabilities and Net Position		
Liabilities		
Due to others	$ 12,855	$ -
Net Position		
Assets held in trust for cemetery perpetual care	-	1,149,220
Liabilities and Net Position	$ 12,855	$ 1,149,220

See accompanying notes to the basic financial statements

City of Calhoun, Georgia
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2015

	Pension Trust Fund	Cemetery Trust Fund
Additions		
Employer contributions	$ 89,361	$ -
Cemetery lot sales- trust portion	-	28,750
Investment income	-	1,394
Total Additions	89,361	30,144
Deductions		
Benefits	89,361	-
Administrative expenses	-	4,044
Total Deductions	89,361	4,044
Change in Net Position	-	26,100
Net Position Beginning of Year	-	1,123,120
Net Position End of Year	$ -	$ 1,149,220

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, 2015

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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 and a financial benefit or burden relationship exists. 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. The financial burden criterion is further met since the land and buildings of the school system are owned by the City. 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.

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, 2015. The delinquent taxes receivable account represents past years of uncollected tax levies. The allowance for estimated uncollectibles is estimated at .80% of the tax digests for fiscal years ended June 30, 2011-2015, in addition to 100% of the receivable for all fiscal years prior to 2011.

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, 2015, 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 reported as nonspendable 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 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.

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 have been 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 a 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 requires City Council approval. The City Council amended the original appropriations for fiscal year 2015 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 (other than federal or state government instruments) 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, 2015, the City did not have debt or equity investment in any one organization, other than those issued by the U.S. Government, which represented more than 5 percent of investments.

As of June 30, 2015, the City's credit and interest rate risk related to the City's cash equivalents and investments was as follows:

Investment	(Market Value) Fair Value	Segmented Time Distrib.	Credit Quality
Federal agency securities	$ 2,013,496	1-3 yrs.	AA+
Federal agency securities	5,980,100	> 3 yrs.	AA+
	$ 7,993,596		

At June 30, 2015, the carrying amount of the City's deposits, not including cash on hand, was $29,336,260 and the related bank balances totaled $29,850,242. All bank balances were covered by Federal Depository Insurance or by collateral held by the City's agent. Cash on hand at June 30, 2015 was $6,814.

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. It is currently the City's policy to not invest in instruments with a variable interest rate, with the exception of the MCT and the pension trust fund. The investment portfolio will be invested in permitted investments with a stated maturity of no more than 5 years from the date of purchase.

At June 30, 2015, the City's investments also included $27,376,527 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. There is negligible credit risk associated with the City's investments primarily since it is the City's policy to invest in certificates of deposit, money market accounts that are covered by FDIC insurance or pledged collateral and securities of the U.S. government and its agencies. 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	$ 17,242,877	$ 2,964,091
Proprietary Fund Type Statement of Net Position	8,102,688	4,936,992
Proprietary Fund Type Statement of Net Position - Restricted	3,997,509	27,376,527
Fiduciary Fund Type Statement of Net Position	819,436	342,639
Total	$ 30,162,510	$ 35,620,249

3-B. Receivables

Receivables at June 30, 2015, 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, collectability.

At June 30, 2015, the amount of allowance for uncollectables was $858,495.

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 9, 2014. Property taxes were billed on September 20, 2014 and were payable on December 20, 2014. Liens have not been issued as of the report date.

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	1,940,275
Water and sewerage debt service	2,018,766
Total Cash	3,997,509
Investments	
Electric Fund- Flexible Trust account- MEAG	15,826,098
Electric Fund- Generation Trust account- MEAG	11,550,429
Total Investments	27,376,527
Total Restricted Assets	$ 31,374,036

3-E. Capital Assets

Capital asset activity for the year ended June 30, 2015, was as follows:

	Balance 6/30/2014	Additions	Deductions	Balance 6/30/2015
Governmental activities				
Capital assets not being depreciated				
Land	$ 16,650,622	$ 21,875	$ -	$ 16,672,497
Construction in progress	1,201,706	170,045	1,114,163	257,588
Total capital assets not being depreciated	17,852,328	191,920	1,114,163	16,930,085
Depreciable capital assets				
Buildings	86,213,419	5,557,720	-	91,771,139
Improvements other than buildings	11,875,658	45,623	-	11,921,281
Machinery and equipment	7,491,899	563,552	115,873	7,939,578
Infrastructure	24,850,879	377,477	-	25,228,356
Total depreciable capital assets	130,431,855	6,544,372	115,873	136,860,354
Total capital assets	148,284,183	6,736,292	1,230,036	153,790,439
Accumulated depreciation				
Buildings	16,651,663	1,869,807	-	18,521,470
Improvements other than buildings	4,467,745	647,636	-	5,115,381
Machinery and equipment	5,377,448	441,504	115,873	5,703,079
Infrastructure	13,366,027	706,997	-	14,073,024
Total accumulated depreciation	39,862,883	3,665,944	115,873	43,412,954
Governmental activities capital assets, net	$ 108,421,300	$ 3,070,348	$ 1,114,163	$ 110,377,485

Governmental activities depreciation expense

General government	$ 17,962
Judicial	2,475
Public safety	363,401
Public works	852,942
Culture and recreation	395,218
Housing and development	2,749
Education	2,031,197
Total governmental activities depreciation expense	$ 3,665,944

Construction in progress for governmental activities at June 30, 2015 includes the following:

Project Description	Project Authorized	Expended to June 30, 2015	Future Financing
Streetscape phase IV	$ 500,000	$ 80,943	$ 419,057
Peters Street	2,000,000	153,145	1,846,855
Recreation complex	1,958,666	23,500	1,935,166
Total	$ 4,458,666	$ 257,588	$ 4,201,078

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

	Balance 6/30/2014	Adjustments	Additions	Deductions	Balance 6/30/2015
Business-type activities					
Nondepreciable capital assets					
Land	$ 7,389,307	$ -	$ -	$ -	$ 7,389,307
Intangibles	46,424	-	-	-	46,424
Construction in progress	5,913,704	-	2,858,865	5,384,333	3,388,236
Total nondepreciable capital assets	13,349,435	-	2,858,865	5,384,333	10,823,967
Depreciable capital assets					
Buildings, plant and tanks	40,043,950	-	46,842	-	40,090,792
Improvements other than buildings	5,561,848	-	-	-	5,561,848
Machinery and equipment	23,775,838	98,785	1,164,946	245,827	24,793,742
Utility systems	109,451,504	-	8,143,592	-	117,595,096
Total depreciable assets	178,833,140	98,785	9,355,380	245,827	188,041,478
Total capital assets	192,182,575	98,785	12,214,245	5,630,160	198,865,445
Accumulated depreciation					
Buildings, plant and tanks	20,082,734	-	800,182	-	20,882,916
Improvements other than buildings	3,859,511	-	127,415	-	3,986,926
Machinery and equipment	14,913,162	98,785	1,203,236	211,301	16,003,882
Utility systems	38,486,095	-	2,456,542	-	40,942,637
Total accumulated depreciation	77,341,502	98,785	4,587,375	211,301	81,816,361
Business-type activities capital assets, net	$ 114,841,073	$ -	$ 7,626,870	$ 5,418,859	$ 117,049,084

Construction in progress for business-type activities at June 30, 2015 includes the following:

Project Description	Project Budget	Expended to June 30, 2015	Future Financing
Foster Glen Sewer Project	$ 34,842	$ 16,519	$ 18,323
Camden Court Sewer Extension	20,500	19,958	542
Mauldin Rd. Water Plant Improvements	3,900,000	2,274,682	1,625,318
Park Place-Phase VIII Sewer Extension	7,000	5,984	1,016
Streetscape Phase IV	595,000	536	594,464
Lighting projects	564,616	411,615	153,001
Two Clarifiers	360,000	350,761	9,239
Two Inch Galvanized Pipe- GEFA	1,440,000	231,096	1,208,904
Other	125,191	77,085	48,106
Total	$ 7,047,149	$ 3,388,236	$ 3,658,913

3-F. Interfund Balances and Transfers

Interfund Balances - Interfund balances at June 30, 2015 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	Water & sewerage system fund	Nonmajor enterprise funds	Internal service fund	Total
General fund	$ -	$ 20,755	$ 461	$ 1,381	$ 809,201	$ 402,283	$ 1,234,081
Nonmajor governmental funds	30,301	15,468	-	-	-	-	45,769
Electric fund	401,149	29,273			-	-	430,422
Nonmajor enterprise funds	-	-	-	-	-	62,690	62,690
Internal service fund	163,884	-	-	-	-	-	163,884
Total	$ 595,334	$ 65,496	$ 461	$ 1,381	$ 809,201	$ 464,973	$ 1,936,846

Long-term Balances - The electric system fund originally advanced the telecommunications fund resources to start this fund. As of June 30, 2015, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
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	114,330	3,565	117,895
2021-2023	284,996	3,809	288,805
	$ 845,397	$ 32,886	$ 878,283

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, 2015, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
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	33,308	1,601	34,909
2021-2024	139,249	3,025	142,274
	$ 302,513	$ 14,306	$ 316,819

During fiscal year 2015, the electric system advanced the water & sewerage fund monies to construct a transmission main on Highway 53. As of June 30, 2015, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2016	$ 27,496	$ 2,812	$ 30,308
2017	36,983	3,428	40,411
2018	37,354	3,056	40,410
2019	37,729	2,681	40,410
2020	38,108	2,303	40,411
2021-2025	196,354	5,699	202,053
2026	10,077	25	10,102
	$ 384,101	$ 20,004	$ 404,105

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, 2015, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
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	76,057	4,273	80,330
2021-2025	379,729	9,741	389,470
Total	$ 752,530	$ 38,590	$ 791,120

During fiscal year 2013, the electric system fund advanced the general fund resources to purchase a fleet of police cars. As of June 30, 2015, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2016	$ 62,980	$ 109	$ 63,089

Changes in the City's long-term advances from the electric fund consisted of the following for the year ended June 30, 2015:

Advances to:	Outstanding 6/30/2014	Additions	Reductions	Outstanding 6/30/2015	Amounts Due in One Year
Telecommunications fund	$ 954,158	$ -	$ 108,761	$ 845,397	$ 109,853
Water and sewerage fund	334,199	384,101	31,686	686,614	59,500
Internal service fund	824,882	-	72,352	752,530	73,078
Golf fund	17,720	-	17,720	-	-
General fund	301,059	-	238,079	62,980	62,980
Total Advances	$ 2,432,018	$ 384,101	$ 468,598	$ 2,347,521	$ 305,411

Interfund Transfers – The following interfund transfers were made in fiscal year 2015:

	Transfers out					
	General fund	Nonmajor governmental funds	Electric system fund	Water & sewerage fund	Internal service fund	Total
Transfers in						
General fund	$ -	$ 319,774	$ 1,852,337	$ 1,150,763	$ 39,600	$ 3,362,474
Nonmajor governmental funds	699,476	78,263	-	-	-	777,739
Electric system	145,191	58,455	-	33	-	203,679
Water & sewerage	428	328,888	24,092	-	-	353,408
Nonmajor enterprise funds	11,283	17,720	492	2,561	-	32,056
Internal service fund	315	-	749	-	-	1,064
Total	$ 856,693	$ 803,100	$ 1,877,670	$ 1,153,357	$ 39,600	$ 4,730,420

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, 2015 are as follows:

Fiscal Year	Principal	Interest	Total
2016	$ 330,600	$ 36,213	$ 366,813
2017	343,800	22,185	365,985
2018	361,400	7,517	368,917
Total	$ 1,035,800	$ 65,915	$ 1,101,715

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, 2015 are as follows:

Fiscal Year	Principal	Interest	Total
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	-	1,482,675	1,482,675
2021-2025	15,360,000	6,358,071	21,718,071
2026-2030	11,540,000	2,149,422	13,689,422
2031-2033	6,100,000	370,000	6,470,000
Total	$ 33,000,000	$ 16,290,868	$ 49,290,868

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, 2015 are as follows:

Fiscal Year	Principal	Interest	Total
2016	$ 21,028	$ 158	$ 21,186

The assets acquired through these capital leases are as follows:

Asset	Governmental Activities
Machinery and equipment	$ 1,087,605
Less: accumulated depreciation	(660,033)
Total	$ 427,572

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, 2015 are as follows:

Fiscal Year	Principal	Interest	Total
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	140,000	2,709	142,709
Total	$ 3,125,000	$ 139,805	$ 3,264,805

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, 2015 are as follows:

Fiscal Year	Principal	Interest	Total
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	595,000	62,712	657,712
2021-2025	2,315,000	137,488	2,452,488
2026	105,000	2,184	107,184
Total	$ 5,280,000	$ 534,716	$ 5,814,716

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

Fiscal Year	Principal	Interest	Total
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	735,000	65,421	800,421
2021-2025	2,315,000	137,488	2,452,488
2026	105,000	2,184	107,184
	$ 8,405,000	$ 674,521	$ 9,079,521

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 $80,556 has been capitalized of the $84,048 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 6/30/2014	Additions	Reductions	Balance 6/30/2015
State Revolving Loan Fund									
3.00%	19,215	1/1/2004	5/28/2002	3,259,841	8/1/2024	$ 2,018,789	$ -	$ 172,386	$ 1,846,403
3.00%	11,835	5/1/2009	2/6/2003	2,133,992	4/1/2029	1,698,687	-	92,324	1,606,363
3.00%	14,079	8/1/2015	7/1/2015	2,770,000	N/A	2,335,088	434,912	-	2,770,000
3.00%	86,322	6/1/2007	2/28/2007	5,178,828	3/1/2027	3,647,059	-	238,540	3,408,519
1.40%	N/A	N/A	N/A	N/A	N/A	359,960	551,350	-	911,310
1.21%	N/A	N/A	N/A	N/A	N/A	661,323	2,717,925	-	3,379,248
Note Payable									
0.00%	3,479	10/31/2013	9/30/2013	83,500	8/31/2015	52,187	-	41,750	10,437
TOTAL						$ 10,773,093	$ 3,704,187	$ 545,000	$ 13,932,280

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

Fiscal Year	Principal	Interest	Total
2016	$ 4,923,147	$ 250,620	$ 5,173,767
2017	649,736	237,114	886,850
2018	668,277	218,573	886,850
2019	687,439	199,411	886,850
2020	707,112	179,739	886,851
2021-2025	3,658,551	584,052	4,242,603
2026-2030	1,823,112	170,297	1,993,409
2031-2035	800,851	43,869	844,720
2036	14,055	25	14,080
	$ 13,932,280	$ 1,883,700	$ 15,815,980

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
2016	$ 24,010	$ 990	$ 25,000
2017	25,500	510	26,010
	$ 49,510	$ 1,500	$ 51,010

Changes in Long-term Debt - Changes in the City's long-term obligations consisted of the following for the year ended June 30, 2015:

Governmental Activities	Outstanding 6/30/2014, *as restated*	Additions	Reductions	Outstanding 6/30/2015	Amounts Due in One Year
Revenue bonds	$ 1,352,500	$ -	$ 316,700	$ 1,035,800	$ 330,600
General obligation school bonds	33,000,000	-	-	33,000,000	-
Capital leases	138,216	-	117,188	21,028	21,028
Claims	68,179	5,742	-	73,921	6,094
Compensated absences	301,036	303,897	301,036	303,897	75,974
Net pension liability	1,642,816	-	398,119	1,244,697	-
Total Governmental Activities	$ 36,502,747	$ 309,639	$ 1,133,043	35,679,343	433,696
Plus Deferred Bond Related Items				691,325	-
Net Governmental Activities				$ 36,370,668	$ 433,696
Business-Type Activities					
Revenue bonds	$ 9,830,000	$ -	$ 1,425,000	$ 8,405,000	$ 1,450,000
Notes payable	10,773,093	3,704,187	545,000	13,932,280	4,923,147
Estimated landfill closure costs	48,539	971	-	49,510	24,010
Compensated absences	258,372	267,900	258,372	267,900	94,165
Net pension liability	1,306,727	13,284	277,617	1,042,394	-
Total Business-Type Activities	$ 22,216,731	$ 3,986,342	$ 2,505,989	$ 23,697,084	$ 6,491,322

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

Defined Benefit Plan- 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 administered through the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public employee retirement system administered by the Georgia Municipal Association 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. GMEBS 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). For fiscal year 2015, the City's annual pension contributions to the Plan were $722,131, equal to the City's required contributions.

Plan Membership - Participation in this plan is comprised of the following as of the valuation date of January 1, 2015:

Retirees and beneficiaries receiving benefits	54
Terminated plan members entitled to, but not yet receiving benefits	50
Active plan members	263
Total	367

Actuarial Assumptions –The City's pension liability was measured as of September 30, 2014. The total pension liability in the January 1, 2015 actuarial valuation was determined using the following actuarial assumptions: (a) 7.75% investment rate of return and (b) projected salary increases of 3.25% per year plus service based merit increases (c) inflation at 3.25% and (d) cost of living adjustments at 0.00%. Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females. The actuarial assumptions used in the January 1, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2014.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2014 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Long-Term Nominal Real Rate of Return
Domestic equity	50%	5.95%	9.20%
International equity	15%	6.45%	9.70%
Fixed income	25%	1.55%	4.80%
Real estate	10%	3.75%	7.00%
Cash	0%		
Total	100%		

Discount rate- The discount rate used to measure total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from the employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net positions was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Net Pension Liability – The changes in the components of the net pension liability of the City of Calhoun for the year ended June 30, 2015 were as follows:

Changes in the Net Pension Liability

	Total Pension Liability (TPL) (a)	Fidicuary Pension Liability (FNP) (b)	Net Pension Liability (NPL) (a) - (b)
Balance at September 30, 2013	$ 10,121,981	$ 7,791,633	$ 2,330,348
Changes for the year:			
Service cost	494,335	-	494,335
Interest	774,792	-	774,792
Difference between expected and actual experience	(47,806)	-	(47,806)
Contributions- employer	-	715,308	(715,308)
Contributions- employee	-	-	-
Net investment income	-	902,314	(902,314)
Benefit payments, including refunds of employer contributions	(249,327)	(249,327)	-
Administration expense	-	(20,343)	20,343
Other	(206,292)	-	(206,292)
Net changes	765,702	1,347,952	(582,250)
Balance at September 30, 2014	$ 10,887,683	$ 9,139,585	$ 1,748,098

The required schedule of changes in the net pension liability immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the net pension liability to the discount rate – The following presents the net pension liability of the City, calculated using the discount rate of 7.75%, as what as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
City's net pension liability	$ 3,262,046	$ 1,748,098	$ 486,848

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions- For the year ended June 30, 2015, the City recognized pension expense of $575,808. At June 30, 2015 the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (40,974)
Changes of assumptions	-	(176,820)
Net difference between projected and actual earnings on pension plan investments	-	(224,956)
City contributions subsequent to the measurement date	521,835	-
	$ 521,835	$ (442,750)

City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30	
2016	$ (92,538)
2017	(92,538)
2018	(92,538)
2019	(92,538)
2020	(36,299)
2012 and thereafter	(36,299)
Total	$ (442,750)

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, 2015
Retirees Currently Receiving Benefits:		
General government	2	
Water and sewerage system	1	
Total Retirees Currently Receiving Benefits		3
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
2015	$ 9,159	$ 89,361	976%	$ 538,993
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

The pension costs for fiscal year ended June 30, 2015 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, 2015 is as follows:

Net pension obligation, beginning of year	$ 619,195
Annual pension cost	
Annual required contribution (ARC)	(13,823)
Interest on net pension obligation	22,982
Pension costs	9,159
Adjustment to the ARC	-
Employer contributions	(89,361)
Increase (decrease) in net pension obligation	(80,202)
Net pension obligation, end of year	$ 538,993

The following are the actuarial assumptions used in this plan:

Actuarial valuation date	6/30/2015
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

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

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, 2015 is as follows:

Net Investment in Capital Assets:	Governmental Activities	Business Type Activities
Cost of capital assets	$ 153,790,439	$ 198,865,445
Less accumulated depreciation	43,412,954	81,816,361
Book value	110,377,485	117,049,084
Less capital related debt, net of deferred refunding amounts, bond premiums and discounts	(34,748,153)	(22,237,276)
Net investment in capital assets	$ 75,629,332	$ 94,811,808

3-K. Deficit Fund Balances

The deficit fund balance of the hotel/motel fund of $5,850 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, 2015. 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 $30,234,041 net of off-system sales which reduced costs. Rebates of $818,215 are reflected in the net power purchases of $29,415,826.

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, 2015, the balance in this account was $7,111,816. The intermediate flexible operating trust account has a balance of $3,716,636 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, 2015, the balance in this account was $4,997,646 for a total of $15,826,098 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, 2015, was $3,673 and $5,406,392, 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, 2015 is $11,550,429. 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 $8,674 in the year 2019 while the cost per kW has risen, this should generally be offset by the reduction in financing costs due to lower interest rates. 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 2019 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 2015, the City paid dues in the amount of $15,899 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, 2015, were $126,412. 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 2015 were $149,377. 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					$ 626,105
Disbursements					
Gordon County Chamber of Commerce	Tourism	3.5%	43.8%	$ 273,921	
Gordon County Industrial Development Authority	Economic Development	2%	25.0%	156,526	
Downtown Development Authority	Economic Development	0.5%	6.3%	39,132	
Calhoun Recreation Department	Tourism	1%	12.5%	78,262	
City of Calhoun	Tourism	0.5%	6.3%	39,132	
City of Calhoun	Economic Development	0.5%	6.3%	39,132	(626,105)
		8%	100%		$ -

4-F. Prior Period Adjustment

In fiscal year 2015, the City made a prior period adjustment to fines receivable for fines that were deemed uncollectible by the City's attorney who advised that any cases older than seven years were not enforceable. As a result, fines receivable were reduced at the government-wide level. Fines receivable and deferred fine revenue were both reduced by the same amount at the fund level.

Effective July 1, 2015, the City implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions- an amendment of GASB Statement No.* 27, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date- an amendment of GASB No.* 68, which significantly changed the City's accounting for pension amounts and the related pension disclosures. This adjustment has been made to record a net pension liability and deferred outflows of resources at June 30, 2014.

These changes resulted in a change to the beginning net position of the City as follows:

	Governmental Activities	Business-type Activities	Total Primary Government
Net position as previously reported, June 30, 2014	$ 95,007,915	$ 121,557,345	$ 216,565,260
Prior period adjustment to fines receivable	(206,679)	-	(206,679)
Prior period adjustment to net pension liability and deferred outflows	(949,100)	(864,930)	(1,814,030)
Net position as restated, June 30, 2014	$ 93,852,136	$ 120,692,415	$ 214,544,551

City of Calhoun, Georgia
Required Supplementary Information
Georgia Municipal Association Defined Benefit Plan
Schedule of Changes in the Net Pension Liability and Related Ratios

	2015
Total pension liability	
Service cost	$ 494,335
Interest	774,792
Difference between expected and actual experience	(47,806)
Changes of assumptions	(206,292)
Changes of benefit terms	-
Benefit payments, including refunds of employee contributions	(249,327)
Net change in total pension liability	765,702
Total pension liability- beginning	10,121,981
Total pension liability- ending (a)	$ 10,887,683
Plan fiduciary net position	
Contributions- employer	$ 715,308
Contributions- employee	-
Net investment income	902,314
Benefit payments- including refund of employee contributions	(249,327)
Administrative expense	(20,343)
Other	-
Net change in fiduciary net position	1,347,952
Plan fiduciary net position- beginning	7,791,633
Plan fiduciary net position- ending (b)	$ 9,139,585
Net pension liability- ending (a-b)	$ 1,748,098
Plans fiduciary net position as a percentage of the total pension liability	83.94%
Covered employee payroll	$ 10,313,836
Net pension liability as a percentage of covered employee payroll	16.95%

Notes to the Schedule:
Historical information prior to implementation of GASB 67/68 is not required, but this schedule will present 10 years of information once accumulated.

City of Calhoun, Georgia
Required Supplementary Information
Georgia Municipal Association Defined Benefit Plan
Schedule of Contributions

Actuarially determined contribution	$ 772,131
Contributions in relation to the actuarially determined contribution	772,131
Contribution deficiency (excess)	$ -
Covered employee payroll	$ 10,313,836
Contributions as a percentage of covered employee payroll	7.49%

Notes to the Schedule:
The 2015 information will be determined after fiscal year end and included in the 2016 valuation report.

Historical information prior to implementation of GASB 67/68 is not required, but this schedule will present 10 years of information once accumulated.

Valuation date	The actuarial determined contribution rate was determined as of January 1, 2015, with an interest adjustment to the fiscal year. Contributions in relation to the actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2016.
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Projected unit credit
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years
Asset valuation method	Sum of actuarial value at beginning of 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 the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial assumptions:	
Net investment rate of return	7.75%
Projected salary increase	3.25% plus service based merit increases
Cost of living adjustments	0.00%
Retirement age	Where normal retirement is only available on or after age 65 retirement age is assumed to be 60% at ages 65 to 69 and 100% at age 70
Mortality	Morality rates were based on the RP-2000 Combined Healthy Morality Table with sex-distinct rates, set forward two years for males and one year for females.

City of Calhoun, Georgia
Required Supplementary Information
City Charter Unfunded Retirement Plan
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
6/30/2010	-	$ 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	-	-
6/30/2015	-	486,329	0.0%	486,329	-	-

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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
Balance Sheet
June 30, 2015

Assets	
Cash	$ 4,417,859
Investments	2,964,091
Receivables (net)	
Property taxes	56,336
Franchise taxes	153,662
Other taxes	38,441
Accounts	6,286
Fines	784,925
Intergovernmental	
Federal	4,193
State	1,065,825
County	94,389
Authorities	43,849
Interfund	1,234,081
Component unit	11,385
Prepaid items	331,871
Total Assets	$ 11,207,193
Liabilities, Deferred Inflows of Resources and Fund Balance	
Liabilities	
Accounts payable	$ 238,916
Accrued payroll liabilities	1,394
Accrued expenditures	309,339
Intergovernmental payable	45,710
Interfund payable	595,334
Advances payable	62,980
Total Liabilities	1,253,673
Deferred Inflows of Resources	
Unavailable revenue	805,487
Total Liabilities and Deferred Inflows of Resources	2,059,160
Fund Balance	
Nonspendable	
Prepaid items	331,871
Committed	
Working capital/contingencies	4,015,916
Unassigned	4,800,246
Total Fund Balance	9,148,033
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 11,207,193

City of Calhoun, Georgia
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2015

Revenues	
Property taxes	$ 1,661,059
Sales taxes	2,494,441
Other taxes	4,440,426
Intergovernmental	480,495
Licenses and permits	276,113
Charges for services	217,748
Fines and forfeitures	451,739
Contributions	331,734
Investment earnings	7,215
Miscellaneous	4,751
Total Revenues	10,365,721
Expenditures	
Current	
General government	1,169,257
Judicial	517,576
Public safety	7,053,213
Public works	2,776,785
Health and welfare	61,880
Culture and recreation	298,997
Housing and economic development	643,900
Debt Service	
Principal retirement	117,188
Interest and fiscal charges	2,547
Total Expenditures	12,641,343
(Deficiency) of Revenues (Under) Expenditures	(2,275,622)
Other Financing Sources (Uses)	
Sale of capital assets	18,309
Insurance reimbursement	11,153
Transfers in	3,362,474
Transfers out	(856,693)
Total Other Financing Sources	2,535,243
Net Change in Fund Balance	259,621
Fund Balance Beginning of Year	8,888,412
Fund Balance End of Year	$ 9,148,033

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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.

City of Calhoun, Georgia
School Bond Debt Service Fund
Balance Sheet
June 30, 2015

Assets		
Cash	$	6,200,140
Due from component unit		245,727
Total Assets	$	6,445,867
Fund Balance		
Restricted for debt service	$	6,445,867

City of Calhoun, Georgia
School Bonds Debt Service Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2015

Revenues	
Intergovernmental	$ 3,808,598
Investment earnings	7,951
Total Revenues	3,816,549
Expenditures	
Debt Service	
Interest and fiscal charges	1,484,775
Net Change in Fund Balance	2,331,774
Fund Balance Beginning of Year	4,114,093
Fund Balance End of Year	$ 6,445,867

City of Calhoun, Georgia
School Bonds Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 3,695,687	$ 3,697,787	$ 3,808,598	$ 110,811
Investment earnings	2,000	2,000	7,951	5,951
Total Revenues	3,697,687	3,699,787	3,816,549	116,762
Expenditures				
Debt Service				
Interest	1,482,675	1,484,775	1,484,775	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,215,012	2,215,012	2,331,774	116,762
Other Financing Sources (Uses)				
Transfer to fund balance	(2,215,012)	(2,215,012)	-	2,215,012
Net Change in Fund Balance	$ -	$ -	2,331,774	$ 2,331,774
Fund Balance Beginning of Year			4,114,093	
Fund Balance End of Year			$ 6,445,867	

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.

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.

City of Calhoun, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
June 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Revenue Bonds Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Cash	$ 1,150,536	$ -	$ 5,474,342	$ 6,624,878
Receivables				
Property taxes	585,780	-	-	585,780
Other taxes	123,181	-	-	123,181
Accounts receivable	3,490	-	-	3,490
Intergovernmental	-	-	146,988	146,988
Interest	3,162	-	-	3,162
Loans	353,517	-	-	353,517
Loans- noncurrent	1,239,838	-	-	1,239,838
Interfund	15,468	-	30,301	45,769
Prepaid items	12,132	-	-	12,132
Total Assets	$ 3,487,104	$ -	$ 5,651,631	$ 9,138,735
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)				
Liabilities				
Accounts payable	$ 83,904	$ -	$ 49	$ 83,953
Accrued expenditures	115,401	-	-	115,401
Intergovernmental payable	869	-	-	869
Due to component unit	116,644	-	-	116,644
Interfund payable	36,223	-	29,273	65,496
Total Liabilities	353,041	-	29,322	382,363
Deferred Inflows of Resources				
Unavailable revenue	485,667	-	-	485,667
Total Liabilities and Deferred Inflows of Resources	838,708	-	29,322	868,030
Fund Balances				
Nonspendable				
Prepaid items	12,132	-	-	12,132
Restricted				
Capital projects	-	-	5,622,309	5,622,309
Program purposes				
Housing and development	2,410,395	-	-	2,410,395
Public safety	154,044	-	-	154,044
Culture and recreation	77,675	-	-	77,675
Unassigned (deficits), reported in				
Special revenue funds	(5,850)	-	-	(5,850)
Total Fund Balances	2,648,396	-	5,622,309	8,270,705
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 3,487,104	$ -	$ 5,651,631	$ 9,138,735

City of Calhoun, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - By Fund Type
For the Fiscal Year Ended June 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Revenue Bonds Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Hotel/motel taxes	$ 626,105	$ -	$ -	$ 626,105
Intergovernmental	392,082	-	1,832,984	2,225,066
Charges for services	241,220	-	-	241,220
Fines and forfeitures	36,947	-	-	36,947
Investment earnings	25,705	-	9,071	34,776
Miscellaneous	21,752	-	-	21,752
Total Revenues	1,343,811	-	1,842,055	3,185,866
Expenditures				
Current				
Public safety	31,026	-	-	31,026
Culture and recreation	1,009,905	-	-	1,009,905
Housing and economic development	472,079	-	-	472,079
Capital Outlay	-	-	1,093,524	1,093,524
Debt Service				
Principal retirement	-	316,700	-	316,700
Interest and fiscal charges	-	51,327	-	51,327
Total Expenditures	1,513,010	368,027	1,093,524	2,974,561
Excess (Deficiency) of Revenues Over (Under) Expenditures	(169,199)	(368,027)	748,531	211,305
Other Financing Sources (Uses)				
Transfers in	360,178	368,027	49,534	777,739
Transfers out	(159,957)	-	(643,143)	(803,100)
Total Other Financing Sources (Uses)	200,221	368,027	(593,609)	(25,361)
Net Change in Fund Balances	31,022	-	154,922	185,944
Fund Balances Beginning of Year	2,617,374	-	5,467,387	8,084,761
Fund Balances End of Year	$ 2,648,396	$ -	$ 5,622,309	$ 8,270,705

City of Calhoun, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015

	Urban Development Action Grant	Home Investment Partnership	Confiscated Assets	Hotel/Motel Tax	School Tax	Recreation	Total Nonmajor Special Revenue Funds
Assets							
Cash	$ 833,292	$ -	$ 223,725	$ 1	$ -	$ 93,518	$ 1,150,536
Receivables							
Property taxes	-	-	-	-	585,780	-	585,780
Other taxes	-	-	-	123,181	-	-	123,181
Accounts receivable	-	-	3,490	-	-	-	3,490
Interest	3,162	-	-	-	-	-	3,162
Loans	334,103	19,414	-	-	-	-	353,517
Loans- noncurrent	1,239,838	-	-	-	-	-	1,239,838
Interfund	-	-	-	-	-	15,468	15,468
Prepaid items	-	-	-	5,850	-	6,282	12,132
Total Assets	$ 2,410,395	$ 19,414	$ 227,215	$ 129,032	$ 585,780	$ 115,268	$ 3,487,104
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	$ -	$ -	$ 73,171	$ -	$ 2,883	$ 7,850	$ 83,904
Accrued expenditures	-	-	-	92,809	-	22,592	115,401
Intergovernmental payable	-	-	-	-	-	869	869
Due to component unit	-	-	-	-	116,644	-	116,644
Interfund payable	-	-	-	36,223	-	-	36,223
Total Liabilities	-	-	73,171	129,032	119,527	31,311	353,041
Deferred Inflows of Resources							
Unavailable revenue	-	19,414	-	-	466,253	-	485,667
Total Liabilities and Deferred Inflows of Resources	-	19,414	73,171	129,032	585,780	31,311	838,708
Fund Balances							
Nonspendable							
Prepaid items	-	-	-	5,850	-	6,282	12,132
Restricted for program purposes							
Program purposes							
Housing and development	2,410,395	-	-	-	-	-	2,410,395
Public safety	-	-	154,044	-	-	-	154,044
Culture and recreation	-	-	-	-	-	77,675	77,675
Unassigned (deficits)	-	-	-	(5,850)	-	-	(5,850)
Total Fund Balances	2,410,395	-	154,044	-	-	83,957	2,648,396
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 2,410,395	$ 19,414	$ 227,215	$ 129,032	$ 585,780	$ 115,268	$ 3,487,104

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, 2015

	Urban Development Action Grant	Home Investment Partnership	Confiscated Assets	Hotel/Motel Tax	School Tax	Recreation	Total Nonmajor Special Revenue Funds
Revenues							
Hotel/motel taxes	$ -	$ -	$ -	$ 626,105	$ -	$ -	$ 626,105
Intergovernmental	-	-	-	-	-	392,082	392,082
Charges for services	-	-	-	-	-	241,220	241,220
Fines and forfeitures	-	-	36,947	-	-	-	36,947
Investment earnings	25,705	-	-	-	-	-	25,705
Miscellaneous	-	-	-	-	-	21,752	21,752
Total Revenues	25,705	-	36,947	626,105	-	655,054	1,343,811
Expenditures							
Current							
Public safety	-	-	31,026	-	-	-	31,026
Culture and recreation	-	-	-	-	-	1,009,905	1,009,905
Housing and economic development	2,500	-	-	469,579	-	-	472,079
Total Expenditures	2,500	-	31,026	469,579	-	1,009,905	1,513,010
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,205	-	5,921	156,526	-	(354,851)	(169,199)
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	360,178	360,178
Transfers out	-	-	(3,431)	(156,526)	-	-	(159,957)
Total Other Financing Sources (Uses)	-	-	(3,431)	(156,526)	-	360,178	200,221
Net Change in Fund Balances	23,205	-	2,490	-	-	5,327	31,022
Fund Balances Beginning of Year	2,387,190	-	151,554	-	-	78,630	2,617,374
Fund Balances End of Year	$ 2,410,395	$ -	$ 154,044	$ -	$ -	$ 83,957	$ 2,648,396

City of Calhoun, Georgia
Urban Development Action Grant Fund
Balance Sheet
June 30, 2015

Assets		
Cash	$	833,292
Receivables (net)		
Loans		334,103
Interest		3,162
Loans - noncurrent		1,239,838
Total Assets	$	2,410,395
Fund Balance		
Restricted for housing	$	2,410,395

City of Calhoun, Georgia
Urban Development Action Grant Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Fiscal Year Ended June 30, 2015

Revenues	
Investment earnings	$ 25,705
Expenditures	
Current	
Housing and economic development	2,500
Net Change in Fund Balance	23,205
Fund Balance Beginning of Year	2,387,190
Fund Balance End of Year	$ 2,410,395

City of Calhoun, Georgia
Urban Development Action Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ 22,300	$ 22,300	$ 25,705	$ 3,405
Expenditures				
Current				
Housing and economic development	2,600	2,600	2,500	100
Excess of Revenues Over Expenditures	19,700	19,700	23,205	3,505
Other Financing Sources (Uses)				
Transfer to fund balance	(19,700)	(19,700)	-	19,700
Net Change in Fund Balance	$ -	$ -	23,205	$ 23,205
Fund Balance Beginning of Year			2,387,190	
Fund Balance End of Year			$ 2,410,395	

City of Calhoun, Georgia
Home Investment Partnership Act Fund
Balance Sheet
June 30, 2015

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

City of Calhoun, Georgia
Home Investment Partnership Act Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Fiscal Year Ended June 30, 2015

Revenues	
Investment earnings	$ -
Expenditures	
Current	
Housing and economic development	-
Excess of Revenues Over Expenditures	-
Fund Balance Beginning of Year	-
Fund Balance End of Year	$ -

City of Calhoun, Georgia
Home Investment Partnership Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ -	$ -	$ -	$ -
Expenditures				
Current				
Housing and economic development	-	-	-	-
Excess of Revenues Over Expnditures	-	-	-	-
Net Change in Fund Balance	$ -	$ -	-	$ -
Fund Balance Beginning of Year			-	
Fund Balance End of Year			$ -	

City of Calhoun, Georgia
Confiscated Assets Fund
Balance Sheet
June 30, 2015

Assets		
Cash	$	223,725
Accounts receivable		3,490
Total Assets	$	227,215
Liabilities and Fund Balance		
Liabilities		
Accounts payable	$	73,171
Fund Balance		
Restricted for public safety - police		154,044
Total Liabilities and Fund Balance	$	227,215

City of Calhoun, Georgia
Confiscated Assets Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Fiscal Year Ended June 30, 2015

Revenues		
Fines and forfeitures	$	36,947
Expenditures		
Current		
Public safety		31,026
Excess (Deficiency) of Revenues Over (Under) Expenditures		5,921
Other Financing Sources (Uses)		
Transfers out		(3,431)
Net Change in Fund Balance		2,490
Fund Balance Beginning of Year		151,554
Fund Balance End of Year	$	154,044

City of Calhoun, Georgia
Confiscated Assets Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Fines and forfeitures	$ 1,550	$ 34,457	$ 36,947	$ 2,490
Investment earnings	50	-	-	-
Total Revenues	1,600	34,457	36,947	2,490
Expenditures				
Current				
Public safety	6,600	31,026	31,026	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,000)	3,431	5,921	2,490
Other Financing Sources (Uses)				
Sale of capital assets	5,000	-	-	-
Transfers out	-	(3,431)	(3,431)	-
Total Other Financing Sources (Uses)	5,000	(3,431)	(3,431)	-
Net Change in Fund Balance	$ -	$ -	2,490	$ 2,490
Fund Balance Beginning of Year			151,554	
Fund Balance End of Year			$ 154,044	

City of Calhoun, Georgia
Hotel/Motel Tax Fund
Balance Sheet
June 30, 2015

Assets		
Cash	$	1
Hotel/motel taxes receivable		123,181
Prepaid items		5,850
Total Assets	$	129,032
Liabilities and Fund Balance		
Liabilities		
Accrued expenditures	$	92,809
Interfunds		36,223
Total Liabilities		129,032
Fund Balance		
Nonspendable		
Prepaid items		5,850
Unassigned (deficits)		(5,850)
Total Fund Balance		-
Total Liabilities and Fund Balance	$	129,032

City of Calhoun, Georgia
Hotel/Motel Tax Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Fiscal Year Ended June 30, 2015

Revenues	
Hotel/motel taxes	$ 626,105
Expenditures	
Current	
Housing and economic development	469,579
Excess of Revenues Over Expenditures	156,526
Other Financing Sources (Uses)	
Transfers out	(156,526)
Net Change in Fund Balance	-
Fund Balance Beginning of Year	-
Fund Balance End of Year	$ -

City of Calhoun, Georgia
Hotel/Motel Tax Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Hotel/motel taxes	$ 547,595	$ 626,105	$ 626,105	$ -
Expenditures				
Current				
Housing and economic development	391,069	469,579	469,579	-
Excess of Revenues Over Expenditures	156,526	156,526	156,526	-
Other Financing Sources (Uses)				
Transfers out	(156,526)	(156,526)	(156,526)	-
Net Change in Fund Balance	$ -	$ -	-	$ -
Fund Balance Beginning of Year			-	
Fund Balance End of Year			$ -	

City of Calhoun, Georgia
School Tax Fund
Balance Sheet
June 30, 2015

Assets		
Property taxes receivable	$	585,780
Total Assets	$	585,780
Liabilities and Deferred Inflows of Resources		
Liabilities		
Accounts payable	$	2,883
Due to component unit		116,644
Total Liabilities		119,527
Deferred Inflows of Resources		
Deferred revenues		466,253
Total Liabilities and Deferred Inflows of Resources	$	585,780

City of Calhoun, Georgia
School Tax Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Fiscal Year Ended June 30, 2015

Revenues	
Property taxes	$ -
Expenditures	
Current	
Education	-
Excess of Revenues Over Expenditures	-
Fund Balance Beginning of Year	-
Fund Balance End of Year	$ -

City of Calhoun, Georgia
School Tax Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2015

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

City of Calhoun, Georgia
Recreation Fund
Balance Sheet
June 30, 2015

Assets		
Cash	$	93,518
Interfund		15,468
Prepaid items		6,282
Total Assets	$	115,268
Liabilities and Fund Balance		
Liabilities		
Accounts payable	$	7,850
Accrued expenditures		22,592
Intergovernmental payable		869
Total Liabilities		31,311
Fund Balances		
Nonspendable		
Prepaid items		6,282
Restricted		
Culture and recreation		77,675
Total Fund Balance		83,957
Total Liabilities and Fund Balance	$	115,268

City of Calhoun, Georgia
Recreation Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2015

Revenues	
Intergovernmental	$ 392,082
Charges for services	241,220
Miscellaneous	21,752
Total Revenues	655,054
Expenditures	
Current	
Culture and recreation	1,009,905
(Deficiency) of Revenues (Under) Expenditures	(354,851)
Other Financing Sources	
Transfers in	360,178
Net Change in Fund Balance	5,327
Fund Balance Beginning of Year	78,630
Fund Balance End of Year	$ 83,957

City of Calhoun, Georgia
Recreation Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 460,449	$ 460,449	$ 392,082	$ (68,367)
Charges for services	231,300	243,820	241,220	(2,600)
Miscellaneous	17,050	22,010	21,752	(258)
Total Revenues	708,799	726,279	655,054	(71,225)
Expenditures				
Current				
Culture and recreation	1,087,686	1,105,166	1,009,905	95,261
Excess (Deficiency) of Revenues Over (Under) Expenditures	(378,887)	(378,887)	(354,851)	24,036
Other Financing Sources				
Transfers in	378,887	378,887	360,178	(18,709)
Net Change in Fund Balance	$ -	$ -	5,327	$ 5,327
Fund Balance Beginning of Year			78,630	
Fund Balance End of Year			$ 83,957	

City of Calhoun, Georgia
Revenue Bonds Debt Service Fund
Balance Sheet
June 30, 2015

Assets	
Cash	$ -
Fund Balance	
Restricted for debt service	$ -

City of Calhoun, Georgia
Revenue Bonds Debt Service Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2015

Revenues	
Investment earnings	$ -
Expenditures	
Debt Service	
Principal retirement	316,700
Interest and fiscal charges	51,327
Total Expenditures	368,027
Excess (Deficiency) of Revenues Over (Under) Expenditures	(368,027)
Other Financing Sources	
Transfers in	368,027
Net Change in Fund Balance	-
Fund Balance Beginning of Year	-
Fund Balance End of Year	$ -

City of Calhoun, Georgia
Revenue Bonds Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ -	$ -	$ -	$ -
Expenditures				
Debt Service				
Principal	316,700	316,700	316,700	-
Interest and fiscal charges	51,177	51,177	51,327	150
Total Expenditures	367,877	367,877	368,027	150
Excess (Deficiency) of Revenues Over (Under) Expenditures	(367,877)	(367,877)	(368,027)	(150)
Other Financing Sources				
Transfers in	367,877	367,877	368,027	150
Net Change in Fund Balance	$ -	$ -	-	$ -
Fund Balance Beginning of Year			-	
Fund Balance End of Year			$ -	

City of Calhoun, Georgia
Nonmajor Capital Project Funds
Combining Balance Sheet
June 30, 2015

	2005 SPLOST	2011 SPLOST	Total Nonmajor Capital Projects Funds
Assets			
Cash	$ 4,157,134	$ 1,317,208	$ 5,474,342
Receivables:			
Intergovernmental	-	146,988	146,988
Interfund	14,850	15,451	30,301
Total Assets	$ 4,171,984	$ 1,479,647	$ 5,651,631
Liabilities and Fund Balances			
Liabilities			
Accounts payable	$ -	$ 49	$ 49
Interfund payable	-	29,273	29,273
Total Liabilities	-	29,322	29,322
Fund Balances			
Restricted for capital projects	4,171,984	1,450,325	5,622,309
Total Liabilities and Fund Balances	$ 4,171,984	$ 1,479,647	$ 5,651,631

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, 2015

	2005 SPLOST	2011 SPLOST	Total Nonmajor Capital Projects Funds
Revenues			
Intergovernmental	$ -	$ 1,832,984	$ 1,832,984
Investment earnings	8,953	118	9,071
Total Revenues	8,953	1,833,102	1,842,055
Expenditures			
Capital Outlay			
Public safety	224,168	1,921	226,089
Public works	-	460,490	460,490
Culture and recreation	-	406,945	406,945
Total Expenditures	224,168	869,356	1,093,524
Excess (Deficiency) of Revenues Over (Under) Expenditures	(215,215)	963,746	748,531
Other Financing Sources (Uses)			
Transfers in	-	49,534	49,534
Transfers out	(149,343)	(493,800)	(643,143)
Total Other Financing Sources (Uses)	(149,343)	(444,266)	(593,609)
Net Change in Fund Balances	(364,558)	519,480	154,922
Fund Balances Beginning of Year	4,536,542	930,845	5,467,387
Fund Balances End of Year	$ 4,171,984	$ 1,450,325	$ 5,622,309

City of Calhoun, Georgia
2005 SPLOST Fund
Balance Sheet
June 30, 2015

Assets	
Cash	$ 4,157,134
Receivables:	
Interfund	14,850
Total Assets	$ 4,171,984
Fund Balance	
Restricted for capital projects	$ 4,171,984
Total Liabilities and Fund Balance	$ 4,171,984

City of Calhoun, Georgia
2005 SPLOST Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2015

Revenues	
Investment earnings	$ 8,953
Expenditures	
Capital Outlay	
Public safety	224,168
Excess of Revenues Over Expenditures	(215,215)
Other Financing Sources (Uses)	
Transfers out	(149,343)
Total Other Financing Sources (Uses)	(149,343)
Net Change in Fund Balance	(364,558)
Fund Balance Beginning of Year	4,536,542
Fund Balance End of Year	$ 4,171,984

City of Calhoun, Georgia
2005 SPLOST Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ 9,000	$ 9,000	$ 8,953	$ (47)
Expenditures				
Capital Outlay				
Public safety	147,000	224,170	224,168	2
Excess of Revenues Over (Under) Expenditures	(138,000)	(215,170)	(215,215)	(45)
Other Financing Sources and Uses				
Transfers out	(234,000)	(156,830)	(149,343)	7,487
Appropriations of fund balance	372,000	372,000	-	(372,000)
Total Other Financing Sources and Uses	138,000	215,170	(149,343)	(364,513)
Net Change in Fund Balance	$ -	$ -	(364,558)	$ (364,558)
Fund Balance Beginning of Year			4,536,542	
Fund Balance End of Year			$ 4,171,984	

City of Calhoun, Georgia
2011 SPLOST Fund
Balance Sheet
June 30, 2015

Assets		
Cash	$	1,317,208
Receivables:		
Intergovernmental		146,988
Interfund		15,451
Total Assets	$	1,479,647
Liabilities and Fund Balance		
Liabilities		
Accounts payable	$	49
Interfund payable		29,273
Total Liabilities		29,322
Fund Balance		
Restricted for capital projects		1,450,325
Total Liabilities and Fund Balance	$	1,479,647

City of Calhoun, Georgia
2011 SPLOST Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2015

Revenues	
Intergovernmental	$ 1,832,984
Investment earnings	118
Total Revenues	1,833,102
Expenditures	
Capital Outlay	
Public safety	1,921
Public works	460,490
Culture and recreation	406,945
Total Expenditures	869,356
Excess (Deficiency) of Revenues Over (Under) Expenditures	963,746
Other Financing Sources	
Transfers in	49,534
Transfers out	(493,800)
Total Other Financing Sources	(444,266)
Net Change in Fund Balance	519,480
Fund Balance Beginning of Year	930,845
Fund Balance End of Year	$ 1,450,325

City of Calhoun, Georgia
2011 SPLOST Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 1,763,856	$ 1,763,856	$ 1,832,984	$ 69,128
Investment earnings	-	-	118	118
Total Revenues	1,763,856	1,763,856	1,833,102	69,246
Expenditures				
Capital Outlay				
Public safety	240,000	1,921	1,921	-
Public works	272,000	272,000	460,490	188,490
Culture and recreation	100,752	100,752	406,945	306,193
Total Expenditures	612,752	374,673	869,356	494,683
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,151,104	1,389,183	963,746	(425,437)
Other Financing Sources (Uses)				
Transfers in	40,435	40,435	49,534	9,099
Transfers out	(257,300)	(495,379)	(493,800)	1,579
Transfer to fund balance	(934,239)	(934,239)	-	934,239
Total Other Financing Sources (Uses)	(1,151,104)	(1,389,183)	(444,266)	944,917
Net Change in Fund Balance	$ -	$ -	519,480	$ 519,480
Fund Balance Beginning of Year			930,845	
Fund Balance End of Year			$ 1,450,325	

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
Statement of Net Position
June 30, 2015

Assets	
Current assets	
Cash	$ 4,768,141
Restricted assets	
Cash	1,074,164
Investments	15,826,098
Receivables	
Accounts	747,762
Accrued revenue	3,278,301
Intergovernmental	803,940
Interfund	430,422
Other	58,021
Advances	305,411
Deposits	39,356
Inventory	2,036,566
Prepaid items	69,697
Total Current Assets	29,437,879
Noncurrent assets	
Investments	3,702,043
Restricted assets	
Investments, noncurrent	11,550,429
Advances receivable	2,042,110
Capital assets	
Nondepreciable	511,254
Depreciable, net	14,942,040
Total Noncurrent Assets	32,747,876
Total Assets	62,185,755
Deferred Outflows of Resources	
Pension related	42,895
Liabilities	
Current liabilities	
Accounts payable	2,890,833
Accrued payroll liabilities	23
Accrued expenses	46,954
Intergovernmental payable	80,292
Interfund payable	461
Compensated absences payable	14,886
Unearned revenue	18,533
Payable From Restricted Assets:	
Customer deposits	1,074,164
Total Current Liabilities	4,126,146
Long-term liabilities	
Compensated absences payable	26,504
Net pension liability	143,694
Payable From Restricted Assets:	
Regulatory liability	15,682,754
Total Long-term Liabilities	15,852,952
Total Liabilities	19,979,098
Deferred Inflows	
Pension related	36,394
Net Position	
Investment in capital assets	15,453,294
Unrestricted	26,759,864
Total Net Position	$ 42,213,158

City of Calhoun, Georgia
Electric System Fund
Statement of Revenues, Expenses
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2015

Operating Revenues	
Charges for services	$ 39,534,351
Miscellaneous	184,643
Total Operating Revenues	39,718,994
Operating Expenses	
Personal services	1,180,075
Contractual services	1,636,509
Supplies	30,614,097
Interfund allocations	608,245
Depreciation	943,395
Other	1,763
Total Operating Expenses	34,984,084
Operating Income	4,734,910
Non-Operating Revenues (Expenses)	
Investment earnings	217,426
Intergovernmental revenue	265,987
Gain on sale of capital assets	22,127
Total Non-Operating Revenues	505,540
Income Before Transfers	5,240,450
Transfers in	203,679
Transfers out	(1,877,670)
Total Contributions and Transfers	(1,673,991)
Change in Net Position	3,566,459
Net Position Beginning of Year	38,795,812
Prior Period Adjustment	(149,113)
Net Position End of Year	$ 42,213,158

City of Calhoun, Georgia
Electric System Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015

Cash Flows from Operating Activities		
Cash received from customers	$	38,032,685
Cash received from interfund services provided		1,610,013
Cash payments for personal services		(1,194,521)
Cash payments for goods and services		(32,362,945)
Cash payments for interfund services used		(1,051,472)
Other cash (payments) receipts		(55,248)
Net Cash Provided by (Used in) Operating Activities		4,978,512
Cash Flows From Noncapital Financing Activities		
Transfers in		145,224
Transfers out		(1,877,670)
Advances to other funds		(384,101)
Payments received on advances		468,598
Net Cash Provided by (Used in) Noncapital Financing Activities		(1,647,949)
Cash Flows from Capital and Related Financing Activities		
Transfers in - SPLOST		58,455
Proceeds from sale of capital assets		22,127
Payments for capital acquisitions		(879,487)
Intergovernmental revenues received		265,987
Net Cash Provided by (Used in) Capital and Related Financing Activities		(532,918)
Cash Flows from Investing Activities		
Investment earnings		217,426
(Purchase) Disposal of investments, net of regulatory liability		(4,970,821)
Net Cash Provided by (Used in) Investing Activities		(4,753,395)
Net Increase (Decrease) in Cash		(1,955,750)
Cash Beginning of Year		7,798,055
Cash End of Year	$	5,842,305
Reconciliation of total cash and cash equivalents:		
Cash	$	4,768,141
Restricted assets-cash and cash equivalents		1,074,164
Total cash and cash equivalents	$	5,842,305

(continued)

City of Calhoun, Georgia
Electric System Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015

(continued)

Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$	4,734,910
Adjustments		
Depreciation		943,395
(Increase) Decrease in Assets		
Accounts receivable and accrued revenues		(138,302)
Intergovernmental receivable		(16,802)
Inventories		(80,160)
Interfund receivables		(397,324)
Deposits		7,139
Prepaid expenses		(53,485)
Deferred outflows pension related		(42,895)
Increase (Decrease) in Liabilities		
Accounts payable and accrued liabilities		(140,202)
Accrued payroll liabilities		(2,526)
Intergovernmental payable		80,292
Deposits payable		53,136
Interfund payable		361
Adjustments to power costs credited to operating trust account		-
Net pension liability		(5,419)
Deferred inflows pension related		36,394
Net Cash Provided by (Used in) Operating Activities	$	4,978,512
Noncash Investing, Capital and Financing Activities		
The net appreciation in the value of investments that are not cash equivalents and are reported at fair value.	$	5,243

City of Calhoun, Georgia
Water & Sewerage System Fund
Statement of Net Position
June 30, 2015

Assets	
Current assets	
Cash	$ 1,789,810
Restricted assets	
Cash	2,133,239
Receivables	
Accounts	777,644
Accrued revenue	1,123,714
Intergovernmental	438,318
Inventory	1,062,708
Prepaid items	84,702
Total Current Assets	7,410,135
Noncurrent assets	
Investments	1,124,580
Restricted assets	
Cash	790,106
Capital assets	
Nondepreciable	9,275,163
Depreciable, net	87,360,082
Total Noncurrent Assets	98,549,931
Total Assets	105,960,066
Deferred Outflows of Resources	
Deferred amount from debt refunding	100,004
Pension related	106,715
Total Deferred Outflows of Resources	206,719
Liabilities	
Current liabilities	
Accounts payable	369,570
Contractor bonds payable	38,468
Accrued payroll liabilities	125,113
Intergovernmental payable	9,267
Accrued interest	25,479
Interfund payable	1,381
Compensated absences payable	43,854
Advances payable	59,500
Notes payable	4,912,710
Revenue bonds payable	1,450,000
Payable from Restricted Assets:	
Accrued interest payable	4,970
Customer deposits and interest	866,111
Total Current Liabilities	7,906,423
Long-Term liabilities	
Compensated absences payable	81,443
Net pension liability	566,387
Notes payable (net of current portion)	9,009,133
Revenue bonds payable (net of current portion)	6,955,000
Advances payable (net of current portion)	627,114
Total Long-Term Liabilities	17,239,077
Total Liabilities	25,145,500
Deferred Inflows of Resources	
Pension related	90,542
Net Position	
Net investment in capital assets	74,408,406
Unrestricted	6,522,337
Total Net Position	$ 80,930,743

City of Calhoun, Georgia
Water & Sewerage System Fund
Statement of Revenues, Expenses
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2015

Operating Revenues	
Charges for services	$ 16,338,197
Miscellaneous	53,221
Total Operating Revenues	16,391,418
Operating Expenses	
Personal services	3,317,094
Contractual services	874,887
Supplies	3,162,792
Interfund allocations	2,093,803
Depreciation	3,259,693
Amortization	20,845
Other	1,017
Total Operating Expenses	12,730,131
Operating Income	3,661,287
Non-Operating Revenues (Expenses)	
Bond issuance charges	(51,114)
Interest and fiscal charges	(409,050)
Investment earnings	7,192
Intergovernmental revenue	9,571
Gain (loss) on disposition of capital assets	(5,090)
Total Non-Operating (Expenses)	(448,491)
Income Before Transfers	3,212,796
Transfers in	353,408
Transfers out	(1,153,357)
Total Transfers	(799,949)
Change in Net Position	2,412,847
Net Position Beginning of Year	78,888,865
Prior period adjustment	(370,969)
Net Position End of Year	$ 80,930,743

City of Calhoun, Georgia
Water & Sewerage System Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015

Cash Flows from Operating Activities	
Cash received from customers	$ 16,170,452
Cash received from interfund services provided	228,410
Cash payments for personal services	(3,317,340)
Cash payments for goods and services	(2,872,912)
Cash payments for interfund services used	(3,305,205)
Other cash payments	8,250
Net Cash Provided by (Used in) Operating Activities	6,911,655
Cash Flows from Noncapital Financing Activities	
Transfers in	24,519
Transfers out	(1,153,357)
Net Cash Provided by (Used in) Noncapital Financing Activities	(1,128,838)
Cash Flows from Capital and Related Financing Activities	
Transfers in - SPLOST	328,889
Capital grant	9,571
Proceeds from debt	3,704,187
Principal paid on advance	(31,686)
Interest paid on advances	(3,223)
Proceeds from advance	384,101
Principal paid on revenue bonds	(1,425,000)
Interest paid on revenue bonds	(198,650)
Bond issuance charges	(51,114)
Principal paid on notes and capital leases	(503,250)
Interest paid on notes and capital leases	(207,177)
Payments for capital acquisitions and construction	(5,787,152)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(3,780,504)
Cash Flows from Investing Activities	
Investments earnings	7,192
(Purchase)Disposal of investments	(1,124,580)
Net Cash Provided by (Used in) Investing Activities	(1,117,388)
Net Increase (Decrease) in Cash	884,925
Cash Beginning of Year	3,828,230
Cash End of Year	$ 4,713,155
Reconciliation of total cash:	
Cash	$ 1,789,810
Current restricted assets-cash	2,133,239
Noncurrent restricted assets-cash	790,106
Total cash	$ 4,713,155

(continued)

City of Calhoun, Georgia
Water and Sewerage System Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015

(continued)

Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$	3,661,287
Adjustments		
Depreciation		3,259,693
Amortization		20,845
(Increase) Decrease in Assets		
Accounts receivable and accrued revenues		(24,948)
Inventories		(117,616)
Interfund receivables		114,349
Prepaid expenses		(33,846)
Deferred outflows pension related		(106,715)
Increase (Decrease) in Liabilities		
Accounts payable and accrued liabilities		(1,636)
Net pension liability		(199)
Accrued payroll liabilities		16,126
Deposits payable		32,392
Interfund payable		1,381
Deferred inflows pension related		90,542
Net Cash Provided by (Used in) Operating Activities	$	6,911,655
Noncash Investing, Capital and Financing Activities		
The net appreciation in the value of investments that are not cash equivalents and are reported at fair value.	$	1,593

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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, 2015

	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds
Assets				
Current assets				
Cash	$ 400	$ 980,049	$ 27,870	$ 1,008,319
Receivables				
Accounts	701	59,406	42,760	102,867
Accrued revenue	-	57,224	51,186	108,410
Interfund	-	-	62,690	62,690
Other	-	2,197	-	2,197
Inventory	-	306,297	-	306,297
Prepaid items	4,295	4,322	2,901	11,518
Total Current Assets	5,396	1,409,495	187,407	1,602,298
Noncurrent assets				
Investments	-	110,369	-	110,369
Capital assets				
Nondepreciable capital assets	696,138	-	314,435	1,010,573
Depreciable capital assets, net	1,118,386	1,286,262	128,777	2,533,425
Total Noncurrent Assets	1,814,524	1,396,631	443,212	3,654,367
Total Assets	1,819,920	2,806,126	630,619	5,256,665
Deferred Outflows of Resources				
Pension related	17,064	10,071	-	27,135
Liabilities				
Current liabilities				
Accounts payable	7,787	534	39,587	47,908
Accrued payroll liabilities	20,048	28	-	20,076
Accrued expenses	24,875	10,826	1,173	36,874
Intergovernmental payable	-	1,750	-	1,750
Interfund payable	809,146	55	-	809,201
Post-closure care payable	-	-	24,010	24,010
Compensated absences payable	7,312	2,728	-	10,040
Unearned revenue	3,310	-	-	3,310
Advances payable	-	109,853	-	109,853
Total Current Liabilities	872,478	125,774	64,770	1,063,022
Long-term liabilities				
Compensated absences payable	13,580	5,065	-	18,645
Net pension liability	57,163	33,738	-	90,901
Post-closure care payable (net of current portion)	-	-	25,500	25,500
Advances payable (net of current portion)	-	735,544	-	735,544
Total Long-Term Liabilities	70,743	774,347	25,500	870,590
Total Liabilities	943,221	900,121	90,270	1,933,612
Deferred Inflows of Resources				
Pension related	14,478	8,545	-	23,023
Net Position				
Investment in capital assets	1,814,524	1,286,262	443,212	3,543,998
Unrestricted (deficit)	(935,239)	621,269	97,137	(216,833)
Total Net Position	$ 879,285	$ 1,907,531	$ 540,349	$ 3,327,165

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, 2015

	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds
Operating Revenues				
Charges for services	$ 512,221	$ 1,119,205	$ 747,780	$ 2,379,206
Miscellaneous	13,861	2,981	34	16,876
Total Operating Revenues	526,082	1,122,186	747,814	2,396,082
Operating Expenses				
Personal services	510,566	281,569	67,898	860,033
Contractual services	38,772	328,032	479,501	846,305
Supplies	183,447	64,152	20,143	267,742
Interfund allocations	27,100	63,202	108,921	199,223
Depreciation	133,401	152,859	13,731	299,991
Amortization	-	50	-	50
Other	-	-	13,724	13,724
Total Operating Expenses	893,286	889,864	703,918	2,487,068
Operating Income (Loss)	(367,204)	232,322	43,896	(90,986)
Non-Operating Revenues (Expenses)				
Change in estimated landfill closure costs	-	-	(28,471)	(28,471)
Investment earnings	-	341	-	341
Intergovernmental revenue	-	93,478	-	93,478
Interest and fiscal charges	-	(9,135)	-	(9,135)
Intergovernmental expenses	-	(93,406)	-	(93,406)
Total Non-Operating Revenues (Expenses)	-	(8,722)	(28,471)	(37,193)
Income (Loss) Before Transfers	(367,204)	223,600	15,425	(128,179)
Transfers in	28,057	3,999	-	32,056
Change in Net Position	(339,147)	227,599	15,425	(96,123)
Net Position Beginning of Year	1,277,751	1,714,943	524,924	3,517,618
Prior period adjustment	(59,319)	(35,011)	-	(94,330)
Net Position End of Year	$ 879,285	$ 1,907,531	$ 540,349	$ 3,327,165

City of Calhoun, Georgia
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities				
Cash received from customers	$ 524,409	$ 810,143	$ 682,304	$ 2,016,856
Cash received from interfund services provided	-	301,766	4,555	306,321
Other cash receipts	225,261	-	-	225,261
Cash payments for personal services	(509,606)	(285,165)	(67,898)	(862,669)
Cash payments for goods and services	(215,565)	(379,127)	(512,888)	(1,107,581)
Cash payments for interfund services used	(34,818)	(94,365)	(109,931)	(239,113)
Net Cash Provided by (Used in) Operating Activities	(10,319)	353,252	(3,858)	339,075
Cash Flows from Noncapital Financing Activities				
Intergovernmental revenues	-	93,478	-	93,478
Intergovernmental expense	-	(91,656)	-	(91,656)
Transfers in	28,057	3,999	-	32,056
Net Cash Provided by (Used in) Noncapital Financing Activities	28,057	5,821	-	33,878
Cash Flows from Capital and Related Financing Activities				
Principal paid on advance	(17,720)	(108,761)	-	(126,481)
Interest paid on advance	-	(9,135)	-	(9,135)
Payments for capital acquisition and construction	-	(92,628)	-	(92,628)
Payments for landfill postclosure care	-	-	(27,500)	(27,500)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(17,720)	(210,524)	(27,500)	(255,744)
Cash Flows from Investing Activities				
(Purchase) disposal of investments	-	(110,369)	-	(110,369)
Investment earnings	-	341	-	341
Net Cash Provided by (Used in) Investing Activities	-	(110,028)	-	(110,028)
Net Increase (Decrease) in Cash	18	38,521	(31,358)	7,181
Cash Beginning of Year	382	941,528	59,228	1,001,138
Cash End of Year	$ 400	$ 980,049	$ 27,870	$ 1,008,319

(continued)

City of Calhoun, Georgia
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2015

(continued)

	Fields Ferry Golf Course	Telecommunications	Solid Waste	Total Nonmajor Enterprise Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	$ (367,204)	$ 232,322	$ 43,896	$ (90,986)
Adjustments				
Depreciation	133,401	152,859	13,731	299,991
Amortization	-	50	-	50
(Increase) Decrease in Assets				
Accounts receivable and accrued revenue	1,803	(10,277)	627	(7,847)
Inventory	-	(12,676)	-	(12,676)
Interfund receivable	-	119	(61,582)	(61,463)
Prepaid expenses	(323)	(2,158)	(1,224)	(3,705)
Deferred outflow pension related	(17,064)	(10,071)	-	(27,135)
Increase (Decrease) in Liabilities				
Accounts payable and accrued expenses	(741)	(3,336)	694	(3,383)
Accrued payroll liabilities	5,702	(797)	-	4,905
Interfund payable	225,261	(55)	-	225,206
Unearned revenue	(3,476)	-	-	(3,476)
Net pension liability	(2,156)	(1,273)	-	(3,429)
Deferred inflow pension related	14,478	8,545	-	23,023
Net Cash Provided by (Used in) Operating Activities	$ (10,319)	$ 353,252	$ (3,858)	$ 339,075
Noncash Investing, Capital and Financing Activities				
The net appreciation in the value of investments that are not cash equivalents and are reported at fair value.	$ -	$ 156	$ -	$ 156

City of Calhoun, Georgia
Fields Ferry Golf Course Fund
Statement of Net Position
June 30, 2015

Assets	
Current assets	
Cash	$ 400
Accounts receivable	701
Prepaid items	4,295
Total Current Assets	5,396
Noncurrent assets	
Capital assets	
Nondepreciable	696,138
Depreciable, net	1,118,386
Total Noncurrent Assets	1,814,524
Total Assets	1,819,920
Deferred Outflows of Resources	
Pension related	17,064
Liabilities	
Current liabilities	
Accounts payable	7,787
Accrued payroll liabilities	20,048
Accrued expenses	24,875
Interfund payable	809,146
Compensated absences payable	7,312
Unearned revenue	3,310
Total Current Liabilities	872,478
Long-term liabilities	
Compensated absences payable	13,580
Net pension liability	57,163
Total Long-term Liabilities	70,743
Total Liabilities	943,221
Deferred Inflows of Resources	
Pension related	14,478
Net Position	
Investment in capital assets	1,814,524
Unrestricted (deficit)	(935,239)
Total Net Position	$ 879,285

City of Calhoun, Georgia
Fields Ferry Golf Course Fund
Statement of Revenues, Expenses
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2015

Operating Revenues		
Charges for services		
Green fees	$	309,605
Cart fees		186,134
Range fees		16,482
Miscellaneous		13,861
Total Operating Revenues		526,082
Operating Expenses		
Maintenance		
Personal services		354,376
Contractual services		19,329
Supplies		135,238
Interfund allocations		14,040
Depreciation		19,332
Total Maintenance		542,315
Pro Shop		
Personal services		156,190
Contractual services		19,443
Supplies		48,209
Interfund allocations		13,060
Depreciation		114,069
Total Pro Shop		350,971
Total Operating Expenses		893,286
Operating (Loss)		(367,204)
Other Financing Sources and Uses		
Transfers in		28,057
Change in Net Position		(339,147)
Net Position Beginning of Year		1,277,751
Prior period adjustment		(59,319)
Net Position End of Year	$	879,285

City of Calhoun, Georgia
Fields Ferry Golf Course Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015

Cash Flows from Operating Activities		
Cash received from customers	$	524,409
Cash received from other		225,261
Cash payments for personal services		(509,606)
Cash payments for goods and services		(215,565)
Cash payments for interfund services used		(34,818)
Net Cash Provided by (Used in) Operating Activities		(10,319)
Cash Flows from Noncapital Financing Activities		
Transfers in		28,057
Cash Flows from Capital and Related Financing Activities		
Principal paid on advance		(17,720)
Net Increase (Decrease) in Cash		18
Cash Beginning of Year		382
Cash End of Year	$	400
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	$	(367,204)
Adjustments		
Depreciation		133,401
(Increase) Decrease in Assets		
Accounts receivable		1,803
Prepaid expenses		(323)
Deferred outlfow pension related		(17,064)
Increase (Decrease) in Liabilities		
Accounts payable		(6,673)
Accrued expenses		5,932
Accrued payroll liabilities		5,702
Interfund payable		225,261
Unearned revenue		(3,476)
Net pension liability		(2,156)
Deferred inflow pension related		14,478
Net Cash Provided by (Used in) Operating Activities	$	(10,319)

City of Calhoun, Georgia
Telecommunications Fund
Statement of Net Position
June 30, 2015

Assets		
Current assets		
Cash	$	980,049
Receivables		
Accounts		59,406
Accrued revenue		57,224
Other		2,197
Inventory		306,297
Prepaid items		4,322
Total Current Assets		1,409,495
Noncurrent assets		
Investments		110,369
Capital assets		
Depreciable, net		1,286,262
Total Noncurrent Assets		1,396,631
Total Assets		2,806,126
Deferred Outflows of Resources		
Pension related		10,071
Liabilities		
Current liabilities		
Accounts payable		534
Accrued payroll liabilities		28
Accrued expenses		10,826
Intergovernmental payable		1,750
Interfund payable		55
Compensated absences payable		2,728
Advances payable		109,853
Total Current Liabilities		125,774
Long-term liabilities		
Compensated absences payable		5,065
Advances payable (net of current portion)		735,544
Net pension liability		33,738
Total Long-Term Liabilities		774,347
Total Liabilities		900,121
Deferred Inflows of Resources		
Pension related		8,545
Net Position		
Investment in capital assets		1,286,262
Unrestricted		621,269
Total Net Position	$	1,907,531

City of Calhoun, Georgia
Telecommunications Fund
Statement of Revenues, Expenses
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2015

Operating Revenues		
Charges for services	$	1,119,205
Miscellaneous		2,981
Total Operating Revenues		1,122,186
Operating Expenses		
Personal services		281,569
Contractual services		328,032
Supplies		64,152
Interfund allocations		63,202
Depreciation		152,859
Amortization		50
Total Operating Expenses		889,864
Operating Income		232,322
Non-Operating Income (Expenses)		
Investment earnings		341
Intergovernmental revenue		93,478
Intergovernmental expenses		(93,406)
Interest and fiscal charges		(9,135)
Total Non-operating Income (Expenses)		(8,722)
Income Before Transfers (Out)		223,600
Transfers in		3,999
Change in Net Position		227,599
Net Position Beginning of Year		1,714,943
Prior period adjustment		(35,011)
Net Position End of Year	$	1,907,531

City of Calhoun, Georgia
Telecommunications Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015

Cash Flows from Operating Activities		
Cash received from customers	$	810,143
Cash received from interfund services provided		301,766
Cash payments for personal services		(285,165)
Cash payments for goods and services		(379,127)
Cash payments for interfund services used		(94,365)
Net Cash Provided by (Used in) Operating Activities		353,252
Cash Flows from Noncapital Financing Activities		
Intergovernmental revenues		93,478
Intergovernmental expense		(91,656)
Transfers in		3,999
Net Cash Provided by (Used in) Noncapital Financing Activities		5,821
Cash Flows from Capital and Related Financing Activities		
Principal paid on advance		(108,761)
Interest paid on advance		(9,135)
Payments for capital acquisition and construction		(92,628)
Net Cash Flows Provided by (Used in) Capital and Related Financial Activities		(210,524)
Cash Flows from Investing Activities		
(Purchase) disposal of investments		(110,369)
Investment earnings		341
Net Cash Flows Provided by (Used in) Investing Activities		(110,028)
Net Increase (Decrease) in Cash		38,521
Cash Beginning of Year		941,528
Cash End of Year	$	980,049

(continued)

City of Calhoun, Georgia
Telecommunications Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015

(continued)

Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$	232,322
Adjustments		
Depreciation		152,859
Amortization		50
(Increase) Decrease in Assets		
Accounts receivable and accrued revenue		(10,277)
Inventory		(12,676)
Interfund receivable		119
Prepaid expenses		(2,158)
Pension related deferred outflows		(10,071)
Increase (Decrease) in Liabilities		
Accounts payable and accrued expenses		(3,336)
Accrued payroll liabilities and compensated absences		(797)
Interfund payable		(55)
Net pension liability		(1,273)
Pension related deferred inflows		8,545
Net Cash Provided by (Used in) Operating Activities	$	353,252
Noncash Investing, Capital and Financing Activities		
The net appreciation in the value of investments that are not cash equivalents and are reported at fair value.	$	156

City of Calhoun, Georgia
Solid Waste Fund
Statement of Net Position
June 30, 2015

Assets		
Current assets		
Cash	$	27,870
Receivables		
Accounts		42,760
Accrued revenue		51,186
Interfund		62,690
Prepaid items		2,901
Total Current Assets		187,407
Noncurrent assets		
Capital assets		
Nondepreciable		314,435
Depreciable capital assets, net		128,777
Total Noncurrent Assets		443,212
Total Assets		630,619
Liabilities		
Current liabilities		
Accounts payable		39,587
Accrued expenses		1,173
Post-closure care payable		24,010
Total Current Liabilities		64,770
Long-term liabilities		
Post-closure care payable		25,500
Total Liabilities		90,270
Net Position		
Investment in capital assets		443,212
Unrestricted		97,137
Total Net Position	$	540,349

City of Calhoun, Georgia
Solid Waste Fund
Statement of Revenues, Expenses
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2015

Operating Revenues		
Charges for services	$	747,780
Miscellaneous		34
Total Revenues		747,814
Operating Expenses		
Personal services		67,898
Contractual services		479,501
Supplies		20,143
Interfund allocations		108,921
Depreciation		13,731
Other		13,724
Total Operating Expenses		703,918
Operating Income (Loss)		43,896
Non-Operating Revenues (Expenses)		
Change in estimated landfill closure costs		(28,471)
Change in Net Position		15,425
Net Position Beginning of Year		524,924
Net Position End of Year	$	540,349

City of Calhoun, Georgia
Solid Waste Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015

Cash Flows from Operating Activities		
Cash received from customers	$	682,304
Cash received from interfund services provided		4,555
Cash payments for personal services		(67,898)
Cash payments for goods and services		(512,888)
Cash payments for interfund services used		(109,931)
Net Cash Provided by (Used in) Operating Activities		(3,858)
Cash Flows from Capital and Related Financing Activities		
Payments for landfill postclosure care		(27,500)
Net Increase (Decrease) in Cash		(31,358)
Cash Beginning of Year		59,228
Cash End of Year	$	27,870
Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities		
Operating Income (Loss)	$	43,896
Adjustments		
Depreciation		13,731
(Increase) Decrease in Assets		
Accounts receivable and accrued revenue		627
Interfund receivable		(61,582)
Prepaid expenses		(1,224)
Increase (Decrease) in Liabilities		
Accounts payables and accrued expenses		694
Net Cash Provided by (Used in) Operating Activities	$	(3,858)

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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
Statement of Net Position
June 30, 2015

Assets		
Current assets		
Cash	$	536,418
Receivables		
Interfund		163,884
Prepaid items		84,393
Total Current Assets		784,695
Noncurrent assets		
Capital assets		
Nondepreciable		26,977
Depreciable, net		1,389,570
Total Noncurrent Assets		1,416,547
Total Assets		2,201,242
Deferred Outflows of Resources		
Pension related		72,066
Liabilities		
Current liabilities		
Accounts payable		5,329
Accrued payroll liabilities		78,847
Intergovernmental payable		102
Deferred revenue		158,400
Interfund payable		464,973
Advances payable		73,078
Compensated absences payable		25,385
Notes payable		10,437
Total Current Liabilities		816,551
Long-term liabilities		
Compensated absences payable		47,143
Advances payable (net of current portion)		679,452
Net pension liability		241,412
Total Long-term Liabilities		968,007
Total Liabilities		1,784,558
Deferred Inflows of Resources		
Pension related		61,145
Net Position		
Net investment in capital assets		1,406,110
Unrestricted (deficit)		(978,505)
Total Net Position	$	427,605

City of Calhoun, Georgia
Utilities Administration Fund
Statement of Revenues, Expenses
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2015

Operating Revenues		
Charges for services	$	3,163,232
Miscellaneous		40,130
Total Operating Revenues		3,203,362
Operating Expenses		
Personal services		2,137,267
Contractual services		432,353
Supplies		134,723
Interfund allocations		45,136
Depreciation		84,296
Total Operating Expenses		2,833,775
Operating Income		369,587
Non-Operating Expenses		
Interest expense		(7,978)
Income Before Transfers		361,609
Transfers in		1,064
Transfers out		(39,600)
Total Transfers		(38,536)
Change in Net Position		323,073
Net Position Beginning of Year		355,050
Prior period adjustment		(250,518)
Net Position End of Year	$	427,605

City of Calhoun, Georgia
Utilities Administration Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015

Cash Flows from Operating Activities		
Cash received from interfund services provided	$	3,214,473
Cash received from other		40,130
Cash payments for personal services		(2,149,152)
Cash payments for goods and services		(505,113)
Cash payments for interfund services used		(2,797,441)
Net Cash Provided by (Used in) Operating Activities		(2,197,103)
Cash Flows from Noncapital Financing Activities		
Transfers in		1,064
Transfers out		(39,600)
Total Cash Flows Provided by (Used in) Noncapital Financing Activities		(38,536)
Cash Flows from Capital and Related Financing Activities		
Payments for capital acquisition and construction		(45,960)
Principal paid on notes payable		(41,750)
Principal paid on advance		(72,352)
Interest paid on advance		(7,978)
Total Cash Flows Provided by (Used in) Capital Financing Activities		(168,040)
Net Increase (Decrease) in Cash		(2,403,679)
Cash Beginning of Year		2,940,097
Cash End of Year	$	536,418
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income	$	369,587
Adjustments		
Depreciation		84,296
(Increase) Decrease in Assets		
Accounts receivable - other		88
Interfund receivables		51,153
Prepaid expenses		(5,247)
Pension related deferred outflows		(72,065)
Increase (Decrease) in Liabilities		
Accounts payables and accrued expenses		(47,274)
Accrued payroll liabilities		8,142
Intergovernmental payable		102
Interfund payable		(2,637,923)
Net pension liability		(9,106)
Pension related deferred inflows		61,144
Net Cash Provided by (Used in) Operating Activities	$	(2,197,103)

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, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
Assets				
Cash	$ 18,598	$ 702,009	$ 707,752	$ 12,855
Liabilities				
Due to others	$ 18,598	$ 702,009	$ 707,752	$ 12,855

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, 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**	**June 30, 2015**
Governmental Activities										
Net investment in capital assets	$ 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	$ 75,629,332
Restricted	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	15,182,825
Unrestricted	6,892,771	8,464,916	10,331,322	9,368,345	9,567,669	7,232,639	7,685,307	7,580,277	7,883,436	7,846,802
Subtotal Governmental Activities Net Position	58,791,037	64,034,174	68,725,979	70,304,054	71,910,369	75,003,163	78,270,016	84,123,175	93,852,136	98,658,959
Business-type Activities										
Net investment in capital assets	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	94,811,808
Restricted	121,239	-	2,426,382	-	-	-	-	-	-	-
Unrestricted	17,088,381	18,536,443	17,957,256	20,350,076	21,452,054	22,718,371	23,006,694	23,443,784	26,334,092	32,086,863
Subtotal Business-Type Activities Net Position	85,592,810	92,088,385	96,690,022	100,437,238	105,393,672	110,409,049	112,569,997	116,570,922	120,692,415	126,898,671
Primary Government										
Net investment in capital assets	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	170,441,140
Restricted	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	15,182,825
Unrestricted	23,981,152	27,001,359	28,288,578	29,718,421	31,337,245	29,951,010	30,691,981	31,024,061	34,217,528	39,933,665
Total Primary Government Net Position	$ 144,383,847	$ 156,122,559	$ 165,416,001	$ 170,741,292	$ 177,304,041	$ 185,412,212	$ 190,839,993	$ 200,694,097	$ 214,544,551	$ 225,557,630

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.

Exhibit II

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

	Fiscal Year Ended June 30,									
Source	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Expenses:										
General government	$ 653,112	$ 856,885	$ 740,757	$ 1,027,285	$ 913,704	$ 776,593	$ 810,234	$ 802,314	$ 910,295	$ 1,181,829
Judicial	300,437	333,732	362,286	368,035	369,108	370,600	373,132	452,375	553,636	516,959
Public safety	5,577,829	5,813,605	6,520,476	6,660,064	6,535,237	6,613,869	6,536,010	6,915,456	7,728,025	7,250,790
Public works	2,408,558	2,049,161	2,440,432	2,671,335	2,652,196	3,049,832	2,840,555	2,886,680	3,145,644	3,199,338
Health and welfare	53,820	52,705	55,875	57,673	63,526	58,247	53,383	61,103	67,362	61,348
Culture and recreation	1,109,401	1,286,790	1,830,845	1,623,602	1,589,819	1,696,938	1,633,489	1,640,601	1,680,368	1,674,895
Housing and economic development	713,760	780,430	1,040,290	1,033,443	953,607	970,940	941,496	925,367	1,021,466	1,092,843
Education	1,063,098	909,255	887,135	963,995	937,959	516,728	1,136,156	1,958,815	1,472,938	2,031,197
Interest and fiscal charges	828,672	786,380	708,843	716,362	677,260	523,229	1,871,332	1,669,843	1,570,566	1,547,478
Total Expenses	12,708,687	12,868,943	14,586,939	15,121,794	14,692,416	14,576,976	16,195,787	17,312,554	18,150,300	18,556,677
Program Revenues:										
Charges for services:										
General government	69,117	114,157	124,752	139,888	136,106	134,956	128,669	167,154	167,604	175,896
Public safety	1,074,297	1,063,990	1,026,933	794,988	856,148	920,826	1,021,023	1,119,975	813,915	245,577
Public works	23,520	39,559	23,093	25,710	17,094	16,111	14,955	1,685	22,355	(121)
Culture and recreation	167,617	177,231	176,613	160,558	159,990	215,276	223,302	237,350	226,206	241,220
Housing and economic development	124,697	201,835	154,646	136,787	98,116	76,305	78,006	70,671	221,330	113,815
Operating grants and contributions	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	4,657,363
Capital grants and contributions	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	6,171,787
Total Program Revenues	8,400,731	7,098,041	6,410,462	5,542,349	5,486,832	7,508,762	8,619,330	12,313,864	16,361,570	11,605,537
Net (Expense) Revenue	(4,307,956)	(5,770,902)	(8,176,477)	(9,579,445)	(9,205,584)	(7,068,214)	(7,576,457)	(4,998,690)	(1,788,730)	(6,951,140)
General Revenues and Transfers In:										
Taxes:										
Property	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	1,549,711
Sales	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	2,494,441
Business license and franchise taxes	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	3,006,179
Insurance premium	558,949	583,046	606,368	605,645	566,412	718,274	779,685	807,870	807,289	882,703
Gas marketers	158,725	116,389	94,575	89,812	88,840	69,149	54,460	92,039	88,301	92,159
Other	596,565	661,179	696,941	697,715	673,066	691,253	691,409	763,971	932,803	1,085,490
Unrestricted intergovernmental	63,781	68,679	60,384	62,496	33,636	29,732	28,913	30,590	34,624	31,763
Investment earnings	292,899	448,503	462,878	230,986	145,205	95,043	52,642	40,774	105,565	79,132
Miscellaneous	37,995	96,724	62,687	127,259	54,037	53,715	42,583	109,821	139,592	55,965
Transfers in	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	2,480,420
Total General Revenues and Transfers In	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	11,757,963
Change in Net Position	$ 5,179,224	$ 4,772,965	$ 3,029,425	$ 1,578,075	$ 1,606,315	$ 3,092,794	$ 3,266,853	$ 5,853,159	$ 9,728,961	$ 4,806,823

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
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
2015	1,549,711	2,494,441	3,006,179	882,703	92,159	1,085,490	9,110,683
% Change From 2006-2015	56.2%	15.8%	13.1%	57.9%	-41.9%	82.0%	28.0%

Fiscal Year Ended June 30,	Percentage of Total						
	Property	Local Option Sales	Business License and Franchise	Insurance Premium	Gas Marketers	Other[1]	Total
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%
2015	17.0%	27.4%	33.0%	9.7%	1.0%	11.9%	100.0%

Notes:

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

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

	For the Fiscal Year Ended June 30,									
Source	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Expenses:										
Electric system	$ 25,441,726	$ 24,140,215	$ 24,022,988	$ 21,109,534	$ 22,037,788	$ 26,478,078	$ 31,075,351	$ 32,655,400	$ 34,244,876	$ 34,977,948
Water and sewerage system	12,393,869	13,465,985	14,243,150	13,489,650	12,611,049	11,880,631	12,228,646	11,987,691	13,499,523	12,874,952
Fields Ferry golf course	1,138,067	1,140,348	1,124,018	1,109,778	1,055,421	1,004,562	939,840	906,523	891,316	893,286
Telecommunications	645,065	711,990	702,866	796,054	748,676	911,041	927,374	871,141	949,969	992,405
Solid waste	1,002,433	992,069	801,965	751,610	783,757	746,211	589,174	655,980	678,349	732,389
Total Expenses	40,621,160	40,450,607	40,894,987	37,256,626	37,236,691	41,020,523	45,760,385	47,076,735	50,264,033	50,470,980
Program Revenues:										
Charges for services:										
Electric system	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	39,534,351
Water and sewerage system	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	16,338,197
Fields Ferry golf course	841,132	931,627	947,832	815,499	752,590	728,464	534,143	526,871	563,899	512,221
Telecommunications	813,975	833,147	901,719	955,306	943,803	949,524	988,103	991,022	1,059,358	1,119,205
Solid waste	725,930	768,936	450,665	447,411	687,647	692,077	705,364	708,741	715,741	747,780
Operating grants and contributions	-	-	-	-	-	123,040	342,410	84,020	81,246	359,465
Capital grants and contributions	1,747,936	2,662,406	409,519	332,915	64,200	900,000	691,825	371,021	-	9,571
Total Program Revenues	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	58,620,790
Net (Expense) Revenue	6,047,410	8,357,492	4,660,026	3,860,047	5,062,533	6,666,780	4,894,658	5,902,001	5,736,102	8,149,810
General Revenues and Net Transfers :										
Investment earnings	407,941	592,810	705,127	550,438	308,070	309,784	243,757	126,834	198,415	224,959
Miscellaneous	423,012	320,181	449,423	302,435	318,312	410,092	289,235	424,210	499,385	311,907
Net transfers	(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)	(2,480,420)
Total General Revenues and Transfers	(1,142,201)	(1,349,205)	(58,389)	(112,831)	(106,099)	(1,651,403)	(2,527,452)	(1,901,056)	(1,614,609)	(1,943,554)
Change in Net Position	$ 4,905,209	$ 7,008,287	$ 4,601,637	$ 3,747,216	$ 4,956,434	$ 5,015,377	$ 2,367,206	$ 4,000,945	$ 4,121,493	$ 6,206,256

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	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Expenses:										
Governmental activities[1]	$ 12,708,687	$ 12,868,943	$ 14,586,939	$ 15,121,794	$ 14,692,416	$ 14,576,976	$ 16,195,787	$ 17,312,554	$ 18,150,300	$ 18,556,677
Business-type activities[2]	40,621,160	40,450,607	40,894,987	37,256,626	37,236,691	41,020,523	45,760,385	47,076,735	50,264,033	50,470,980
Total Expenses	53,329,847	53,319,550	55,481,926	52,378,420	51,929,107	55,597,499	61,956,172	64,389,289	68,414,333	69,027,657
Program Revenues										
Governmental activities[1]	8,400,731	7,098,041	6,410,462	5,542,349	5,486,832	7,508,762	8,619,330	12,313,864	16,361,570	11,605,538
Business-type activities[2]	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	58,620,790
Total Program Revenues	55,069,301	55,906,140	51,965,475	46,659,022	47,786,056	55,196,065	59,274,373	65,292,600	72,361,705	70,226,328
Net (Expense) Revenue	1,739,454	2,586,590	(3,516,451)	(5,719,398)	(4,143,051)	(401,434)	(2,681,799)	903,311	3,947,372	1,198,671
General Revenues and Transfers:										
Governmental activities[1]	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	11,757,962
Business-type activities[2]	(1,142,201)	(1,349,205)	(58,389)	(112,831)	(106,099)	(1,651,403)	(2,527,452)	(1,901,056)	(1,614,609)	(1,943,554)
Total General Revenues and Transfers	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	9,814,408
Change in Net Position	$ 10,084,433	$ 11,781,252	$ 7,631,062	$ 5,325,291	$ 6,562,749	$ 8,108,171	$ 5,634,059	$ 9,854,104	$ 13,850,454	$ 11,013,079

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)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	$ 200,841	$ 172,825	$ 130,383	$ 393,709	$ 509,437	$ -	$ -	$ -	$ -	$ -
Unreserved	7,910,115	8,878,944	8,256,074	6,863,088	5,934,113	-	-	-	-	-
Nonspendable	-	-	-	-	-	465,476	401,073	368,452	330,824	331,871
Committed	-	-	-	-	-	4,000,757	3,959,964	1,048,544	4,015,916	4,015,916
Unassigned	-	-	-	-	-	2,348,480	3,409,176	6,294,679	4,541,672	4,800,246
Subtotal General Fund	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	9,148,033
General Fund Percentage Change	11.9%	11.6%	-7.4%	-13.5%	-11.2%	5.8%	14.0%	-0.8%	15.3%	2.9%
All Other Governmental Funds										
Reserved[1]	3,184,559	3,745,336	4,235,633	6,032,693	7,664,639	-	-	-	-	-
Unreserved										
Special Revenue Funds	5,313	28,026	23,051	(20,804)	(1,385)	-	-	-	-	-
Capital Projects Funds	(119,531)	(119,589)	2,350,758	2,487,585	3,197,082	-	-	-	-	-
Nonspendable	-	-	-	-	-	55,232	6,343	6,266	15,174	12,132
Restricted	-	-	-	-	-	34,663,373	30,122,295	17,842,243	12,183,680	14,710,290
Unassigned										
Special Revenue Funds	-	-	-	-	-	(4,390)	-	-	-	(5,850)
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Subtotal All Other Governmental Funds	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	14,716,572
Total Governmental Funds										
Reserved	3,385,400	3,918,161	4,366,016	6,426,402	8,174,076	-	-	-	-	-
Unreserved	7,795,897	8,787,381	10,629,883	9,329,869	9,129,810	-	-	-	-	-
Nonspendable	-	-	-	-	-	520,708	407,416	374,718	345,998	344,003
Restricted	-	-	-	-	-	34,663,373	30,122,295	17,842,243	12,192,680	14,710,290
Committed	-	-	-	-	-	4,000,757	3,959,964	1,048,544	4,015,916	4,015,916
Unassigned										
General Fund	-	-	-	-	-	2,348,480	3,409,176	6,294,679	4,541,672	4,800,246
Special Revenue Funds	-	-	-	-	-	(4,390)	-	-	(9,000)	(5,850)
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
	$ 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	$ 23,864,605
All Governmental Funds Percentage Change	19.2%	13.6%	18.0%	5.1%	9.8%	140.0%	-8.7%	-32.6%	-17.5%	13.2%

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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Taxes	$ 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	$ 9,222,031
Intergovernmental	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	6,514,159
Licenses and permits	192,627	298,341	258,454	262,284	219,490	201,293	200,394	220,735	372,340	276,113
Charges for services	288,820	383,276	406,544	391,946	375,453	404,449	414,540	459,274	471,398	458,968
Fines and forfeitures	870,448	893,024	767,025	594,969	588,606	556,013	655,469	717,800	599,746	488,686
Contributions and donations	347,775	44,390	1,929	28,138	1,393	783	-	381,032	309	331,734
Investment earnings	292,899	448,503	462,878	230,986	145,205	94,878	101,001	63,295	48,373	49,942
Miscellaneous	62,963	51,839	71,977	38,330	35,097	48,782	39,422	29,994	32,622	26,503
Total Revenues	$ 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	$ 17,368,136
% change from prior year	2.0%	0.4%	12.6%	-7.1%	-1.2%	0.8%	8.2%	-0.1%	9.9%	-3.4%
Taxes	50.3%	51.5%	47.1%	48.7%	48.3%	51.0%	47.9%	51.7%	49.9%	53.1%
Intergovernmental	35.5%	33.9%	40.9%	41.1%	42.6%	40.4%	43.5%	36.9%	41.6%	37.5%
Licenses and permits	1.3%	2.1%	1.6%	1.7%	1.5%	1.3%	1.2%	1.3%	2.1%	1.6%
Fines and forfeitures	2.0%	2.6%	2.5%	2.6%	2.5%	2.7%	2.5%	2.8%	2.6%	2.6%
Charges for services	6.0%	6.1%	4.7%	3.9%	3.9%	3.7%	4.0%	4.4%	3.3%	2.8%
Contributions and donations	2.4%	0.3%	0.0%	0.2%	0.0%	0.0%	0.0%	2.3%	0.0%	1.9%
Investment earnings	2.0%	3.1%	2.8%	1.5%	1.0%	0.6%	0.6%	0.4%	0.3%	0.3%
Miscellaneous	0.5%	0.4%	0.4%	0.3%	0.2%	0.3%	0.2%	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
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
2015	1,661	2,494	3,006	883	92	1,086	9,222
% Change From 2006-2015	43.9%	15.7%	13.1%	58.0%	-42.1%	82.2%	26.6%

Fiscal Year Ended June 30,	Percentage of Total Property	Local Option Sales	Business License and Franchise	Insurance Premium	Gas Marketers	Other[2]	Total
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%
2015	18.0%	27.0%	32.6%	9.6%	1.0%	11.8%	100.0%

Notes:

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

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

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

	For the Fiscal Year Ended June 30,									
Function	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Expenditures:										
Current:										
General government[2]	$ 616,511	$ 847,374	$ 1,126,658	$ 1,004,306	$ 897,578	$ 927,518	$ 821,051	$ 852,445	$ 872,008	$ 1,169,257
Judicial	299,345	333,892	360,207	400,454	363,530	364,090	367,148	447,648	531,784	517,576
Public safety	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	7,084,239
Public works	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	2,776,785
Health and welfare	53,820	52,567	55,905	58,254	63,698	58,678	53,469	61,103	63,113	61,880
Culture and recreation	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	1,308,902
Housing and economic development	729,760	786,511	1,064,702	1,020,584	939,055	974,467	884,600	915,059	978,153	1,115,979
Education	115,002	140,057	97,775	133,712	112,978	99,103	81,758	-	-	-
Total Current	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	14,034,618
% Change From Prior Year	-13.9%	14.6%	18.3%	-5.6%	-9.7%	1.5%	-0.6%	18.1%	-6.0%	8.1%
Capital Outlay	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	1,093,524
% Change From Prior Year	-38.2%	-16.5%	0.2%	-19.4%	-34.7%	-54.3%	2071.2%	104.6%	-50.1%	-88.0%
Debt Service										
Principal[3]	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	433,888
Interest and fees	836,140	795,824	744,110	710,875	676,517	823,716	1,375,080	1,795,083	1,568,673	1,538,649
Total Debt Service	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	1,972,537
% Change From Prior Year	-3.1%	4.0%	-12.5%	-31.7%	3.2%	12.9%	25.6%	390.6%	-76.6%	-30.6%
Total Expenditures	$ 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	$ 17,100,679
Debt Service as a % of Noncapital Expenditures	21.3%	19.8%	15.4%	11.6%	13.1%	14.3%	17.5%	46.8%	18.0%	12.3%

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,									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Total Revenues - Exhibit VII	$ 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	$ 17,368,136
Total Expenditures - Exhibit IX	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	17,100,679
Excess (Deficiency) of Revenues Over (Under) Expenditures	(313,740)	(1,496,657)	(1,419,221)	(702,361)	775,651	985,734	(6,696,481)	(27,801,634)	(6,939,292)	267,457
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	18,309
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	11,153
Transfers in	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	4,140,213
Transfers out	(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)	(1,659,793)
Total Other Financing Sources (Uses)	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	2,509,882
Net Change in Fund Balances	$ 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)	$ 2,777,339

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)*											
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%
2015	176,955	245,355	332,465	2,355	1,162	6,105	25,862	60,076	730,183	19.965	1,886,938	2.8%
% Change From 2006-2015	19.86%	32.75%	51.11%	18.46%	103.50%	25.08%	-3.54%	70.60%	32.40%	29.56%	36.62%	
	Percentage of Total Assessed Valuation											
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%			
2015	22.4%	31.0%	42.1%	0.3%	0.1%	0.8%	3.3%	7.6%	92.4%			

Notes:

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

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

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

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

Data Source:

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

Exhibit XII

City of Calhoun, Georgia

Direct and Overlapping Property Tax Rates [1]

Last Ten Fiscal Years

	Direct			Overlapping Rates[2,3]		
Fiscal Year Ended June 30,	City of Calhoun	City of Calhoun Schools[5]	Total Direct Rate	State of Georgia[4]	Gordon County	Combined Total Rate[6]
2006	1.750	13.660	15.410	0.250	7.570	23.230
2007	1.670	14.580	16.250	0.250	10.671	27.171
2008	1.615	14.080	15.695	0.250	10.174	26.119
2009	1.615	14.080	15.695	0.250	9.528	25.473
2010	1.591	13.865	15.456	0.250	8.815	24.521
2011	1.591	13.865	15.456	0.250	8.919	24.625
2012	1.591	16.012	17.603	0.250	9.800	27.653
2013	1.980	17.762	19.742	0.200	9.800	29.742
2014	1.980	17.813	19.793	0.150	9.800	29.743
2015	1.980	17.985	19.965	0.100	9.747	29.812
% Change From 2006-2015	13.1%	31.7%	29.6%	-60.0%	28.8%	28.3%

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 tenth of one mill on each county's taxable property to help finance their certification of each Georgia county's tax digests.

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

Data Source:

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

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
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%
2015	52,017,728	4.12%	2,146,187	2.7%
% Change From 2006-2015	17.07%	0.25%	17.53%	

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**
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
2015	4.120	-	4.120	-	5.000	9.120
% Change From 2006-2015	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, 2015				Fiscal Year Ended June 30, 2006			
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	$ 1,644,191	1	76.6%	Calhoun Utilities	$ 1,452,111	1	79.5%
Georgia Power	217,134	2	10.1%	Georgia Power	153,436	2	8.4%
Comcast	118,632	3	5.5%	AGL Resources	125,227	3	6.9%
AGL Resources	89,896	4	4.2%	Comcast	69,788	4	3.8%
AT&T/Bellsouth	68,786	5	3.2%	AT&T	25,448	5	1.4%
Birch Telecom	6,142	6	0.3%	Now Con	53	6	0.0%
Parker Fibernet	1,392	7	0.1%	DPI Telecom	23	7	0.0%
Global Connection, Inc.	14	8	0.0%	n/a	-	8	0.0%
Total Principal Taxpayers	2,146,187		100.0%	**Total Principal Taxpayers**	1,826,086		100.0%
All Other Taxpayers	-		0.0%	**All Other Taxpayers**	-		0.0%
Total	$ 2,146,187		100.00%	**Total**	$ 1,826,086		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, 2015				Fiscal Year Ended June 30, 2006			
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	$ 90,594	1	11.9%	Mohawk (Aladdin)	$ 60,115	1	10.8%
Engineered Floors, LLC	30,198	2	4.0%	Shaw Industries	27,472	2	4.9%
CNH America (Kolbelco)	30,149	3	3.9%	Mannington Carpets	17,456	3	3.1%
Shaw Industries Group, Inc.	29,656	4	3.9%	Kobelco	12,927	4	2.3%
Mannington	22,573	5	3.0%	Calhoun Outlets	6,934	5	1.2%
Nourison Industries	11,887	6	1.6%	Spring Industries	6,534	6	1.2%
Field Turf	11,497	7	1.5%	CAF Extrusion	6,130	7	1.1%
Apache Mills, Inc.	9,041	8	1.2%	Kerry Inc.	5,969	8	1.1%
Faus	8,491	9	1.1%	Fiskars Brands Inc.	4,727	9	0.8%
Kerry Industries	6,405	10	0.8%	DMK Holdings Inc.	3,837	10	0.7%
Total Principal Taxpayers	250,491		32.8%	**Total Principal Taxpayers**	152,101		27.2%
All Other Taxpayers	513,906		67.2%	**All Other Taxpayers**	407,814		72.8%
Total	$ 764,397		100.00%	**Total**	$ 559,915		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
2006	$ 8,548	$ 8,320	97.33%	$ 215	$ 8,535	99.85%	$ 13	0.15%
2007	9,484	9,246	97.49%	224	9,470	99.85%	14	0.15%
2008	10,323	9,940	96.29%	312	10,252	99.31%	71	0.69%
2009	11,670	10,430	89.37%	1,153	11,583	99.25%	87	0.75%
2010	11,911	10,939	91.84%	857	11,796	99.03%	115	0.97%
2011	11,377	10,631	93.44%	639	11,270	99.06%	107	0.94%
2012	12,012	11,341	94.41%	533	11,874	98.85%	138	1.15%
2013	13,623	13,057	95.85%	382	13,439	98.65%	184	1.35%
2014	14,217	13,798	97.05%	194	13,992	98.42%	225	1.58%
2015	13,485	12,861	95.37%	-	12,861	95.37%	624	4.63%

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.

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
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%
2015	437,369,857	-0.7%	2,697,545	0.4%	1,120,559	-5.4%

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Residential:										
Base Charge	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000	$ 10.0000
Transmission/kWh	0.0050	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	0.0640
Energy Charge	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150
Small Power Non-demand										
Base Charge	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000
Transmission/kWh	0.0050	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	0.1100
Over 3,000/kWh	0.1000	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	0.0100
Small Power										
Base Charge	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000
Generation/kWh										
First 200HUD	0.1060	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	0.0440
Over400 HUD	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Medium Power										
Base Charge	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000
Transmission&Demand/kWh	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000
Generation/kWh										
First 200 HUD	0.1000	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	0.0900
Next 200 HUD	0.0440	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	0.0400
Large Power:										
Base Charge	100.00000	100.00000	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000
Transmission & Demand/kWh	-	-	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
Generation kWh										
First 200 HUD										
First 100,000 kWh	0.08800	0.08800	0.0880	0.0880	0.0880	0.0880	0.0880	0.0880	0.0880	0.0880
Over 100,000 kWh	0.07800	0.07800	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780
Next 200 HUD	0.04400	0.04400	0.0440	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	0.0400
Over 600 HUD	0.03750	0.03750	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375

(continued)

City of Calhoun, Georgia

Electric Service Rates [1]

Last Ten Fiscal Years

(continued)

	2006	*2007*	*2008*	*2009*	*2010*	*2011*	*2012*	*2013*	*2014*	*2015*
Extra Large Power										
Base Charge	148.37000	-	-	-	-	-	-	-	-	-
First 200 HUD	0.07950	-	-	-	-	-	-	-	-	-
Next 200 HUD	0.02860	-	-	-	-	-	-	-	-	-
Next 200 HUD	0.02720	-	-	-	-	-	-	-	-	-
Over 600 HUD	0.02490	-	-	-	-	-	-	-	-	-
Large Industrial IND										
Customer Charge	500.0000	500.0000	500.0000	500.0000	500.0000	500.0000	500.0000	500.0000	500.0000	500.0000
Transmission Demand/kWh	1.50000	1.50000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
First 200 HUD										
First 160,000 kWh	0.09000	0.09000	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900
Over 160,000 kWh	0.07000	0.07000	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Next 300 HUD	0.04200	0.04200	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420
Over 500 HUD	0.03750	0.03750	0.0375	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**
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
2015	1,035,800	33,000,000	21,028	8,405,000	13,932,278	-	56,394,106	14.66%	16,052	3,513

Notes:

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

Data Source:

[2]Applicable years' comprehensive annual financial report.

[3]Exhibit XXXVII

Exhibit 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]
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
2015	33,000,000	6,445,867	26,554,133	1.407%	16,052	1,654

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, 2015

Governmental Unit:	Debt Outstanding	Estimated Percentage Applicable[1]	Estimated Share of Overlapping Debt
Debt Repaid With Property Taxes			
City Direct Debt[2]	$ 34,056,828	100.0%	$ 34,056,828
Total Direct and Overlapping Debt			$ 34,056,828

Notes:

[1] 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.

[2] City direct debt includes the debt of the blended component unit, City Recreation Authority.

Exhibit XXIII

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Assessed Value[1]	$ 551,513	$ 602,829	$ 675,820	$ 809,763	$ 828,569	$ 795,706	$ 714,536	$ 727,126	$ 742,924	$ 730,183
Legal Debt Margin										
Debt limit (10% of assessed value)[2]	$ 55,151	$ 60,283	$ 67,582	$ 80,976	$ 82,857	$ 79,571	$ 71,454	$ 72,713	$ 74,292	$ 73,018
Debt applicable to limit:										
General obligation bonds	15,885	14,200	12,885	12,415	11,895	32,320	31,685	33,800	33,000	33,000
Less: Amount reserved for repayment of general obligation debt	2,844	3,373	2,188	3,970	5,619	7,319	10,130	2,669	4,114	6,446
Total debt applicable to limit	13,041	10,827	10,697	8,445	6,276	25,001	21,555	31,131	28,886	26,554
Legal debt margin	$ 42,110	$ 49,456	$ 56,885	$ 72,531	$ 76,581	$ 54,570	$ 49,899	$ 41,582	$ 45,406	$ 46,464
As a percentage of debt limit	76.35%	82.04%	84.17%	89.57%	92.43%	68.58%	69.83%	57.19%	61.12%	63.63%

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
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
2015	16,408	9,479	6,929	1,425	199	1,624	4.27

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.

Exhibit XXV

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

Fiscal Year Ended June 30,	Revenues[1]	Less Operating Expenses[2]	Net Available Revenues	Principal[3]	Interest	Total	Times Coverage
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
2015	16,408	9,479	6,929	503	299	802	8.64

Notes:

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

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

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

Exhibit 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[5]			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
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%
2015	16,052	1,619,727	29,050	35,610	82%	36.9	4,103	6.1%	6.1%	5.3%

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

[5] US Dept. of Commerce-Bureau of Economic Analysis

Exhibit XXVII

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

	2015				2006		
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	7.3%	Mohawk Industries, Inc. (Aladdin)	3,000	1	11.8%
Shaw Industries	1,224	2	4.7%	Shaw Industries/Carriage	1,750	2	6.8%
Gordon Hospital	870	3	3.4%	Gordon County Schools	985	3	3.8%
Gordon County Schools	832	4	3.2%	Gordon Hospital	600	4	2.3%
Mannington Carpets	700	5	2.7%	Mannington	592	5	2.3%
Engineer Flooring	620	6	2.4%	Calhoun City Schools	418	6	1.6%
Apache Mills	425	7	1.6%	Beaulieu Group	386	7	1.5%
Calhoun City Schools	406	8	1.6%	Springs Global US Inc.	360	9	1.4%
Gordon County Government	329	9	1.3%	Kobelco Construction Machinery	350	8	1.4%
Beaulieu Group	296	10	1.1%	Gordon County Government	340	10	1.3%
Total Principal Employers	7,602		29.3%	**Total Principal Employers**	8,781		34.2%
Other Employers	18,324		70.7%	**Other Employers**[2]	16,859		65.8%
Total Employers[1]	25,926		100.0%	**Total Employers**	25,640		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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Mayor and City Council	5	5	5	5	5	5	5	5	5	5
Administration	5	3	2	2	1	2	2	2	2	2
Tax Administration	1	1	1	1	1	1	1	1	1	1
Business License	-	-	-	-	2	1	1	1	1	1
Human Resources	1	1	1	2	2	2	2	2	2	2
Finance	8	8	5	6	4	4	-	-	-	-
	20	18	14	16	15	15	11	11	11	11
Judicial										
Court Services	4	4	3	3	3	3	3	3	3	3
Probation	1	2	2	2	2	2	2	2	2	2
	5	6	5	5	5	5	5	5	5	5
Public Safety										
Police	52	52	52	49	49	49	49	49	49	49
Fire	38	40	40	38	38	39	39	39	39	39
Animal Control	1	1	1	1	1	1	1	1	2	2
	91	93	93	88	88	89	89	89	90	90
Public Works										
Administration	1	1	1	1	1	1	1	1	1	1
Streets and highways	16	18	18	16	16	16	17	15	15	15
City Maintenance	7	7	6	6	6	6	6	7	7	7
Cemetery	4	4	2	4	3	3	3	3	3	3
	28	30	27	27	26	26	27	26	26	26
Health and Welfare										
Senior Citizens Activities	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Recreation Department	17	14	8	14	14	15	15	13	13	13
Library	9	8	4	9	9	9	9	9	9	9
	26	22	12	23	23	24	24	22	22	22
Housing and Economic Development										
Mainstreet Program	1	1	1	1	1	1	1	1	1	1
Airport	3	4	2	4	4	4	2	3	3	3
Inspections/ Community Dev.	3	3	6	5	4	4	4	3	3	3
	7	8	9	10	9	9	7	7	7	7
Utilities Administration										
Administration	4	4	5	5	5	4	2	2	2	1
Utilities Finance	-	-	-	5	5	4	8	9	9	9
GIS	-	-	-	2	2	2	2	2	2	2
Billing	2	2	2	3	3	2	2	3	3	2
Customer Service	3	3	4	4	2	4	4	3	4	3
Tellers	2	3	3	3	2	4	3	4	5	5
Meter Reading	6	6	7	6	5	4	4	4	4	4
Engineering	5	6	6	6	6	6	6	6	6	5
Purchasing	2	2	2	2	2	2	2	2	2	2
Work Order	-	-	-	-	-	-	1	1	1	2
	24	26	29	36	32	32	34	36	38	35
Electric System	19	19	18	17	17	15	15	17	17	17
Water and Sewer System										
Wastewater Treatment	11	11	10	9	9	9	10	10	10	10
Sewer Construction	12	13	13	12	12	11	11	11	11	11
Maintenance Crew	10	9	11	10	10	10	10	10	7	7
Water Treatment	8	8	8	8	7	7	8	9	9	10
Water Construction	24	27	27	24	22	22	22	22	19	20
	65	68	69	63	60	59	61	62	56	58
Fields Ferry Golf Course										
Pro Shop	10	9	3	9	9	9	9	5	4	3
Maintenance	10	10	9	8	8	8	7	7	5	7
	20	19	12	17	17	17	16	12	9	10
Telecommunications	4	4	5	4	4	4	4	4	4	4
Solid Waste	6	5	3	3	3	3	2	2	2	2
Total	316	319	297	310	300	299	296	294	288	288
Percentage Change From Prior Year	2.7%	0.9%	-6.9%	4.4%	-3.2%	-0.3%	-1.2%	-1%	-2%	0%

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	2006	2007	2008	2009	2010	2011	2012	2013	2014 [2]	2015 [2]
Police										
Physical arrests	N/A	N/A	1,743	535	1,572	1,439	1,456	1,363	1,255	1,388
Parking violations	N/A	N/A	456	N/A	882	966	490	417	-	-
Traffic violations	7,732	7,007	7,557	5,055	6,042	7,093	7,714	6,354	5,462	5,806
Fire										
Emergency responses[1]	697	707	792	740	894	1,492	1,920	1,839	1,951	1,923
Inspections	438	669	797	674	1,013	2,215	1,827	1,320	1,261	1,302
Library										
Volumes in collection	72,000	80,483	86,623	87,500	90,839	98,167	91,129	90,522	86,925	86,365
Total volumes borrowed	103,704	124,000	128,199	131,185	141,757	129,169	127,178	118,395	102,503	108,123
Computer usage	N/A	N/A	N/A	N/A	N/A	24,137	21,127	16,662	13,122	17,021

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] No longer collecting parking violations.

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

Utility Service	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Electric Service:										
Coincident peak (kW)	66,082	65,462	66,536	56,758	60,838	74,830	74,252	72,437	76,121	76,525
Reserves (kW)	9,912	9,819	8,867	6,418	9,126	11,125	10,022	10,192	9,293	9,353
Total requirements (kW)	75,994	75,281	75,403	63,176	69,964	85,955	84,274	82,629	85,414	85,878
Southeastern Power Administration (kW)	7,660	7,660	7,660	7,660	7,660	7,437	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	45,453	45,453	46,736	46,842	48,125
MEAG combined cycle (kW)	15,630	15,630	15,630	15,630	15,630	15,497	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	4,855
Total resources (kW)	90,490	90,490	90,490	70,490	70,490	93,242	93,242	94,525	94,631	95,914
Excess capacity (deficit) (kW)	14,496	15,209	15,087	7,314	526	7,287	8,968	11,896	9,217	10,036
Per cent reserve of capacity [1]	16.0%	16.8%	16.7%	10.4%	0.7%	7.8%	9.6%	12.6%	9.7%	10.5%
Water Service:										
Daily average consumption	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	7,849,766
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	23,800,000	23,800,000	23,800,000	23,800,000	23,800,000	29,600,000
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)	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	5,998,000
Unused capacity	9,099,000	10,569,000	10,723,000	9,474,167	10,312,000	9,938,000	10,387,000	10,626,000	10,052,000	10,002,000
Percentage of capacity used	0.431313	0.339438	0.329813	0.407865	0.355500	0.378875	0.350813	0.335875	0.371750	0.374875

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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Electric Service:										
Miles of line	182	185	222	227	234	242	242	245	246	254
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	628	640	640	720	770	819	819	826	830	836
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	15	15	15	15	15	15	15	15
Sewer Service:										
Miles of sanitary sewers	113	118	120	137	134	136	136	136	136	141
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of lift stations	6	6	9	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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police										
Stations	2	2	2	2	2	2	3	3	4	4
Patrol units	24	24	27	32	33	33	33	33	34	34
Fire stations	3	3	3	3	3	3	3	3	3	3
Streets and highways										
Streets (miles)	97	98	99	99	99	99	99	100	103	103
Street Lights	882	918	973	973	979	979	1,451	1,488	1,525	1,625
Parks and recreation										
Acreage	342	342	342	342	342	342	342	342	342	342
Water										
Water mains (miles)	628	640	640	720	770	819	819	826	830	836
Fire hydrants	743	742	741	900	775	771	771	771	780	811
Storage capacity (thousands of gallons)	23,500	24,600	24,600	24,600	24,600	24,600	24,600	24,600	24,600	24,600
Wastewater										
Sanitary sewers (miles)	113	118	119	137	134	136	136	136	136	141
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	31	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 Standard* 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 the City of Calhoun, Georgia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City of Calhoun, Georgia's basic financial statements, and have issued our report thereon dated December 31, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 the City of Calhoun, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 the 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 at testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

R. M. Dobbs & Company

Calhoun, Georgia
December 31, 2015

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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 the 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 the City of Calhoun, Georgia's major federal programs for the year ended June 30, 2015. The City of Calhoun, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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 the 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 the City of Calhoun, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Calhoun, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, the 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, 2015.

Report on Internal Control over Compliance

Management of the 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 the 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 the City of Calhoun, Georgia's internal control over compliance.

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

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

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

R. M. Dobbs & Company

Calhoun, Georgia
December 31, 2015

CITY OF CALHOUN, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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		$ 2,409,733
Calhoun Housing Authority	15.226	Ga. Projects		
Payment in Lieu of Taxes		11900199M		
		Contract A-3103		31,763
Total U. S. Department of Housing and Urban Development				2,441,496
U.S. Department of Homeland Security				
Georgia Emergency Management Agency				
Domestic Preparedness State Homeland Grant Program	97.067	2013-SS-T0-0054	$ 30,000	25,695
Total U. S. Department of Homeland Security		2014-SS-T0-0092	$ 20,000	19,825
				45,520
				$ 2,487,016

CITY OF CALHOUN, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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 #99-001	$ 1,846,403
DW SRF #00-026	$ 3,408,517
CW SRF #02-002	$ 1,606,363
DW SRF#10-007	$ 2,770,000
CW SFR#13-001	$ 911,310
DW SRF#13-003	$ 3,379,248

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, 2015

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, 2015

	RLF Reports	Adjustments	Financial
Total Assets	$ 2,410,395		$ 2,410,395
Total Liabilities and Fund Balance	$ 2,410,395		$ 2,410,395
Net Revenues (Expenditures)	$ 23,205		$ 23,205

CITY OF CALHOUN, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the City of Calhoun, Georgia were prepared in accordance with GAAP.

2. No significant deficiencies were disclosed during the audit of the financial statements.

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

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

5. The auditor's report on compliance for the major federal award program 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 2 CFR section 200.516(a).

7. The program tested as a major program is: Urban Development Action Grant (CFDA #14.221).

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

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

FINDINGS – FINANCIAL STATEMENTS AUDIT

None reported

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None reported

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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, 2015. 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, 2015, in conformity with accounting principles generally accepted in the United States of America.

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

R. M. Dobbs & Company

Calhoun, Georgia
December 31, 2015

CITY OF CALHOUN, GEORGIA
PROJECT COST SCHEDULE FOR PROJECTS CONSTRUCTED
WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
FROM INCEPTION THROUGH JUNE 30, 2015 (CUMULATIVE TOTAL)

		Board Approved Projects						
Project	Referendum Authorized Amounts	Original Estimated Cost	Additional Projects, Additions & Revisions	Revised Estimated Cost	Prior Years' Expenditures	Current Year	Cumulative Total	Estimated % of Compl. Referendum Auth. Amts.
2011 SPLOST								
Peters Street	$ 2,000,000	$ 2,000,000	$ -	$ 2,000,000	$ 469,192	$ 194,957	$ 664,149	33.2%
Public Safety - Police vehicle fleet	650,000	650,000	-	650,000	440,990	239,010	680,000	104.6%
Public Safety - Police & Fire communications upgrades	100,000	100,000	-	100,000	94,371	-	94,371	94.4%
Library upgrades	400,000	400,000	897,000	1,297,000	887,040	406,913	1,293,953	99.8%
Recreation Improvements	2,500,000	2,500,000	-	2,500,000	488,737	76,097	564,834	22.6%
Public Works	850,000	850,000	-	850,000	347,919	208,178	556,097	65.4%
Utility fleet and service equipment	700,000	700,000	-	700,000	-	238,001	238,001	34.0%
Utility system upgrades	2,421,049	2,421,049	-	2,421,049	-	-	-	0.0%
	$ 9,621,049	$ 9,621,049	$ 897,000	$ 10,518,049	$ 2,728,249	$ 1,363,156	$ 4,091,405	

Project	Referendum Authorized Amounts	Original Estimated Cost	Additional Projects, Additions & Revisions	Revised Estimated Cost	Prior Years' Expenditures	Current Year	Cumulative Total	Estimated % of Compl. Referendum Auth. Amts.
2005 SPLOST								
Water/Sewer System Improvements	$ 4,734,297	$ 4,734,297	$ -	$ 4,734,297	$ 4,336,055	$ -	$ 4,336,055	91.6%
Waste Treatment Plant Improvements	4,000,000	4,000,000	-	4,000,000	339,339	149,343	488,682	12.2%
4th Fire Station & Equipment	1,500,000	1,500,000	-	1,500,000	1,075,292	224,168	1,299,460	86.6%
Overage - Water & Sewer	-	-	298,891	298,891	298,891	-	298,891	100.0%
	$ 10,234,297	$ 10,234,297	$ 298,891	$ 10,533,188	$ 6,049,577	$ 373,511	$ 6,423,088	

Note - Transfers out of the 2011 SPLOST in the amount of $493,800 were comprised of repayments on a loan recorded in the Golf Enterprise fund in the amount of $17,720 which was recorded in Recreation above. $238,079 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. When the fleet was originally purchased, the capital outlay and an advance was recorded in the General fund. This advance is being repaid with SPLOST proceeds. Repayment will be complete in FY 2016. Transfers were also made out of the 2011 SPLOST for capital improvements in the Enterprise funds in the amount of $238,001. Reclassifications in the amount of $429,492 were made between Peters Street and Public Works Prior Years' Expenditures to correct balances posted to the incorrect line. Transfers were made out of the 2005 SPLOST for capital improvements in Enterprise funds in the amount of $149,343. The Library budget was amended to include additional state MMR funding and local funds provided by the Regional Library.

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, 2015

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.